



TEKSTİLBANK

***Earnings Presentation
March 31, 2009 / BRSA Bank-Only***

Cautious and conservative approach continues as uncertainty in the environment remains...

#1 priority: *To ensure financial flexibility through this economic downturn*

Focus shift in this complex environment... Focal points in 2009:

- Maintaining liquidity
- Preserving capital
- Close cost monitoring and execution of structural cost reduction

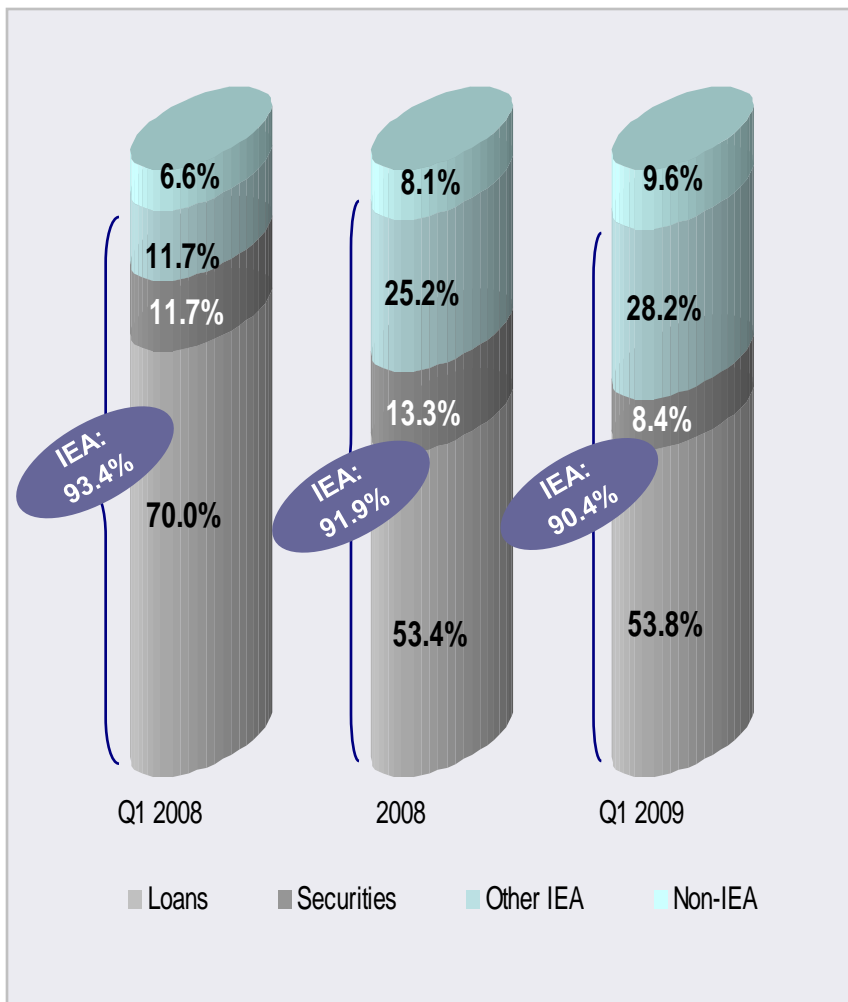
Highlights of Q1 2009:

- Further shrinkage in the loanbook, accordingly, not an aggressive approach on the deposit side
- High capital adequacy
- Increase in NPLs mainly due to the shrinkage in the loanbook
- Margin improvement and trading gains due to easing in interest rates on deposits
- Strict cost measures starting to result in decline in operating expenses

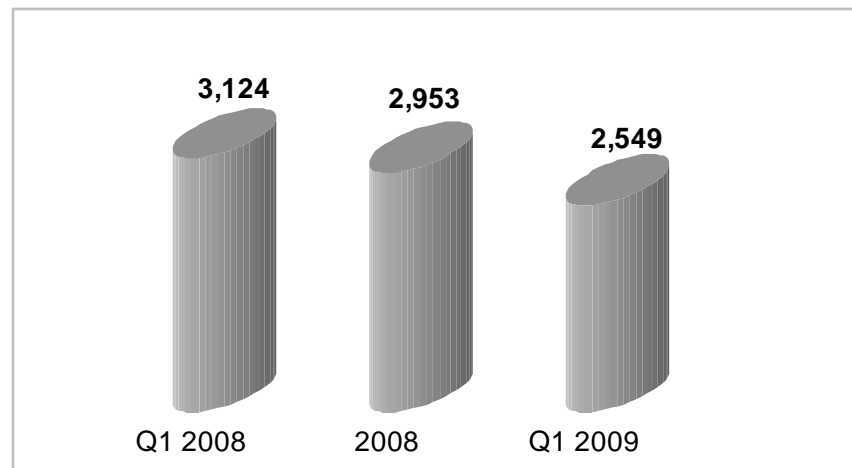
Improved profitability...

Focus shift to liquidity rather than growth remains in this uncertain environment...

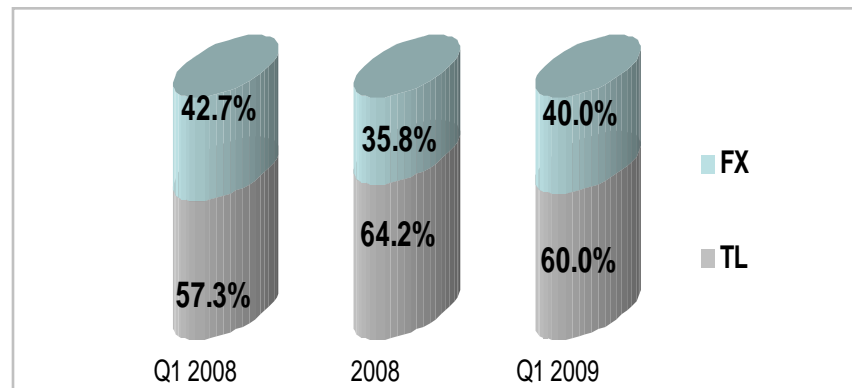
Composition of Assets



Total Assets (TRY mn)

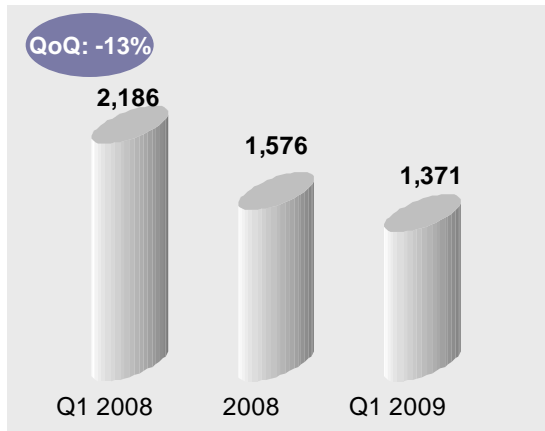


Currency Composition of Assets

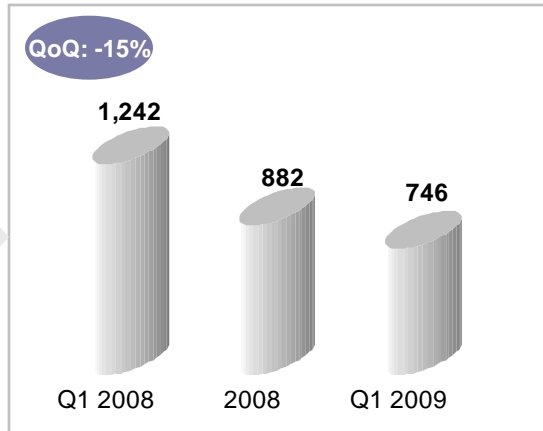


Shrinkage in the loanbook continued in Q109 due to complex market conditions, yet at slower pace...

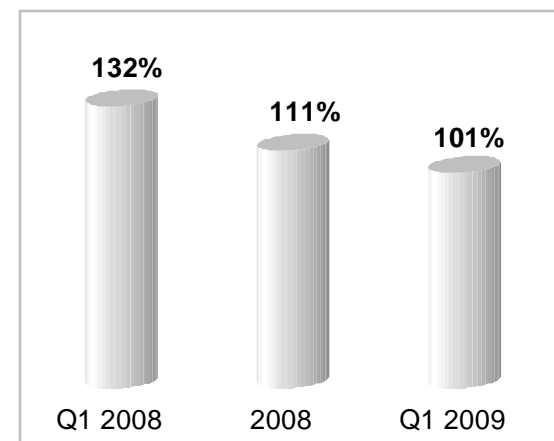
Total Cash Loans (TRY mn)



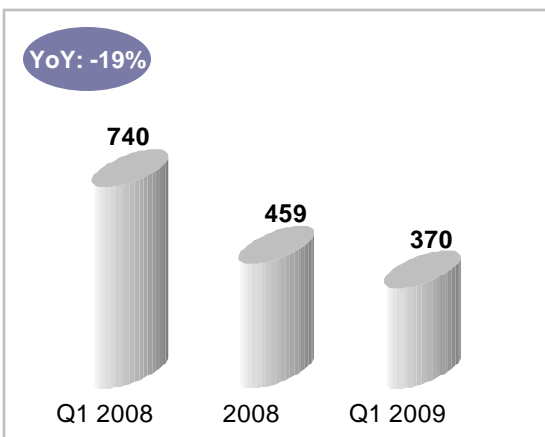
TL Cash Loans (TRY mn)



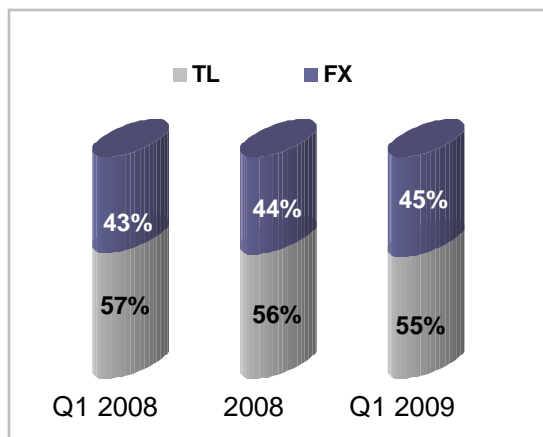
Loans / Deposits



FX Cash Loans (US\$ mn)



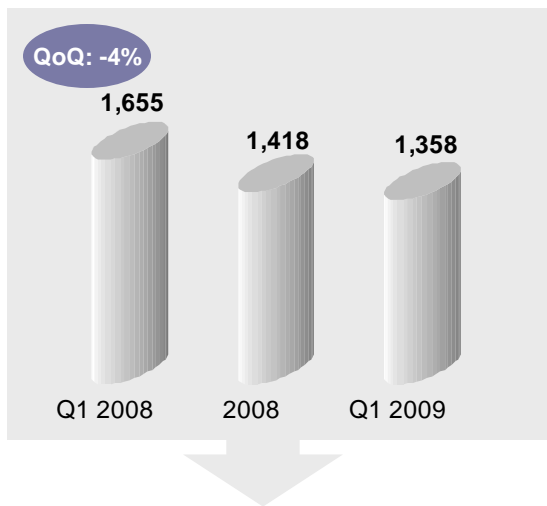
Currency Breakdown of Cash Loans



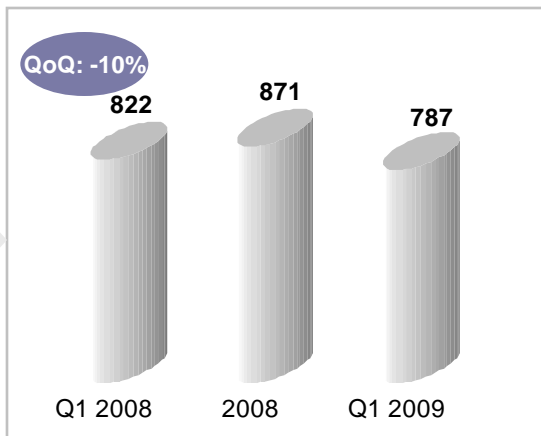
FX indexed cash loans are included in FX cash loans

Declining loan volumes dragged down funding needs...

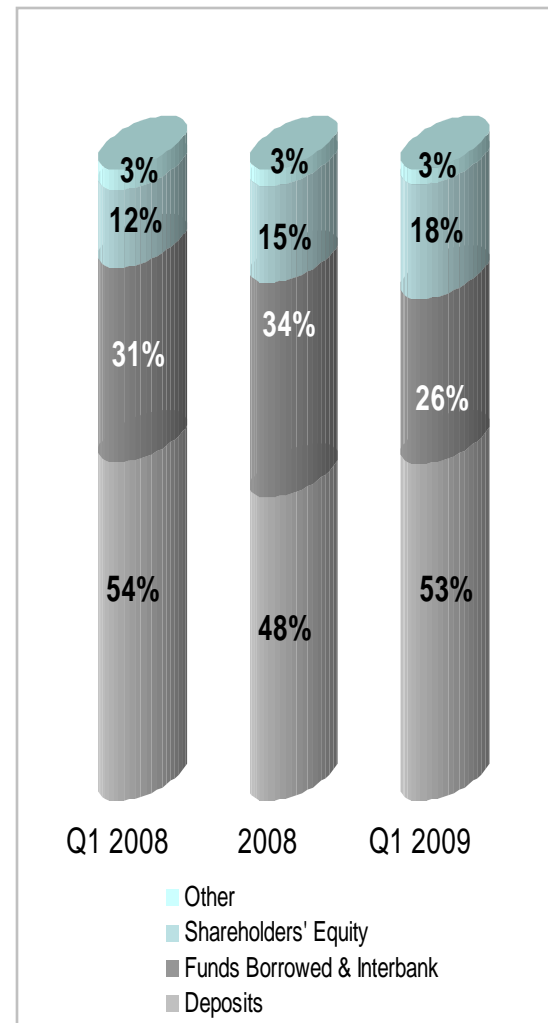
Total Deposits* (TRY mn)



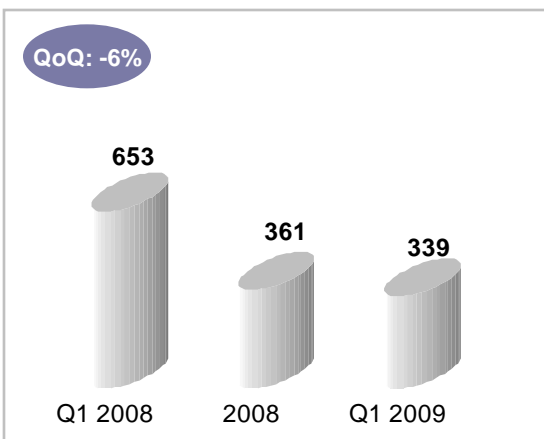
TL Deposits* (TRY mn)



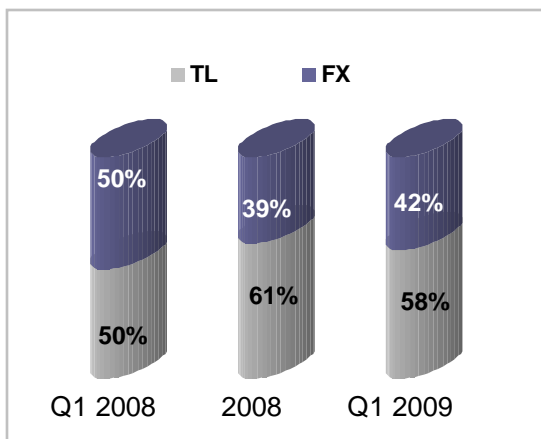
Composition of Liabilities & SHE



FX Deposits* (US\$ mn)



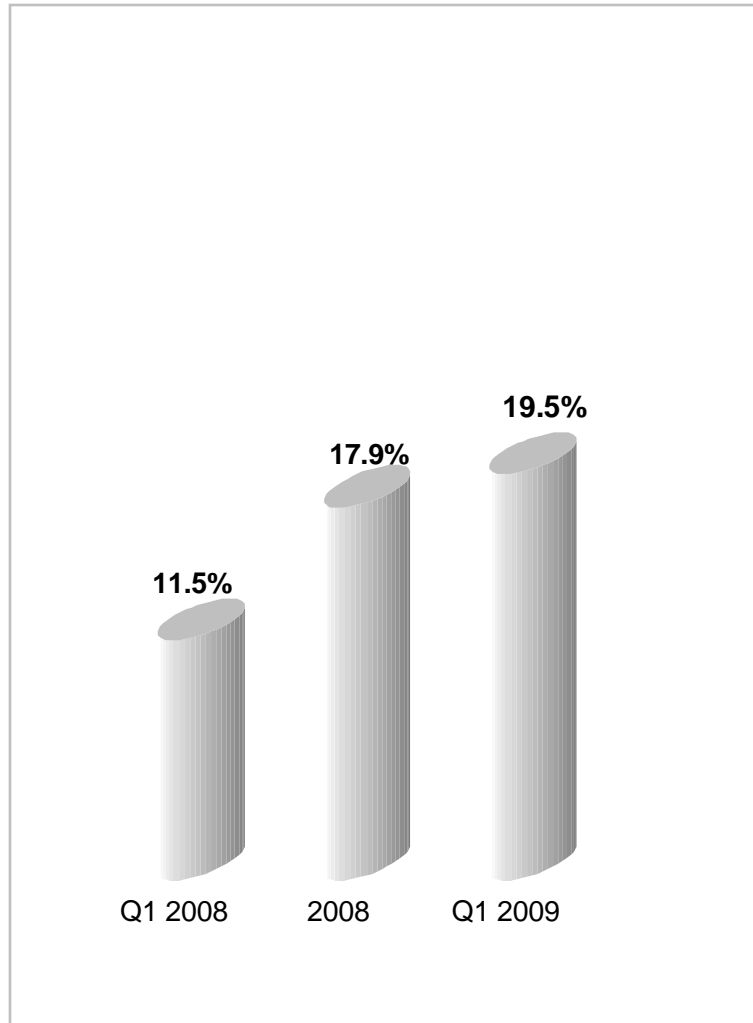
Currency Breakdown*



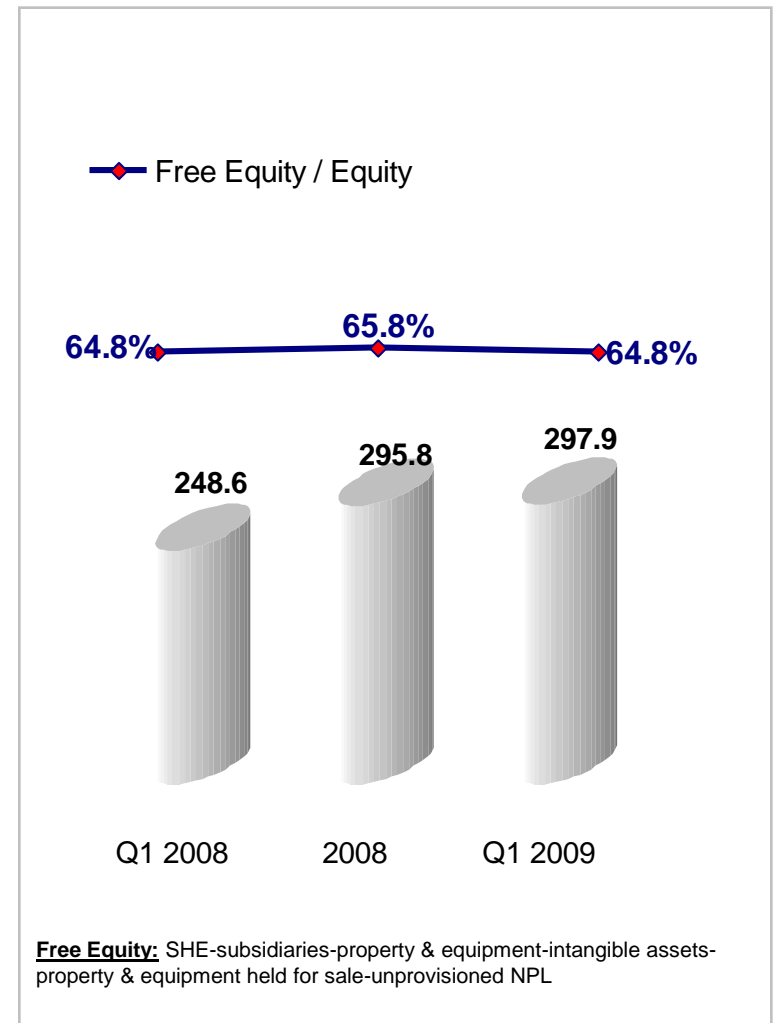
* Excluding bank deposits

Capital adequacy ratio reached 20%, surpassing market average of 18%* ...

Capital Adequacy Ratio (CAR)



Free Equity (TRY mn)

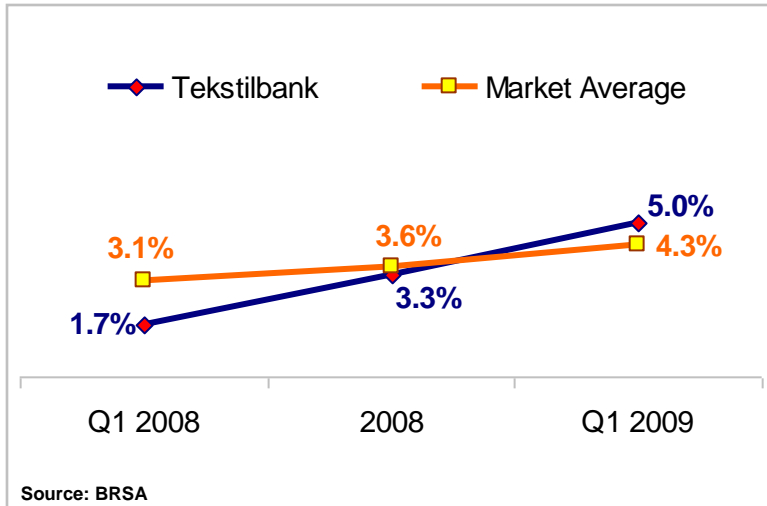


Free Equity: SHE-subsidaries-property & equipment-intangible assets-property & equipment held for sale-unprovisioned NPL

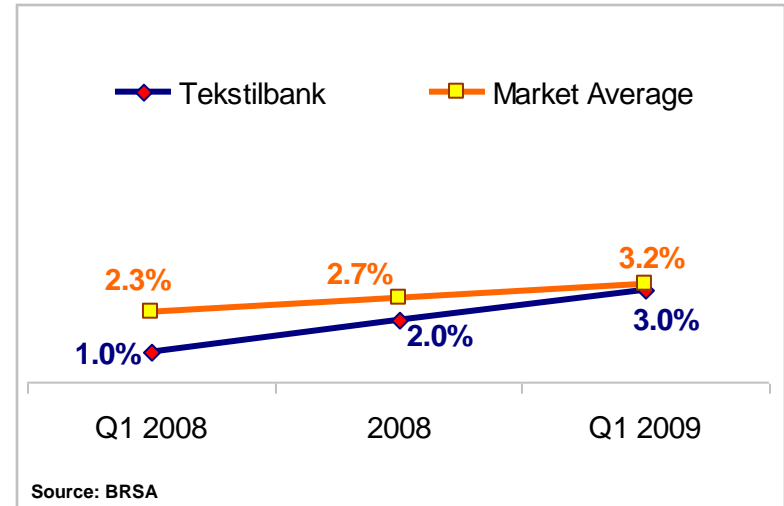
* Market average is as of February 2009

Increase in NPL ratio mainly due to the shrinkage in the loanbook...

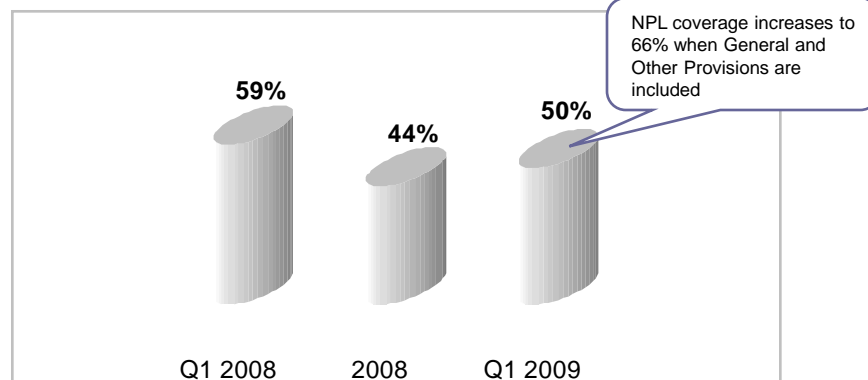
NPL Ratio



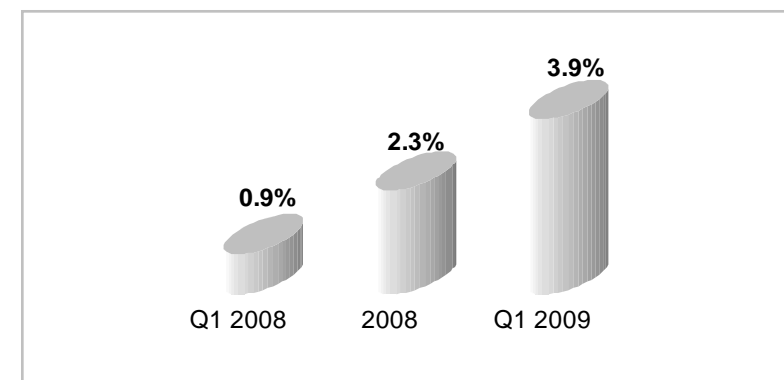
NPL Ratio (including non-cash loans)



NPL Coverage

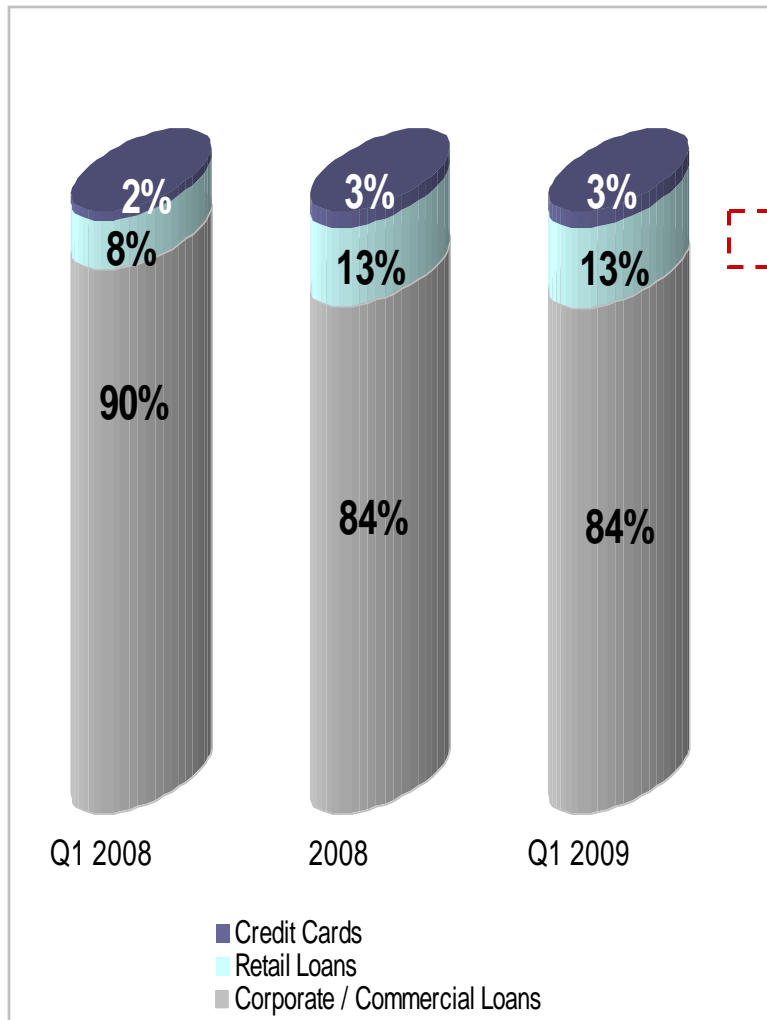


Cost of Risk

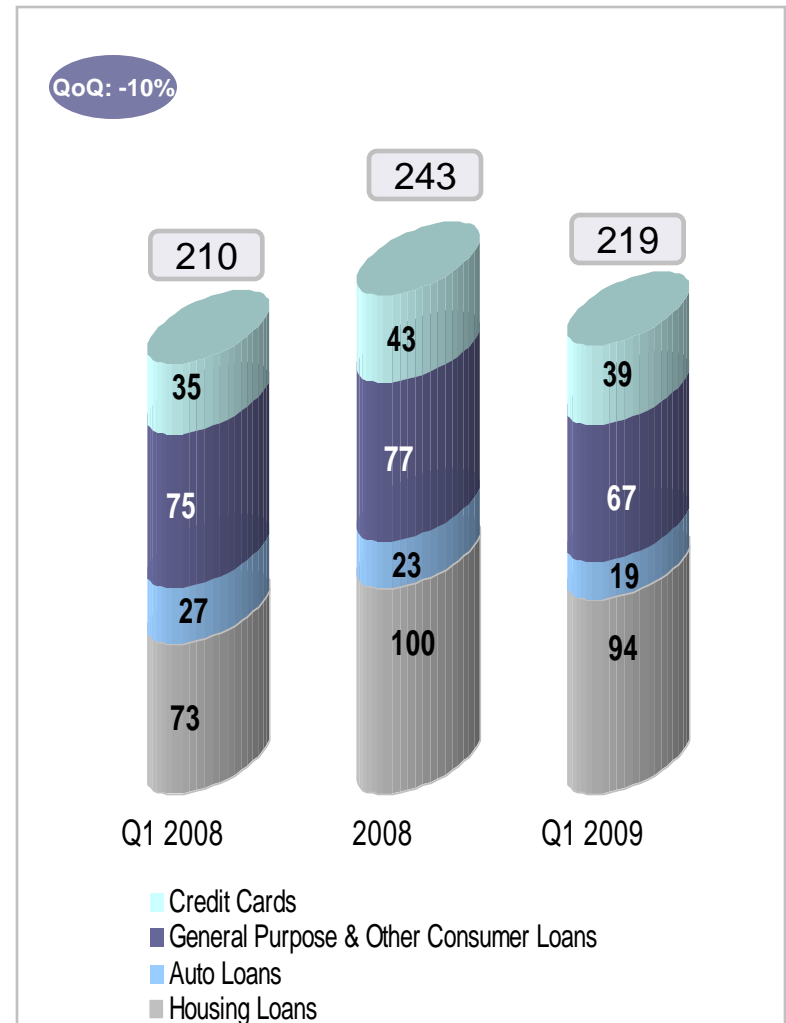


Retail banking...

Breakdown of Loan Portfolio



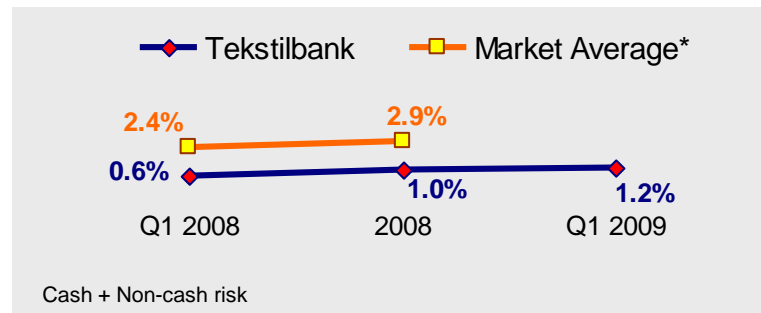
Breakdown of Retail Loans (TRY mn)



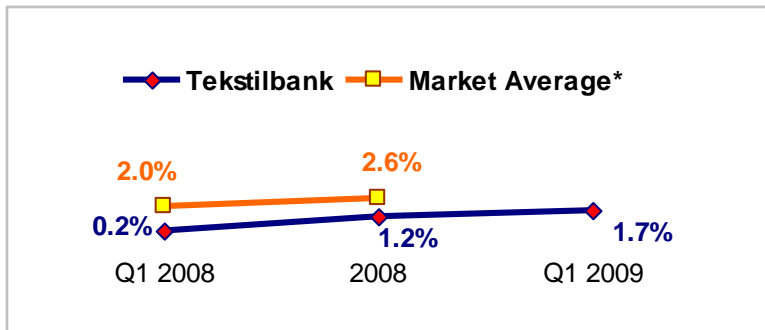
Clean balance sheet...

Related party exposure has been historically below market average...

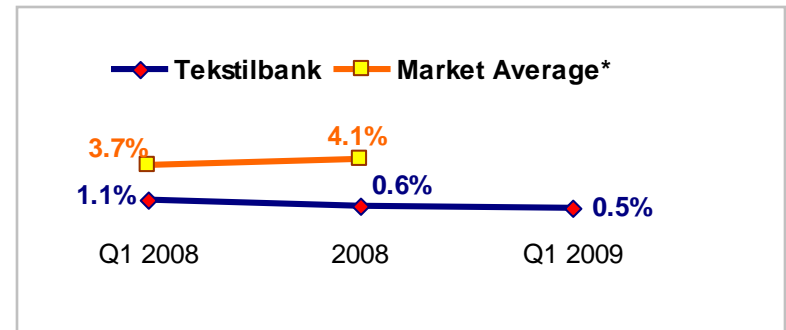
Group Total Risk / Total Risk



Group Cash Loans / Cash Loans



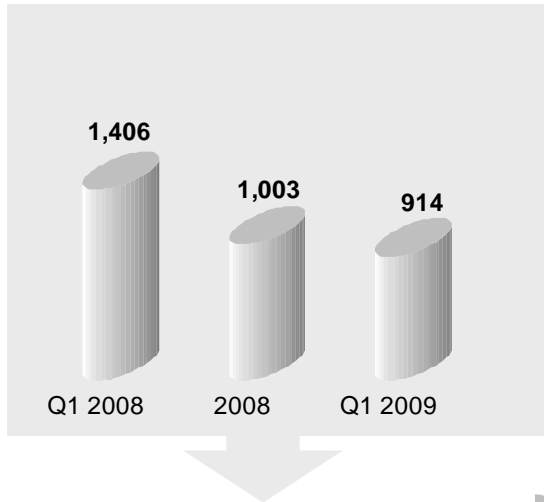
Group Non-Cash Loans / Non-Cash Loans



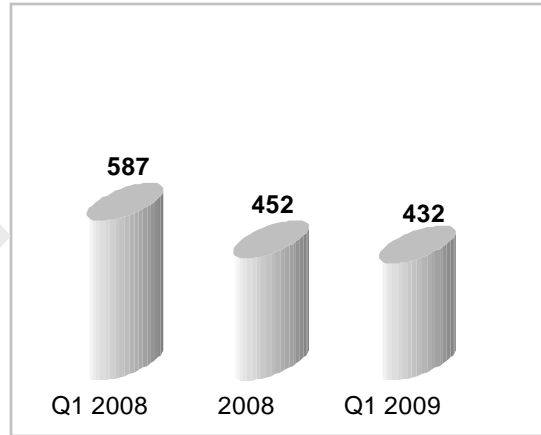
* Selected 19 banks' average (public banks are excluded) for December 2008, March 2009 figures for the market are not available yet

Decline in non-cash loans continued due to uncertain environment...

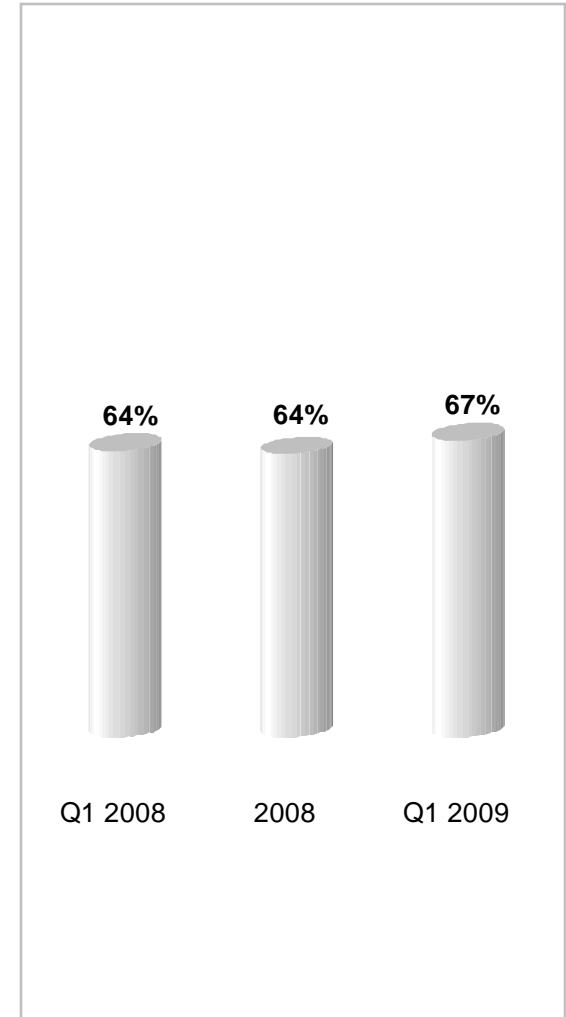
Total Non-Cash Loans (TRY mn)



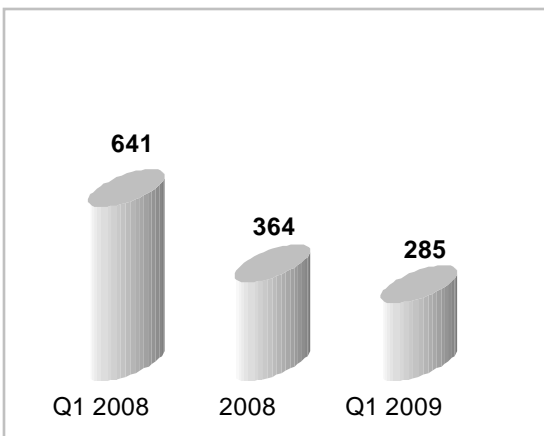
TL Non-Cash Loans (TRY mn)



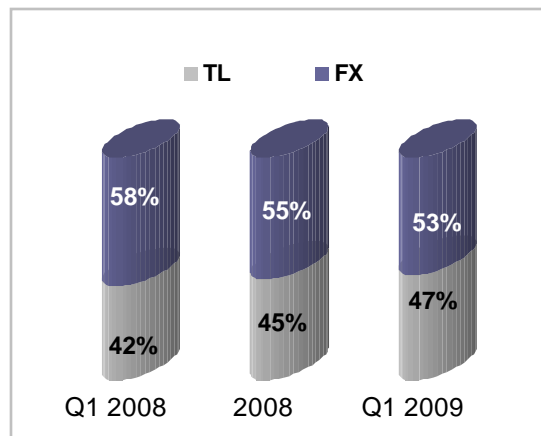
Non-Cash / Cash Loans



FX Non-Cash Loans (US\$ mn)

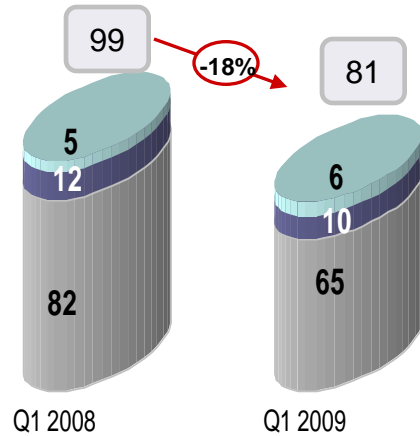


Currency Breakdown of Non-Cash Loans

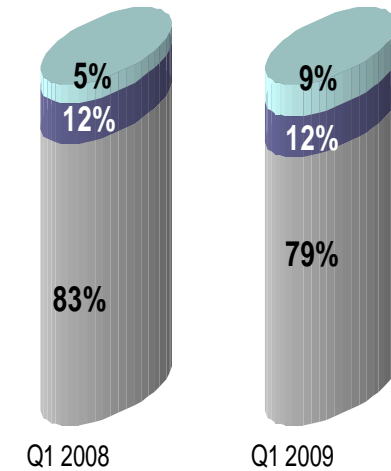


Interest Income & Expense...

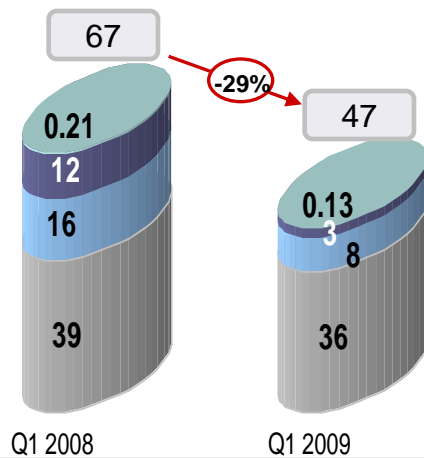
Interest Income (TRY mn)



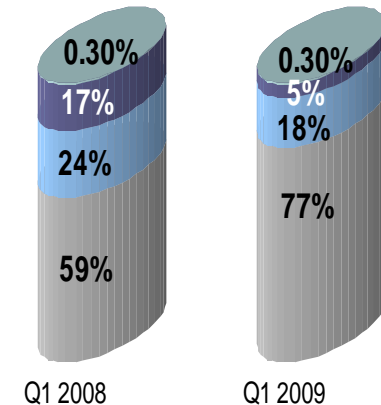
Composition of Interest Income



Interest Expense (TRY mn)

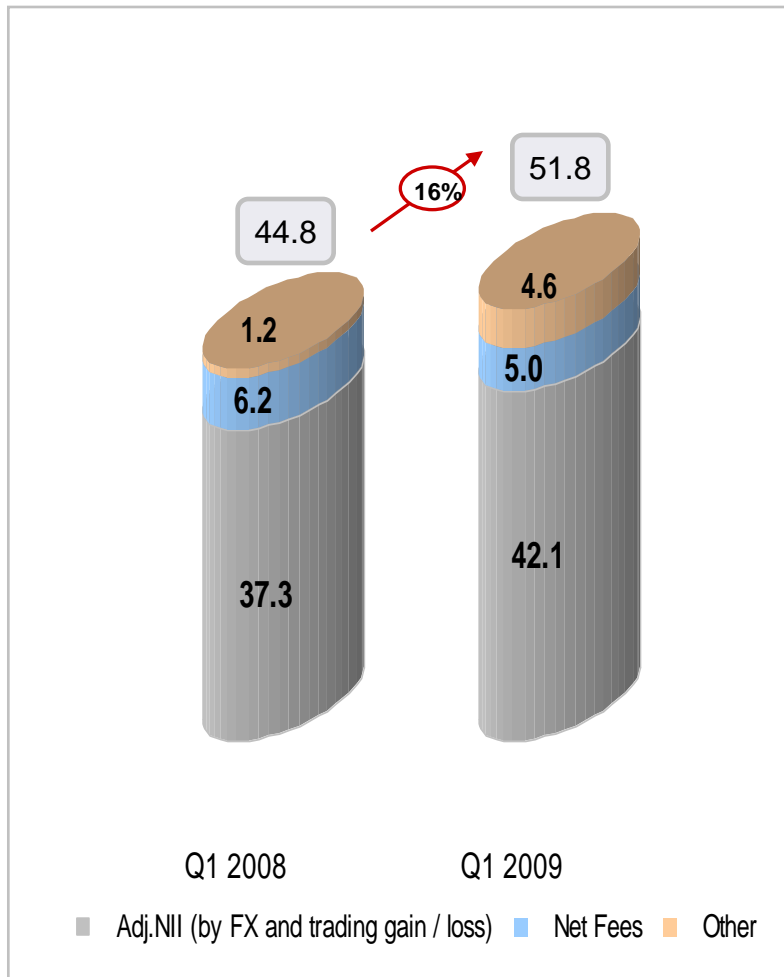


Composition of Interest Expense

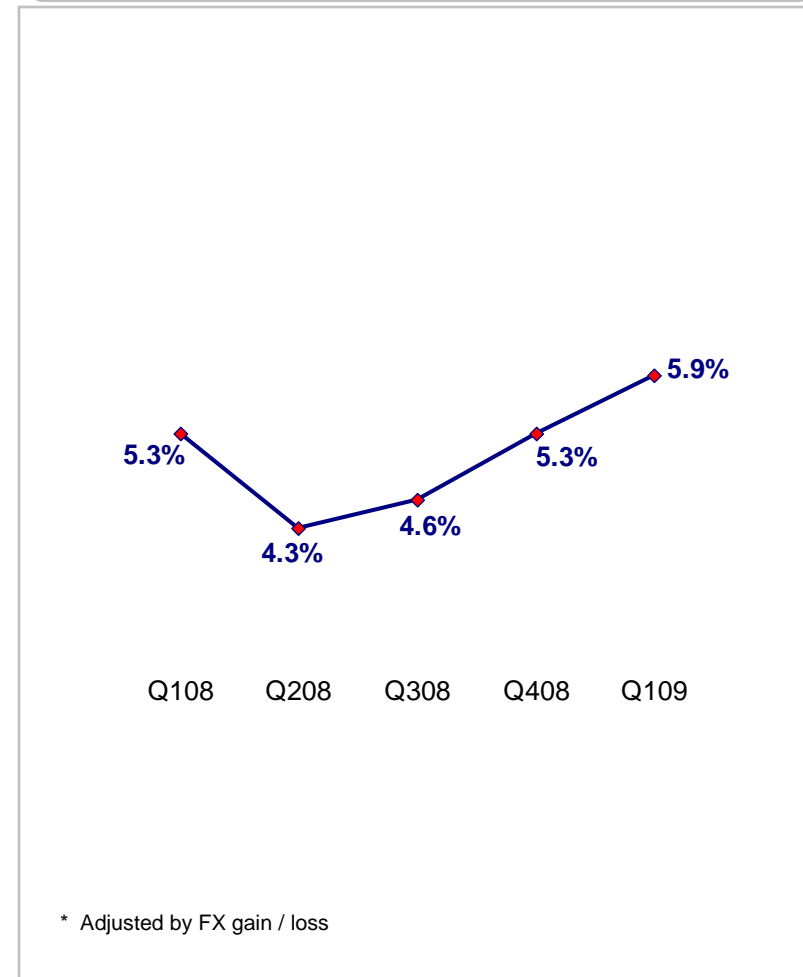


Margin improvement thanks to decline in interest rates on deposits...

Banking Income (TRY mn)

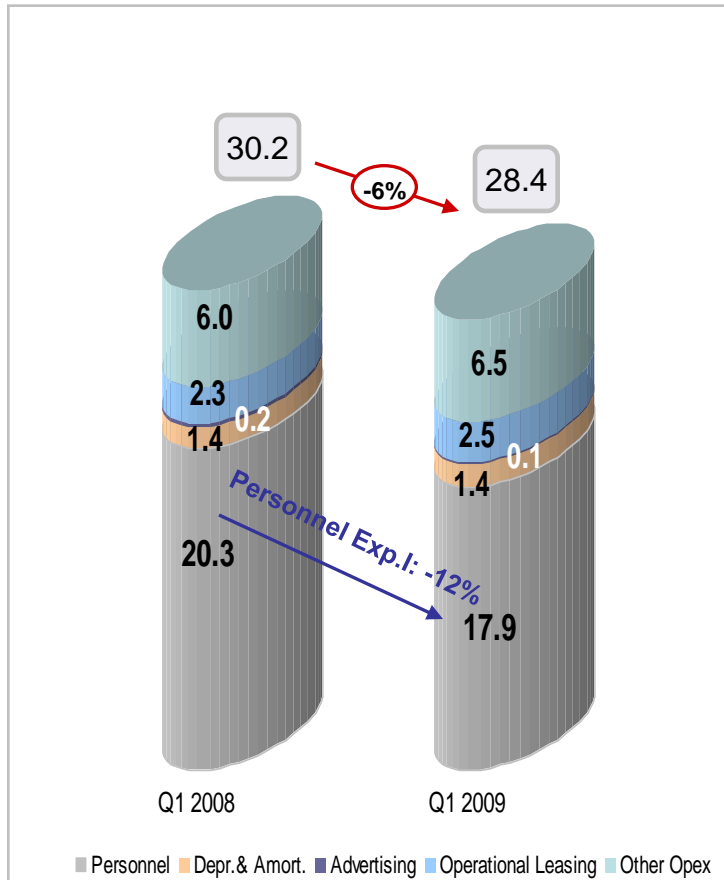


Adjusted Net Interest Margin*

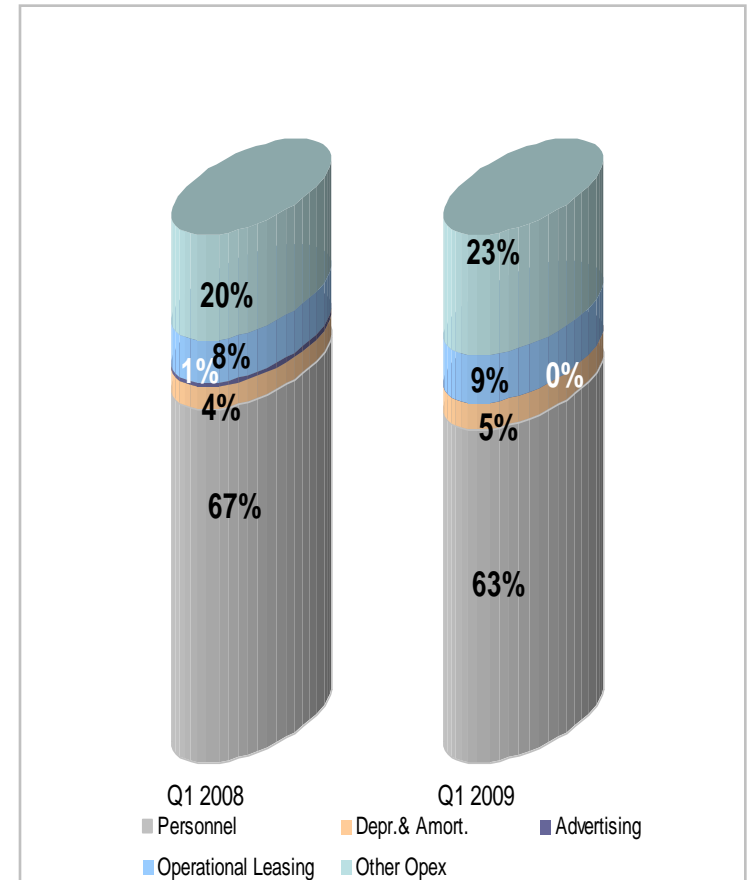


Strict cost measures started to be effective in Q109...

Operating Expenses (TRY mn)



Composition of Operating Expenses



Improved profitability in Q109 thanks to rapid decline in deposit costs and strict cost management...

	Q1 2008	2008	Q1 2009	2008 – Q1 2009 Change
ROAE	7.1%	3.0%	6.4%	340 bps
ROAA	0.9%	0.4%	1.0%	60 bps
Cost / Average Assets	4.0%	4.3%	4.1%	-20 bps
Cost / Income	60.5%	68.6%	49.6%	1,900bps

Summary Balance Sheet...

TRY mn	Q1 2008	2008	Q1 2009
Cash & Banks	394	764	739
Total Securities	364	394	215
Total Cash Loans	2,186	1,576	1,371
Fixed Assets & Subsidiaries	120	124	126
Other	60	95	98
Total Assets	3,124	2,953	2,549
Deposits*	1,655	1,418	1,358
Interbank Money Market*	154	223	4
Borrowings	824	778	663
Other	107	84	65
SHE	384	450	459
Total Liabilities & SHE	3,124	2,953	2,549

* Bank deposits are included in Interbank & Money Market rather than Deposits

Summary Income Statement...

TRY mn	Q1 2008	Q2 2008	Q3 2008	Q4 2008	Q1 2009
Interest Income	99.2	105.5	113.0	104.9	81.4
<i>Loans</i>	82.5	86.3	91.6	84.5	65.3
<i>Securities</i>	12.4	14.8	15.9	16.5	10.1
<i>Other</i>	4.3	4.4	5.5	3.9	6.1
Interest Expense	66.7	77.9	80.0	66.6	47.4
<i>Deposits</i>	39.2	46.4	51.5	46.6	36.2
<i>Funds Borrowed</i>	15.7	12.4	12.0	13.2	8.4
<i>Interbank & Other</i>	11.7	19.0	16.5	6.7	2.7
Net Interest Income	32.6	27.6	33.0	38.4	34.1
<i>Net FX Gain (Loss)*</i>	4.4	5.0	2.3	(0.9)	2.7
Adj. Net Interest Income	37.0	32.6	35.4	37.5	36.8
<i>Net Trading Income (Loss)*</i>	0.3	0.2	0.0	0.4	5.3
<i>Net Fees & Commissions</i>	6.2	6.6	6.3	6.6	5.0
<i>Other Operating Income</i>	1.2	2.0	5.4	5.8	4.6
Total Operating Income	44.8	41.5	47.1	50.3	51.8
<i>Provisions</i>	5.6	9.7	12.2	15.8	14.7
<i>Opex</i>	30.3	31.6	31.2	34.1	28.4
<i>Profit from Subsidiaries</i>	0.0	1.6	0.0	0.0	0.0
Profit Before Tax	8.9	1.8	3.7	0.4	8.6
<i>Tax</i>	2.2	0.2	0.7	(0.9)	1.4
Net Income	6.7	1.6	2.9	1.3	7.2

* Foreign exchange gain / loss resulted from derivatives are included in FX Gain (loss), not in Net Trading Income (Loss)

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