Yapı Kredi 1Q09 Earnings Presentation

BRSA Consolidated

İstanbul, 13 May 2009

AGENDA

- **1Q09 Operating Environment**
- 1Q09 Results *(BRSA Consolidated)*
- Performance by Strategic Business Unit *(Bank-only)*
- Performance by Subsidiaries
- Current Trends and Expectations
- Annex

Negative impact of the global macroeconomic slowdown on Turkey strongly felt in 1Q09; despite significant asset quality deterioration, banking sector still resilient in terms of profitability, liquidity & capitalisation

		4Q08	1Q09
MACRO	GDP Growth (y/y)	-6.2%	-
	Industrial Production (y/y)	-12.5%	-22.0%
	Exports (y/y)	-13.3%	-26.0%
	Imports (y/y)	-20.6%	-41.8%
	Central Bank O/N (eop)	15.0%	10.5%
	Consumer Confidence Index	69.9	74.8
	Inflation (eop, y/y)	10.1%	7.9%
BANKING SECTOR	Loan Growth	2%	-1%
	Deposit Growth	8%	3%
	Loans/Deposits	82%	79%
	NPL Ratio	3.5%	4.1%
	Cost of Risk	2.5%	2.8%*
	Net Interest Margin (NIM)	4.6%	5.3%*
	Return on Average Equity	17.7%	22.5%*
	CAR (Deposit Banks)	16.5%	16.7%*

- **Sharp contraction in GDP** in 4Q08 also **continuing in 1Q09**
- **Significant contraction in industrial output** and **foreign trade**
- **Continued downward trend in inflation**, further encouraging the **CBRT to reduce rates aggressively in 1Q and so far in 2Q** (as of April, 450 bps cuts in policy rate to 9.75%)
- Towards the end of 1Q, **moderate increase in consumer confidence** driven by **government's tax incentives** and **relative stability in global markets**
- **Increased expectation of an IMF deal** uplifting market sentiment from end of 1Q onwards

- **Contraction in loans** due to **lack of demand** and **cautious stance of banks**
- **Mild growth in deposits** due to **TL depreciation** and **banks' continued efforts to ensure fx liquidity**
- **Decline in L/D ratio** as a function of contracting loan volumes and modestly increasing deposits
- **Accelerating asset quality deterioration, already visible in 4Q08,** resulting in further **increase in cost of risk**
- Nevertheless, **profitability and capitalisation maintained** thanks to **positive NIM evolution** driven by CBRT interest rate cuts

Note: Macro data as of March 2009.
Banking sector data based on BRSA weekly data as of 27 March 2009 unless otherwise stated
* As of February 2009
Annualised ROAE calculated based on the average of current period equity (excluding current period profit) and prior year equity. ROAE of 17.7% refers to full year 2008

Yapı Kredi At a Glance in 1Q09

- **Solid profitability maintained, despite increased cost of risk,** as a result of:
  - Strong revenue growth thanks to widening NIM and solid fee performance, despite stable business volumes, accompanied by tighter cost discipline and continued efficiency efforts
- **Strong performance of credit cards, private and corporate/commercial business units** more than compensating slower growth in retail banking
- **Loan growth slightly above sector in light of continuous support by Yapı Kredi of its customer base,** resulting in further reinforcement of customer relationships
- **17% ytd growth in assets under management;** No 2 position maintained with 18.6% market share
- **Continued asset quality deterioration** (that started in 4Q08 as a result of global economic crisis) mainly **driven by new NPLs in SME, credit cards and consumer loans**
- **Branch expansion plan,** on a temporary stand-by until macroeconomic conditions normalise, **continuing to bring results above expectations**
  - 4th largest branch network with 856 branches
- Further improvement in **Cost / Income ratio down to 39.9%** thanks to high revenues accompanied by tight cost and headcount management
- **Strong capital base, sound liquidity and comfortable funding position**
  - CAR at 14.60% at Consolidated level (16.13% at Bank level)
  - ~USD 410 mln one-year syndicated loan facility secured in Apr '09 (all-in cost Libor+2.5%)
  - Strong and stable deposit base (78% of TL deposits contributed by individuals)
  - Comfortable loans/deposits ratio
- **Sustained profitability from Yapı Kredi's subsidiaries despite adverse market conditions,** also thanks to tight cost discipline
- **The new organisational structure** launched in Feb '09 **already delivering positive results** in all business divisions

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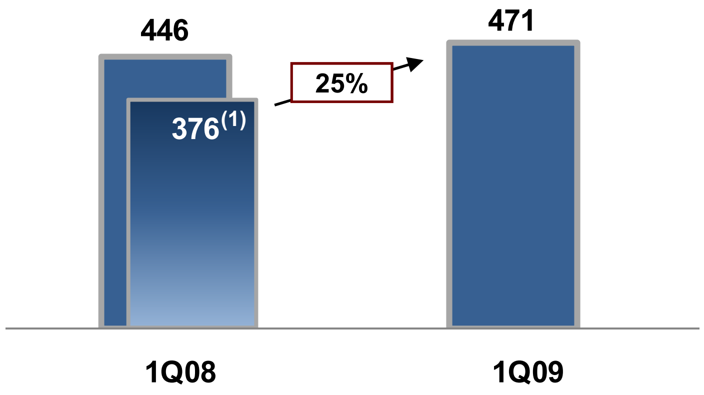
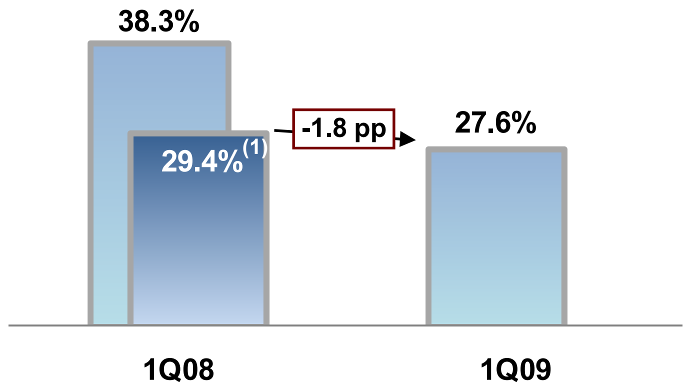
Key performance indicators

Net Income

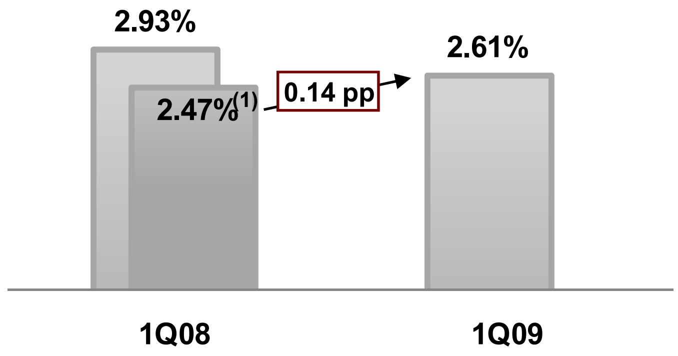
(mln TL)



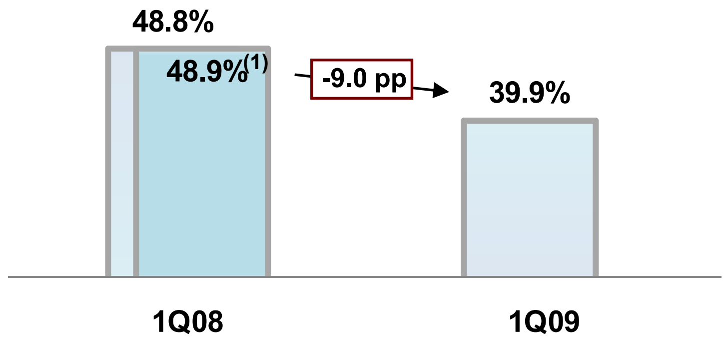
Return on Average Equity (ROAE)(*)



Return on Assets (ROA)(**)



Cost / Income



(*) Calculations based on the average of current period equity (excluding current period profit) and prior year equity. 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. In the case of ROAE, to ensure comparability with 2009, normalisation has been made to reflect the effect of capital increase (registered in 4Q08) on net income and equity

Net income up 6% y/y, 25% y/y if normalised, driven by strong revenue growth coupled with tight cost and headcount management despite increase in loan loss provisions

Income Statement, mln TL	1Q08	1Q09	YoY	YoYN[1]
Total Revenues	**1,295**	**1,491**	**15%**	**33%**
Net Interest Income	675	901	33%	33%
Non-Interest Income	620	590	-5%	31%
o/w Fees & Comms.	305	349	14%	14%
Operating Costs	**632**	**594**	**-6%**	**8%**
HR	241	258	7%	7%
Non-HR*	254	286	12%	12%
Other**	137	50	-63%	-9%
Operating Income	**663**	**897**	**35%**	**56%**
Provisions	88	283	222%	177%
Pre-tax income	**575**	**614**	**7%**	**30%**
Tax	129	143	11%	48%
Net Income	**446**	**471**	**6%**	**25%**

- **Revenues up** 15% y/y**, 33% if normalised**[1]
- **Revenue growth** driven by **33% y/y growth in net interest income** due to NIM widening (+70 bps) and **14% y/y growth in fees and commissions**
- **Operating costs** -6% y/y, **+8% y/y** (normalised to exclude one-off pension fund expense in 1Q08) thanks to **tight cost management measures** limiting cost impact of the branches opened in 2008. **HR costs up 7% y/y** and **non-HR costs up 12% y/y**
- **Operating income up** 35% y/y**, 56% if normalised**[1]
- **Cost of risk** at 2.66% (+150 bps vs 1Q08[1]) impacted by **deterioration in asset quality driving up provisions**
- **Effective tax rate** at **23%** impacted by increase in general provisions (not originating deferred tax assets as per BRSA)
- **Net income up** 6% y/y**, 25% if normalised**[1]

(1) 1Q08 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
(*) 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

Resilient balance sheet with strong capital base (Group CAR at 14.60%) and sound liquidity position (L/D ratio at 89%). Stable volumes driven by macroeconomic slowdown and subdued demand

1Q09 Results (BRSA Consolidated)

Balance Sheet, bln TL	1Q08	2008	1Q09	% YoY	%YTD
Total Assets	**61.0**	**70.9**	**72.1**	**18%**	**2%**
Loans	**31.9**	**38.9**	**39.2**	**23%**	**1%**
TL	20.8	24.8	23.5	13%	-5%
FC (in $)	8.9	9.6	9.6	7%	0%
Securities	**14.7**	**15.4**	**16.0**	**9%**	**4%**
Deposits	**36.2**	**44.0**	**43.9**	**22%**	**0%**
TL	19.7	24.8	22.1	12%	-11%
FC (in $)	13.3	13.1	13.3	0%	2%
Shareholders' Equity	**5.1**	**6.9**	**7.3**	**43%**	**7%**
AUM	**6.6**	**6.2**	**7.3**	**10%**	**17%**

Ratios	1Q08	2008	1Q09	∆ YoY *(pp)*	∆ YTD *(pp)*
Loans/Assets	52.4%	54.9%	54.4%	2.0	(0.5)
Securities /Assets	24.1%	21.7%	22.1%	(2.0)	0.4
Loans/Deposits	88.3%	88.4%	89.3%	1.0	0.9
Borrowings/Liabilities	17.2%	14.8%	15.5%	(1.8)	0.6
Consolidated CAR*	12.70%	14.24%	14.60%	1.9	0.4
Bank-only CAR*	14.61%	15.74%	16.13%	1.5	0.4

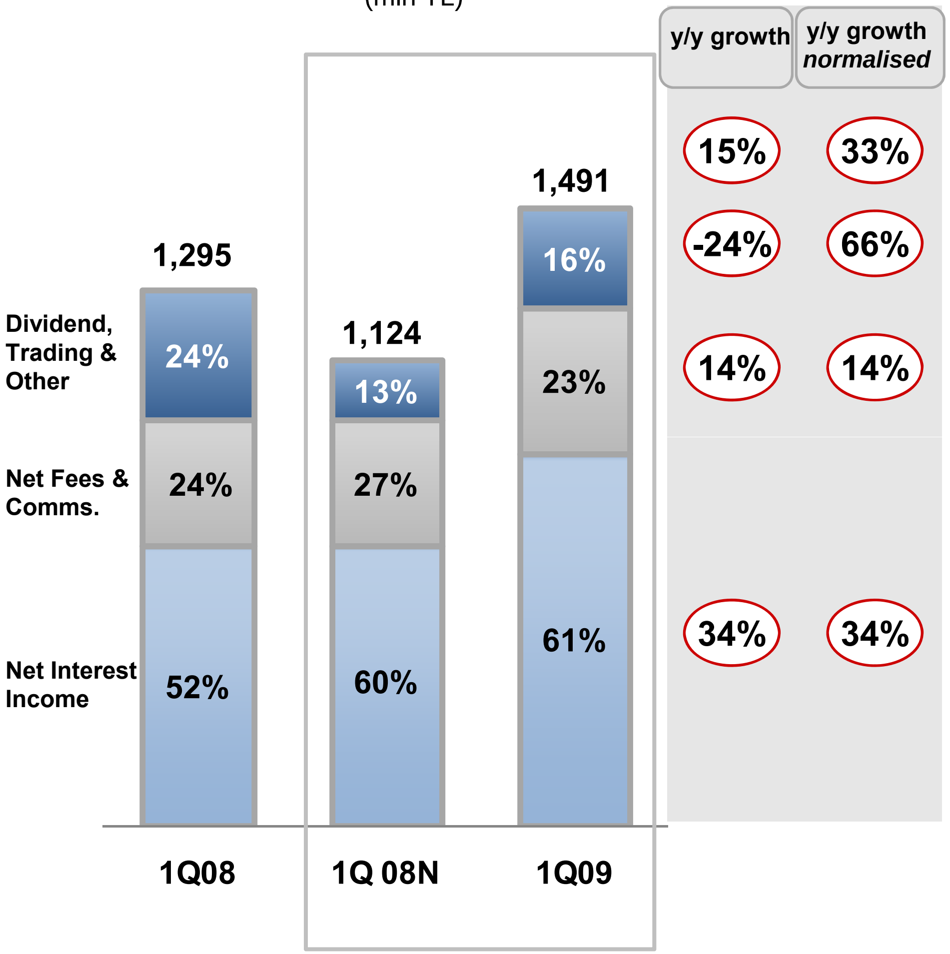
- **Loans growing slightly above sector** (1% ytd) as a result of continued focus on lending activity **to support Yapı Kredi customer base.** In 1Q09, **FC loans** in USD terms **stable**; **5% contraction in TL loans** due to low consumer activity
- **Flat deposit volumes,** driven by TL depreciation. In 1Q09, **11% decrease in TL deposits** driven by **lower liquidity pressure** and **conversion to AUM** and **FC deposits**; **2% growth in FC deposits** in USD terms
- **Strong AUM growth of 17% ytd**
- **Loans/deposits ratio comfortable at 89%** (88% at YE08)
- **Asset mix maintained with Loans/Assets at 54.4%**. Moderate increase in weight of securities driven by FX effect
- **Wholesale Borrowings /Liabilities at a comfortable 15.5%**
- **Improvement in CAR to 14.60% at Group level** and **16.13% at Bank level**

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

Strong growth in revenues benefitting from net interest income performance accompanied by solid fee growth

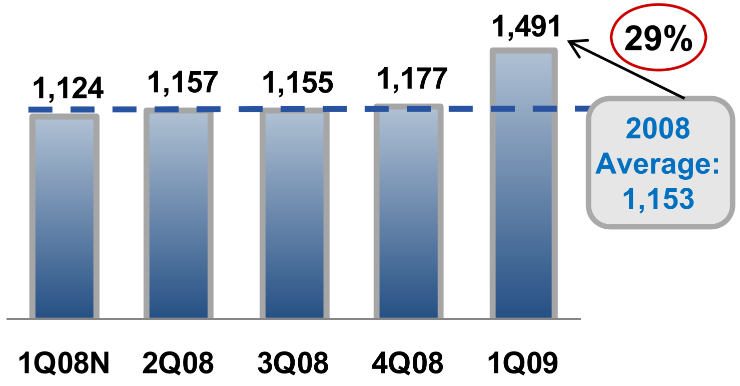
Total Revenues

(mln TL)



Quarterly Revenues

(mln TL)



- **Total revenues up 15% y/y, 33% if normalised(1),** driven by **favorable interest rate environment.** Despite **stable volumes, quarterly revenues at 1.5 bln TL, (29% higher than 2008 average)**
- **Share of net interest income in total revenues at 61%** (vs 60% in 1Q08N) driven by **34% growth in net interest margin**
- **14% y/y growth in fees and commissions,** driven by **upward repricing since 2Q08,** despite slowdown in lending volume in 1Q09 (especially in retail lending)
- **Share of other income** (dividend, trading and other) **in total revenues increased to 16%** also driven by **higher net trading income**

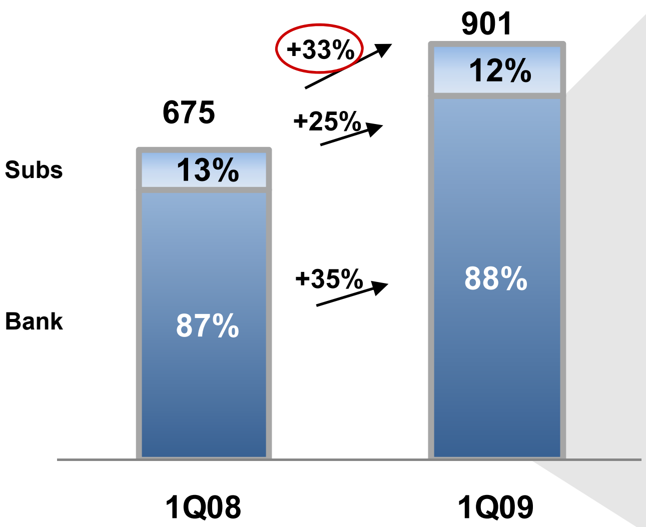
N= Normalised to exclude the one-off effects on revenues of general provision release in 1Q08

Significant expansion in net interest margin thanks to aggressive rate cuts by CBRT leading to sharp decline in cost of deposits

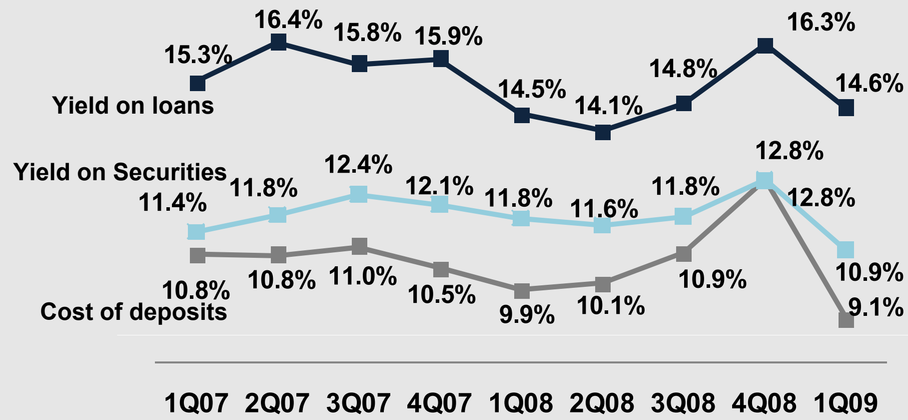
1Q09 Results (BRSA Consolidated)

Net Interest Income

(mln TL)

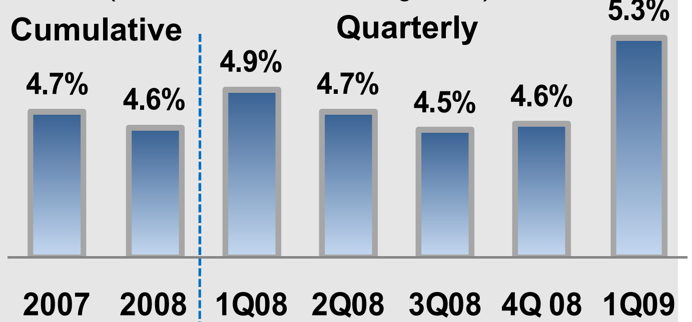


BANK: Spread Analysis[(1)]



BANK: NIM[(1)]

(Net interest income / Avg. IEAs)



	2007	2008	1Q08	2Q08	3Q08	4Q 08	1Q09
Benchmark Bond Rate (avg)	18.3%	19.4%	17.0%	19.9%	19.7%	21.0%	14.0%

- **Net interest income** grew by **33% y/y** at Group level, driven by **35% y/y growth at Bank level** and **25% y/y growth at Subs**
- **Bank quarterly NIM up at 5.3%** (+70 bps expansion vs 4Q08), thanks to **sharp decline in cost of deposits**
- **Decline in yield on loans and securities at a much softer pace** due to **maturity mismatch**

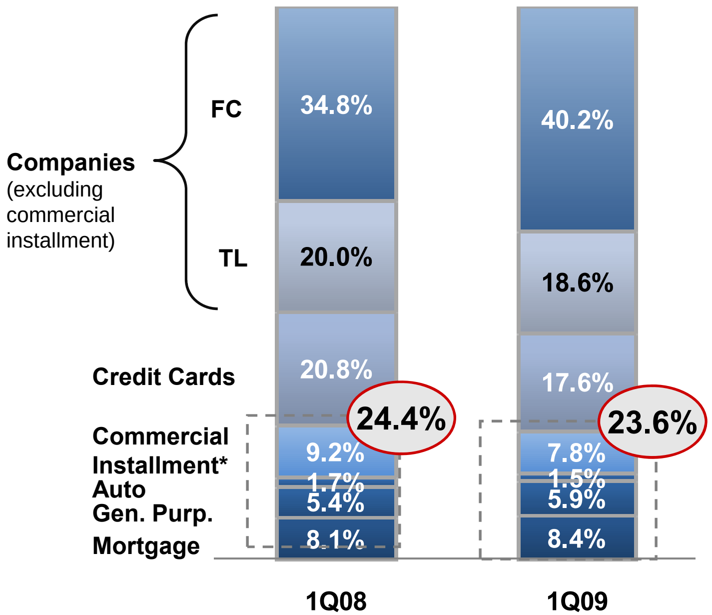
(1) All calculations based on average volumes

Continued focus on lending activity to support Yapı Kredi customer base, especially in corporate/commercial banking

1Q09 Loan Growth vs Sector

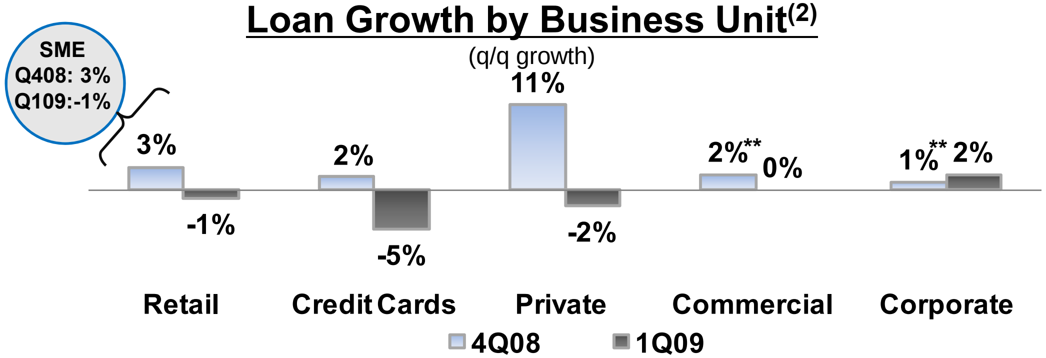
	Y/Y YKB	Y/Y Sector(4)	1Q09 vs 4Q08 YKB	1Q09 vs 4Q08 Sector(4)
Total Loans	**23%**	**16%**	**1%**	**-1%**
TL Loans	13%	11%	-5%	-2%
FC Loans ($)	7%	-1%	0%	-4%
Consumer Loans	**28%**	**13%**	**0%**	**-1%**
Housing Loans	29%	10%	4%	-1%
Auto Loans	5%	11%	-7%	-10%
General Purpose	33%	21%	-4%	0%
Credit Cards	**4%**	**18%**	**-7%**	**-4%**
Companies	**28%**	**17%**	**3%**	**0%**
Comm. Installment*	4%	3%	-4%	-4%

Composition of Total Loans(1)



Loan Growth by Business Unit(2)

(q/q growth)



- **Share of companies in total loans increasing** due to **continued lending to support Yapı Kredi clients** with **sustainable businesses**
- **Stable/declining retail loan volumes** due to **decreased demand** and **increased focus on risk management,** especially in **credit cards**
- **Increase of FC loans** also driven by **FX effect (TL depreciation)**

(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 Strategic Business Units
(3) Sector data based on weekly BRSA unconsolidated figures
(*) Proxy for SME loans as per BRSA reporting
(**) Excluding the effect of TL depreciation

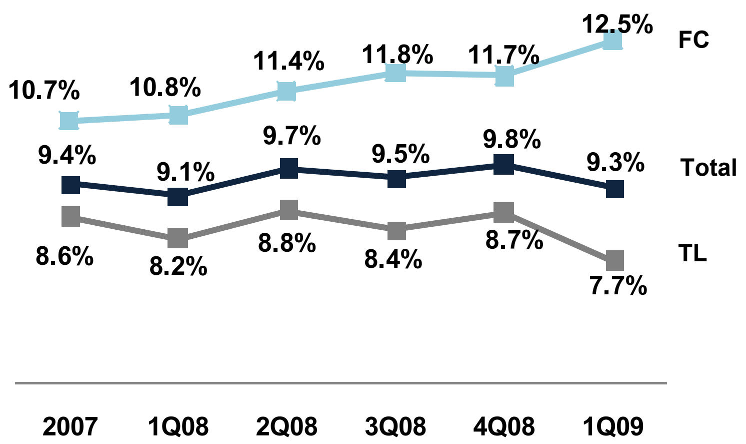
Stable deposit volumes vs 2008 year-end, also on the back of lower liquidity pressure

1Q09 Results (BRSA Consolidated)

1Q09 Deposit Growth vs Sector

	Y/Y		1Q09 vs 4Q08	
	YKB	Sector(1)	YKB	Sector(1)
Total Deposits	22%	21%	0%	3%
TL Deposits	12%	20%	-11%	1%
FC Deposits ($)	0%	-5%	2%	-2%
	2008		1Q09	
Demand/Total Deposits	14%	13%	15%	14%

BANK: Deposit Market Shares

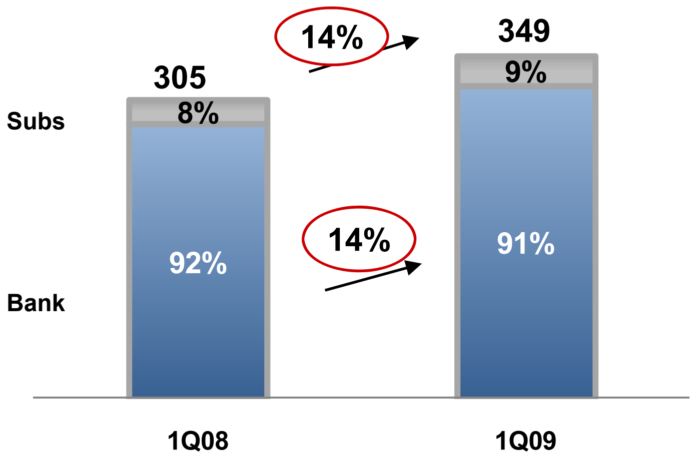


- **Stable deposit volumes vs YE08;** also supported by TL devaluation
- **11% decline in TL deposits in 1Q09** driven by **(1) release of higher cost TL deposits** on the back of **lower liquidity pressure, (2) conversion from TL deposits partially to AUM** and **partially to FC deposits by corporate customers**
- **Weight of demand deposits** over total **at 15% (vs.14% at sector level,** and **vs. 14% at YE08)**

(1) Sector data based on weekly BRSA unconsolidated figures

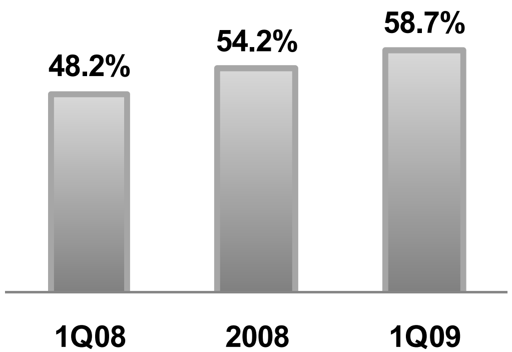
Solid performance in fees and commissions

Net Fees & Commissions
(mln TL)

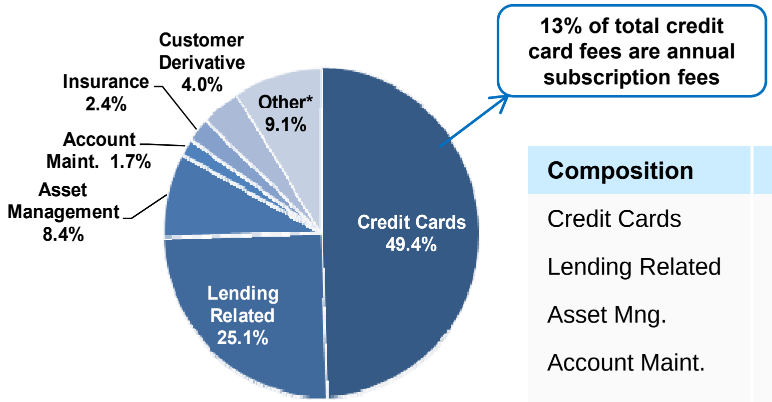


- **Fees up 14% y/y at Group level**
- **Fees up at 14% y/y** at **Bank level,** driven by **upward repricing since 2Q08 especially in retail lending**, despite slowdown in volumes in 1Q09
- **Continuing improvement in coverage of total costs by net fees and commissions** (+4.5 pps vs 2008)

Fees & Commissions / Total Costs



BANK: Composition of Fees & Commission Received (1Q09)

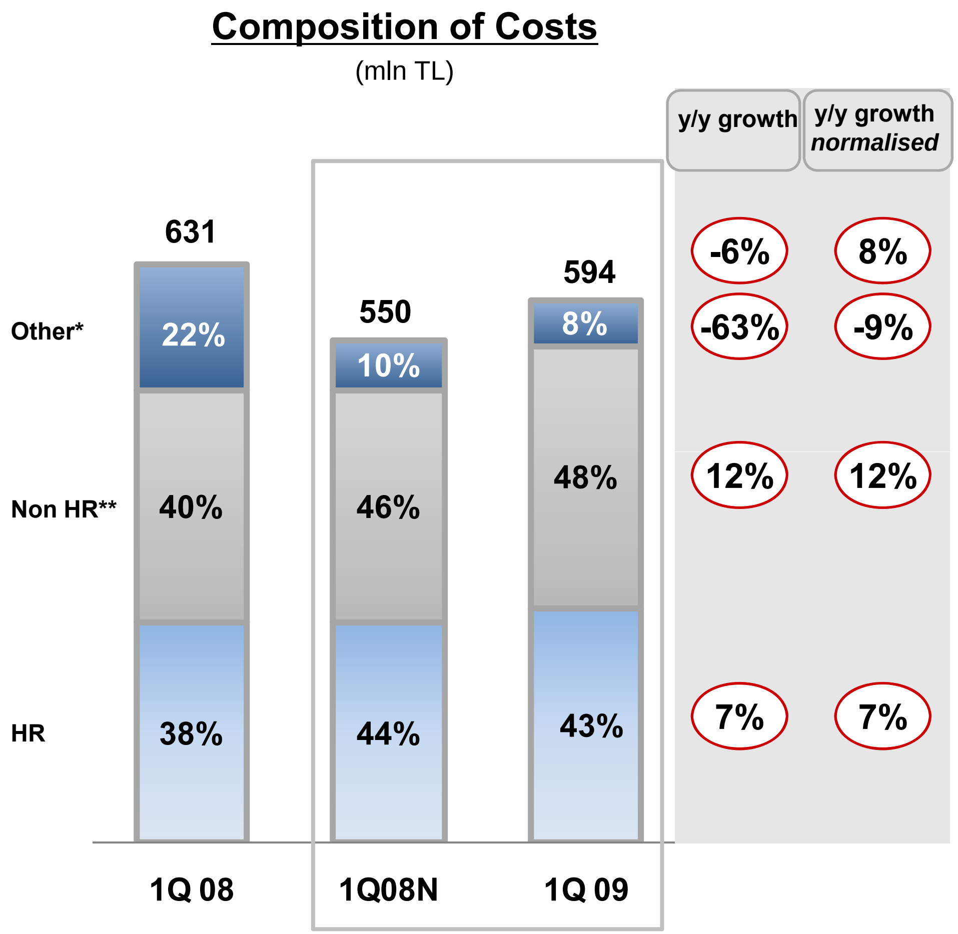


Composition	1Q08
Credit Cards	49.9%
Lending Related	23.9%
Asset Mng.	9.4%
Account Maint.	1.4%
Insurance	1.8%
Cust. Derivat.	3.7%
Other*	9.9%

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

Limited cost growth as a result of tight cost containment and accelerated efficiency efforts

1Q09 Results (BRSA Consolidated)

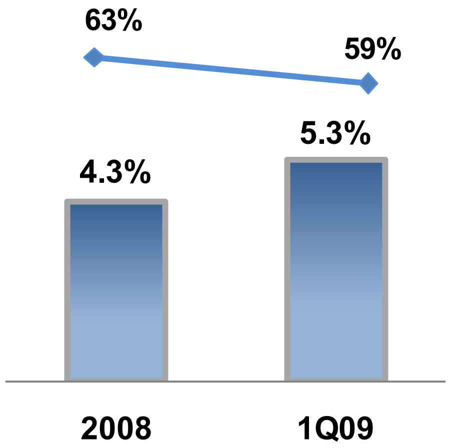


- **Total costs, -6% y/y** due to **limited growth in core cost basis** and **one-off effect of pension fund provision** in 1Q08
- **Total costs +8% y/y** if **normalised**(1) **to exclude one-off effect of pension fund provision** in 1Q08 thanks to **tight cost management measures limiting cost impact of the branches opened in 2008**
- **Cost growth** driven by **12% y/y increase in non-HR costs** and **limited by 7% y/y increase in HR costs**
- **Other costs down 63% y/y**, -9% if normalised(1), driven by **tight management of World loyalty point expenses** and lower **pension fund provision**
- **Bank headcount at 14,805, +13%** vs **the beginning of the branch expansion plan** (July 2007) despite **216 new branch openings during the same period.** Headcount stable vs YE08

(*) 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
(2) Including consolidation adjustments

Asset quality deterioration continuing in 1Q09; mitigating measures put in place to control pace of increase as well as to support customers in temporary difficulty

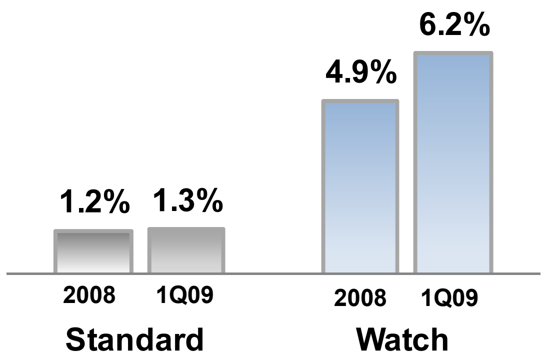
NPL Ratio and Specific Coverage



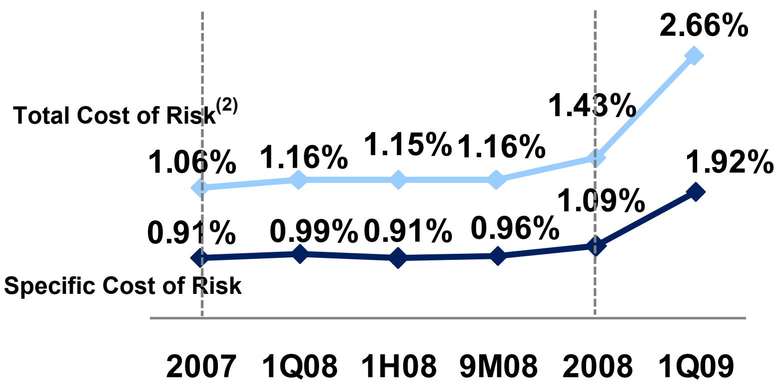
NPL ratio by Segment

	2008	1Q09
Consumer loans[4]	4.3%	6.2%
Credit Cards	6.3%	9.0%
SME[3]	6.8%	9.0%
Corp & Commercial	2.5%	2.6%

General Provisioning



Cost of Risk[1]



- **NPL ratio increasing to 5.3%** (vs 4.3% at YE08) driven by **new NPLs in SME, credit cards and consumer loans. No signs of deterioration** in **corporate and commercial segment**
- **Specific coverage at 59%** (vs 63% at YE08) impacted by **ageing effect of new NPL inflows**
- **Total cost of risk at 2.66%** (+123 bps vs YE08); **specific cost of risk at 1.92%** (+83 bps vs YE08)
- **Priority actions/crash programs launched in monitoring and collections** also following **introduction of new governance** and **organisation of credit function**
- **Launch of restructuring program** for selected **SME, credit cards** and **commercial loans** starting from April 2009 **also to support customers in temporary difficulty**

(1) Cost of risk = total loan loss provisions / total gross loans
(2) In 2008, adjusted to exclude the one-off effect of general provision release in 1Q
(3) Companies with turnover less than 5 mln USD
(4) Including cross default. If excluding, 1Q09: 3.7%

Branch expansion plan, on a temporary stand-by until macroeconomic conditions normalise, continues to bring results above expectations

YKB's Branch Network[1]

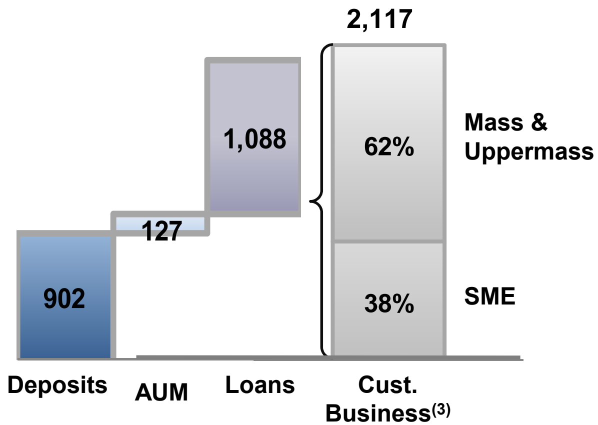
2008	1Q09
861 branches	856 branches

Realisations vs Plan[2]

Revenues	5% above plan
Customer Business[3]:	17% above plan
Costs	10% below plan

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

(mln TL)



- 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 market conditions normalise
- **Relaunching branch expansion plan to be considered in 4Q09** upon the first positive signs of **macroeconomic recovery**
- **Contribution to customer business of branches** opened within the scope of the branch network expansion plan **increased to 2.1 bln TL** (63% increase ytd in 1Q09)
- **Despite the macroeconomic conditions, new branches** are **above budget** in terms **of revenues** and **customer business,** and **below budget in terms of costs**
- **Fourth largest branch network** with **856**[1] **branches** (including net closure of 5 overlapping branches) and **9.7% market share covering 70 cities**
- **57% of the branch network is located in top 4 cities while 43% is in mid/small cities**

(1) Including one off-shore branch
(2) As of March 2009
(3) Customer business: loans + deposits + AUM

AGENDA

Strong performance of credit cards, private and corporate/commercial banking more than compensating slower growth in retail banking

Performance by SBU

Weight in Bank: Revenues	Weight in Bank: Customer Business**		Revenues (mln TL)	YoY (1Q09 – 1Q08)	vs. Budget	Drivers of revenue growth
29%	36%	Retail	351	27%	-	■ **Revenues up 27% y/y** but below budget due to **sluggish activity on consumer lending** ■ **SME revenues in line/above expectation (+41% y/y)**
23%	8%	Credit Cards*	275	29%	+	■ **Higher revolving ratio, profitability focus** and **significant decrease in cost of funding** sustaining **29% y/y growth of revenues**
3%	15%	Private	41	38%	+	■ **Growth in customer business**, positively impacted by **structured products** ■ **Leverage on dedicated segment focus** ■ **38% y/y revenue growth**
5%	20%	Corporate	64	35%	+	■ **Selective volume growth** to **support existing core clients** ■ **Disciplined pricing approach** to **improve risk adjusted return on capital**, resulting in **35% y/y revenue growth**
18%	21%	Commercial	216	43%	+	■ **Volume growth** on selected **quality/lower risk core clients** ■ **Focus on revenue oriented initiatives** to **maintain adequate risk/return profile** resulting in **43% y/y revenue growth**

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

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- Annex

Sustained profitability from subsidiaries despite adverse market conditions, also thanks to tight cost discipline

		Revenues (mln TL)	Revenue (y/y growth)	ROE	Key Highlights
Core Product Factories	YK Leasing	51	11%	14%	▪ Despite sector slowdown, **revenues still growing above 10%** but profitability negatively impacted by **asset quality deterioration** ▪ **#4 in the sector with 10.5% market share**
	YK Factoring	16	68%	48%	▪ **Outstanding growth** supported by **both domestic** and **international business, customer acquisition** and **favorable interest rate environment** ▪ **#2 in the sector with 19.7% market share**
	YK Yatırım	52*	7%	103%	▪ **Strong performance in equity trading** and **option DCD business** despite **adverse market conditions** leading to **increased profitability** and **market shares** ▪ **#1 in the sector** in terms of **total ISE transaction volume**
	YK Portföy	19	3%	154%	▪ **Sustained profitability supported by increase in AUM volumes** impacting **revenue growth** ▪ **# 2 in the sector in mutual funds with 18.6% market share**
Insurance Subs	YK Sigorta	29**	-4%	15%	▪ **Difficult first quarter for the sector in both health and non-health branches** ▪ **Selective approach maintained to protect profitability** ▪ **Stronger cooperation with Yapı Kredi's branch network** ▪ **#2 in the health insurance market with 15.2% market share**
	YK Emeklilik	24	25%	25%	▪ **Continuous** and **strong growth in life insurance** ▪ **#5 in the life insurance sector with 5.1% market share** ▪ **#3 in the sector** with **private pension market share of 14.8%** ▪ **Stronger cooperation** with **YKB's branch network**
International Subs	YK Azerbaijan	5	50%	14%	▪ **Strong performance** on the back of **organic growth efforts** and **providing support to Turkish YKB customers in the country**
	YK Moscow	8	39%	8%	▪ **Performance** mainly driven by **business generated by Turkish Yapı Kredi customers** ▪ **Asset quality concerns limiting profitability in YK Moscow**
	YK NV	14	18%	9%	

* Including dividend income from YK Portföy
** Including dividend income from YK Emeklilik
Note: YKB bank-format financials have been used for publicly traded subsidiaries instead of their announced financials for consistency purposes
Following the launch of the new organisational structure in February 2009, management changes took place in the following subsidiaries: YK Leasing, YK Factoring, YK Portföy, YK Sigorta, YK Emeklilik

AGENDA

- 1Q09 Operating Environment
- 1Q09 Results *(BRSA Consolidated)*
- Performance by Strategic Business Unit *(Bank-only)*
- Performance by Subsidiaries
- **Current Trends and Expectations**
- Annex

Current Trends and Expectations

Macro & Banking Sector

- General economic situation remains difficult. After some pick up of activity driven by tax incentives, slowdown continues despite increasing optimism in the market. Recession likely to continue throughout '09; positive signals of macroeconomic recovery expected in 4Q
- Lower than anticipated inflation likely to trigger further interest rate cuts by CBRT
- Volumes flat/contracting so far; growth expected to pick up from 2H onwards
- Deterioration in asset quality likely to continue, incorporating full impact of recession
- Favourable net interest margin evolution so far, yet trend not fully sustainable, given low business activity and competitive pressure

Yapı Kredi Forecast*

	2009
GDP growth:	-3.2%
O/N rate (end-year):	8.5%
Sector loan growth:	7%
Sector deposit growth:	8%
Sector NPL ratio:	5.7%
Sector cost of risk:	2.9%

Yapı Kredi Actions/Objectives

Continue to Focus on Long-Term Actions to Achieve Sustainable Growth

Funding/Liquidity
- Continous emphasis on liquidity with increased focus on cost of funding

Capital
- Strong capital position allowing Yapı Kredi to fully absorb potential impact of current market volatility

Profitability
- Target to maintain profitability at levels comparable to 2008
- Maintain high discipline on pricing so as to keep cost of funding at optimal level
- Leverage on new governance of subsidiaries to further develop cooperation between network and product factories

Asset Quality
- Leverage on new governance and organisation of credit function to further improve credit management
- Launch of restructuring program for selected SME, credit cards and commercial loans starting from April 2009 to support customers in temporary diffuculty

Efficiency
- Implementation of further actions to manage at best cost base
- Take advantage of current market environment to improve efficiency/productivity so as to allow further investments on growth when the market recovers
- Ongoing headcount freeze, disciplined headcount management

Commercial Business
- Sustain customer base with adequate credit liquidity to further reinforce customer relationships
- Maintain adequate risk/revenue profile
- Leverage on new organisation to further improve commercial productivity

* Yapı Kredi Forecasts as of 12 May 2009

AGENDA

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

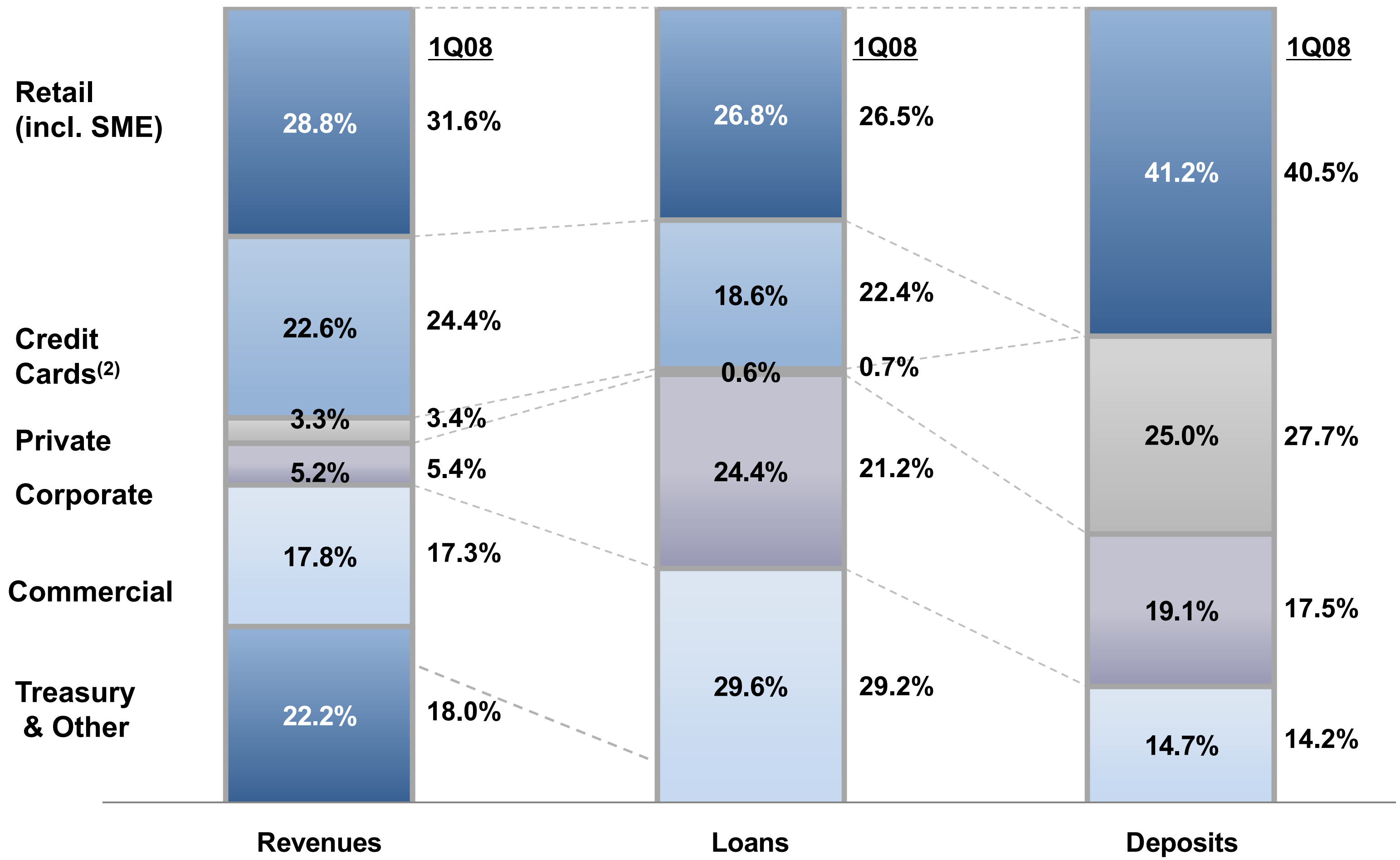
Definitions of Strategic Business Units

- **Retail:**
  - **SME**: Companies with turnover less than 5 mln USD
  - **Affluent**: Individuals with assets less than 250K TL
  - **Mass**: Individuals with assets less than 10K TL
- **Commercial:** Companies with annual turnover between 5-100 mln USD
- **Corporate:** Companies with annual turnover above 100 mln USD
- **Private:** Individuals with assets above 250K TL

Revision to segmentation criteria on 1 Jan 2009 in the context of service model fine-tuning resulted in changes in the definitions of business Units

Diversified revenue mix with retail focused loan and deposit portfolio

Revenues & Volumes by Business Unit[1] 1Q09 (Bank-only)



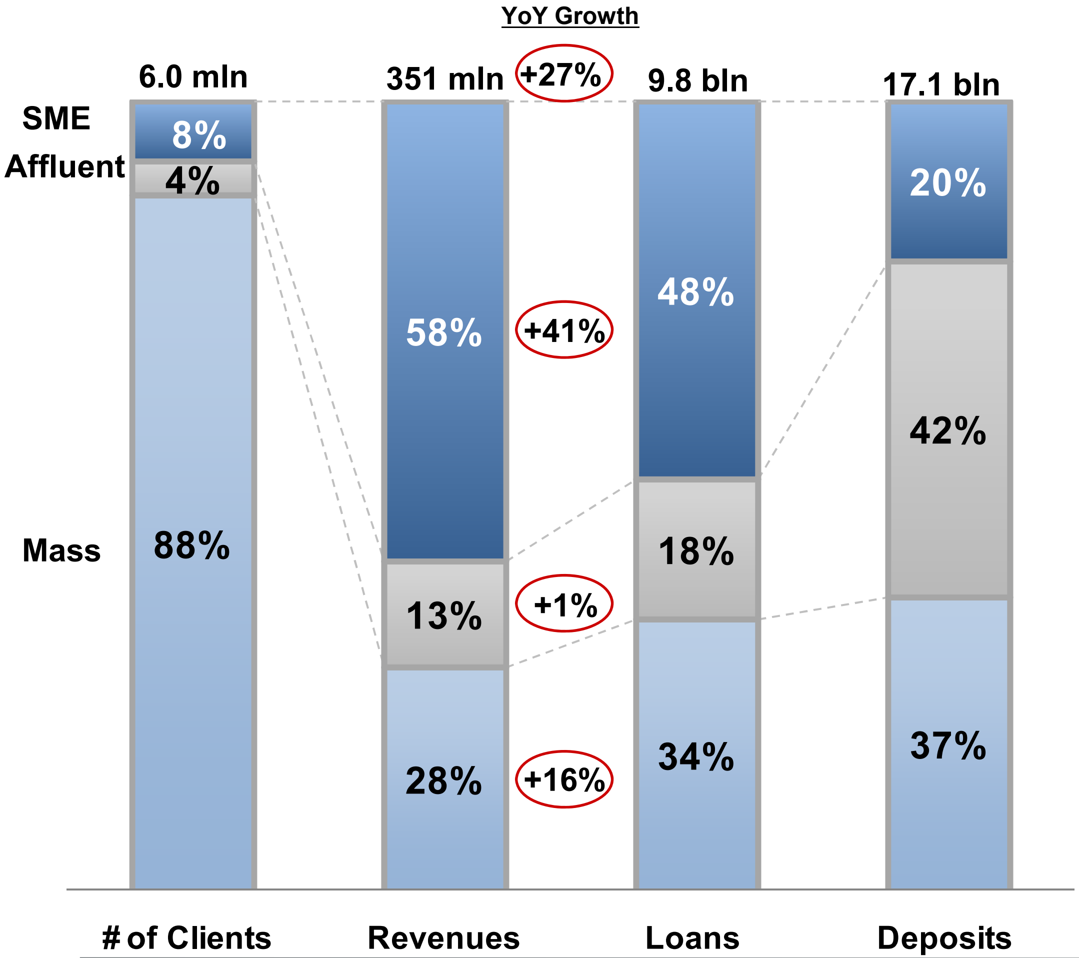
(1) Please refer to Annex for definitions of Business Units
(2) Net of loyalty point expenses on World card

Note: Loan and deposit allocations based on monthly averages (source: MIS data)

58% of retail banking revenues generated by SME business, constituting 8% of total retail clients

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

(TL, 1Q09)



- **~466K active SME clients** generating **58% of total Retail revenues**
- **8% of total retail clients are SMEs generating 48% of loans and 20% of deposits**
- **Highest rate of revenue growth** on an annual basis driven **by SME segment (+41% y/y)**
- **Mass sub-segment** generating **28% of total Retail revenues with ~5.3 mln clients**
- **Mass sub-segment revenues growing** at **16% y/y**
- **Affluent sub-segment** generates **13% of total Retail revenues**

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

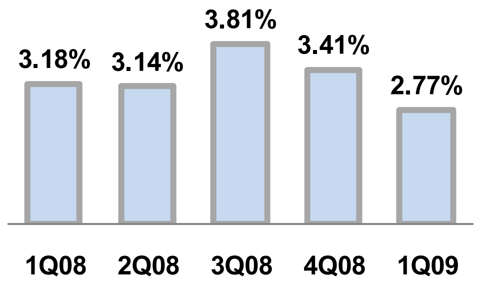
Retail (Mass & Affluent)

Retail (mass & affluent) banking revenues up 11% y/y impacted by sluggish demand on consumer lending

Performance by SBU

Mln TL	1Q09	YoY	YTD
Revenues	146	11%	-
Loans	5,118	34%	-1%
Deposits	13,608	27%	4%
AUM	2,610	1%	11%
% of Demand in Retail Deposits	12.7%	-2.1 pp	-0.4 pp
TL % in Retail Deposits	73.2%	4.3 pp	-0.2 pp
% of TL in Retail Loans	100.0%	0.0 pp	0.0 pp

Revenues/ (Customer Business[(1)])



- **Retail (mass & affluent) banking revenues performing well but much less than expectations** impacted by **contraction in consumer lending** and **subdued fee and commission growth** not compensated by lower cost of funding
- **Contraction in lending (-1% ytd)** due to sluggish demand on consumer lending driven by low visibility and uncertainty
- **Strong emphasis on improving customer satisfaction**
- **Consumer loan NPL ratio at 6.2%**[(2)]**. Increased focus on asset quality** and **credit risk management in view of continuing deterioration**
- **Initial positive results already visible in new ehanced service model** for **affluent segment** launched in early 2009
- **Launch of a partnership with Cardif** in April for **distribution of unemployment coverage** bundled with consumer loans, credit cards and income protection

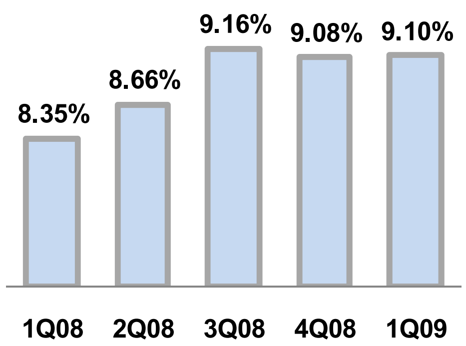
Note: Volumes (loans, deposits and AUM) based on monthly averages except for revenues/loans ratio which is based on 3-month average. MIS data
(1) Customer business: Loans + Deposits + AUM
(2) Including cross default. If excluding, 1Q09: 3.7%

Retail (SME)

SME banking generating high revenue growth (+41% y/y); more selective lending and better monitoring/collections so as to control asset quality deterioration

Mln TL	1Q09	YoY	YTD
Revenues	204	41%	-
Loans	4,721	21%	-1%
Deposits	3,471	31%	-5%
AUM	558	-1%	7%
% of Demand in SME Deposits	30.9%	-5.3 pp	1.4 pp
TL % in SME Deposits	68.7%	2.3 pp	-4.9 pp
% of TL in SME Loans	97.1%	-1.2 pp	-0.6 pp

Revenues/ (Customer Business[1])



- **SME revenues continue to perform well (+41% y/y)** as a result of **actions taken to ensure adequate risk-return profile**
- **Contraction in SME lending (-1%ytd)** driven by **more selective approach** and **sluggish business activity**
- **SME NPL ratio at 9.0%. Increased focus on asset quality** and **credit risk management continued market deterioration** that started in 2H08:
  - **limitations on branch manager authority**
  - **reinforcement** of **monitoring**, **work-out** and **collections** activities
  - **SME scorecard to roll out in May**

Note: Volumes (loans, deposits and AUM) based on monthly averages except for revenues/loans ratio which is based on 3-month average. MIS data
(1) Customer business: Loans + Deposits + AUM

Strong credit card revenue growth as a result of higher revolving ratio, profitability focus and significant decrease in cost of funding

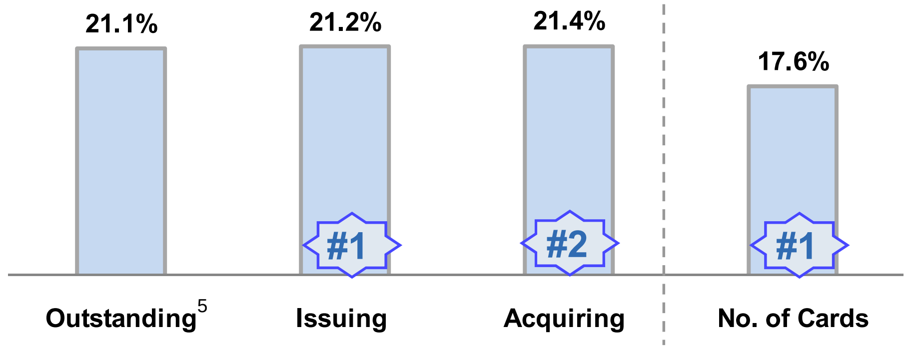
Mln TL	1Q08	1Q09	YoY	YTD
Revenues	246	297	21%	-
Net Revenues[(1)] (mln TL)	213	275	29%	-
# of Credit Cards[(2)] (mln)	6.9	7.7	11%	-1%
# of merchants (ths)	215	261	21%	1%
# of POS (ths)	259	316	22%	1%
Revolving Ratio[(3)]	27.3%	30.7%	337 bps	388 bps
Activation	86.1%	84.3%	-180 bps	80 bps

Credit Card Volumes & Market Shares[(4)]

Volumes (bln TL):

Outstanding	Issuing	Acquiring
6.7	9.8	9.8

Market Shares:



- **~235 ths new World cards** issued in 1Q09
- **Credit card net revenues[(1)] up 29% y/y** due to **higher revolving ratio, profitability focus** and **significant decrease in cost of funding**
- **Continued focus** on **review of installment** and **loyalty points expenses**
- Credit Card NPL ratio at 9.0% **Increased asset quality concerns** determined **suspension of Direct Sales Force expansion** in Sep 08 and **transfer of 85 DSF employees to collections**
- Received **"Best of the Best in Europe in 2009"** award **by Visa Europe**

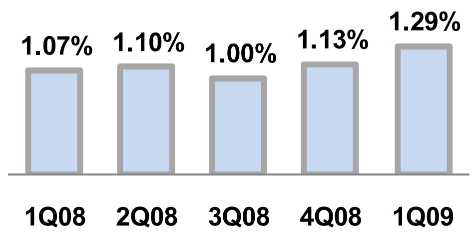
(1) Net of loyalty point expenses on World card
(2) Including virtual cards (1Q09 :1.5 mln, 1Q08: 1.2 mln)
(3) Excluding NPL
(4) Market shares and volumes based on bank-only 12-month cumulative figures
(5) Based on personal credit card outstanding volume. Total credit card outstanding volume (also including corporate cards): 20.7%

Private

Private banking revenues up 38% y/y, positively impacted by the take off in AUM volumes driven by lower interest rate environment

Mln TL	1Q09	YoY	YTD
Revenues	41	38%	-
Loans	230	17%	-2%
Deposits	10,367	14%	-9%
AUM	2,167	12%	35%
% of Demand in Priv. Deps.	5.2%	0.7 pp	1.9 pp
TL % in Private Deposits	53.5%	1.7 pp	-5.8 pp
% of TL in Private Loans	100.0%	0.0 pp	0.2 pp

Revenues/ (Customer Business[1])



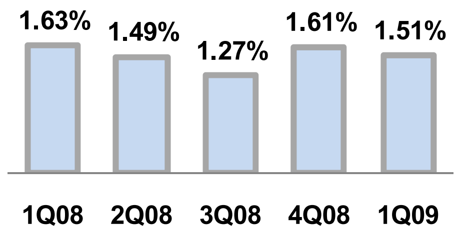
- **Private banking revenues up 38% y/y** positively impacted by **the pick up in AUM volumes (+35% ytd), reversing the contraction trend in 2008**
- **Private banking significantly contributing to Bank's total asset gathering growth through new tailor-made product offerings (structured products and options), leveraging on dedicated segment focus**
- **9% ytd contraction in deposits** due to **lower interest rate environment.** Nevertheless, **private banking deposits** contribute **25% of Bank's total deposits**
- Continued focus on **leveraging on product factories** in **distribution of asset management** and **brokerage products**
- **Initial positive results already visible in new ehanced service model** for **private segment** launched in early 2009

Note: Volumes (loans, deposits and AUM) based on monthly averages except for revenues/loans ratio which is based on 3-month average. MIS data
(1) Customer business: Loans + Deposits + AUM

Continued focus on corporate lending activity so as to support Yapı Kredi customer base and reinforce relationships

Mln TL	1Q09	YoY	YTD
Revenues	64	35%	-
Loans	8,968	46%	2%
Deposits	7,929	38%	-10%
AUM	118	-32%	11%
% of Demand in C. Deposits	6.7%	-3.8 pp	0.7 pp
TL % in Corp. Deposits	28.2%	-22.4 pp	-10.3 pp
% of TL in Corp Loans	13.1%	-3.0 pp	-5.3 pp

Revenues/ (Loans + Deposits)



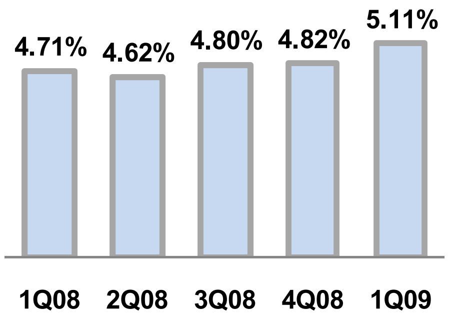
- **Corporate banking revenues up 35% y/y** driven by continued **focus on lending activity** on selective basis
- **Selective volume growth (2% ytd)** to **support existing core clients in temporary difficulty** and **reinforce relationships**
- **Disciplined pricing approach** to **improve risk adjusted return on capital**
- **Maintained focus on cash management products** and **high margin areas including trade finance, project finance** and **acquisition finance;** leverage on **leasing and factoring products**
- **Relatively sound asset quality (Corporate/Commercial NPL ratio at 2.6%)** with focus on **reviewing portfolios to manage exposures at risk** through **strenghtened collateral or eventually exits/restructuring**
- **New organisation already delivering positive results** in terms of **cooperation with product factories (leasing and factoring)**

Note: Volumes (loans, deposits and AUM) based on monthly averages except for revenues/loans ratio which is based on 3-month average. MIS data

Continued selective commercial lending activity so as to support Yapı Kredi customer base and reinforce relationships

Mln TL	1Q09	YoY	YTD
Revenues	216	43%	-
Loans	10,871	28%	0%
Deposits	6,116	31%	-1%
AUM	334	30%	50%
% of Demand in Com. Deposits	26.4%	-2.9 pp	0.0 pp
TL % in Comm. Deposits	42.4%	-6.0 pp	-4.8 pp
% of TL in Com. Loans	41.5%	-10.1 pp	-4.9 pp

Revenues/ (Loans + Deposits)



- **Commercial banking revenues up 43% y/y** driven by **volume growth on selected quality/lower risk core clients**
- **Strong emphasis** on **supporting existing core clients** while **selective acquisition of new clients** in **underpenetrated areas** with **sound risk approach**
- **Focus on revenue oriented initiatives** to **maintain adequate risk/return profile**
- Expanding **product specialist approach** (including **cash management products, trade finance** and **TMU)** to **increase penetration** and **revenues;** leverage on **leasing** and **factoring products**
- **Relatively sound asset quality (Corporate/Commercial NPL ratio at 2.6%)** with focus on **reviewing portfolios to manage exposures at risk through strenghtened collateral or eventually exits/restructuring**
- **New organisation already delivering positive results** in terms of **cooperation with product factories (leasing and factoring)**

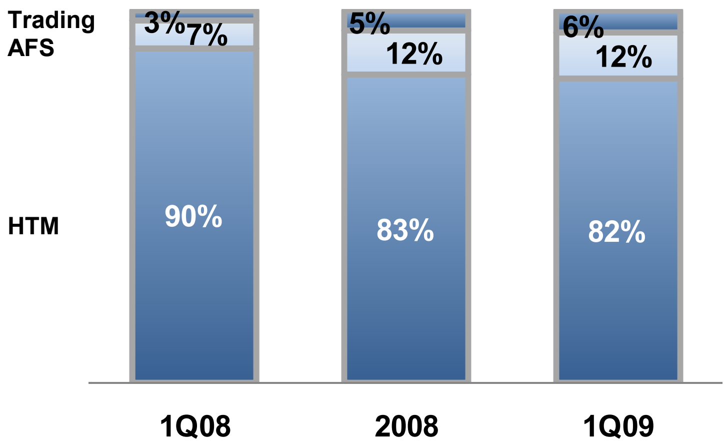
Note: Volumes (loans, deposits and AUM) based on monthly averages except for revenues/loans ratio which is based on 3-month average. MIS data

AGENDA

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

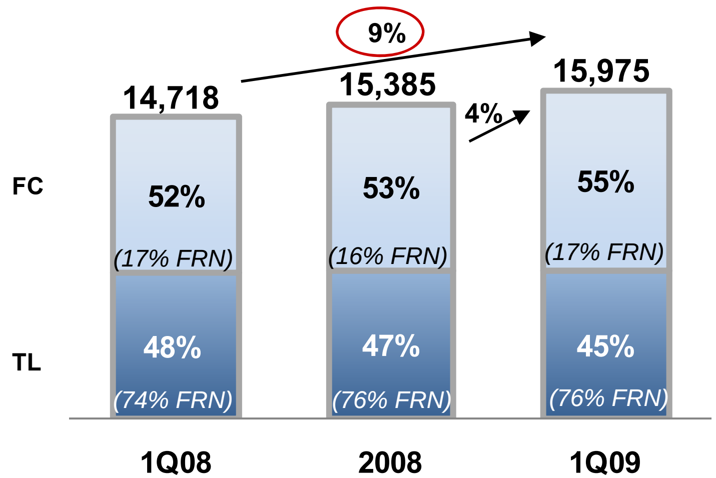
82% of securities portfolio invested in HTM

Securities Composition by Type



Securities Composition by Currency

(mln TL)



- **Share of HTM decreasing to 82%** (vs. 90% in 1Q08), while **share of AFS increasing to 12%** (vs. 7% in 1Q08) to comply with **liquidity regulation**
- **Held to maturity (HTM) mix in total securities higher at bank level at 85%**
- **FX open position is kept minimal**, restricted with VaR and position limits; **monitored on a daily basis**
- **9% increase in total securities y/y, totally driven by FX effect** (+0.2% y/y in LC securities, -12% in FC securities in USD terms); **share of securities in total assets at 22.1%**

FRN: Floating Rate Notes

International Borrowings

Syndications	**1.4 bln USD outstanding** ▪ Sept 09: ~USD 1 bln, Libor + 75 bps, 1 year ▪ Apr 10: ~USD 410 mln, Libor + 250 bps, 1 year
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

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