Yapı Kredi 2009 Earnings Presentation

BRSA Consolidated

İstanbul, 2 March 2010

AGENDA

- **2009 Macro and Banking Sector Overview**
- 2009 Results *(BRSA Consolidated)*
- Performance by Strategic Business Unit *(Bank-only)*
- Performance of Subsidiaries
- Outlook for 2010
- Annex

2009 Macro and Banking Sector Overview

Macroeconomic Environment

- **Impact of global macroeconomic slowdown strongly felt**, especially in 1H09. **Signs of economic recovery more visible from 4Q09 onwards**
- **Inflation under control,** despite slight pick up in 4Q
- **Significant decline in CBRT O/N rates** since Nov’08 (1,025 bps); end of easing cycle as of end of 4Q
- **Unemployment higher y/y** but improving following sings of macro recovery
- **Consumer confidence still low** but with encouraging sings of recovery
- **Rating upgrade of Turkey** by all major rating agencies confirming improved outlook

Banking Sector

- **Solid profitability in the sector** mainly due to strong NIM supported by continued CBRT rate cuts despite asset quality deterioration
- **Stable/shrinking loan volumes till September**, followed by slight pick-up in 4Q
- **Comfortable liquidity position** (L/D ratio < 80%)
- **Strong capitalisation** (CAR >19%)

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4Q Performance Highlights

(mln TL)	3Q	4Q	Growth *(4Q vs 3Q)*	Performance Drivers
Revenues	1,435	1,437	Stable	**Sustained performance** driven by **+30bps NIM increase to 6.1% and strong fee performance (12%)** even excluding seasonality impact, also on the back of **resumed loan growth in 4Q** (+3%)
Costs	601	696	+16%	**Seasonal pick-up not compromising annual cost trend** (-2% y/y, +3% normalised)
Provisions	381	468	+23%	**Material rise in provisions driven by very conservative approach** in terms of **specific coverage** (84%,+13pp vs 3Q) despite **encouraging asset quality improvement** (6.3% NPL ratio, -10bps vs 3Q)
Net Income	352	271	-23%	**Strong operating performance** allowing **extra conservative effort on specific coverage increase**

2009 Performance Highlights

	Highlights	2009 Results
Operating Performance	▪ **Solid profitability maintained** driven by strong revenue performance and tight cost control ▪ **Resilient NIM** due to focus on cost of funding and disciplined pricing approach	**ROAE 23%** **Cumulative NIM 5.7%**
Business Volumes	▪ **Stable loan volumes** due to low demand ▪ **Focus on customer-related business,** driving ALM strategy. **No major increase in securities** ▪ **Deposit growth in line with loan growth** (no increase deposits needed to fund securities investment)	**Business volumes flat y/y** **Loans/Deposits at 90%**
Cost & Efficiency	▪ **Tight cost and headcount management** ▪ **Branch expansion plan on temporary stand-by till 4Q09** with increased concentration on **network optimisation**; **plan resumed in December** with **7 retail branch openings**	**Cost/Income 41%** **Costs -2% y/y** (+3% y/y normalised[1]) **838 branches** **16,749 employees**
Asset Quality	▪ **Significant asset quality deterioration concentrated in retail** but with clear signs of improvement from 4Q09 onwards ▪ **Very strong collections performance,** on the back of **successful crash/restructuring programs since April** ▪ **Proactive credit risk management** and **conservative provisioning policy**	**NPL ratio 6.3%** **(+2pp y/y)** **Specific coverage 84%** **(+21pp y/y)**

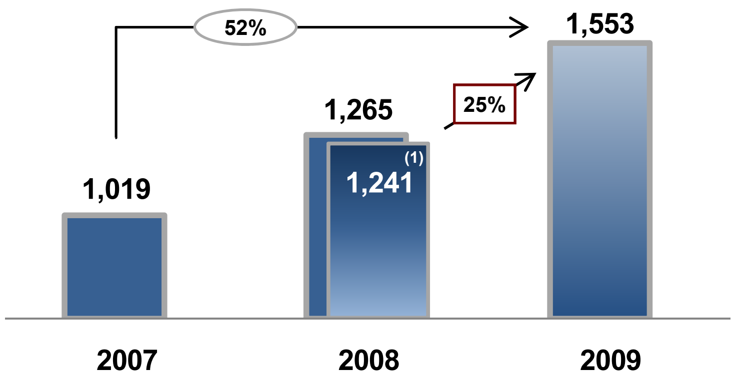
(1) Normalised to exclude the one-off effects of pension fund provision in 1Q08 and tax risk expense in 4Q08

Key performance indicators

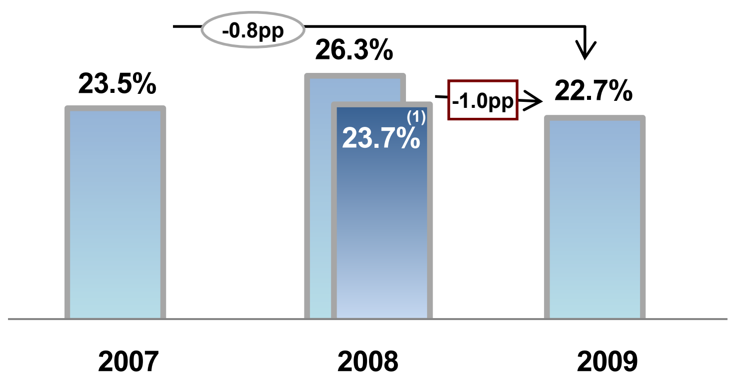
2009 Results (BRSA Consolidated)

Net Income

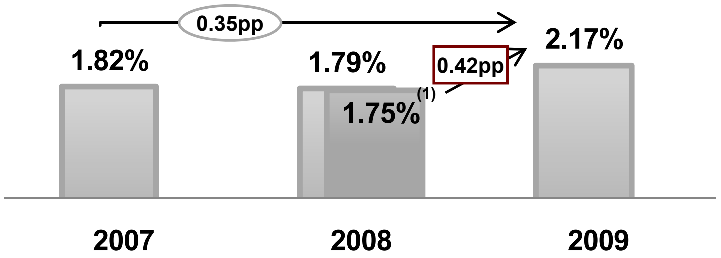
(mln TL)



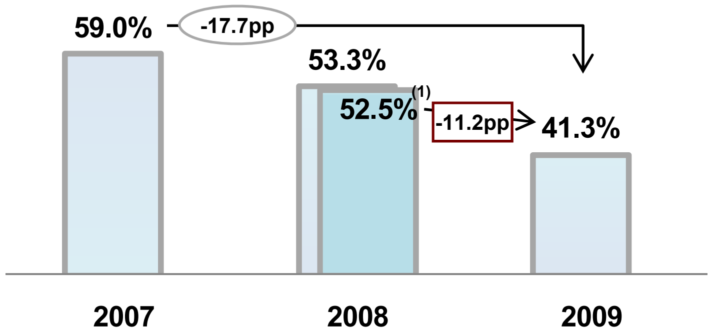
Return on Average Equity (ROAE)(*)



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. Also normalised to exclude one-off tax risk expense on costs in 4Q08. In the case of 2008 ROAE, to ensure comparability with 2009, the effect of capital increase (registered in 4Q08) has been reflected on net income and equity

Solid results driven by strong growth in revenues and tight cost control

Income Statement, mln TL	2008	2009	YoY	YoYN[1]
Total Revenues	**4,802**	**6,071**	**26%**	**31%**
Net Interest Income	2,841	3,897	37%	37%
Non-Interest Income	1,960	2,174	11%	21%
o/w Fees & Comms.	1,388	1,569	13%	13%
Operating Costs	**2,560**	**2,510**	**-2%**	**3%**
HR	1,046	1,021	-2%	-2%
Non-HR*	1,207	1,272	5%	9%
Other**	307	217	-30%	-4%
Operating Income	**2,241**	**3,561**	**59%**	**62%**
Provisions	628	1,653	163%	158%
o/w Loan Loss Provisions	567	1,593	183%	174%
Pre-tax income	**1,614**	**1,908**	**18%**	**23%**
Tax	349	355	2%	12%
Net Income	**1,265**	**1,553**	**23%**	**25%**

- **Revenues up** 26% y/y, **31% if normalised**[1]
- **Revenue growth** driven by **37% y/y growth in net interest income** and **solid 13% y/y growth in fees and commissions**
- **Operating costs** down 2% y/y, **+3% y/y if normalised**[1] thanks to **tight cost and headcount management**. **HR costs down 2% y/y** and **non-HR costs up 5% y/y** (9% if normalised)
- **Operating income up** 59% y/y, **62% if normalised**[1]
- **Provisions up 158% y/y**[1] as a function of **asset quality deterioration** and **significant specific coverage increase (84% at YE09 vs 63% at YE08)**
- **Net income up** 23% y/y, **25% if 2008 normalised**[1]

(1) Normalisations refer to 2008 only. 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. Also normalised to exclude one-off tax risk expense on costs in 4Q08

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

(**) Other includes pension fund provisions and loyalty points on World card

Relatively stable balance sheet evolution with comfortable capital and liquidity positions; focus on customer related business maintained

Balance Sheet, bln TL	2008	2009	%Y/Y
Total Assets	**70.9**	**71.7**	**1%**
Loans	**38.9**	**38.9**	**0%**
TL	24.8	24.6	-1%
FC (in $)	9.6	9.7	2%
Securities	**15.4**	**16.3**	**6%**
Deposits	**44.0**	**43.4**	**-1%**
TL	24.8	23.2	-6%
FC (in $)	13.1	13.7	5%
Shareholders' Equity	**6.9**	**8.5**	**24%**
AUM	**6.2**	**7.7**	**24%**

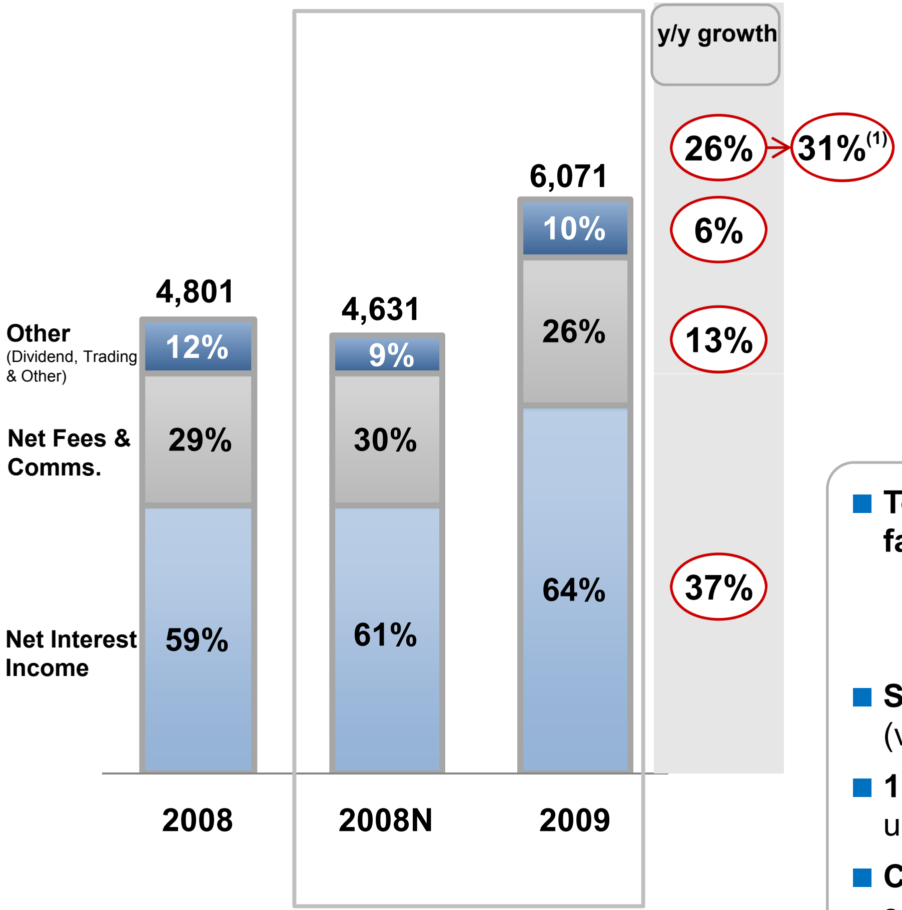
Ratios	2008	2009	∆ Y/Y *(pp)*
Loans/Assets	54.9%	54.2%	-0.7
Securities /Assets	21.7%	22.8%	1.1
Loans/Deposits	88.4%	89.6%	1.2
Leverage*	9.3x	7.5x	-
Borrowings/Liabilities	14.8%	13.8%	-1.1
Consolidated CAR	14.2%	16.5%	2.3
Bank-only CAR	15.7%	17.8%	2.1

- **Loans flat y/y** mainly driven by **low demand and continued focus on maintaining profitability**
  - **TL loans up 3% in 4Q** mainly driven by **mortgages, general purpose** loans and **credit cards**
- **Deposits down 1% y/y** driven by **lower liquidity pressure, release of costly TL deposits and conversion to AUM**
  - **TL deposits up 4% in 4Q**
- **Securities portfolio up 6% y/y**
- **AUM up 24% y/y**
- **Loan/deposit ratio at 89.6%**
- **Asset mix relatively stable** vs YE08 with loans/assets at 54% and securities/assets at 23%
- **CAR** at **16.5%** at Group level (+2.3 pp y/y) and **17.8%** at Bank level (+2.1 pp y/y)
- **Leverage decreasing to 7.5x at YE09** from 9.3x at YE08

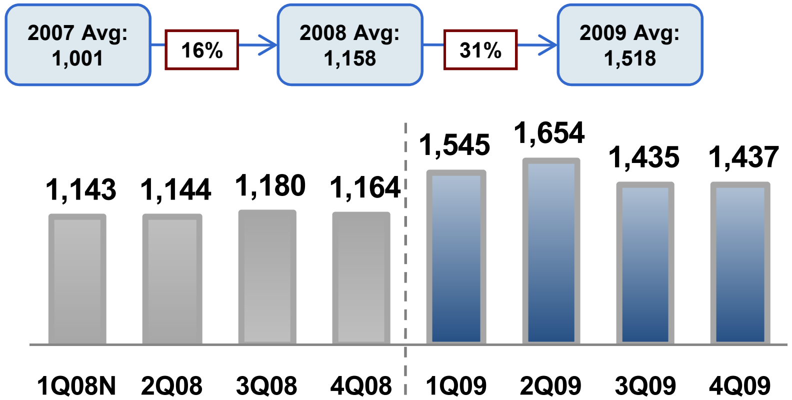
* Leverage ratio = (Total assets – equity) /equity
Note: Loan figures indicate performing loans

Sustained quarterly revenue performance in 2009 driven by focus on customer-related business

Total Revenues
(mln TL)



Quarterly Revenues
(mln TL)



	1Q08N	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09
Dividend, Trading & Other/ Total Revenues	13%	11%	6%	5%	16%	21%	1%	0%

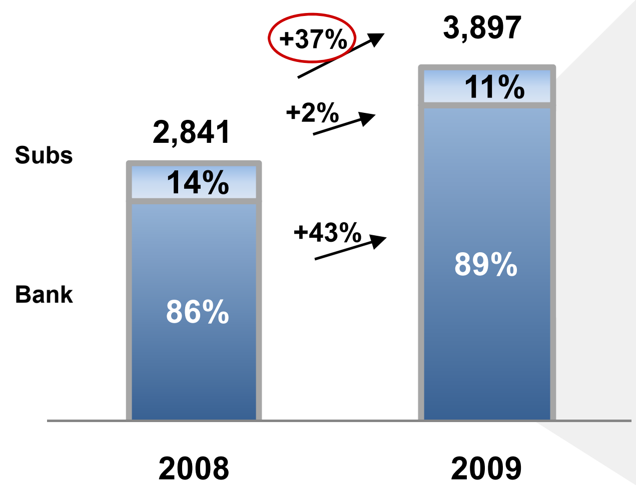
- **Total revenues up 26% y/y** (31% normalised[1]), **driven by favorable interest rate environment and disciplined pricing**
  - 4Q revenues stable vs 3Q
  - 4Q revenues up 23% y/y
- **Share of net interest income in total revenues up to 64%** (vs 61% at YE08N)
- **13% y/y growth in fees and commissions,** also driven by upward repricing since 2Q08, despite subdued lending
- **Confirmed highest weight of fees in total revenues** in the sector demonstrating **total focus on customer business in line with expected future trends**

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

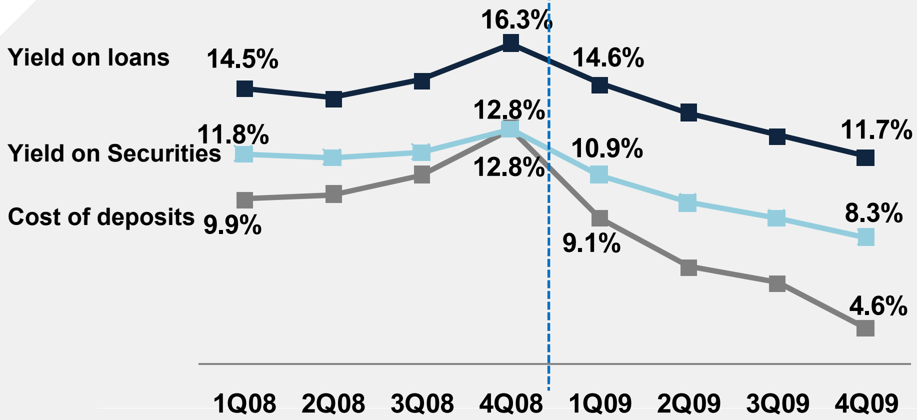
Quarterly increase in NIM on the back of further decline in cost of funding despite increased competition leading to lower loan yields

2009 Results (BRSA Consolidated)

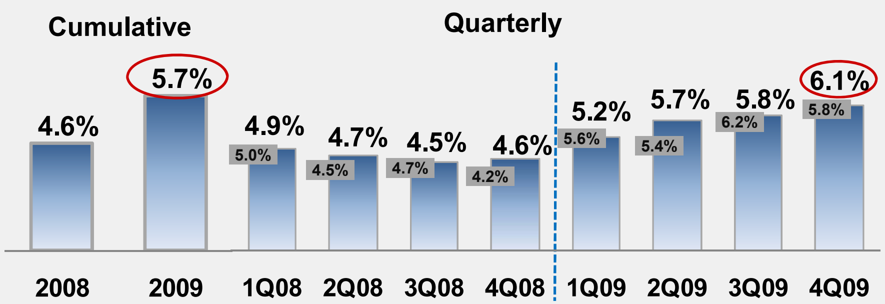
Net Interest Income
(mln TL)



BANK: Spread Analysis[1]



BANK: NIM[1]
(Net interest income / Avg. IEAs)



	2008	2009	1Q08	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09
Benchmark Bond Rate (avg)	18.9%	12.6%	17.0%	19.9%	19.7%	21.0%	15.1%	12.5%	10.3%	8.8%

- **Net interest income** up by **37% y/y** at Group level, driven by **43% y/y growth at Bank level** and **2% y/y growth at Subs**
- **Cumulative NIM up to 5.7%** (+114 bps y/y),
- **Quarterly NIM at 6.1%** (+27bps vs 3Q09), thanks to **continued decline in cost of funding** despite increased competition leading to lower loan yields

(1) All calculations based on average volumes

Note: NIM and yield on securities adjusted to exclude the effect of reclassification as per BRSA between interest income and other provisions related to impairment of held to maturity securities. Blue columns refer to adjusted NIM figures while figures in grey boxes refer to reported NIM

YapıKredi

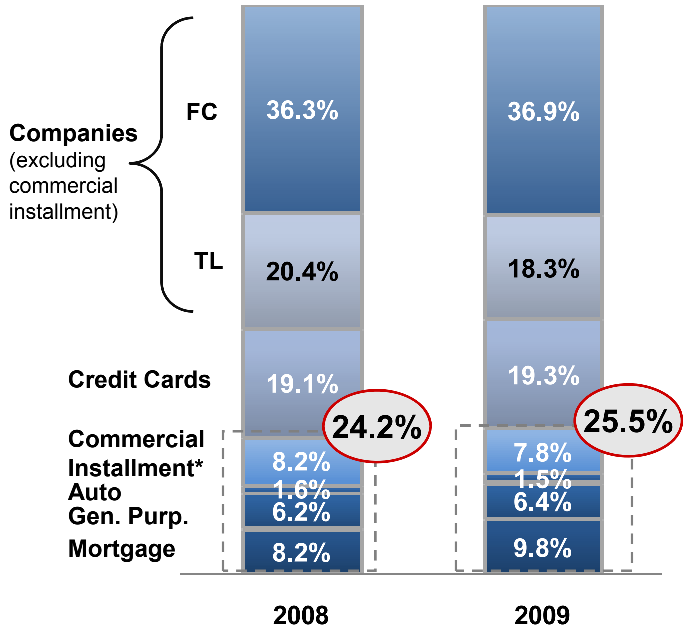
Pick-up in lending in 4Q in selected areas

2009 Results (BRSA Consolidated)

2009 Loan Growth vs Sector

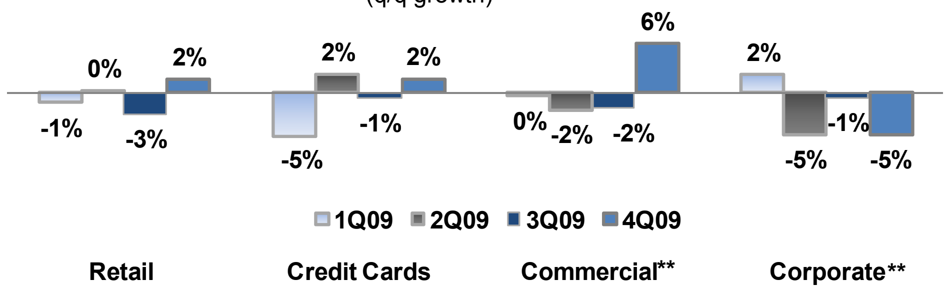
	Y/Y		4Q09 vs 3Q09	
	YKB	Sector[3]	YKB	Sector[3]
Total Loans	0%	6%	3%	5%
TL Loans	-1%	9%	3%	5%
FC Loans ($)	2%	0%	1%	3%
Consumer Loans	11%	12%	6%	6%
Mortgages	20%	14%	7%	7%
Auto Loans	-6%	-22%	1%	-4%
General Purpose	3%	14%	5%	6%
Credit Cards	0%	7%	6%	2%
Companies	-3%	4%	1%	5%
Comm. Installment*	-5%	-3%	5%	5%

Composition of Total Loans[1]



Loan Growth by Business Unit[2]

(q/q growth)



- **Share of consumer loans in total loans at 26%** due mainly **to increased share of mortgages in total loans** (9.8% vs 8.2% at YE08)
  - **Mortgage growth significantly above sector growth** y/y (20% vs 14% sector)
  - **Credit card growth at 6% in 4Q**

(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 exchange rate impact

KOÇ UniCredit Group

Funding strategy driven by low liquidity pressure and no significant increase in securities. Demand deposit strategy starting to pay off

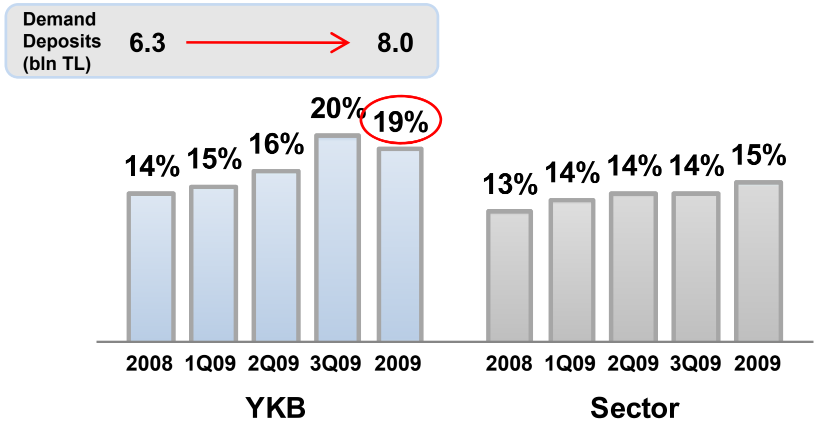
2009 Results (BRSA Consolidated)

2009 Deposit & AUM Growth vs Sector

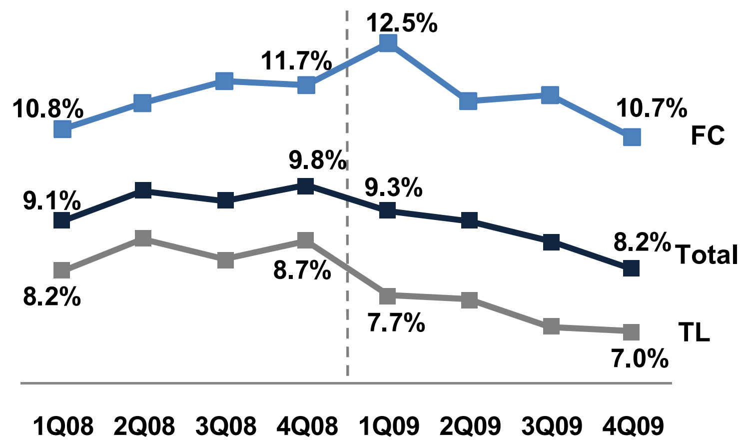
	Y/Y		4Q09 vs 3Q09	
	YKB	Sector[1]	YKB	Sector[1]
Total Deposits	-1%	13%	0%	7%
TL Deposits	-6%	15%	4%	10%
FC Deposits ($)	5%	9%	-5%	0%
AUM	24%	25%	-2%	-1%
Demand Deposits	28%	38%	-6%	14%

- **Funding strategy** driven by **efforts to optimise cost of TL funding**
- **Demand deposits up 28% y/y** to 8.0 bln TL driven by **strong focus on client relationships** and **on managing flows**, especially in SME and commercial
  - **Weight of demand deposits over total at 19%** (+5 pps vs YE08, vs 15% sector)
- **Strong AUM volume growth** (24% y/y) due to falling interest rate environment

Demand Deposits/Total Deposits



BANK: Deposit Market Shares

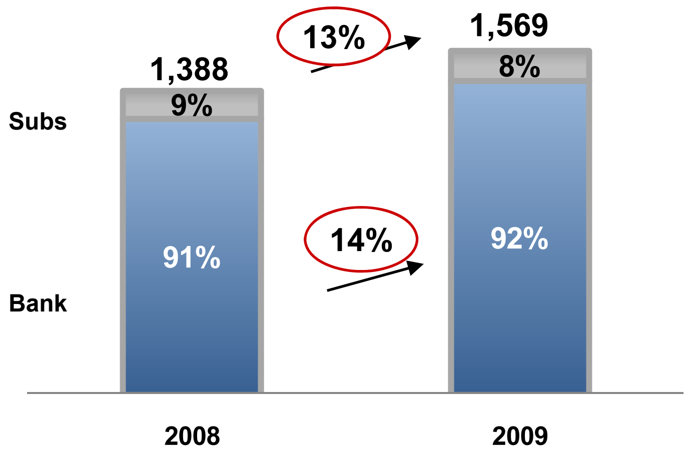


(1) Sector data based on weekly BRSA unconsolidated figures

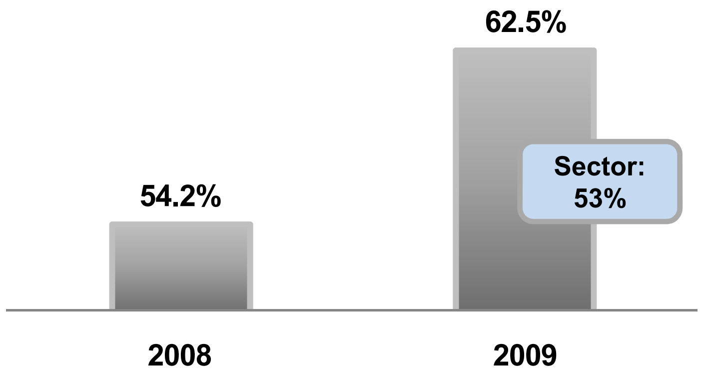
Strong fee growth despite stable volumes

2009 Results (BRSA Consolidated)

Net Fees & Commissions
(mln TL)

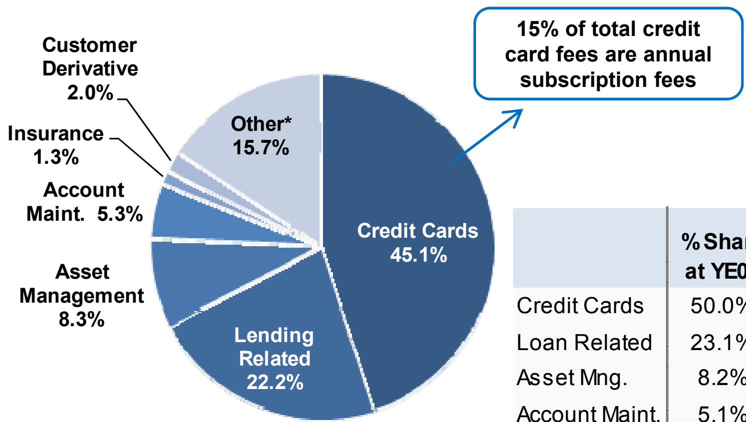


Fees & Commissions / Total Costs



- **Fees up 13% y/y at Group level**
- Despite subdued volumes, **fees up at 14% y/y at Bank level** driven by **business mix** and **some upward repricing since 2Q08**
- **Fee coverage of total costs at 63%** (+8.3 pps vs 2008) driven by both **fee growth** and **cost control; significantly above sector average**

BANK: Composition of Fees & Commission Received* (2009)



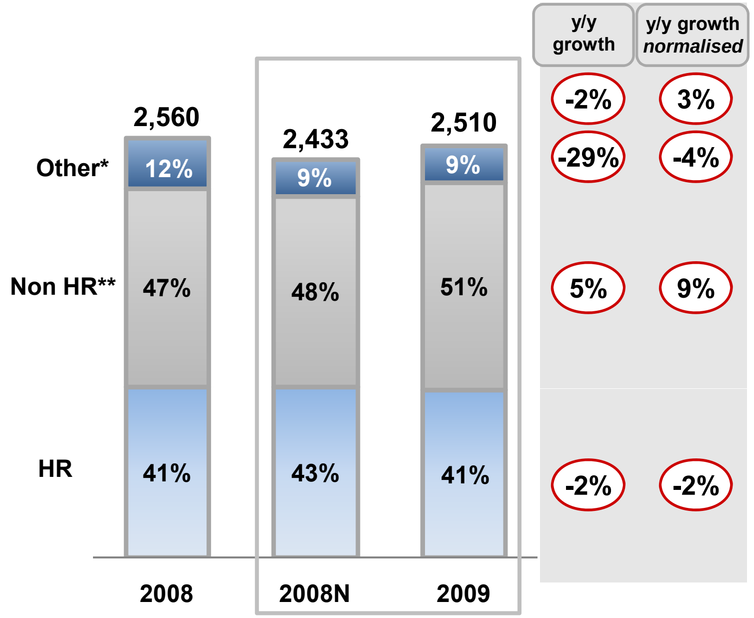
	% Share at YE08	2008-2009 Growth
Credit Cards	50.0%	-1.6%
Loan Related	23.1%	5.0%
Asset Mng.	8.2%	11.2%
Account Maint.	5.1%	13.5%
Insurance	1.4%	0.1%
Cust. Derivat.	2.6%	-17.6%
Other**	9.6%	78.2%

* Total Bank fees received as of 2009 is 1.7 mln TL (vs 1.6 mln TL in 2008)
Total Bank fees paid as of 2009 is 255 mln TL (vs 289 mln TL in 2008)
** Other includes money transfers, equity trading, campaign fees etc.

Continuous focus on cost management and efficiency improvements leading to successful cost performance

Composition of Costs

(mln TL)



Branch and Headcount (HC)

	2008	2009	vs 2008	
			Var.	%
Group Headcount	17,385	16,749	-636	-4%
Bank Headcount	14,795	14,333	-462	-3%
Back-office /Total HC	36%	36%	-	-
Bank Branches[2]	861	838	-23	-3%

Since 2006, 38% increase in number of branches
but only 5% increase in headcount,
leading to 10pp improvement in back-office / total HC ratio

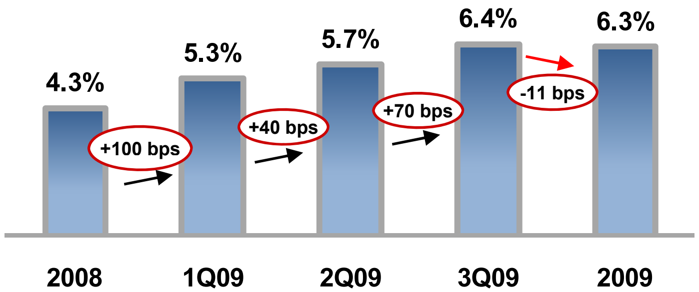
- **Tight cost management measures leading to cost contraction of 2% y/y** (+3% normalised[(1)]), **best annual evolution of costs among peers**
- **9%[(1)] y/y increase in non-HR costs** and **decline of 2% y/y in HR costs** as a result of **hiring freeze** (headcount at 14,333 at YE09 vs 14,795 at YE08)
- **Other costs down 29% y/y**, -4% if normalised[(1)], driven by **tight management of World loyalty points**
- **Optimisation of existing branch network** (838 at YE09 vs 861 at YE08). **Branch openings resumed in December** with 7 retail branch openings

(*) 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 on costs in 4Q08
(2) 23 net branch closures in 2009 (36 closures net off 13 openings). Closures due to (i) merger of neighboring branches (19 branches) with no loss of clients, (ii) closure of satellite branches (17 branches)

Slowdown in NPL inflows and record collections performance in 4Q

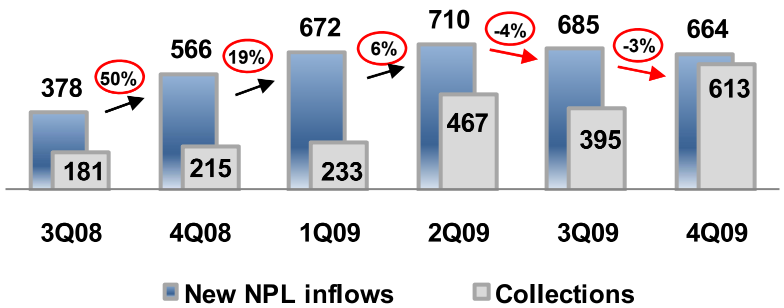
2009 Results (BRSA Consolidated)

NPL Ratio



NPL Inflows and Collections

(mln TL)



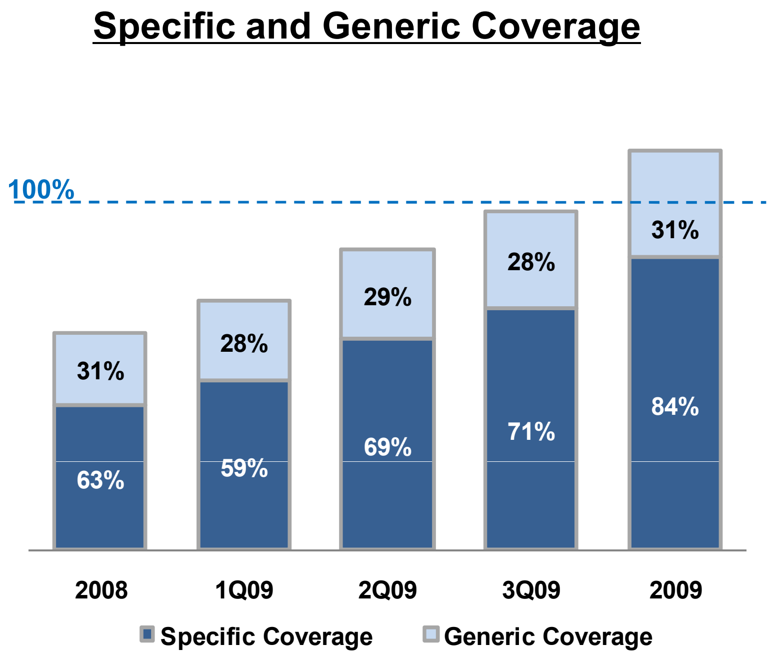
NPL Ratio by Segment

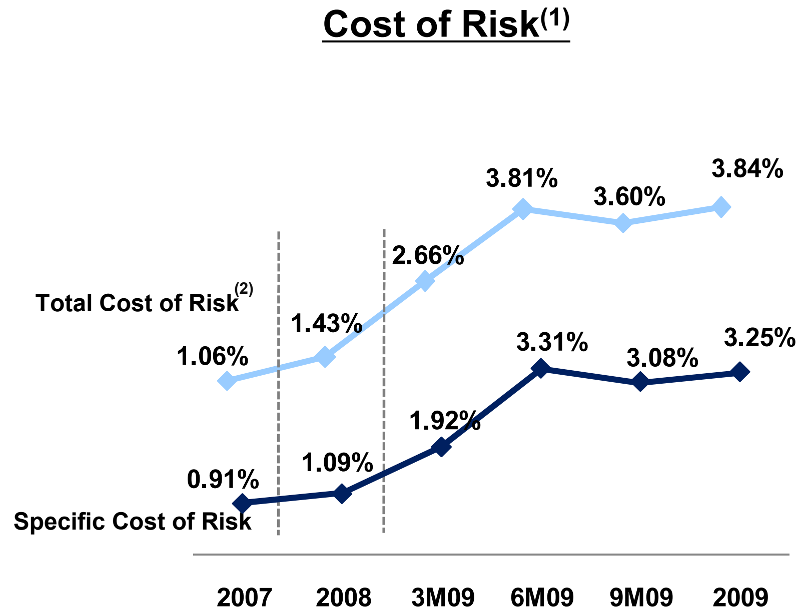
	2008	3Q09	2009
Consumer loans(1)	4.3%	7.9%	7.7%
Credit Cards	6.3%	11.2%	10.0%
SME(2)	6.8%	11.8%	12.6%
Corp & Commercial	2.5%	2.9%	3.0%

- **NPL ratio down slightly to 6.3% in 4Q** (vs 6.4% in 3Q09) driven by:
  - **slowdown in NPL inflows** (-3% q/q)
  - **very strong collections performance** (+55% q/q)
- **Successful implementation of restructuring /collections** for selected **SME, credit cards** and **commercial loans** (launched in Mar/Apr-09)
  - Total restructured amount **~1.1 bln TL** as of 4Q

(1) Including cross default. If excluding, 2009: 5.6%
(2) As per YKB's internal segment definitions, SMEs are companies with turnover less than 5 mln USD

Conservative provisioning policy leading to +21pp increase in specific coverage vs YE08





- **Specific coverage up to 84%** (+13pp vs 3Q09, +21pp vs YE08)
- **Total coverage of NPL volume (including generic coverage) above 100%**
  - **Generic coverage at 2.1%** (9.2% watch loan coverage, 1.6% standard loan coverage) **vs ~0.8% at sector level**
- **Total cost of risk at 3.84%** (+0.24pp vs 3Q09); **specific cost of risk at 3.25%** (+0.17pp vs 3Q09) driven by proactive increase of specific coverage

(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

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All business units' 2009 revenue performance in line with/above budget driven by strong focus on profitability. Low interest rate environment particularly benefitting Corporate/Commercial & Credit Cards

Performance by SBU

Weight in Bank: Revenues[(1)]	Weight in Bank: Customer Business[(2)]		Revenues (mln TL)	YoY (2009 – 2008)	vs. Budget	Drivers of revenue growth
29%	38%	Retail	1,511	15%	=	■ **Revenues up 15% y/y,** in line with budget driven by **disciplined pricing approach** ■ **SME revenues meeting expectations (+22% y/y), despite sluggish volumes,** thanks to **sound repricing and good demand deposits**
22%	9%	Credit Cards[(3)]	1,148	31%	+	■ **31% y/y growth of credit card revenues** due to **reduced cost of funding** ■ **Strong focus on restructuring / managing asset quality** leading to **better than sector NPL ratio**
3%	15%	Private	153	19%	+	■ **19% y/y revenue growth** ■ **Significant increase in AUM volumes (41% y/y) and structured products** driven by **low interest rate environment** to drive **strong revenue performance**
5%	17%	Corporate	262	20%	+	■ **20% y/y revenue growth** driven by **profitability focus** and **repricing actions** ■ **Growing cash management** and **trade finance focus**
16%	21%	Commercial	830	22%	=	■ **22% y/y revenue growth on the back of revenue oriented initiatives** to **maintain adequate risk/return profile** ■ **Some pick up in lending volumes** becoming **visible from 4Q09 onwards**

(1) Revenues excluding treasury and other
(2) Customer business = Loans + Deposits + AUM
(3) Net of loyalty point expenses on World cards
Note: all figures based on MIS data

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Strong and sustained ROE performance by subsidiaries especially factoring, brokerage and asset management. Increased focus on further enhancing synergies between subsidiaries and the Bank

		Revenues (mln TL)	Revenue (y/y growth)	ROE	Key Highlights
Core Product Factories	YK Leasing	185	-5%	27%	Revenues declining by 5% y/y due to significant contraction of turnover at sector level #1 in the sector with 16.1% market share in total transaction volume
	YK Factoring	54	46%	38%	Successful performance of both domestic and international business supported by favorable market/interest rate environment Sustained outstanding asset quality #1 in the sector with 26.9% market share
	YK Yatırım	109[1]	18%	42%	Strong performance in equity trading and structured products #2 in the sector in terms of total equity transaction volume Better integration of Yatırım completed with revision of business model
	YK Portföy	81	10%	177%	Sustained profitability supported by increase in AUM volumes impacting revenue growth # 2 in the sector in mutual funds with 17.5% market share
Insurance Subs	YK Sigorta	58[2]	-60%[3]	-5%	Significant shrinkage in sector premiums due to unfavorable macroeconomic environment #1 in the health insurance market with 20.1% market share
	YK Emeklilik	91	2%	17%	Continued growth in life and pension #5 in the life insurance sector with 5.1% market share #3 in the sector with private pension market share of 15.0%
International Subs	YK Azerbaijan	21	25%	12%	Strong revenue performance on the back of organic growth efforts to leverage on faster growing emerging economy
	YK Moscow	31	11%	16%	Performance mainly contributed by business generated through Turkish Yapı Kredi customers
	YK NV	64	32%	10%	

All subsidiaries better integrated with YKB network in order to generate revenue opportunities and cost synergies as well as enhance cross-sell to YKB customers

1 Including dividend income from YK Portföy
2 Including dividend income from YK Emeklilik
3 Includes 34 mln TL one off effects of reinsurer exit, change in treatment of health commission and other regulatory changes and flood in İstanbul
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

- 2009 Macro and Banking Sector Overview
- 2009 Results (BRSA Consolidated)
- Performance by Strategic Business Unit (Bank-only)
- Performance of Subsidiaries
- **Outlook for 2010**
- Annex

2010 Macro and Banking Sector Overview

Macroeconomic Environment

- **Global macroeconomic recovery expected** throughout 2010
  - **GDP forecast of 4.5%** driven by **pick-up in domestic demand** and **private expenditures** in the context of **low interest environment**
  - **Highest GDP growth expected in 1Q10** (9.7%) driven by the **base effect**
- From 2H10 onwards, **125 bps rate hike expected by CBRT O/N rate to 7.75% at end of 2010,** following prudent signs of recovery in economic activity and sound inflation dynamics

Banking Sector

- **Sector revenues expected to be flat in 2010 on the back of:**
  - **Volume growth** to be mainly driven by **retail activity**
    - **2010 sector loan growth 15%**
    - **2010 sector deposit growth 12%**
  - **Expected sector NIM contraction of 100 bps** (strongly concentrated in 1H10) **in 2010** due to
    - Catch up of **asset repricing** with **no further decrease in cost of funding**
    - **Increased competitive pressure**
- **Sector cost growth expected at ~10%,** impacted by **revival of branch expansion efforts**
- **Sector cost of risk expected to decline by ~100/150 bps** due to **asset quality improvement** driven by macro recovery and restructuring efforts

Yapı Kredi: Guidelines for 2010

Commercial Effectiveness	■ **Above sector loan and deposit growth** on the back of **increased commercial productivity** via further penetration of existing and potential client base (cross sell) ■ **Strong focus on SME, general purpose, mortgage, project finance** and **TL commercial loans** ■ **Further integration of subsidiaries into bank business model** and **launch of new packaged products**
Cost Management & Efficiency	■ **Continuation of disciplined approach** towards **cost containment** ■ **Efficiency improvements** through headcount rationalisation, back office centralisation, credit process review ■ **Continuation of investments in alternative delivery channels** to complete efforts on **multi-channel strategy** (migration of both transactions and sales activity to ADCs)
Asset Quality	■ **New generation individual scoring model** to be launched 1H10 and **ongoing fine-tuning of SME underwriting process** to drive further asset quality improvement ■ **Dynamic and proactive NPL portfolio management** ■ **Ongoing improvement** of **monitoring processes** and **tools with focus on collections**
Sustainability	■ **Reinforced emphasis on customer** and **employee satisfaction** as prerequisites of sustainable performance ■ **Prudent loans/deposits management,** also taking advantage of **widening of funding opportunities** ■ **Continuation of medium term investments** (branch openings & systems investments)

Significant unlocked potential to fuel above market revenue growth in the upcoming period

Over the last 2 years, Yapı Kredi recorded strong operating performance driven by sound cost and HC management coupled with significant revenue generation through increase in NIM in terms of pricing and mix as well as improvement in IEAs

Drivers of above sector revenue growth

1. **Infrastructure improvements and systems investments in 2009**
   - *Improvement of credit infrastructure and sales support tools (MIS and CRM)*
   - *Reorganisation to foster intragroup synergies (retail & cards, revenue sharing with subsidiaries) as well as to increase effectiveness of sales structure*
2. **Higher contribution of newly opened branches**
   - *1/3 of branch network less than 3 years old, indicating significant room for improvement vs peers*
3. **Increase in cross-sell ratio**
   - *Target to close ~35% gap vs best benchmarks in the next 2-3 years*
4. **Conversion of credit card only customers**
   - *Target to convert 10-15% of 2.6 mln total card-only customers into banking customers in 2010*
5. **Higher contribution from commercial clients**
   - *Target to upgrade 20% of commercial clients (~3,500 clients) in 2010 to achieve average share of business*

~500/600 mln TL of extra commercial banking revenues as estimated unlocked potential to be realised over the next 2-3 years

AGENDA

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AGENDA

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

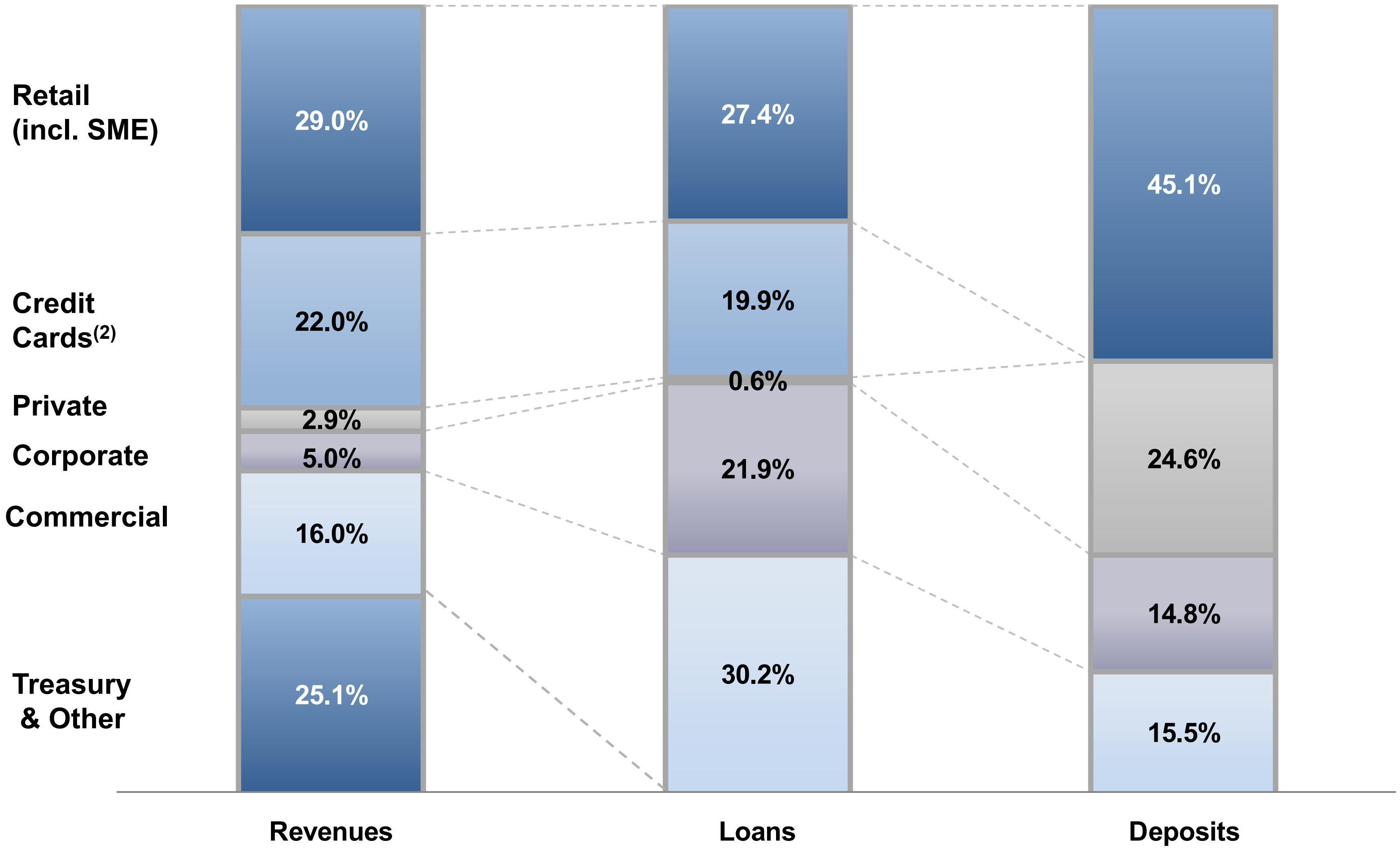
Definitions of Strategic Business Units

- **Retail:**
  - **SME**: Companies with turnover less than 5 mln USD
  - **Affluent**: Individuals with assets less than 250K TL
  - **Mass**: Individuals with assets less than 50K 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] 2009 (Bank-only)



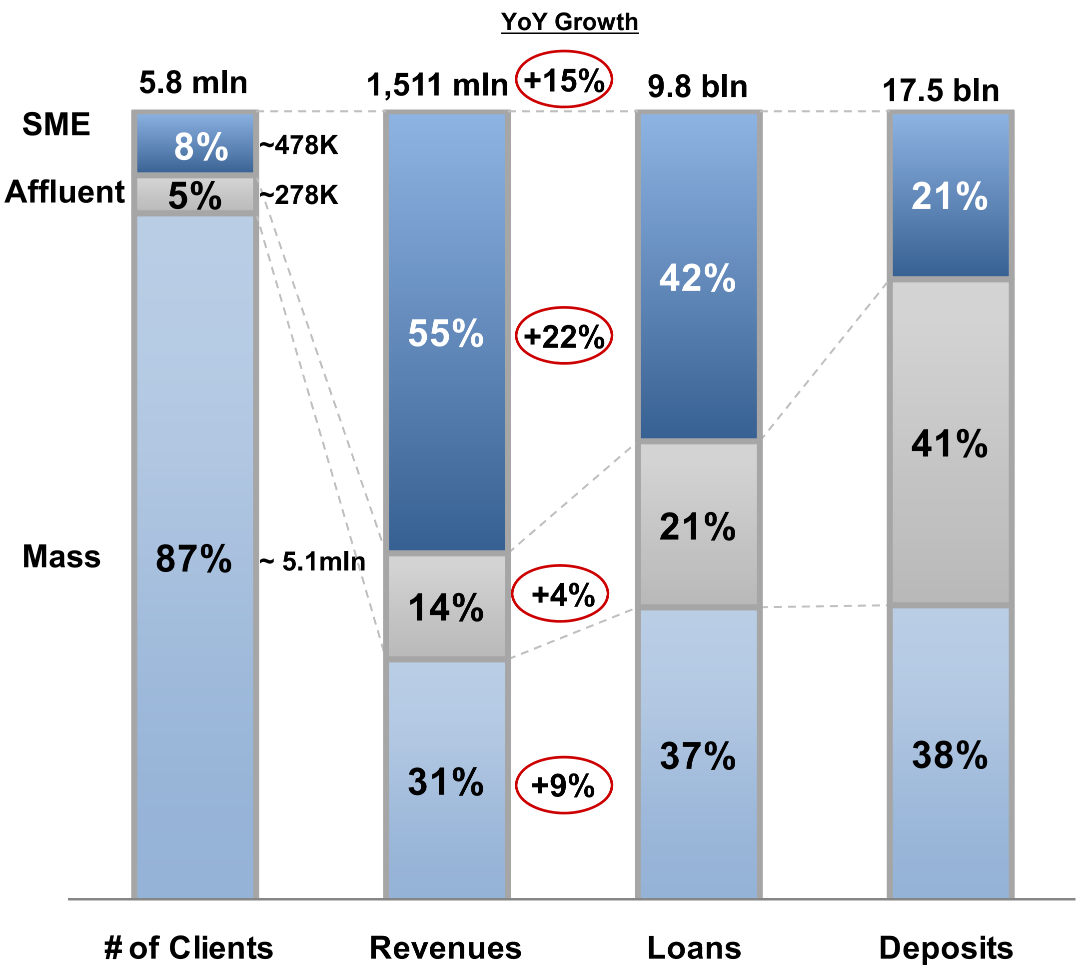
(1) Please refer to Annex for definitions of Business Units
(2) Net of loyalty point expenses on World card

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

55% of retail banking revenues generated by SME business, constituting 8% of total retail clients

Retail Banking(1) - Composition of Active Clients & Total Revenues

(TL, 2009)



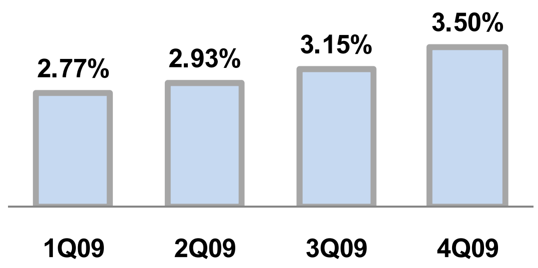
- **~478K active SME clients** generating **55% of total Retail revenues**
- **8% of total retail clients are SMEs generating 42% of loans and 21% of deposits**
- **Mass sub-segment** generating 31**% of total Retail revenues with ~5.1 mln clients**
- **Mass sub-segment revenues growing** at 9**% y/y**
- **Affluent sub-segment** generates **14% of total Retail revenues**

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

Retail (mass & affluent) banking revenues up 8% y/y impacted by sluggish demand on consumer lending

Mln TL	2009	YoY
Revenues	666	8%
Loans	5,676	10%
Deposits	13,784	6%
AUM	2,662	13%
% of Demand in Retail Deposits	14.4%	1.3 pp
TL % in Retail Deposits	71.5%	-1.8 pp
% of TL in Retail Loans	100.0%	0.0 pp

Revenues/ (Customer Business[1])



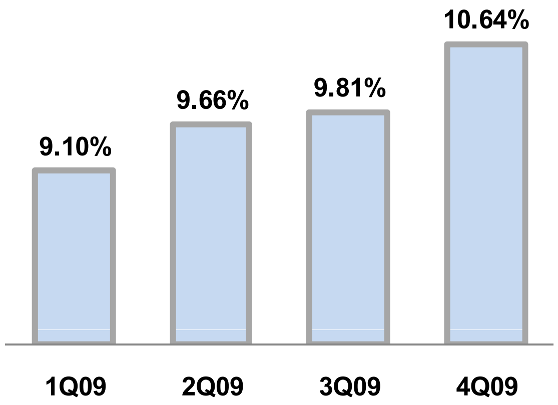
- **Retail (mass & affluent) banking revenues increasing by 6% y/y** due to **subdued consumer lending** not compensated by lower cost of funding
- **Quarterly pick up in consumer lending visible in 4Q09 mainly** driven by **general purpose loans** and **mortgages**
- **Consumer loan NPL ratio at 7.7%**[2] , improving by 20 bps vs.3Q09. **Strong emphasis on asset quality** and **credit risk management maintained . New restructuring programme in consumer loans still ongoing** (42 mln TL restructured in 2009)
- **Better integration between retail and card business** to **develop existing customer base** and **increase cross-sell**

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, 2009: 5.6%

SME banking revenues up 22% y/y on the back of margin improvement despite lending contraction

Mln TL	2009	YoY
Revenues	844	22%
Loans	4,102	-14%
Deposits	3,715	2%
AUM	638	23%
% of Demand in SME Deposits	39.7%	10.1 pp
TL % in SME Deposits	67.6%	-6.0 pp
% of TL in SME Loans	97.3%	-0.4 pp

Revenues/ (Customer Business[1])



- **SME revenues increasing 22% y/y** driven by **profitability focus** through **disciplined pricing approach**
- **Contraction in SME lending (-14%y/y)** due to unfavorable macroeconomic conditions leading to **sluggish business activity** and **more selective approach**
- **SME NPL ratio at 12.6%, improving from the peak in November'09 (13.0%). Increased focus on asset quality** and **enhancing credit risk infrastructure** with **sound risk management approach:**
  - **Launch of restructuring / crash programs** delivering positive results (443mln TL restructured in 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

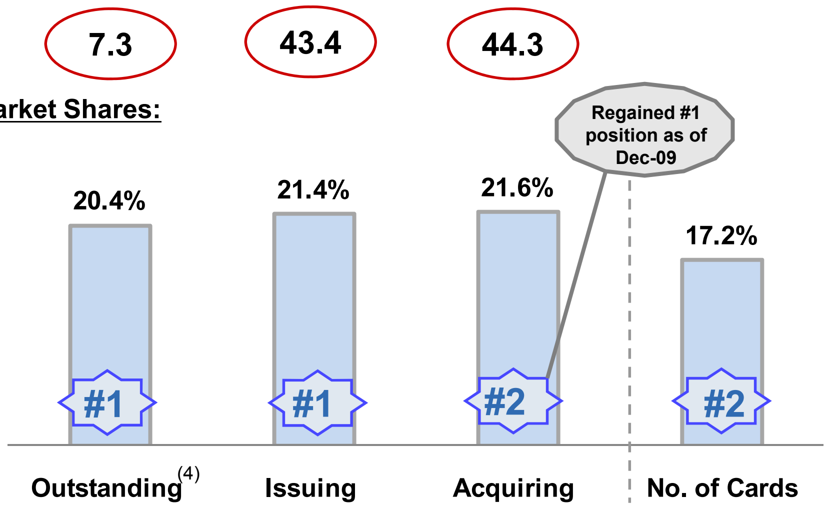
Credit card revenues up 31% y/y due to significant decrease in cost of funding. Asset quality improvement in credit cards better than sector

Mln TL	2008	2009	YoY
Revenues	1,002	1,265	26%
Net Revenues[1] (mln TL)	874	1,148	31%
# of Credit Cards[2] (mln)	7.8	7.6	-2%
# of merchants (ths)	259	290	12%
# of POS (ths)	312	357	14%
Activation	86.0%	84.2%	-180 bps

Credit Card Volumes & Market Shares[3]

Volumes (bln TL):

Market Shares:



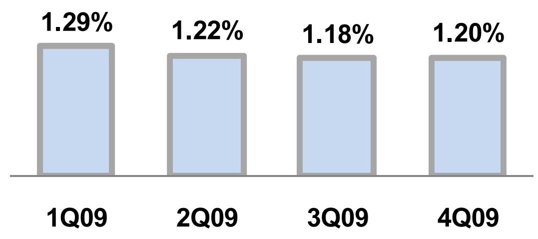
- **~266 ths new World cards** issued in 4Q09
- **Credit card net revenues[1] up 31% y/y** due to
  - **significant decrease in cost of funding,**
  - **higher revolving ratio** and
  - **cost containment initiatives** despite continued **cap rate reductions by CBRT** (-113 bps of reduction in 2009)
- Credit Card NPL ratio at **10.0%** (-1.2 pp vs. 3Q09) driven by **positive impact of restructurings** and **macroeconomic recovery** signals in 4Q

(1) Net of loyalty point expenses on World card
(2) Including virtual cards (2009 :1.5 mln, 2008: 1.5 mln)
(3) Market shares and volumes based on bank-only 12-month cumulative figures
(4) Based on personal credit card outstanding volume. Total credit card outstanding volume (also including corporate cards): 20.4%

Private banking revenues up 19% y/y, mainly contributed by strong AUM volumes due to low interest rate environment in 2009

Mln TL	2009	YoY
Revenues	153	19%
Loans	209	-11%
Deposits	9,526	-17%
AUM	2,274	41%
% of Demand in Priv. Deps.	7.5%	4.2 pp
TL % in Private Deposits	49.1%	-10.2 pp
% of TL in Private Loans	100.0%	0.2 pp

Revenues/ (Customer Business[1])



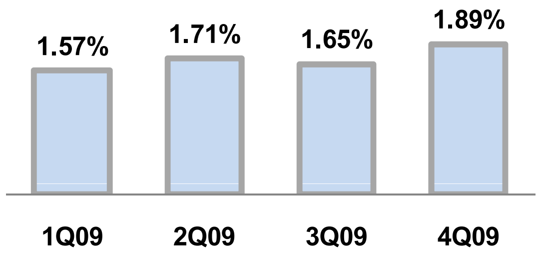
- **Private banking revenues up 19% y/y** driven by **AUM volumes increasing significantly** (+41% y/y) in **favorable interest rate environment during 2009**
- **17% y/y decline in private banking deposits** due to **customers' shift towards AUM** during **lower interest rate environment**
- Continued focus on **leveraging on product factories** in **distribution of asset management** and **brokerage products** with **further development of existing customer base** and **customer acquisition**

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

Corporate banking revenues up 20% y/y driven by margin improvement

Mln TL	2009	YoY
Revenues	262	20%
Loans	7,800	-11%
Deposits	5,716	-35%
AUM	115	8%
% of Demand in C. Deposits	13.3%	7.2 pp
TL % in Corp. Deposits	24.7%	-13.8 pp
% of TL in Corp Loans	16.3%	-2.1 pp

Revenues/ (Loans + Deposits)



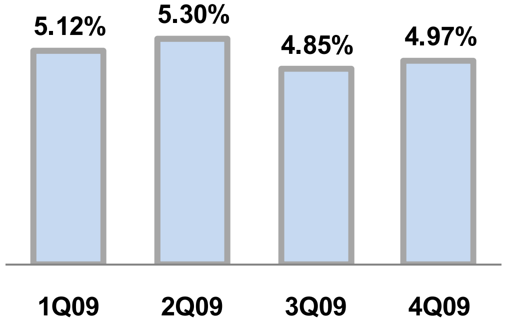
- **Corporate banking revenues up 20% y/y** driven by **disciplined pricing approach** with **selective volume growth**
- **Loans down by 11% y/y** due to **macroeconomic deterioration** leading to **sluggish business activity**
- **Sound asset quality** (Corporate/Commercial NPL ratio at 3.0%) due to focus on **reviewing portfolios to manage exposures at risk through increased collateralisation, collections** and **restructurings**

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

Commercial banking revenues up 22% y/y driven by strong profitability focus despite lack of lending growth

Mln TL	2009	YoY
Revenues	**830**	**22%**
Loans	**10,814**	**-1%**
Deposits	**5,991**	**-3%**
AUM	**360**	**62%**
% of Demand in Com. Deposits	**32.4%**	**6.1 pp**
TL % in Comm. Deposits	**38.8%**	**-8.4 pp**
% of TL in Com. Loans	**42.1%**	**-4.3 pp**

Revenues/ (Loans + Deposits)



- **Commercial banking revenues up 22% y/y,** driven by **focus on return on capital in the absence of lending growth**
- **Significant increase** in **AUM** (62% y/y) due to customers' shift from deposits to AUM during **lower interest rate environment** in 2009
- **Sound asset quality** (Corporate/Commercial NPL ratio at 3.0%) due to focus on **reviewing portfolios to manage exposures at risk through increased collateralisation, collections** and **restructurings** (107 mln TL restructured in 2009)

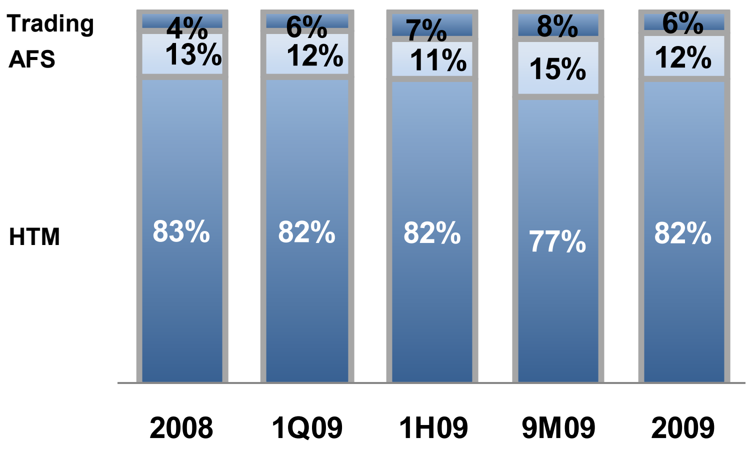
Note: Volumes (loans, deposits and AUM) based on monthly averages except for revenues/loans ratio which is based on 3-month average. MIS data

AGENDA

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

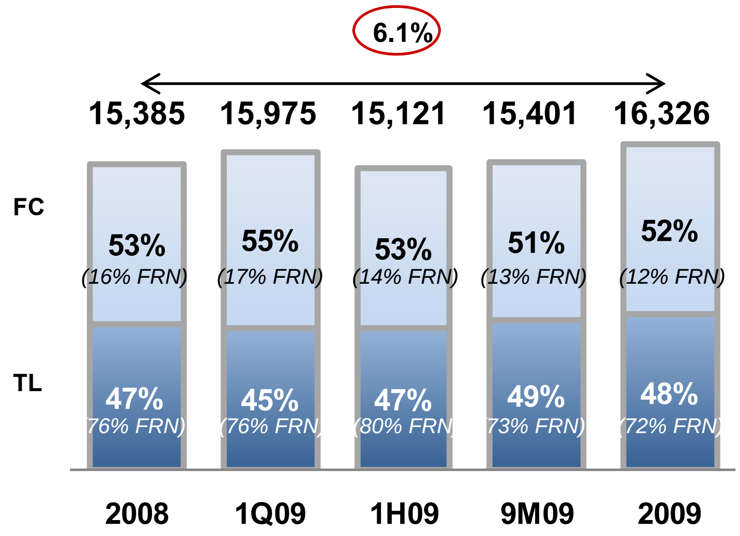
82% of securities portfolio invested in HTM

Securities Composition by Type



Securities Composition by Currency

(mln TL)



- **Composition of securities remaining unchanged vs. YE08. Share of HTM almost stable at 82%** (vs. 83 in YE08) with **share of AFS at 12%** (vs. 12% in YE08)
- **Held to maturity (HTM) mix in total securities higher at bank level at 85%**
- **Total securities up by only 6% y/y** while **share of securities in total assets at 22.8%**

FRN: Floating Rate Notes

International Borrowings

Syndications	**1.4 bln USD outstanding** ▪ Apr 10: ~USD 410 mln, Libor +2.5% bps all-in cost, 1 year ▪ Sept 10: ~USD 985 mln, Libor + 2.25% bps all-in cost, 1 year
Securitisations	**~1.2 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
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 in July 08 and €200 mln in Oct 09 to support SMEs in Turkey (10-12 years) ▪ **IBRD (World Bank) Loan:** $25 mln 6 year loan signed in Nov 08 to be disbursed on a project basis (Libor+1,50% p.a.)