Yapı Kredi 9M11 Earnings Presentation

Istanbul, 3 November 2011

Agenda

- **Operating Environment**
- 9M11 Results *(BRSA Consolidated)*
- Performance of Strategic Business Units & Subsidiaries
- Outlook / Strategy

Macroeconomic Environment
Moderation of growth / "soft landing" underway

	1Q11	2Q11	3Q11	Key Highlights	Most Recent Developments
GDP Growth (y/y)	11.6%	8.8%	3.5% [1]	Positive GDP growth	Moderation in growth
Inflation (eop, y/y)	4.0%	6.2%	6.2%	Sustained low inflation environment	Increased pressure due to TL depreciation and tax
CBRT Policy Rate (eop)	6.25%	6.25%	5.75%	50 bps policy rate cut	Low policy rate maintained
Industrial Production (y/y)	14.2%	7.9%	5.4% [2]	Moderation	Ongoing moderation
Consumer Confidence Index (eop)	93.4	96.4	93.7	Declining but still high consumer confidence	Further easing
Unemployment Rate	11.5%	9.4%	9.1% [3]	Back to pre-crisis 2008 levels	Stabilising trend
Current Account Deficit / GDP	8.2%	9.5%	9.8% [4,5]	Widening but with signs of improvement	Evident improvement
Budget Deficit / GDP	2.9%	1.8%	1.5% [5]	Sustained fiscal discipline	Continued strong performance

	1Q11–2Q11	3Q11	Most Recent Developments
Aim of CBRT's monetary policy	**"Tightening"** to control CAD and short term capital inflows	**"Slightly Easing"** in light of worsening global outlook, EU debt crisis and start of domestic slowdown	**"Balanced Tightening"** to strengthen TL / mitigate inflationary pressure / manage liquidity
Main CBRT focus	**Capping Growth**	**Stimulating Growth**	**Controlling Inflation**
	▪ Low policy rate ▪ Wide interest rate corridor [6] ▪ Hike in TL and FC RRRs ▪ Other banking sector specific actions	▪ 50 bps policy rate cut ▪ Narrower interest rate corridor [6] ▪ Mild cut in TL and FC RRRs ▪ FC liquidity support	▪ Tightening via O/N (wider interest rate corridor[6]) rather than policy rate ▪ Easing in TL RRRs to manage short term TL liquidity ▪ Continuation of FC liquidity support

- **Positive growth environment** in 9M11 albeit with signs of moderation since Aug'11 driven by contained domestic demand
- **Sustained low inflation environment** despite increasing pressure from currency pass-through / tax increases on specific products
- **Proactive / unconventional CBRT policy mix,** also impacted by deterioration in Eurozone. Balanced tightening approach recently initiated to strengthen TL and mitigate inflationary pressure
- **Still strong but moderating industrial production** and **consumer confidence index**
- **Unemployment rate stabilising at pre-2008 crisis single digit level**
- **Signs of positive trend in monthly current account deficit stock** with expectation of visible improvement in 4Q via rebalancing of domestic and external demand
- **Sustained fiscal discipline** (budget deficit / GDP at 1.5%)

(1) Yapı Kredi Economic Research estimate; (2) Average of Jul'11 and Aug'11; (3) Average of Jun'11, Jul'11 and Aug'11; (4) Aug'11 current account deficit; (5) 12-month rolling GDP used for calculation;
(6) Narrowing corridor on 4 Aug 2011: Overnight (O/N) borrowing rate increased to 5% from 1.5%, therefore narrowing the interest rate corridor between O/N lending rate of 9%. Widening corridor on 20 Oct 2011: O/N lending rate increased to 12.5% from 9%, therefore widening the interest rate corridor between O/N borrowing rate of 5%.
RRR: Reserve Requirement Ratio

Banking Sector
Solid lending growth with start of expected slowdown as of 3Q

	Q/Q 1Q11	Q/Q 2Q11	Q/Q 3Q11	Volume, bln TL 9M11	YTD 9M11	Currency adjusted[1]
Loans	**7%**	**10%**	**8%**	**632**	**26%**	**20%**
TL	6%	10%	5%	437	22%	
FC ($)	8%	4%	1%	108	13%	
Deposits	**1%**	**5%**	**4%**	**677**	**11%**	**5%**
TL	0%	5%	0%	447	5%	
FC ($)	3%	0%	0%	128	4%	
Securities	**-4%**	**0%**	**3%**	**287**	**0%**	
Repo	**12%**	**66%**	**7%**	**116**	**101%**	
LDR	**86%**	**91%**	**93%**	**93%**	**11.4 pp**	
NPL Ratio	**3.2%**	**2.9%**	**2.7%**	**2.7%**	**-0.9 pp**	
NIM	**3.5%**	**3.4%**	**3.3%**	**3.4%**	**-115 bps y/y**	

"1H11"
Strong growth / Margin pressure

- **Strong loan growth** despite CBRT's loan growth cap of 25% driven by upfronting
- **Accelerated LDR ↑**
- **NIM contraction** driven by intensified regulation and competition
- **Improving asset quality**

"3Q11"
Slowdown / Easing competition

- **Start of slowdown in loan growth**
- **Slower LDR ↑**
- **Improving loan yields. Pressure on deposit costs**
- **Asset quality intact**

"2011 so far"
Overall sound growth and profitability maintained

- **Still wide differential between loan** and **deposit growth**
- **NIM contraction** driven by regulatory and competitive environment, albeit with stabilisation as of 3Q
- **Continuation of positive asset quality trend**

- **Loan growth at 26% ytd** with **slowdown in 3Q.** Currency adjusted loan growth at 20% ytd
  - Loan growth mainly driven by TL
- **Deposit growth at 11% ytd** with **stable trend in 3Q excluding currency impact.** Currency adjusted deposit growth at 5% ytd
  - Deposit growth almost balanced between TL and FC
- **Accelerated increase in loans / deposits ratio** (93%, +11 pp vs YE10)
- **Securities stable ytd**
- **Positive asset quality trend** with NPL ratio declining to 2.7% (vs 3.6% at YE10)
- **Regulatory and competitive pressure leading to continued NIM pressure** (cum. NIM 3.4%,-115 bps y/y), **albeit with some stabilisation as of 3Q**

Note: Banking sector data based on BRSA weekly data excluding participation banks
Net interest margin (NIM) data based on rolling quarterly data with June, July and August figures (as Sept'11 sector data not yet available)
LDR: Loan / Deposit Ratio
(1) Assumed no change in US$/TL rate since 2010 (YKB balance sheet evaluation US$/TL rate at 1.5073)

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- Operating Environment
- **9M11 Results** ***(BRSA Consolidated)***
- Performance of Strategic Business Units & Subsidiaries
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Executive Summary
Growth and profitability on track with solid liquidity and funding position

Customer Business	
	■ **Sustained focus on customer business with 25% ytd loan growth** driven by strong focus on high margin TL consumer and SME lending and project finance in foreign currency loans. **Start of slowdown in lending as of 3Q**, in line with sector ■ **Above sector deposit growth** (19% ytd), with **significant acceleration in 3Q** driven by foreign currency deposits ■ **Further improvement in commercial effectiveness** via ongoing initiatives in all segments ■ **Continued branch expansion** (26 net openings ytd, 894 branches as of Sep'11)

Customer Business

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- **Above sector deposit growth** (19% ytd), with **significant acceleration in 3Q** driven by foreign currency deposits
- **Further improvement in commercial effectiveness** via ongoing initiatives in all segments
- **Continued branch expansion** (26 net openings ytd, 894 branches as of Sep'11)

Profitability

- **Sustained revenue performance**
  - **Net interest income stable y/y** driven by positive effect of upward repricing actions despite pressure on deposit costs leading to **stabilisation in NIM**
  - **Sound fee performance** driven by **focused initiatives and volume growth**
- **Continuation of controlled cost growth**

Asset Quality

- **Asset quality intact** with steady[1] NPL inflows and solid collections
- **Continuation of normalisation trend in cost of risk**

Funding / Liquidity / Capital

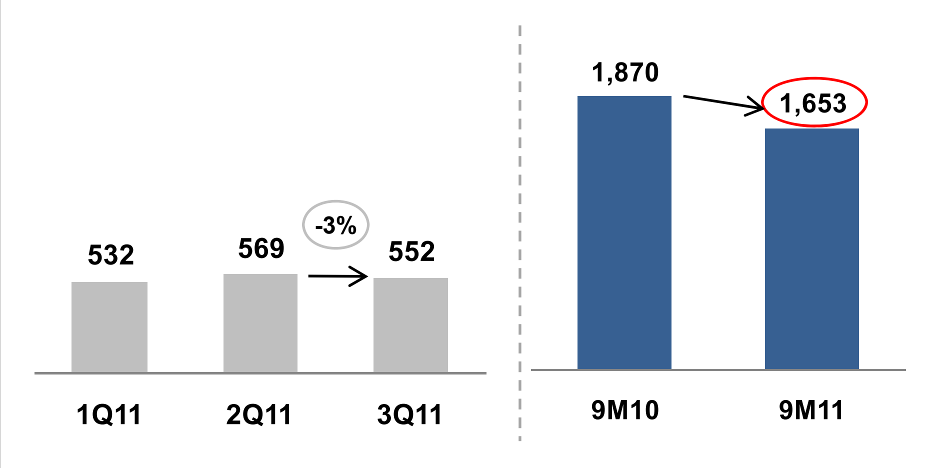
- **Continuation of funding diversification** (US$ 1,250 mln syndication, US$410 mln and €75 mln DPR securitisation, 150 mln TL bond)
- **Loans / deposits ratio down to 103%** (vs 109% in 2Q11)
- **CAR at 13.8% at Bank level, 13.6% at Group level**

(1) Excluding two large commercial positions which were in watch loans for the last couple of years and booked as NPL in 3Q

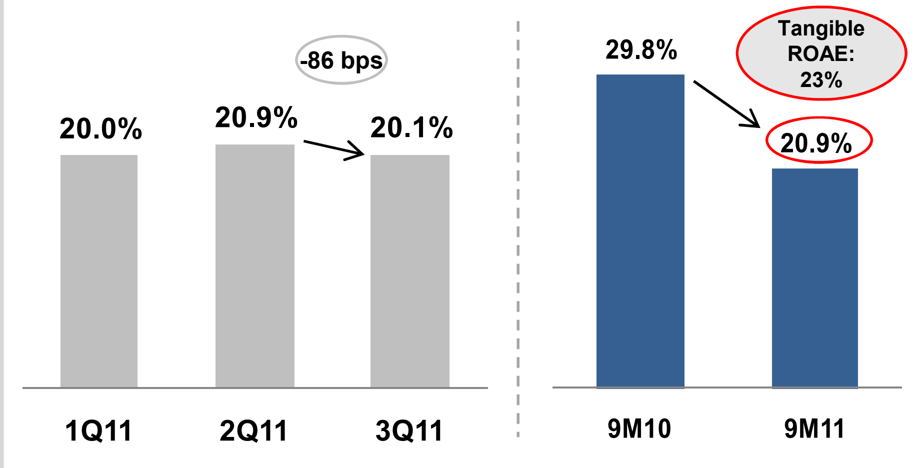
Key Performance Indicators

Solid profitability despite worsening market conditions

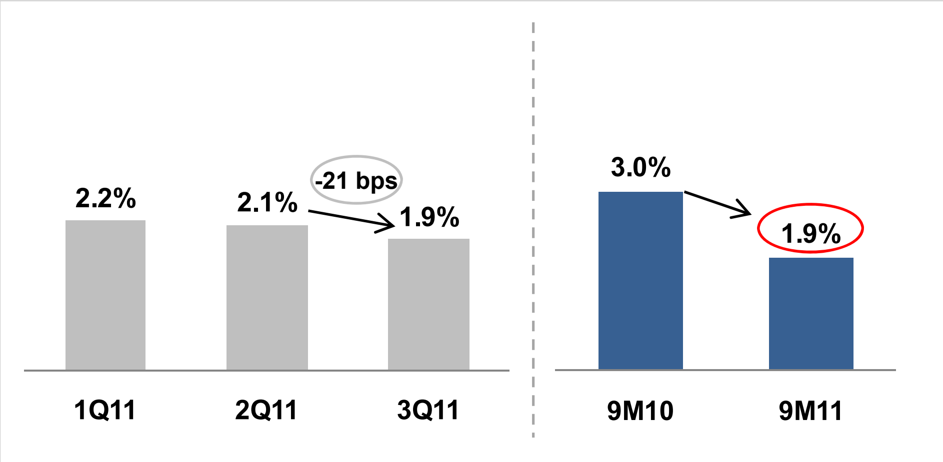
Net Income *(mln TL)*



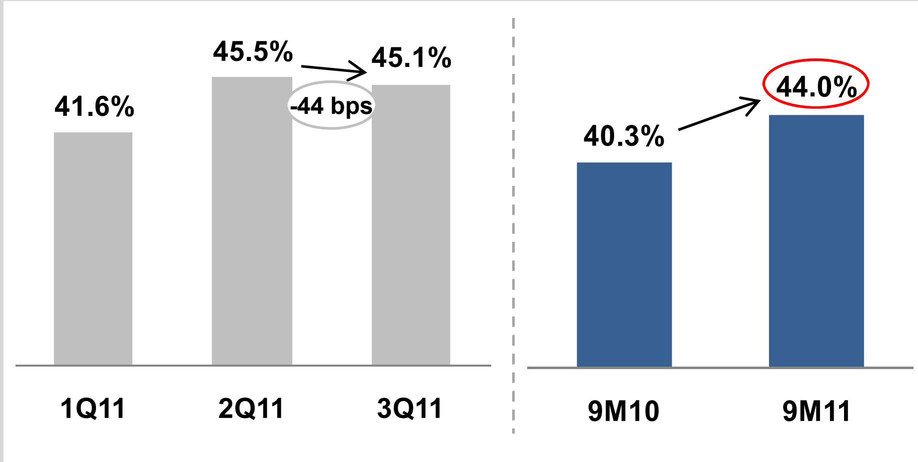
Return on Average Equity[1]



Return on Assets[2]



Cost / Income



(1) Calculations based on the average of current period equity (excluding current period profit) and prior year equity. Annualised
(2) Calculations based on net income / end of period total assets. Annualised

Income Statement

1,653 mln TL net income in 9M11 driven by sustained core revenue performance, contained costs and asset quality

mln TL	1Q11	2Q11	3Q11	9M10	9M11	y/y
Total Revenues	**1,708**	**1,510**	**1,585**	**4,846**	**4,804**	**-1%**
Net Interest Income	885	834	979	2,704	2,697	0%
Non-Interest Income	823	676	606	2,142	2,107	-2%
o/w Fees & comms.	451	471	512	1,271	1,434	13%
Operating Costs	**711**	**687**	**715**	**1,954**	**2,114**	**8%**
Operating Income	**997**	**823**	**870**	**2,892**	**2,690**	**-7%**
Provisions	313	138	191	589	642	9%
o/w Loan Loss	256	146	108	505	510	1%
Pre-tax income	**684**	**685**	**679**	**2,303**	**2,048**	**-11%**
Net Income[1]	**532**	**569**	**552**	**1,870**	**1,653**	**-12%**

- **Revenues -1% y/y** driven by NIM pressure (albeit lessened in 3Q following sharp compression in 1H) and negative trading result despite sound fees and other income
- **Costs +8% y/y** driven by continuous cost control
- **Provisions contained at +9% y/y,** driven by positive asset quality
- **Net income at 1,653 mln TL,** (-12% y/y); Quarterly net income at 552 mln TL (-3% q/q)

(1) Indicates net income before minority. 9M11 net income after minority: 1,648 mln TL

Balance Sheet
Dynamic balance sheet evolution accompanied by slowdown in loans and acceleration in deposits in 3Q

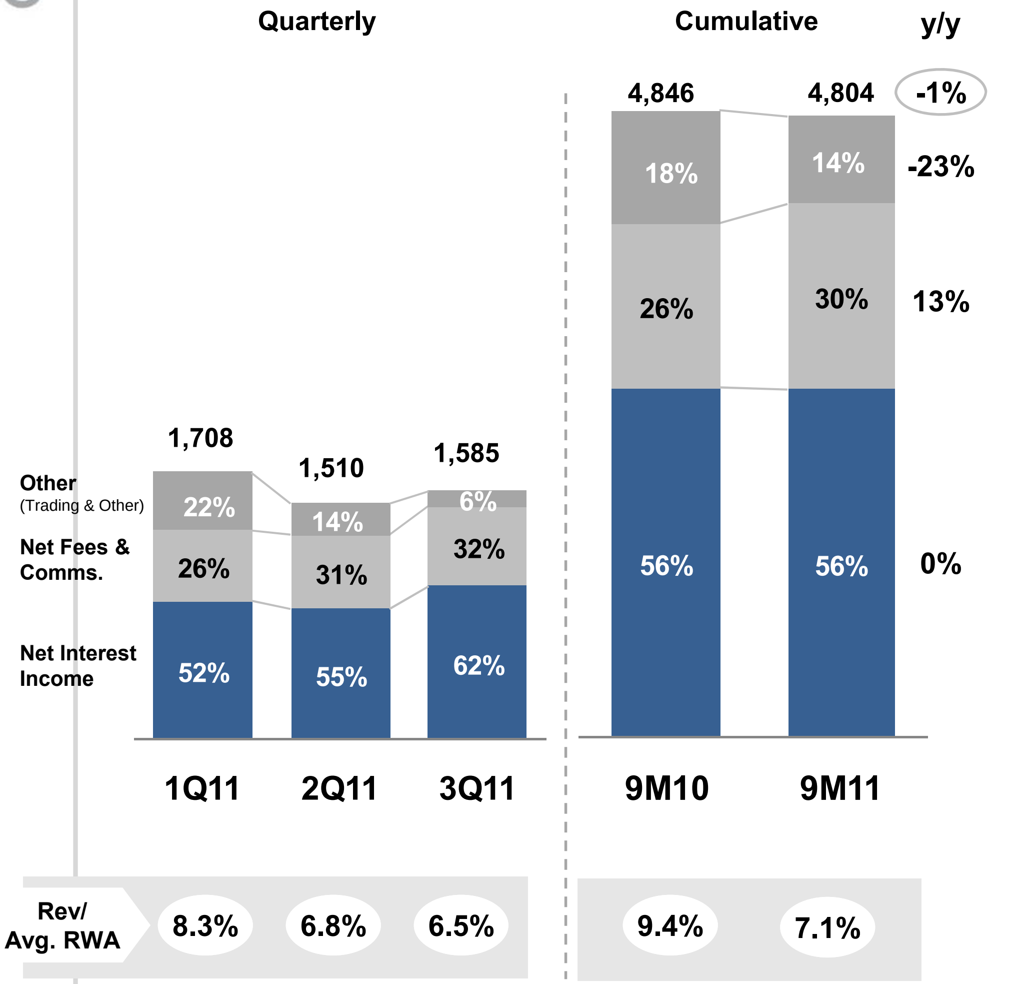
bln TL	2010	2Q11	3Q11	2Q Growth	3Q Growth	YTD Growth	Currency adjusted[3]
Total Assets	**92.8**	**107.5**	**115.9**	**10%**	**8%**	**25%**	
Loans	**54.2**	**63.7**	**67.8**	**13%**	**6%**	**25%**	17%
TL	34.6	41.1	42.5	15%	3%	23%	
FC (in US$)	13.1	14.2	14.1	2%	-1%	8%	
Securities	**19.9**	**20.9**	**21.0**	**2%**	**0%**	**5%**	
Deposits	**55.2**	**58.7**	**65.9**	**5%**	**12%**	**19%**	10%
TL	32.3	32.1	34.0	0%	6%	5%	
FC (in US$)	15.2	16.7	17.7	5%	6%	16%	
Repo	**3.2**	**9.4**	**7.0**	**54%**	**-25%**	**118%**	
SHE	**10.7**	**11.8**	**12.0**	**5%**	**2%**	**12%**	
AUM	**9.0**	**9.0**	**8.8**	**-2%**	**-2%**	**-3%**	
Loans/Assets	**58%**	**59%**	**59%**	1 pp	-1 pp	0 pp	
Securities /Assets	**21%**	**19%**	**18%**	-2 pp	-1 pp	-3 pp	
Loans/Deposits	**98%**	**109%**	**103%**	8 pp	-6 pp	5 pp	
Deposits/Assets	**59%**	**55%**	**57%**	-3 pp	2 pp	-3 pp	
Leverage[1]	**7.6x**	**8.1x**	**8.7x**	-	-	-	
Borrowings/Liab[2]	**15%**	**15%**	**16%**	1 pp	1 pp	1 pp	
Group CAR	**15.4%**	**13.8%**	**13.6%**	-1 pp	-0.1 pp	-2 pp	
Bank CAR	**16.1%**	**14.1%**	**13.8%**	14 pp	-0.3 pp	-2 pp	

- **Slowdown in loan growth in 3Q** leading to 25% ytd growth (in line with sector). **Currency adjusted loan growth +17% ytd** (vs 20% sector). TL loans up 23% ytd, FC loans up 8% ytd in US$ terms
- **Loans / assets at 59%** and **securities / assets at 18%,** confirming **customer business focus**
- **Significant acceleration of deposit growth in 3Q** (12%) leading to 19% ytd growth (above sector). **Currency adjusted deposit growth +10% ytd** (vs 5% sector). TL deposits up 5% ytd, FC deposits up 16% in US$ terms
- **Loans / deposits ratio down to 103%** (vs 109% in 2Q)
- **Lessened repo funding** (-25% q/q)
- **Continued focus** on **diversification of funding base** (borrowings/liabilities at 16%)
- **AUM impacted by market volatility** (-3% ytd)
- **Group CAR at 13.6%** and **Bank CAR at 13.8%**

Note: Loan figures indicate performing loans
(1) Leverage ratio: (Total assets – equity) / equity
(2) Borrowings include funds borrowed, sub-debt and marketable securities issued
(3) Assumed no change in US$/TL rate since 2010 (YKB balance sheet evaluation US$/TL rate at 1.5073)

Total Revenues
Sustained revenue base with increasing contribution of core revenue sources

Revenue Composition *(mln TL)*



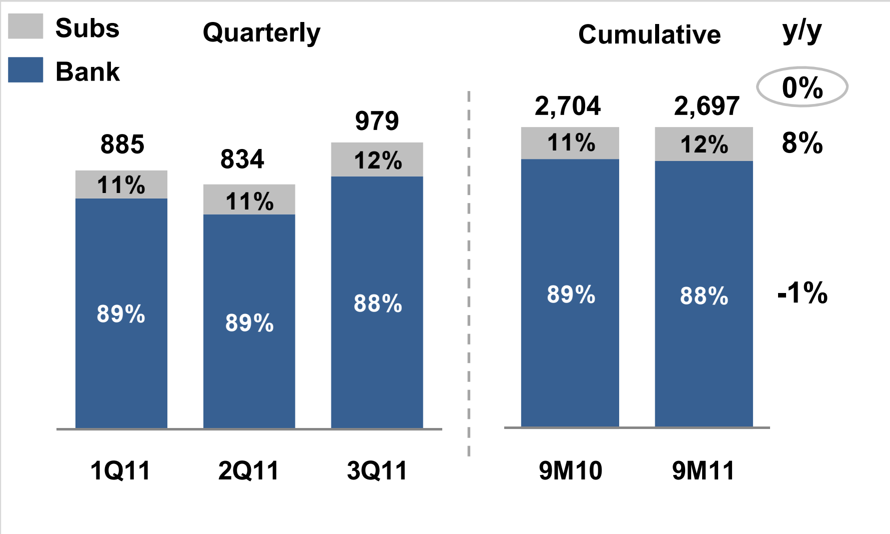
Other Income Breakdown

mln TL	1Q11	2Q11	3Q11	9M10	9M11
Total Other Income	**372**	**206**	**94**	**872**	**672**
Trading & FX (net)	50	-22	-95	-2	-67
Collections	186	133	8	449	327
Income from subs & other	136	95	181	425	413

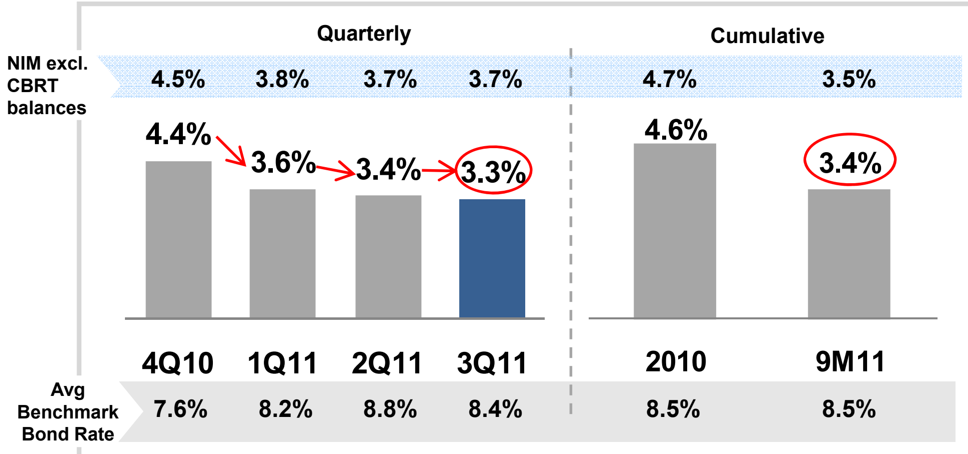
- **NII / revenues sustained at 56% in 9M11. Revenues / RWA** impacted by stable revenues and solid lending growth
- **Fees / revenues up to 30%** (vs 26% in 9M10)
- **Other income / revenues at 14%** (vs 18% in 9M10) driven by:
  - **Negative trading result** mainly impacted by m-t-m of hedging instruments and some impact from currency volatility
  - **Contribution from collections at 327 mln TL in 9M11**, impacted by lessening collections from previous years
  - **Positive performance of subsidiaries and other income**

Net Interest Income
Stabilisation of NIM in 3Q as a result of positive effect of upward repricing actions despite pressure on deposit costs

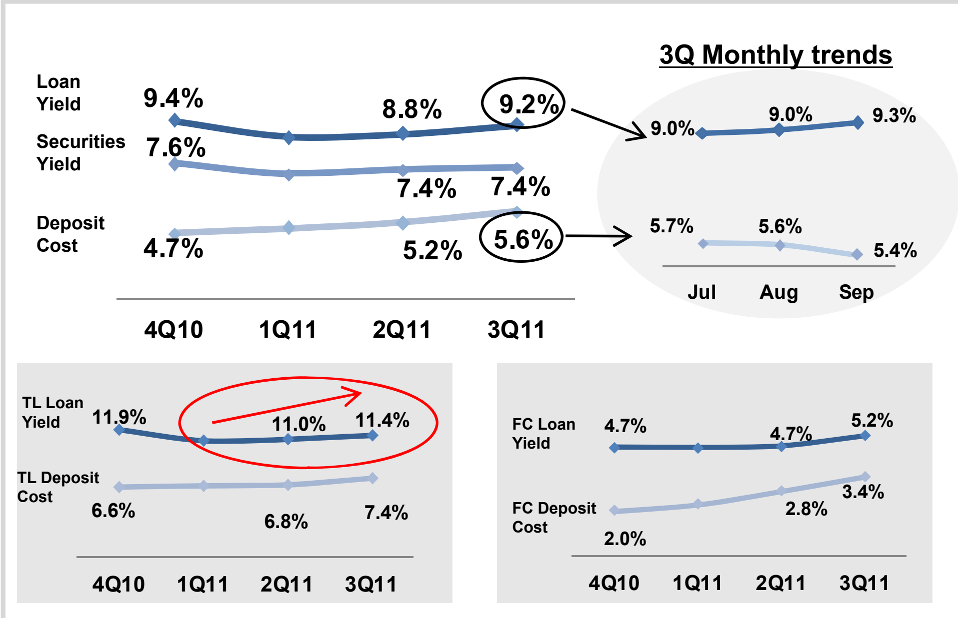
Net Interest Income (NII) *(mln TL)*



Net Interest Margin (NIM)[1]



NIM Analysis



- **Stable NII y/y** driven by -1% y/y at Bank, +8% y/y at subs
- **Cumulative NIM at 3.4%** (-120 bps vs 2010) driven by low interest rate environment, regulation and competition
- **Quarterly NIM at 3.3%** (-8 bps q/q) driven by **stabilising loan-deposit spread** benefitting from:
  - **Continued positive impact of loan repricing actions** on loan yields
  - **Increasing share of FC deposits** despite continued pressure on deposit costs
  - **Stable securities yield**

(1) NIM = Net interest income / Avg. Interest Earning Assets
Notes: 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 securities
Reported NIM figures as follows: 4Q10: 4.2%, 1Q11: 3.8%, 2Q11: 3.3%, 3Q11: 3.6%
Performing loan volume and net interest income used for loan yield calculations

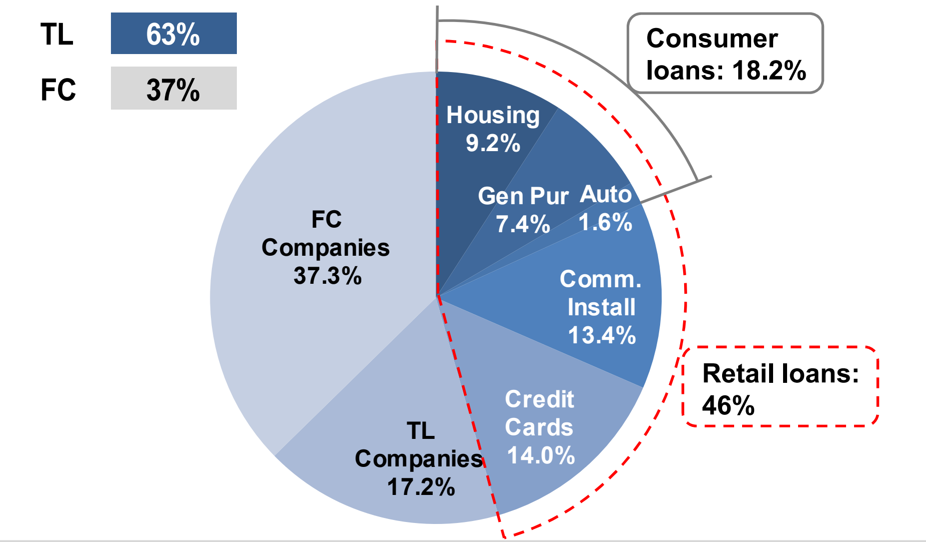
Loans

Growth driven by strong focus on high margin TL consumer and SME lending

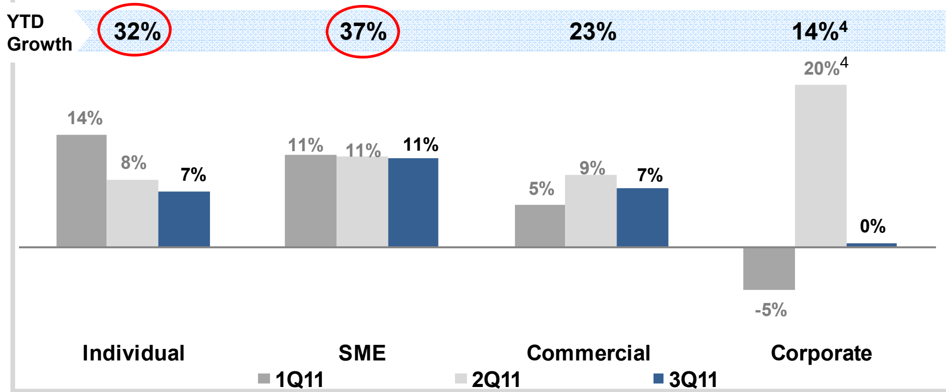
Loans

bln TL	3Q11	YKB 3Q Growth	YKB Ytd Growth	Sector Ytd Growth	Market Share
Total Loans[1]	**67.8**	**6%**	**25%**	**26%**	***10.4%***
TL	42.5	3%	23%	22%	*9.6%*
FC ($)	14.1	-1%	8%	13%	*12.1%*
Consumer Loans	**12.3**	**7%**	**28%**	**26%**	***7.8%***
Mortgages	6.2	6%	18%	19%	*9.1%*
General Purpose	5.0	10%	47%	33%	*6.0%*
Auto	1.1	3%	16%	19%	*17.2%*
Credit Cards	**9.5**	**3%**	**11%**	**21%**	***17.7%***
Companies	**46.0**	**7%**	**27%**	**27%**	***10.4%***
TL	20.7	1%	26%	21%	*8.9%*
FC ($)	14.1	-1%	8%	13%	*12.1%*
Com. Installment[2]	9.0	8%	31%	32%	*9.3%*

Composition of Loans



Loan Growth by Business Unit[3]



Note: Sector data based on weekly BRSA unconsolidated figures. Market shares based on unconsolidated figures for YKB and sector according to BRSA classification with FC-indexed loans included in TL loans
(1) Total performing loans
(2) Proxy for SME loans as per BRSA reporting. Growth adjusted for YK Nederland reclassification (1.9 mln TL at YE10)
(3) Based on MIS data. Please refer to annex for Yapı Kredi's internal segment definitions
(4) Excluding a few temporary short-term big ticket loans at end-2Q. Including: 31% q/q in 2Q, 24% ytd

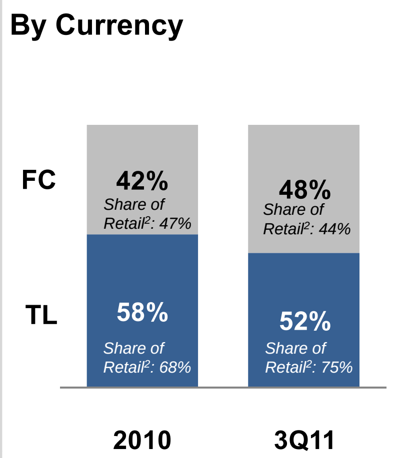
Deposits
Balanced composition in terms of currency with increasing share of retail, continued emphasis on demand deposits and lengthening maturity

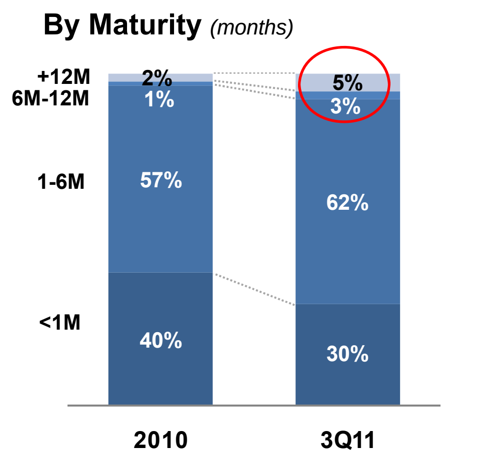
Deposits

bln TL	3Q11	YKB 3Q Growth	YKB Ytd Growth	Sector Ytd Growth	Market Share	ytd Δ bps
Total Deposits	**65.9**	**12%**	**19%**	**11%**	*9.3%*	64
TL	34.0	6%	5%	5%	*7.6%*	-1
FC ($)	17.7	6%	16%	4%	*12.5%*	153
Customer Deposits[1]	**64.3**	**13%**	**20%**	**10%**	*9.7%*	80
Demand Deposits	**11.3**	**9%**	**19%**	**13%**	*10.3%*	46
AUM	**8.8**	**-2%**	**-3%**	**-1%**	*17.7%*	-68

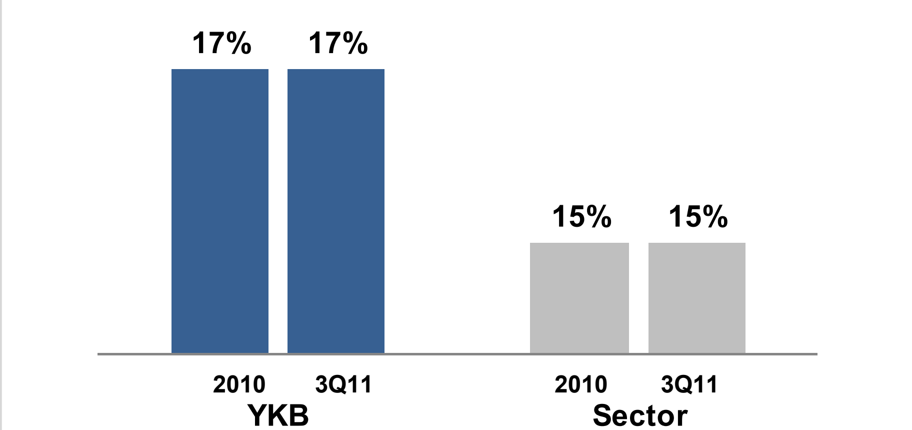
- **Total deposits +19% ytd** (above sector with +64 bps ytd market share gain) driven mainly by **FC deposits** (16% in US$ terms). **TL deposits +5% ytd** (in line with sector) impacted by RRR hikes and competition. **High share of retail² in total TL deposits** (75% vs 68% at YE10)
- **Solid demand deposit growth** (19% vs 13% sector) leading to above sector **demand deposit / total deposits ratio** (17%) and **market share gains** (+46bps ytd)
- **AUM -3% ytd** impacted by market volatility

Composition of Total Deposits





Demand Deposits / Total Deposits

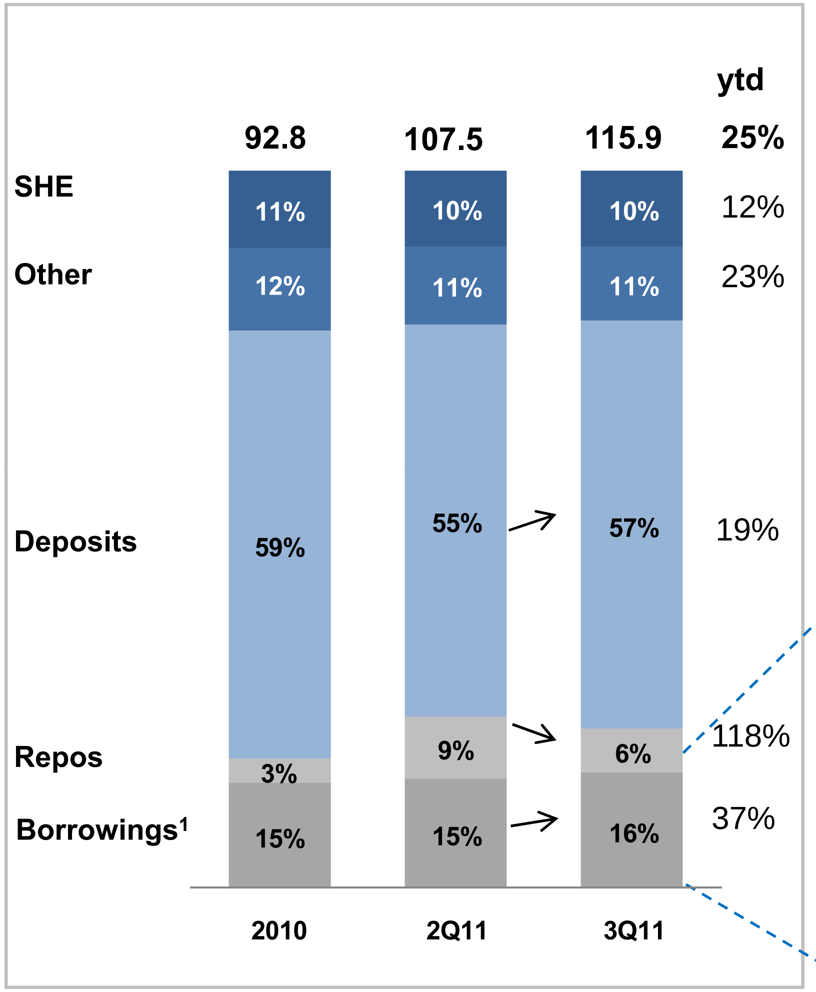


Note: Sector data based on weekly BRSA unconsolidated figures. Market shares based on unconsolidated figures for YKB and sector
(1) Customer deposits exclude bank deposits
(2) Retail includes SME, mass, affluent and private. Based on MIS data

Funding

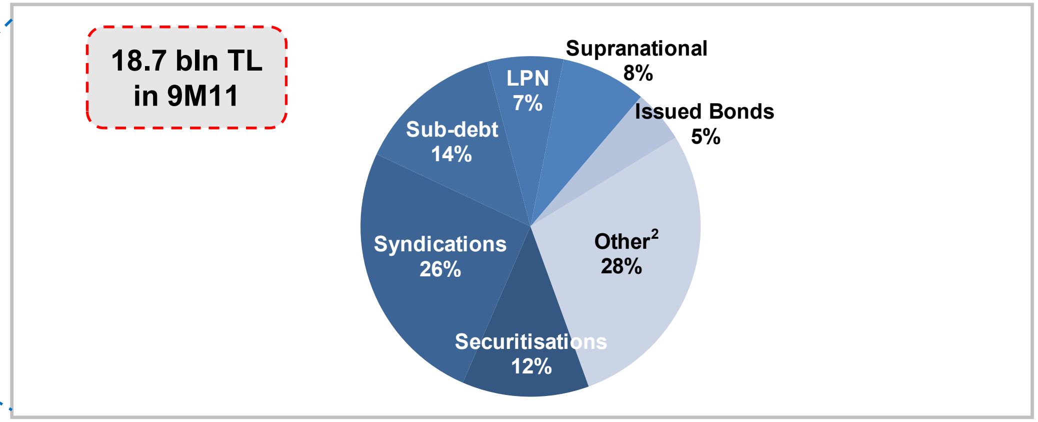
Sustained emphasis on diversification of the funding base with continuing access to international markets

Liability Composition *(bln TL)*



- **International funding secured in 3Q:**
  - **US$ 1,250 mln syndication** with 100% roll-over and improved pricing in Sep'11 (Libor +1%, -30bps vs 2010, 1 year maturity)
  - **US$ 410 mln and €75 mln** new financing through DPR securitisation program in Aug'11 (first injection since 2007)
- **Domestic funding secured in 3Q:**
  - **150 mln TL bond issuance** in Oct'11 (9.08% compounded rate, 1 year maturity) as a clear first step in lengthening maturity of domestic funding
- **Lessened usage of repo funding** (6% of total liabilities vs 9% in 2Q) on the back of **strong deposit growth in 3Q**

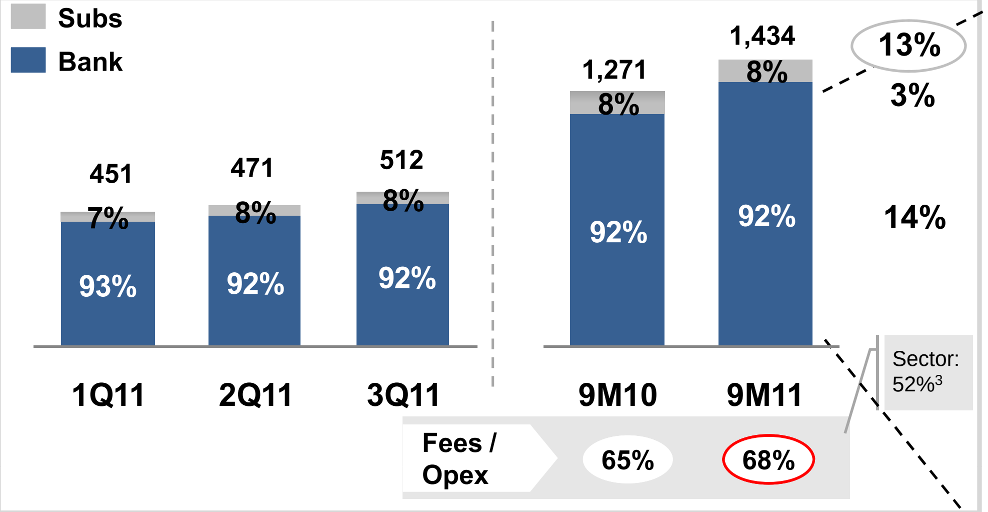
Composition of Borrowings



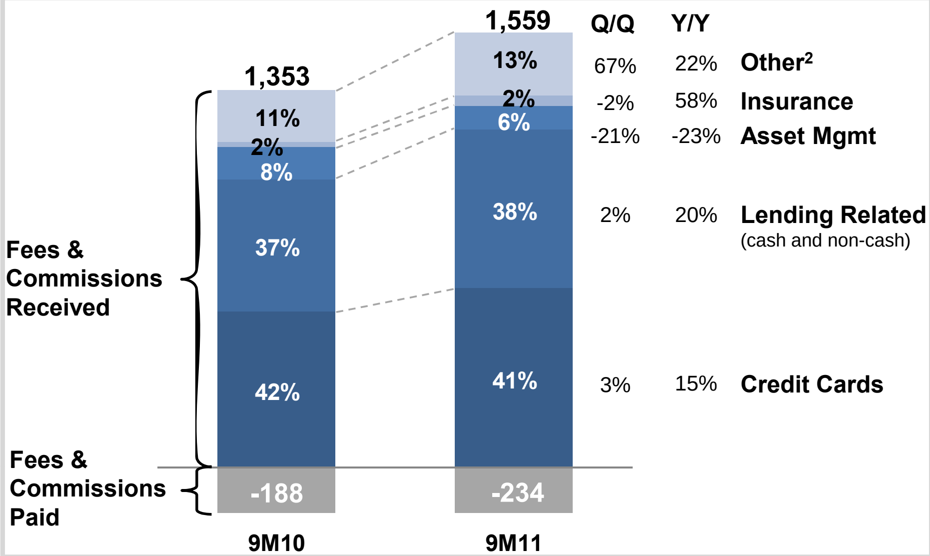
(1) Includes funds borrowed, sub-debt and marketable securities issued. Please refer to annex for details on international borrowings
(2) Other includes eximbank, postfinancing loans and subsidiaries

Fees & Commissions
Sound performance driven by focused initiatives and volume growth

Net Fees & Commissions *(mln TL)*



Composition of Bank Fees & Commissions



Key Drivers of Fee Growth

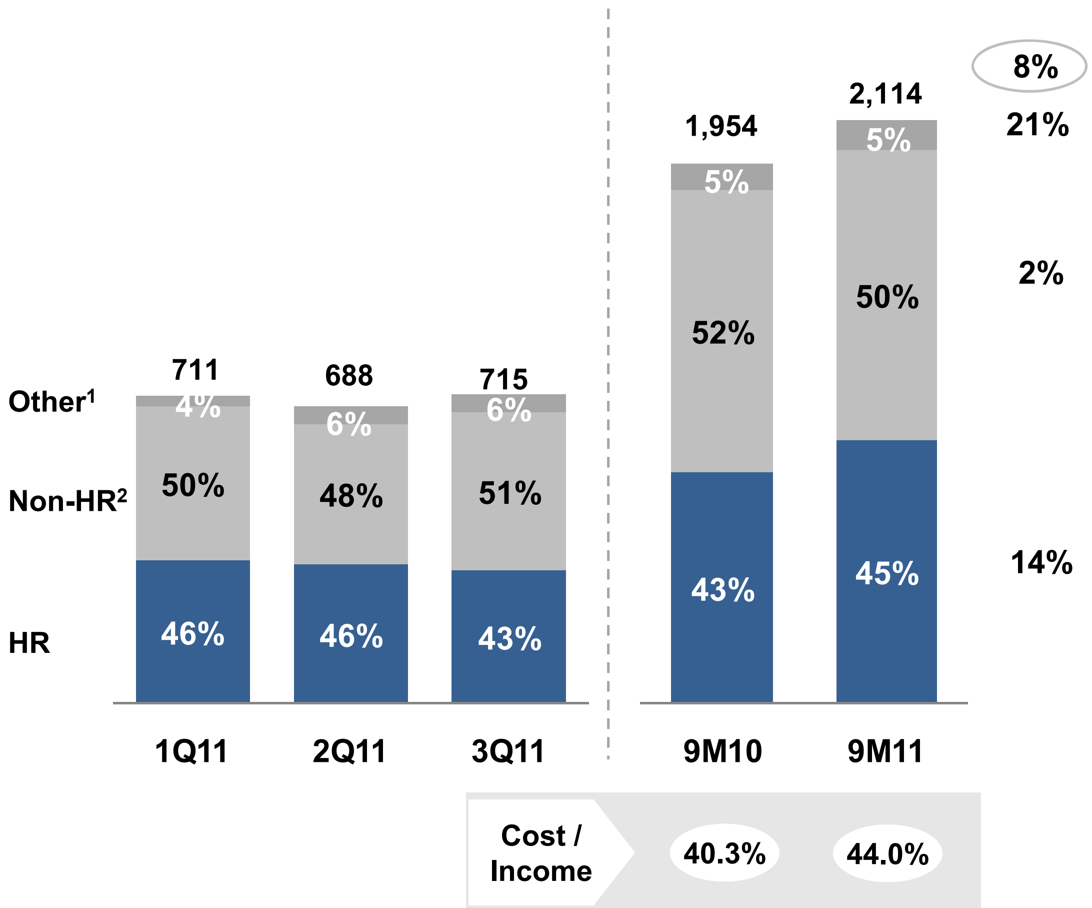
New Products	**Continued strong product bundle sales** *192K sales in 9M11*
New Fee Areas	**Solid performance of leasing & factoring fees** *+63% y/y*
Focus on Collection	**Strong trend in collection ratio due to focused efforts** *~60% total retail*
Fee Generating Products	**Continued robust performance in bancassurance** (+58% y/y), **trade finance** (+25% ytd avg volumes), **cash mngmt** (+14% ytd avg volumes), **equity** and **derivative trading** (+27% ytd)

- **Fees +13% y/y driven by Bank** (+14% y/y)
  - **Credit card fees +15% y/y** contributed by **volume growth** and **launch of new fee areas[4]. Share in total at 41%** confirming increasing diversification of fee base
  - **Lending related fees +20% y/y** driven by **loan volume growth** and **repricing in some consumer loan fees. Share in total at 38%**
  - **Asset management fees -23% y/y** due to fund management fee cap decline and lower volumes
  - **Insurance fees +58%** y/y due to bancassurance focus
  - **Other fees +22% y/y** mainly driven by positive contribution of account maintenance fees, product bundles and campaigns

(1) Total Bank fees received as of 9M11: 1,559 mln TL (1,353 mln TL in 9M10). Total fees paid as of 9M11: 234 mln TL (188 mln TL in 9M10)
(2) Other includes account maintenance, money transfers, equity trading, campaigns and product bundles, etc.
(3) As of Aug11
(4) New credit card mailing fee and late payment notification fees

Operating Costs
Continued cost discipline

Total Operating Costs *(mln TL)*



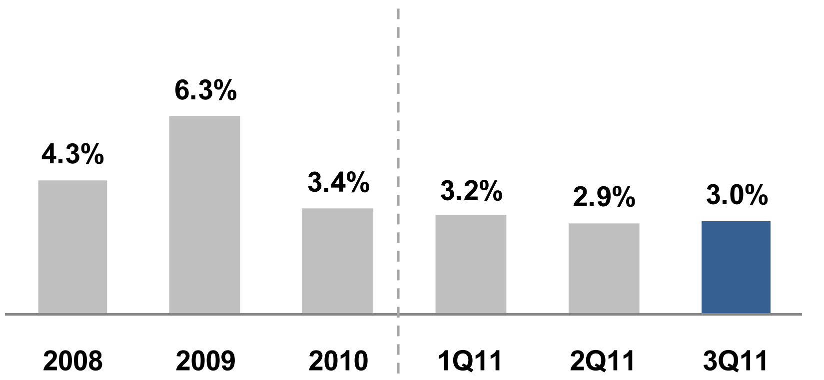
- **Total costs +8% y/y,** in line with inflation
- **HR costs +14% y/y** impacted by bonus payments in 1Q11 (+11% y/y excluding one-offs[3])
  - **Number of employees at 14,704** (+293 vs YE10) driven by branch expansion
- **Non-HR costs +2% y/y** impacted by one-off items in 1H10 (NPL sale legal fees and non-cash loan general provisions), +4% y/y excluding one-offs[3]
  - **Number of branches at 894** (+7 net openings in 3Q, +26 vs YE10). Market share at 9.1%
- **Other costs +21% y/y** due to higher Worldcard loyalty points on the back of increasing issuing volumes (+13% y/y)

(1) Other includes pension fund provisions and loyalty points on Worldcard
(2) Non-HR costs include HR related non-HR, advertising, rent, SDIF, taxes ,depreciation and branch tax (1Q10: 40 mln TL, 1Q11: 44 mln TL)
(3) One-offs in 1Q10: NPL sale legal fees (9.2 mln TL), non-cash loan general provisions (13 mln TL) in non-HR costs 1Q11: variable compensation (30 mln TL) in HR costs

Asset Quality

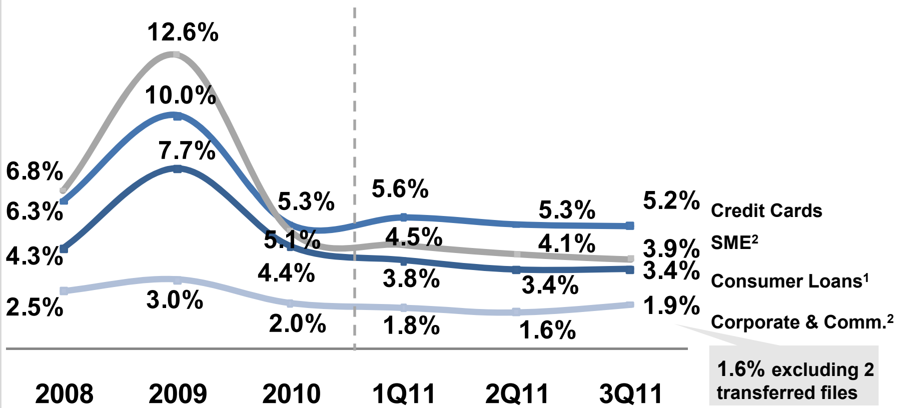
Continuation of positive trend

NPL Ratio

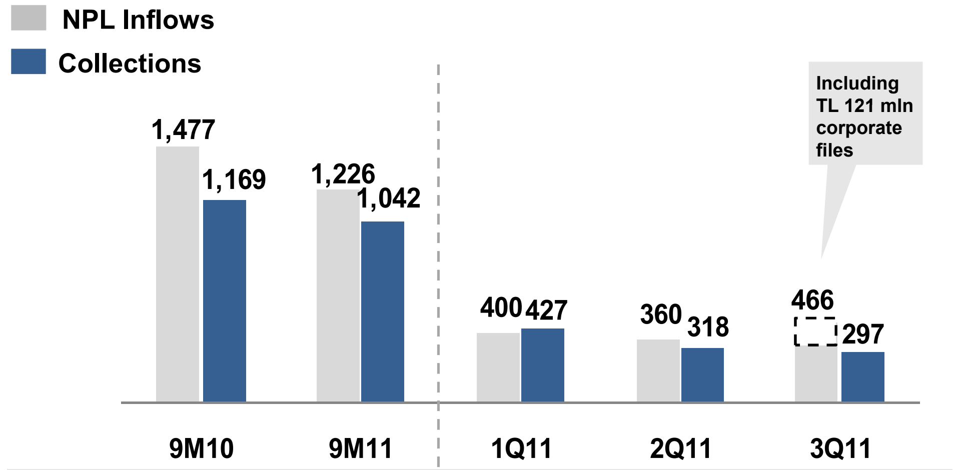


NPL Volume *(bln TL)*	2008	2009	2010	1Q11	2Q11	3Q11
	1.7	2.6	1.9	1.9	1.9	2.1

NPL Ratio by Segment



Asset Quality Flows *(mln TL)*



	9M10	9M11	1Q11	2Q11	3Q11
Net Inflows	308	63[3]	-27	42	48[3]
Collections / Inflows	79%	94%[3]	107%	88%	86%[3]

- **NPL ratio at 3.0%** (vs. 3.4% at YE10) driven by **stabilising NPL inflows, solid collections** and **loan growth**
  - **NPL ratio stabilisation in retail segments.** Corporate /commercial impacted by transfer of two large files from watch category
- **Collection/inflows at 94%[3] in 9M11** on the back of stabilising NPL inflows and solid collections performance

(1) Including cross default. If excluding, 3Q11: 2.7%

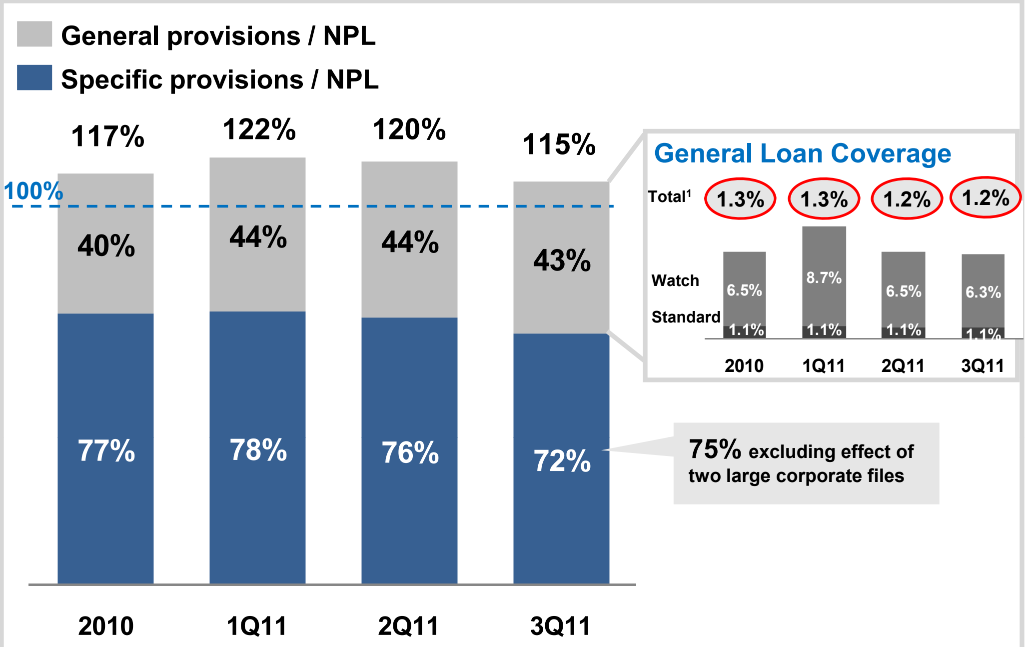
(2) As per YKB's internal segment definition, SMEs: companies with annual turnover <5 mln US$. Corporate & Commercial: companies with annual turnover >5 mln US$

(3) Excluding two large commercial positions which were in watch loans for the last couple of years and booked as NPL in 3Q

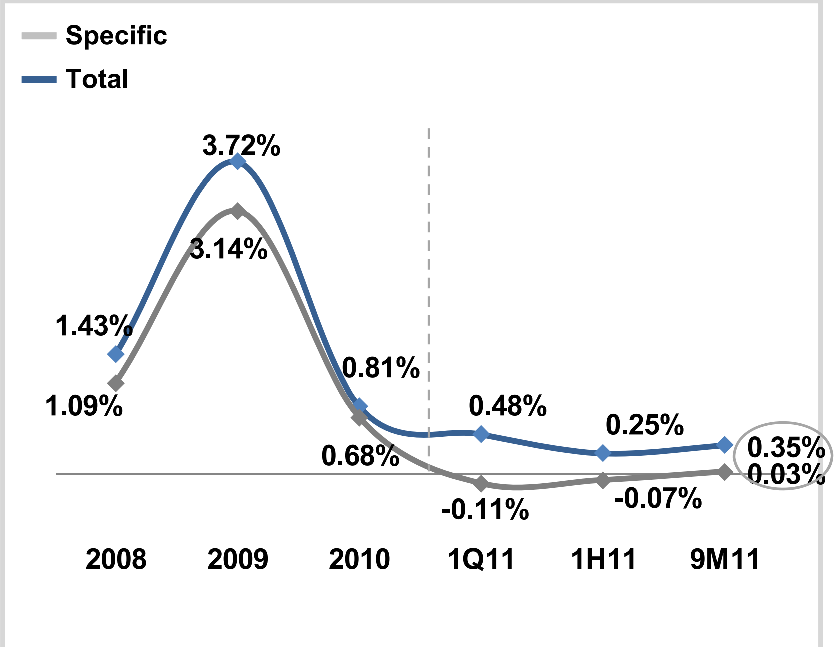
Provisioning and CoR

Solid NPL coverage with continuing normalisation in cost of risk

Specific and General Provisioning



Cost of Risk[2] *(Cumulative, net off collections)*



- **Total coverage of NPL volume at 115%** (including specific and general provisions)
  - **Specific coverage at 72%** (-5pp vs YE10) impacted by transfer from watch of 2 large corporate files (excluding: 75%, relatively stable vs 2Q)
  - **Generic coverage of total performing loans at 1.2%** (vs 1.3% at YE10). YKB not impacted by GPL provisioning regulation as consumer loans/total loans <20% as of 9M11
- **Total cost of risk** (net off collections) **at 0.35%** (vs -0.15% in 9M10)

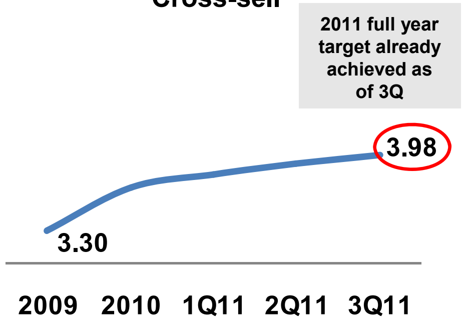
(1) Coverage of total performing loans
(2) Cost of risk = (total loan loss provisions – collections) / total gross loans
Note: General provisions / NPL= (standard + watch provisions) / NPL
General Loan Coverage: Total general provisions / performing loans = (standard + watch provisions) / performing loans

Commercial Effectiveness
Ongoing initiatives in all business units leading to improving productivity

Commercial Effectiveness by SBU

Total Retail

Cross-sell

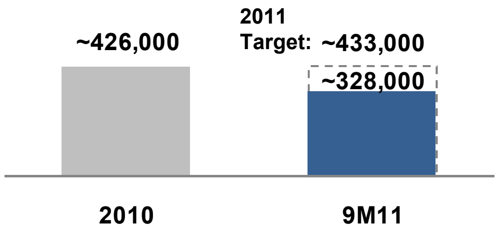


SME

mln TL, average	Sep'11	ytdΔ
Flexible Account Volume (mnthly)	360	59%
Leasing Volume (mnthly)	176	4x[1]
# of Credit Proposals (weekly)	8,111[2]	35%

Credit Cards

Conversion of credit card-only customers



Corp/Comm and Private

Customer activation:

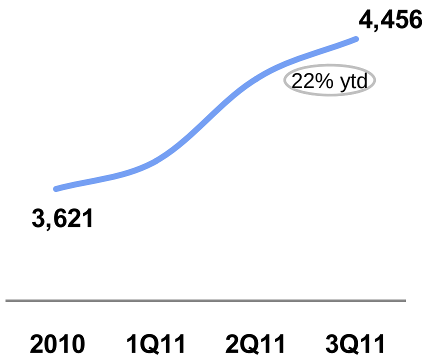
- **Corp/Comm:** ~1,600 clients activated in 9M11 (5% of total corp/comm client base)
- **Private:** ~1,200 clients activated in 9M11 (5% of total private client base)

Customer acquisiton:

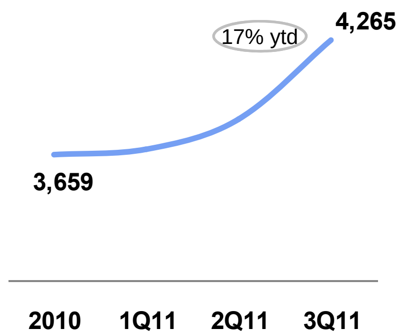
- **Corp/Comm:** New customer / RM up from 0.86 in 2010 to 2.0 im 9M11
- **Private:** New customer / RM up from 0.15 in 2010 to 0.33 im 9M11

Productivity

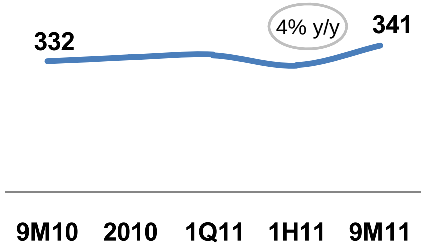
Loans / Employee
(ths TL)



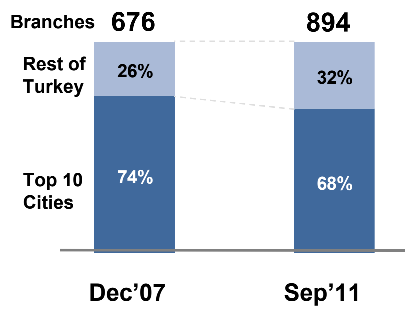
Deposit / Employee
(ths TL)



Core Revenues / Employee
(ths TL)



Branch Penetration



Note: BRSA Bank-only figures used for productivity indicators. Branch and employee figures based on average data. All other figures based on MIS data
RM = Relationship Manager
(1) Ytd growth refers to growth between Mar'11 and Sep'11 due to integration of leasing products with SME in Mar'11
(2) Nine month cumulative

Agenda

- Operating Environment
- 9M11 Results *(BRSA Consolidated)*
- **Performance of Strategic Business Units & Subsidiaries**
- Outlook / Strategy

Performance of Business Units

Solid performance of retail, corporate and commercial. Cards impacted by decline in cap rate and higher cost of funding. Private impacted by market conditions

Weight in Bank: Revenues[1]	Weight in Bank: Customer Business[2]		Revenues (mln TL)	Y/Y (9M10 – 9M11)	Drivers of revenue growth
42%	34%	Retail[3]	1,519	25%	**Revenues** driven by **high margin loan growth, upward loan repricing** and **robust fees** (20 %y/y). **Solid performance by SME** (32% y/y) followed by **mass** (23% y/y) and **affluent** (2% y/y)
9%	7%	Credit Cards[4]	327	-37%	**Revenues** impacted by **lower cap rates** (-57bps y/y)**, decline in revolving ratio** and **increased cost of funding**
3%	14%	Private	99	-23%	**Revenues** impacted by **contraction in AUM volumes** and **derivative products** together with **decrease in mutual fund cap rates** impacting **fee performance** (-26% y/y)
6%	19%	Corporate	229	31%	**Revenues** driven by **strong lending growth** (24% ytd) focused on **high margin FC project finance loans**
20%	23%	Commercial	738	13%	**Revenues** driven by **robust loan growth** (23% ytd) offsetting margin pressure

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

Performance of Subsidiaries

Strong profitability performance at core product factories. YK Portföy impacted by decrease in mutual fund cap rates. Robust performance at insurance subsidiaries

		Revenues *(mln TL)*	Revenue *(y/y growth)*	ROE	Sector Positioning	Key Highlights
Core Product Factories	YK Leasing	148	10%	20%	**#1 in total transaction volume** (18.9% mkt share)[1]	▪ Strong revenue performance driven by significantly increased business volume on the back of enhanced synergies with SME segment
	YK Factoring	51[2]	47%[2]	52%	**#1 in total factoring volume** (17.3% mkt share)[1]	▪ Revenue performance positively impacted by higher net interest income and strong fee performance
	YK Yatırım	105[3]	-2%[3]	53%	**#3 in equity transaction volume** (5.6% mkt share)	▪ Revenue performance impacted by lower derivative trading volume and competitive environment
	YK Portföy	51	-16%	117%	**#2 in mutual fund volume** (17.7% mkt share)	▪ Revenue performance impacted by decrease in mutual fund cap rates
Insurance Subs	YK Sigorta	126[4]	28%[4]	23%	**#1 in health insurance** (17.4% mkt share)	▪ Strong revenue growth driven by higher premium generation and improving technical margins on the back of focus on high margin segments
	YK Emeklilik	89	28%	34%	**#5 in life insurance** **#4 in private pensions[5]**	▪ Revenue growth driven by above sector pension fund volume growth and improving performance in life insurance segment
International Subs	YK Azerbaijan	25	11%	12%	**447 mln TL** total assets	▪ Positive revenue performance driven by strong volume growth compensating margin pressure
	YK Moscow	19	-13%	11%	**336 mln TL** total assets	▪ Revenues impacted by ongoing margin pressure
	YK NV	78	-11%	6%	**4.3 bln TL** total assets	▪ Revenues impacted by decrease in securities income due to continuation of TL bond portfolio sales

(1) As of June'11
(2) Including dividend income from YK Sigorta. Revenue growth adjusted with dividend income
(3) Including dividend income from YK Portföy. Revenue growth adjusted with dividend income
(4) Including dividend income from YK Emeklilik. Revenue growth adjusted with dividend income
(5) 16.1% as of Sep'11

Agenda

- Operating Environment
- 9M11 Results *(BRSA Consolidated)*
- Performance of Strategic Business Units & Subsidiaries
- **Outlook / Strategy**

2012+ Outlook

YKB still confirming positive outlook on the back of continuity scenario but also remaining ready to act responsively / flexibly in case of discontinuity scenario

Future outlook subject to two distinct scenarios dependent on developments in Eurozone

	<u>BASE CASE</u> WITH HIGH PROBABILITY	***LOW PROBABILITY***
Scenario	**Continuity**	**Discontinuity**
Main Assumption	**Eurozone in recession but with no major hiccups** **"Turkey relatively better off"**	**Severe collapse in Eurozone with double-dip recession** **"Turkey in crisis management mode"**
Possible Impact on Turkey / Banking Sector	■ **"Soft landing" with no major spillover** ■ **Positive / moderated GDP growth** driven by domestic demand ■ **Controlled inflation**; **Low / stable interest rates** ■ **Positive evolution of volumes** *(loans ~20%, deposits ~16%)* ■ **Slight asset quality deterioration**	■ **"Hard landing" with major spillover effect but with macro fundamentals still resilient** ■ **Limited growth / contraction in GDP** ■ **No survival issues** in terms of liquidity, profitability and capitalisation ■ **Limited / stable volumes** ■ **Significant but manageable asset quality deterioration**

Strategy

Continued focus on key long-term strategic pillars with possible tactical actions in place in case of discontinuity

	Long-term Goals	Possible tactical actions
Growth / Sustainability	■ **Smart / value generating growth** in high yielding segments with **strong focus on commercial effectiveness** ■ Continuation of **branch expansion** ■ **Constant focus on customer and employee satisfaction** ■ **Key transformation projects:** multi-channel project, new service model for SMEs, enforcement of credit card business, deposit pricing project	■ **Slowdown / very selective lending** ■ **Continuing support for customers** ■ **Temporary halt of branch expansion**
Liquidity / Capital	■ Accelerated focus on **diversification of funding** with focus on cost and increased maturity ■ **Effective use of capital** with optimisation of RWAs	■ **Focus on maintaining funding base / ensuring liquidity and capital position**
Profitability	■ **Continuing strong focus on fee generation** in light of low margin environment ■ **Emphasis on risk adjusted pricing / allocation** ■ **Lean cost management** (ordinary costs at minimum / continuing growth investments) and **optimisation of cost to serve**	■ **Significant upward loan repricing** ■ **Optimisation of funding costs / mix** ■ **Strict cost containment measures** with further push on efficiency
Asset Quality	■ **Ongoing efforts to improve credit infrastructure, monitoring processes and tools** ■ **Dynamic and proactive NPL portfolio management**	■ **Review of full client portfolio** in terms of riskiness ■ **Tightened application, scoring, limit assignment** and **collateralisation** ■ **Rapid launch of restructuring programs**

Agenda

- Operating Environment
- 9M11 Results *(BRSA Consolidated)*
- Performance of Strategic Business Units & Subsidiaries
- Outlook / Strategy
- **Annex**

Agenda

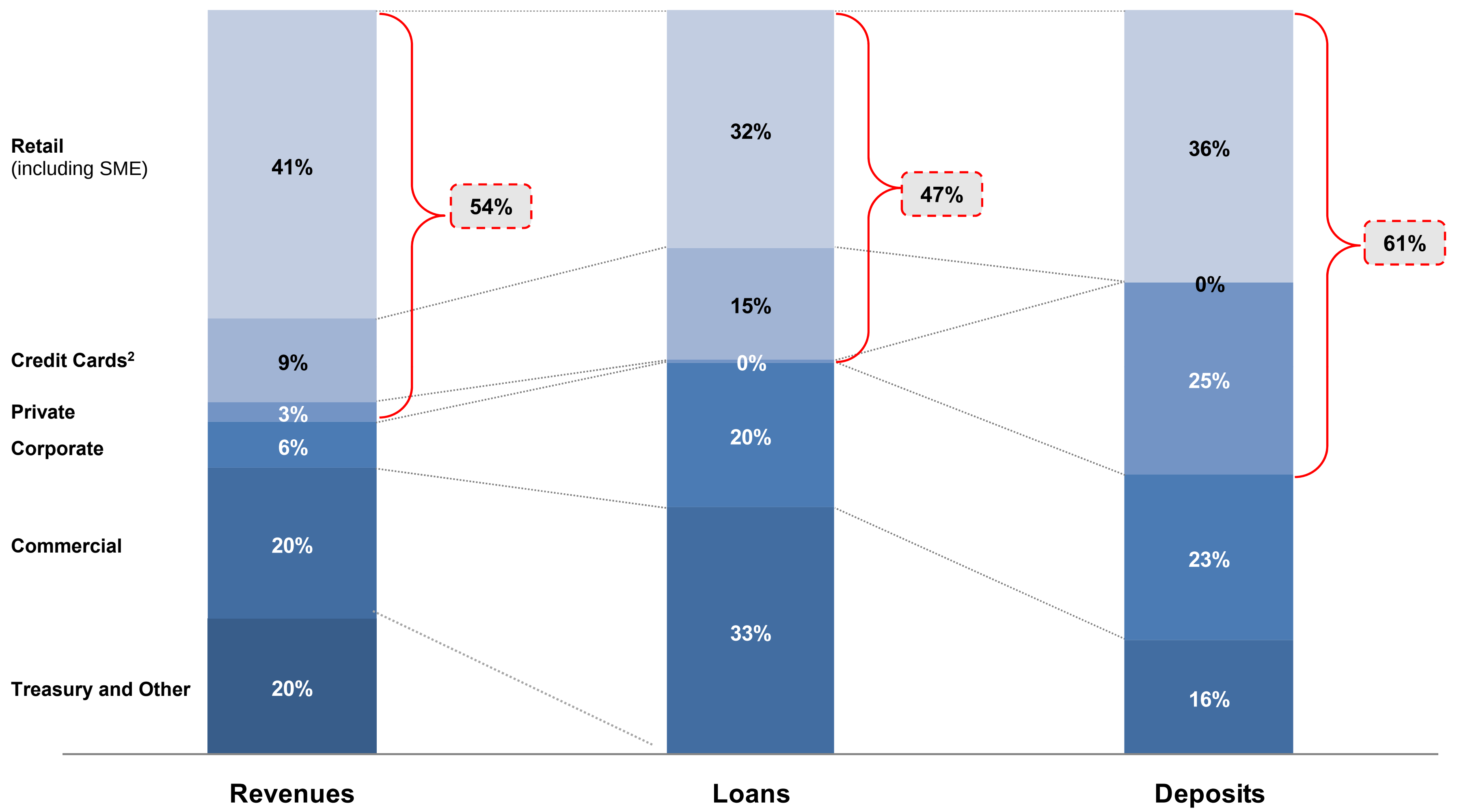
- **Detailed Performance by Strategic Business Unit**
- Other Details

Definitions of Strategic Business Units

- **Retail:**
  - **SME:** Companies with turnover less than 5 mln US$
  - **Affluent:** Individuals with assets less than 500K TL
  - **Mass:** Individuals with assets less than 50K TL
- **Commercial:** Companies with annual turnover between 5-100 mln US$
- **Corporate:** Companies with annual turnover above 100 mln US$
- **Private:** Individuals with assets above 500K TL

Performance by Strategic Business Units
Diversified revenue mix with retail focused loan and deposit portfolio

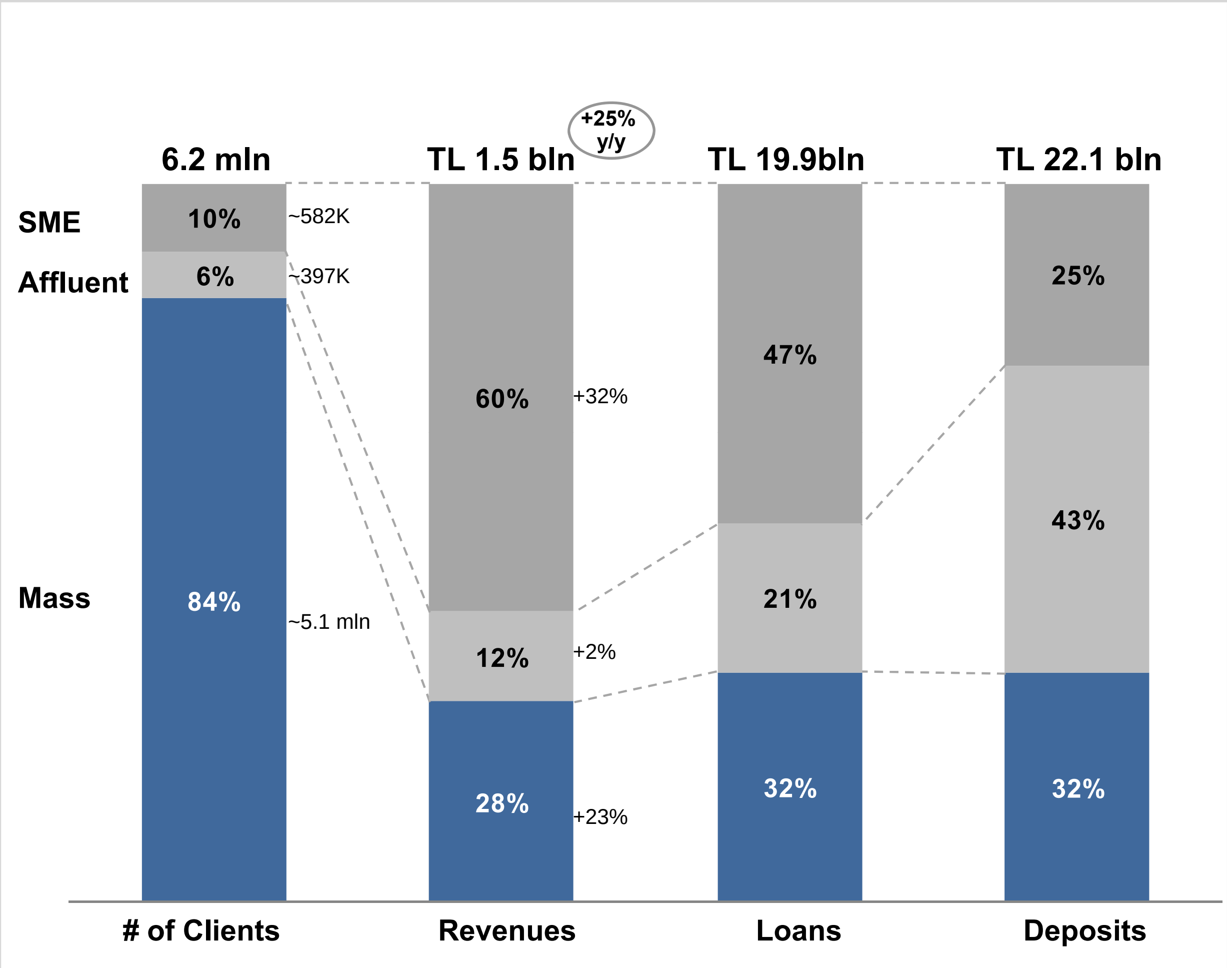
Revenues and Volumes by Business Unit[1] *(9M11, Bank only)*



Note: Loan and deposit allocations based on end of period volumes (source: MIS data). All SBU figures based on 9M11 segmentation criteria
(1) Please refer to definitions of Business Units
(2) Net of loyalty point expenses on World card

Retail Banking
~ 60% of retail banking revenues generated by SME business

Retail Banking Composition *(9M11)*

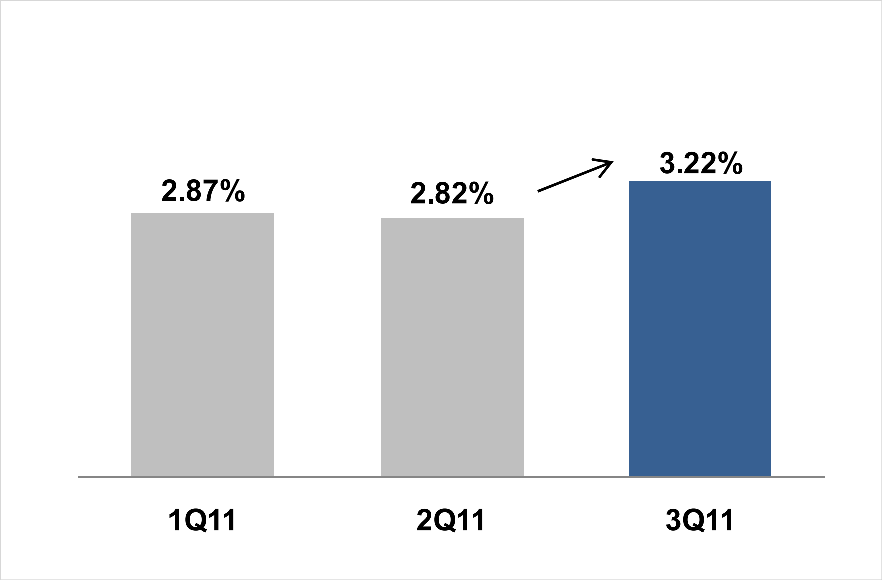


- **Mass Segment: ~ 5.1 mln active clients** generating **28% of total retail revenues** (+23% y/y growth) and **32% of both retail loans and deposits**
- **Affluent Segment: ~ 397K active clients** generating **12% of total retail revenues** (+2% y/y growth), **21% of retail loans and 43% of retail deposits**
- **SME Segment: ~ 582K active clients** generating **59% of total retail revenues** (+32% y/y growth), **47% of retail loans and 25% of retail deposits**

Retail (Mass & Affluent)
Revenues driven by high margin loan growth, upward loan repricing and robust fee performance

TL mln	9M11	YTD
Revenues	614	15% y/y ↑
Loans	10,488	32% ↑
Deposits	16,471	12% ↑
AUM	2,826	7% ↑
% of Demand in Retail Deposits	18.4%	2.8 pp
% of TL in Retail Deposits	73.0%	-3.1 pp
% of TL in Retail Loans	99%	0.4 pp

Revenues /Customer Business[1]



- **Revenues +15% y/y** driven by robust loan growth in high margin areas, especially general purpose and strong fee performance (20% y/y)
- **Loans +32% ytd** mainly driven by **general purpose loans** (+47%)
- **Deposits +12% ytd** driven by FC deposits (+6% in US$ terms). TL deposits +8% ytd
- **Consumer loan NPL ratio stable at 3.4%**[2] (vs 3.4% at 2Q11) driven by continued focus on asset quality

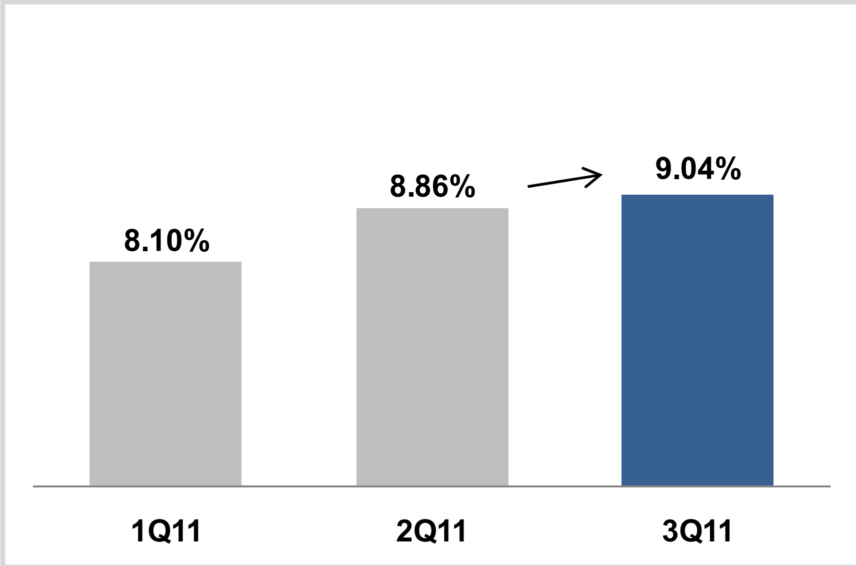
Note: Volumes (loans, deposits and AUM) based on end of period data except for revenues/customer business ratio which is based on 3 month average. MIS data.
(1) Customer business: Loans + Deposits + AUM
(2) Excluding cross default

Retail (SME)

Revenues driven by strong volume growth and robust fee performance

TL mln	9M11	YTD
Revenues	905	32% y/y ↑
Loans	9,425	37% ↑
Deposits	5,582	14% ↑
AUM	784	3% ↑
% of Demand in SME Deposits	43.2%	1.3 pp
% of TL in SME Deposits	72.5%	-2.1 pp
% of TL in SME Loans	96%	0.5 pp

Revenues /Customer Business[1]



- **Revenues +32% y/y** driven by **strong volume growth** and **robust fee performance** (26% y/y)
- **Loans +37% ytd** driven by focused approach and **increased commercial effectiveness**
- **Deposits +14% ytd** driven by TL (+11% ytd)
- **SME NPL ratio down to 3.9%** (vs. 4.1% at 2Q11) driven by macro environment and positive results of SME scorecard on asset quality

Note: Volumes (loans, deposits and AUM) based on end of period data except for revenues/customer business ratio which is based on 3 month average. MIS data.

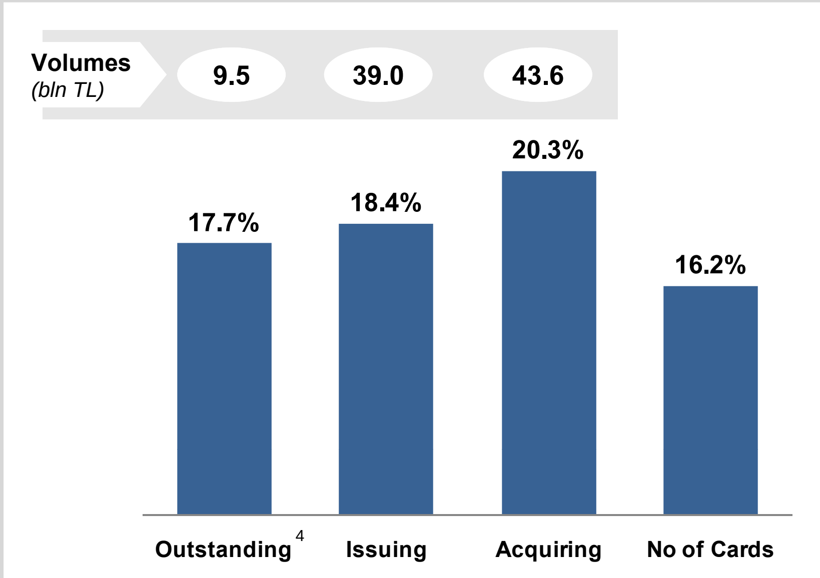
(1) Customer business: Loans + Deposits + AUM

Credit Cards

Revenues impacted by lower cap rates, decline in revolving ratio and increased cost of funding

TL mln	9M10	9M11	YTD		y/y
Revenues	591	409	-31% y/y	⇩	⇩
Net Revenues[1]	522	327	-37% y/y	⇩	⇩
# of Credit Cards *(mln)*[2]	7.7	8.1	4%	⇧	⇧
# of Merchants *(ths)*	312	324	6%	⇧	⇧
# of POS *(ths)*	395	425	8%	⇧	⇧
Activation	84.6%	84.7%	0.0 pp		

Volumes and Market Shares



- **~914K new World cards issued in 9M11**
- **Net revenues**[1] impacted by **decline in cap rates** (-57 bps y/y), **decline in revolving ratio** and **higher cost of funding**
- **Credit Card NPL ratio down to 5.2%** (vs 5.3% in 1H11) on the back of **decelerating NPL inflows**

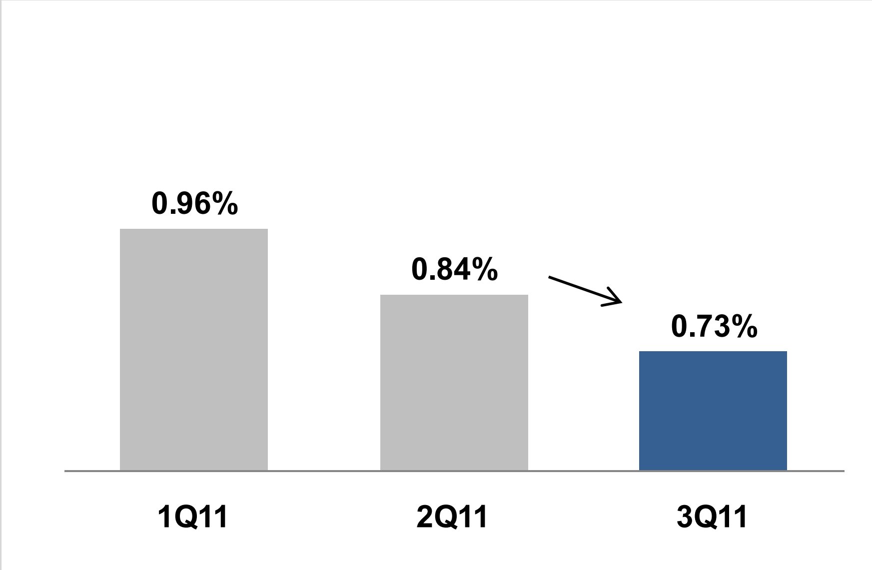
(1) Net of loyalty point expenses on World card
(2) Including virtual cards (2009: 1.5 mln, 2010: 1.5 mln, Sep'11: 1.4 mln)
(3) Market shares and volumes based on bank-only 9-month cumulative figures
(4) Based on personal and corporate credit card outstanding volume. Retail credit card outstanding volume (excluding corporate) market share: 17.6%

Private

Revenues impacted by contraction in AUM volume and derivative products as well as decrease in mutual fund cap rates

TL mln	9M11	YTD
Revenues	99	-23% y/y
Loans	215	-12%
Deposits	15,677	39%
AUM	2,271	-28%
% of Demand in Priv. Deposits	4.1%	-1.4 pp
% of TL in Priv. Deposits	57.5%	-2.6 pp
% of TL in Priv. Loans	78%	1.3 pp

Revenues /Customer Business[1]



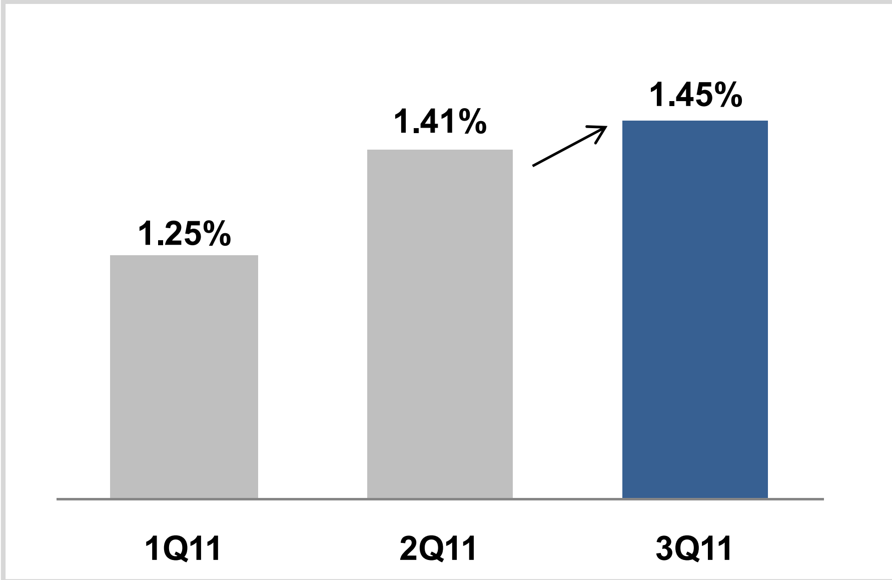
- **Revenues -23% y/y** driven by **contraction in AUM volume and derivate products** due to **volatility in financial markets** as well as **decrease in mutual fund cap rates**
- **Deposits +39% ytd** driven by TL (+33%) and FC (+24% in US$ terms)
- **Continued focus on leveraging on product factories** 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 end of period data except for revenues/customer business ratio which is based on 3 month average. MIS data.
(1) Customer business: Loans + Deposits + AUM

Corporate
Revenues driven by selective lending in high margin FC project finance loans

TL mln	9M11	YTD	
Revenues	229	31% y/y	↑
Loans	12,226	24%	↑
Deposits	13,393	13%	↑
AUM	10	-84%	↓
% of Demand in Corp. Deposits	5.7%	0.2 pp	
% of TL in Corp. Deposits	27.9%	-25.0 pp	
% of TL in Corp. Loans	13%	-10.8 pp	

Revenues /Customer Business[1]



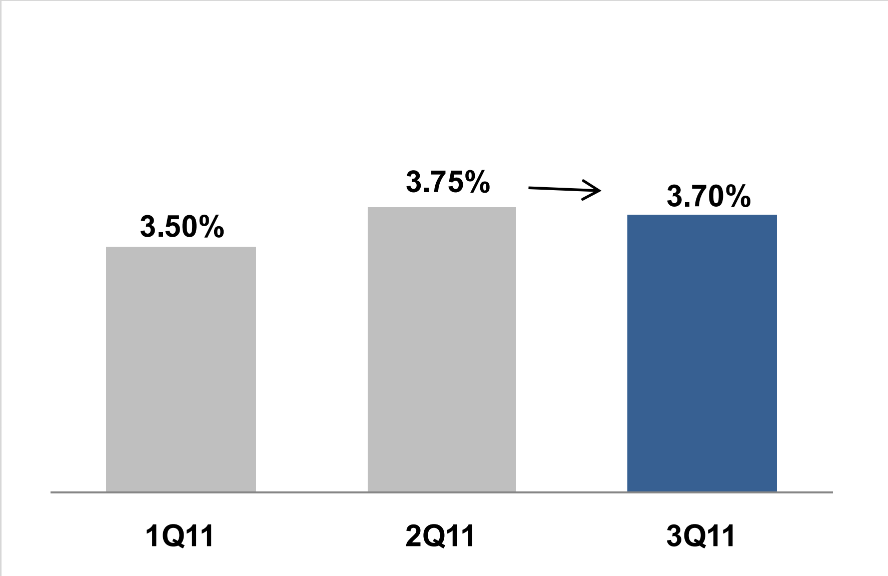
- **Revenues +31% y/y** driven by selective loan growth and disciplined pricing approach
- **Loans 24% ytd** driven by FC loans (+19% ytd in US$ terms)
- **Deposits 13% ytd** driven by FC deposits (45% in US$ terms)
- **Sound asset quality maintained** (Corporate/Commercial NPL ratio at 1.6% excluding two large commercial positions which were in watch loans for the last couple of years and booked as NPL in 3Q)

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

Commercial
Revenues driven by robust loan growth offsetting margin pressure

TL mln	9M11	YTD
Revenues	738	13% y/y ↑
Loans	20,735	23% ↑
Deposits	9,342	20% ↑
AUM	217	-3% ↓
% of Demand in Com. Deposits	29.5%	-5.9 pp
% of TL in Com. Deposits	39.3%	-5.8 pp
% of TL in Com. Loans	28%	-3.0 pp

Revenues /Customer Business[1]



- **Revenues +13%** driven by **strong loan growth** accompanied by disciplined pricing approach
- **Loans +23% ytd** driven by TL (11% ytd) and FC (+7% ytd in US$ terms)
- **Deposits +20% ytd** driven by FC deposits in US$ terms (+11% ytd in US$ terms)
- **Sound asset quality maintained** (Corporate/Commercial NPL ratio at 1.6% excluding two large commercial positions which were in watch loans for the last couple of years and booked as NPL in 3Q)

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

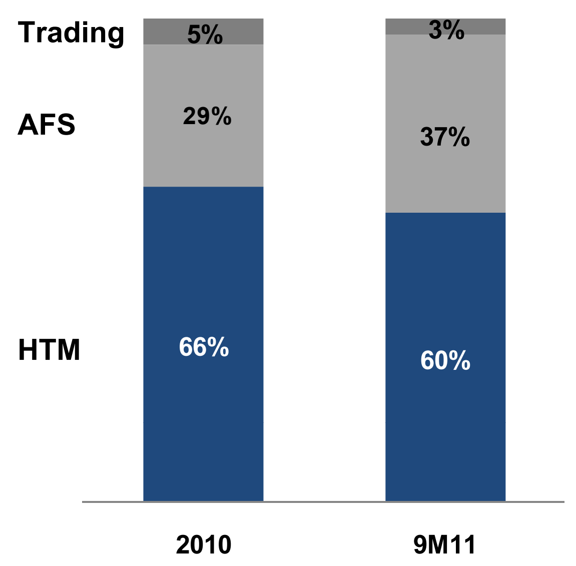
Agenda

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

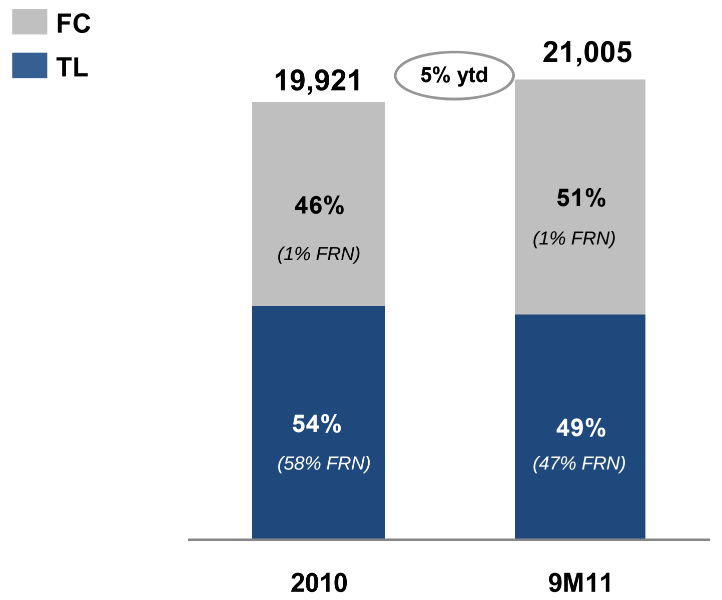
Securities

60% of securities portfolio invested in HTM

Securities Composition by Type



Securities Composition by Currency *(TL mln)*



- **Share of Held to Maturity (HTM) at 60%** (vs 59% in 2Q11). HTM mix in total securities higher at bank level at 63%. Increase in AFS portfolio vs 2010 driven by effective liquidity management focus
- **Share of securities in total assets down to 18%** (vs 19% in 2Q11)
- **Share of TL securities in total securities at 49%** (vs 53% in 2Q11)

Borrowings

International	Syndications	**~ US$ 2.7 bln outstanding** ■ **Apr 11:** ~US$ 1.45 bln, Libor +1.1% p.a. all-in cost, 1 year ■ **Sept 11:** US$ 285 mln and €687 mln, Libor + 1.0% p.a. all-in cost, 1 year
	Securitisations	**~ US$ 1,275 mln outstanding** ■ **Dec 06 and Mar 07:** ~US$ 305 mln, 6 wrapped notes, 7-8 years, Libor+18-35 bps ■ **Aug 10 - DPR Exchange:** ~US$ 460 mln, 5 unwrapped notes, 5 years ■ **Aug 11:** ~US$ 410 mln, 4 unwrapped notes, 5 years ■ **Sep 11:** ~€75 mln, 1 unwrapped note, 12 years
	Subordinated Loans	**€1,050 mln outstanding** ■ **Mar 06:** €500 mln, 10NC5, Libor+2.00% p.a. ■ **Apr 06:** €350 mln, 10NC5, Libor+2.25% p.a. ■ **Jun 07:** €200 mln, 10NC5, Libor+1.85% p.a.
	Loan Participation Note	**US$ 750 mln Loan Participation Note (LPN)** ■ **Oct 10:** 5.1875% (cost), 5 years
	Multinational Loans	■ **Sace Loan - Jan 07**: €100 mln, all-in Euribor+1.20% p.a, 5 years ■ **EIB Loan - Jul 08-Dec 10:** €380 mln, 5-15 years ■ **IBRD (World Bank) Loan - Nov 08:** US$ 25 mln, Libor+1.50% p.a, 6 years ■ **EBRD Loan - Aug 11:** €30 mln, 5 years
Domestic	TL Bond	**TL 1.15 bln bond issue** ■ **Jun 11:** TL 1 bln, 8.86% compounded cost, 175 days maturity ■ **Oct 11:** TL 150 mln, 9.08% compounded cost, 368 days maturity