

TEKSTILBANK

*Earnings Presentation
June 30, 2010 / BRSA Bank-Only*

Highlights of Q2 2010...

- Expansion in balance sheet
- Improvement in net interest margin
 - Further redemption in lower yielding loans
- Strong capital adequacy ratio at 22.3%
- Significant improvement in cost of risk
- Expanded focus on retail banking

12.4% YoY increase in consolidated net income in H1 2010

Looking into 2010...

Macro

More encouraging macroeconomic environment:

- GDP Growth of 5.0%, following a shrinkage of 4.7% in 2009
- CBT postponed rate hikes to 2011, from Q42010, due to modest growth outlook and benign inflation trend
- Moderate growth in global economy

Banking Sector

- Volume growth gaining pace:
 - 20-25% loan growth
 - 10-15% deposit growth
- Pressure on NIM with the end of CBT's easing cycle and higher competition
- Improvement in asset quality
- Strong NPL recovery

Tekstilbank

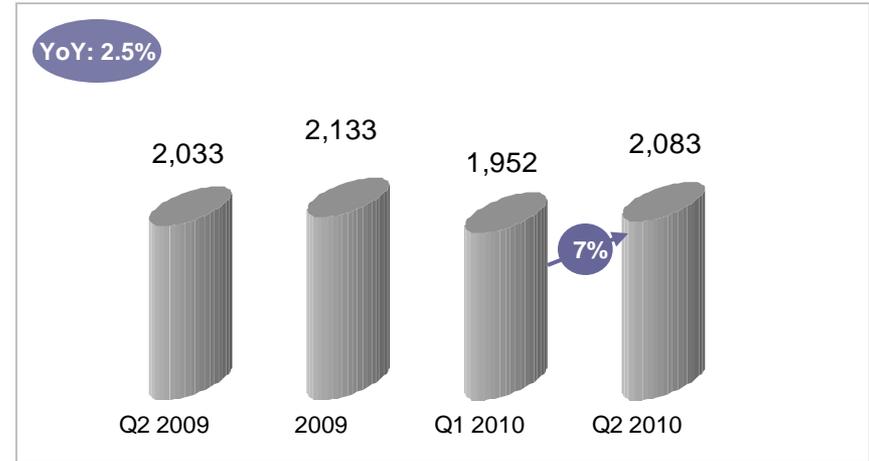
- Better collection performance
- Cost of risk to come down to pre-crisis levels (around 2%)
- Costs to continue to be under control

Increasing share of securities...

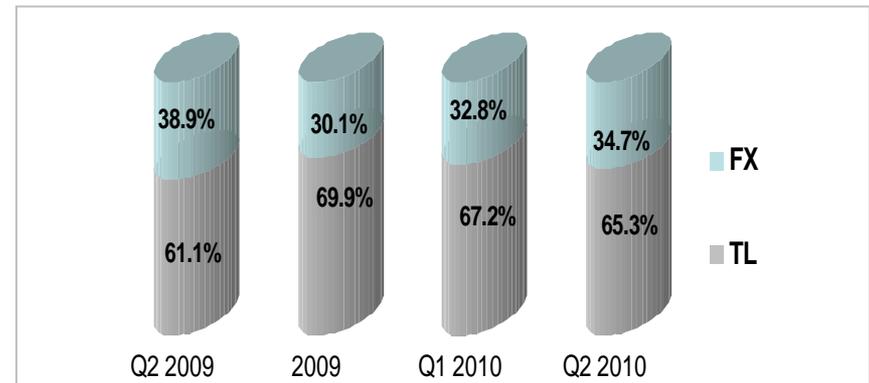
Composition of Assets



Total Assets (TRY mn)

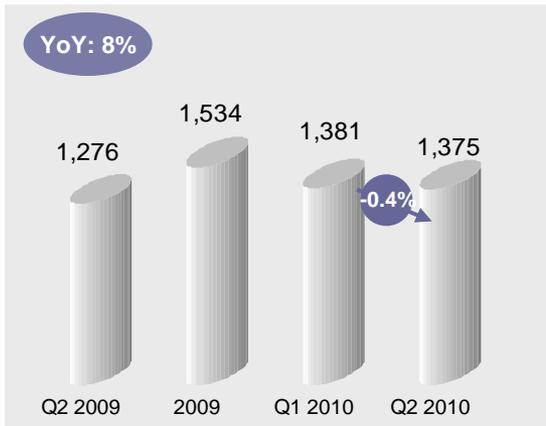


Currency Composition of Assets

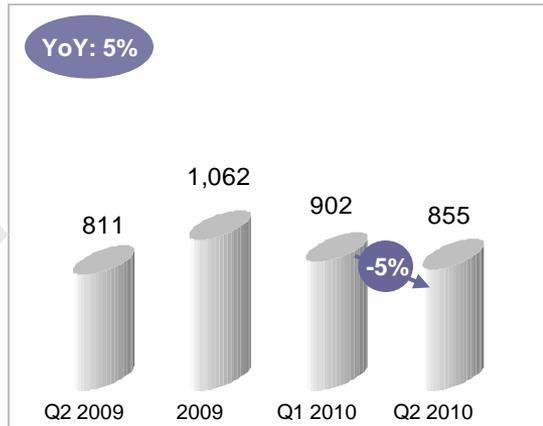


Redemption of lower yielding loans to continue...

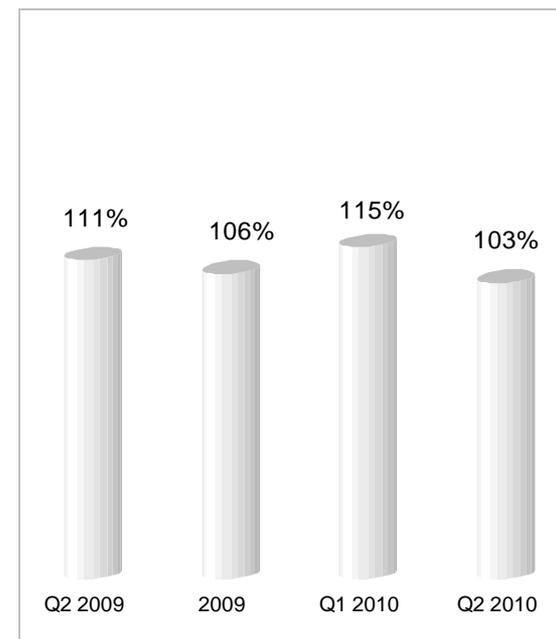
Total Cash Loans (TRY mn)



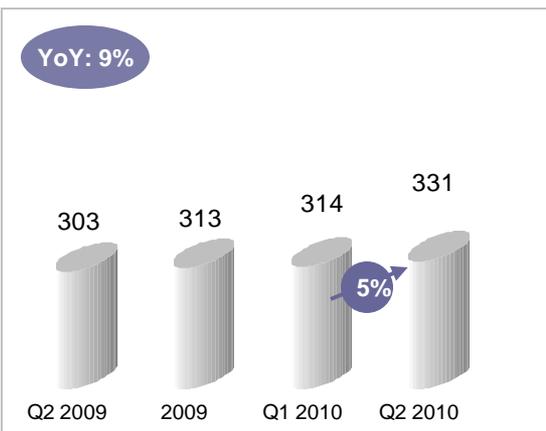
TL Cash Loans (TRY mn)



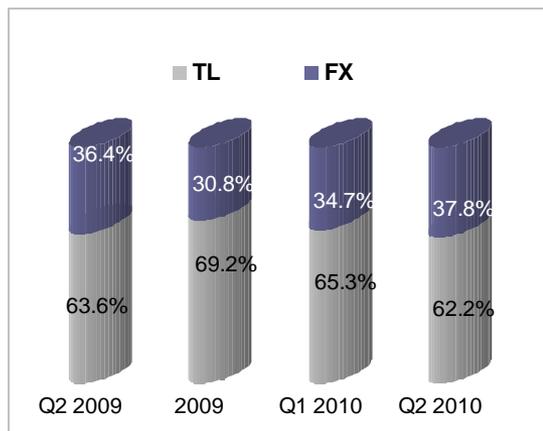
Loans / Customer Deposits



FX Cash Loans (US\$ mn)



Currency Breakdown of Cash Loans

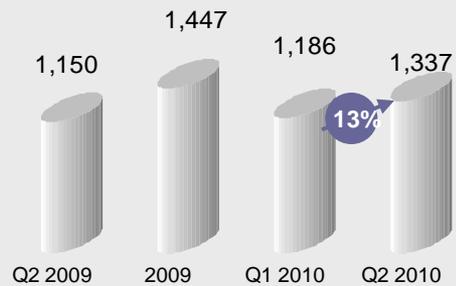


FX indexed cash loans are included in FX cash loans

Higher TL deposits...

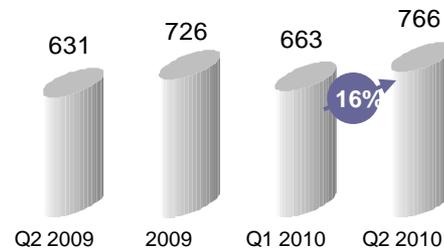
Total Deposits* (TRY mn)

YoY: 16%

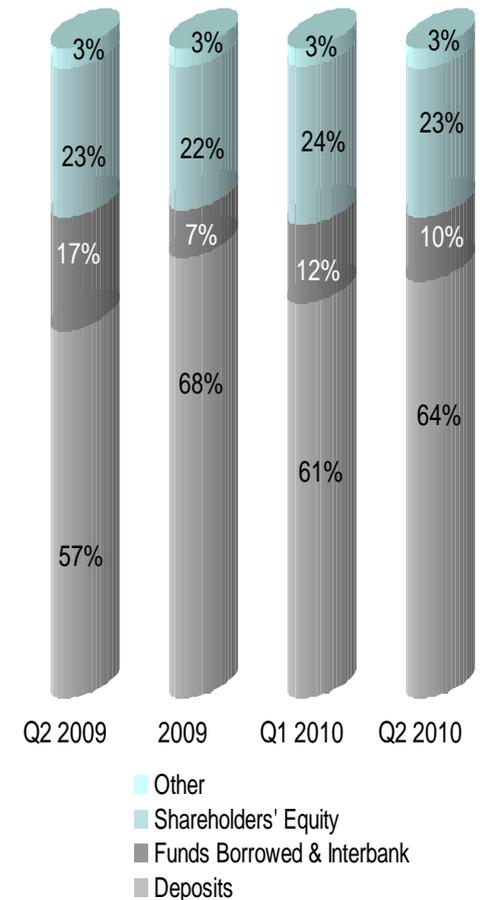


TL Deposits* (TRY mn)

YoY: 22%

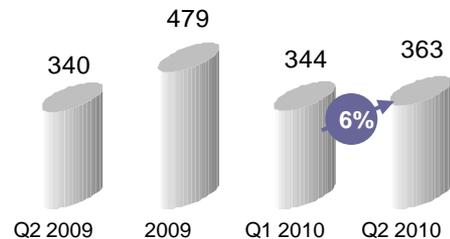


Composition of Liabilities & SHE

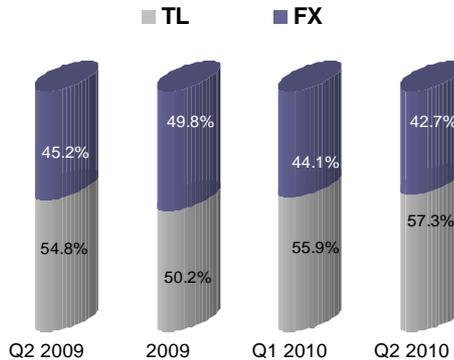


FX Deposits* (US\$ mn)

YoY: 7%



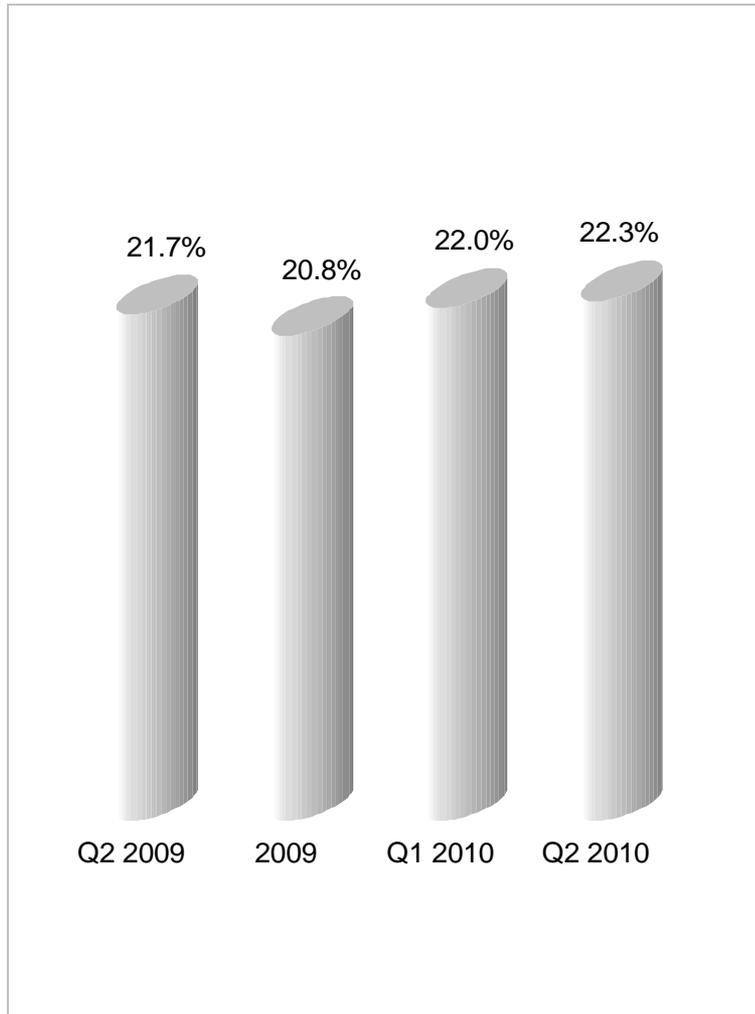
Currency Breakdown*



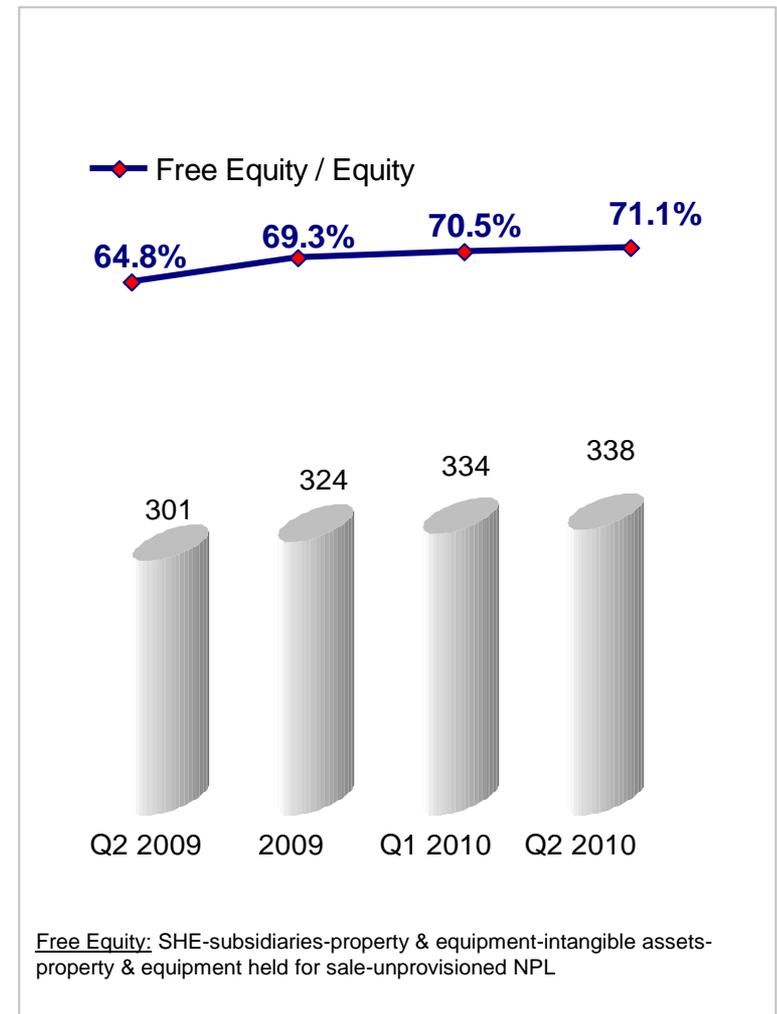
* Excluding bank deposits

Capital adequacy at 22.3%

Capital Adequacy Ratio (CAR)



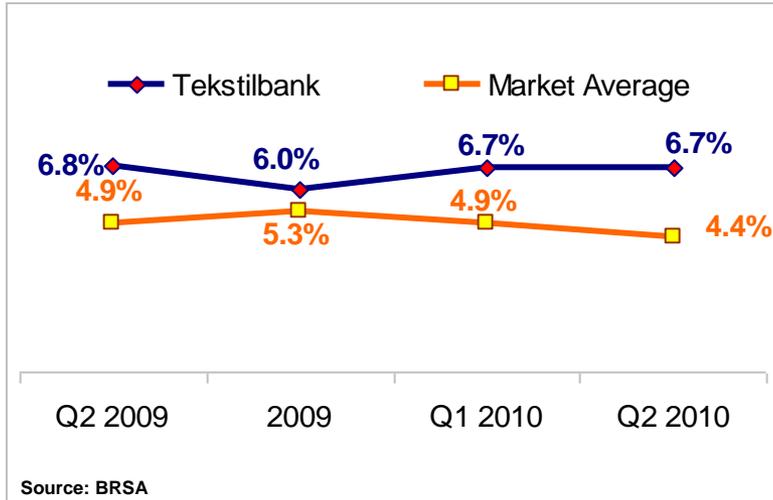
Free Equity (TRY mn)



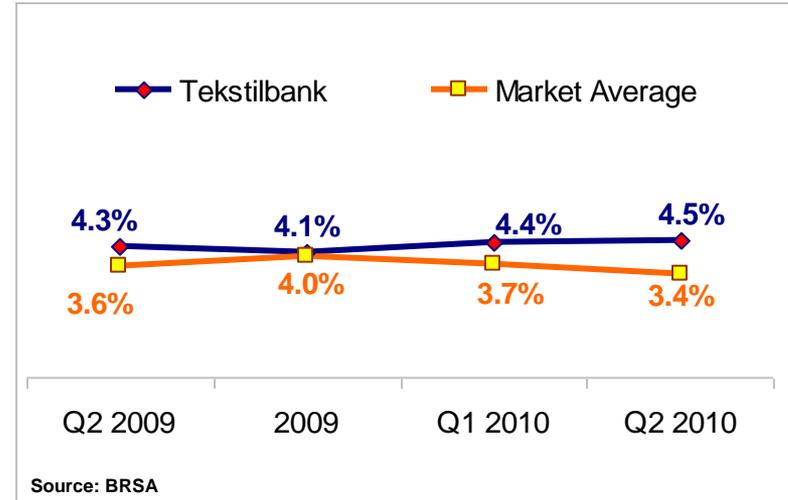
Free Equity: SHE-subsidaries-property & equipment-intangible assets-property & equipment held for sale-unprovisioned NPL

Further decline in cost of risk...

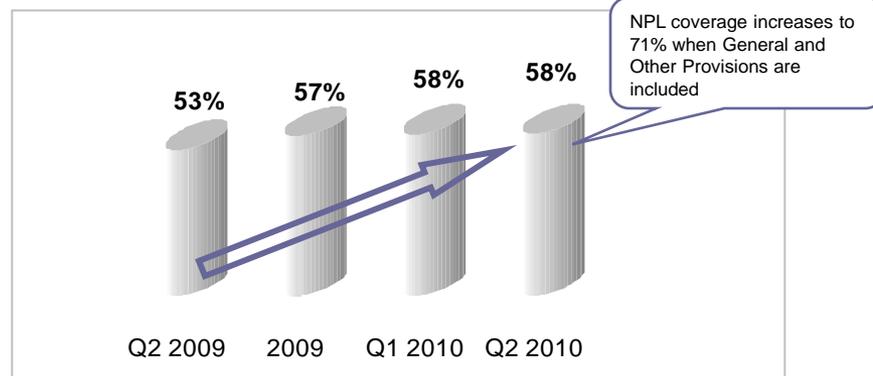
NPL Ratio



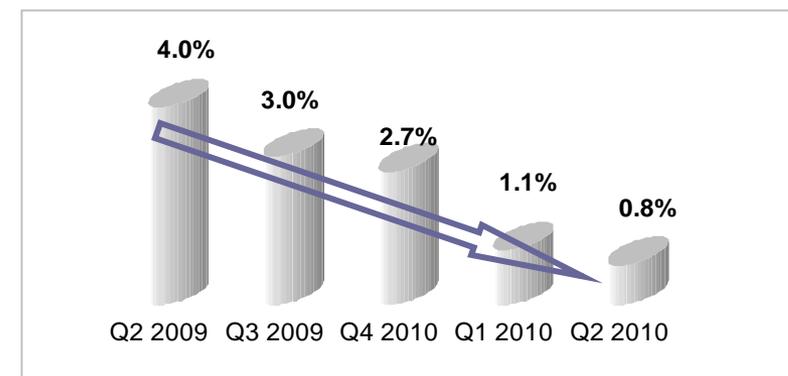
NPL Ratio (including non-cash loans)



NPL Coverage

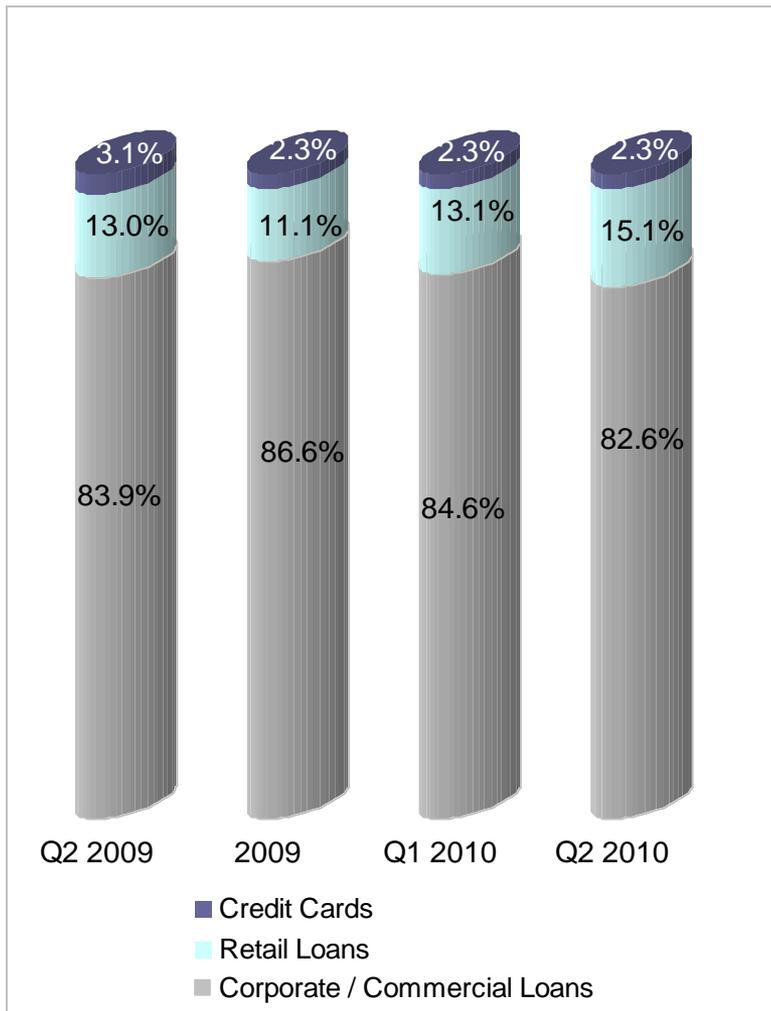


Cost of Risk

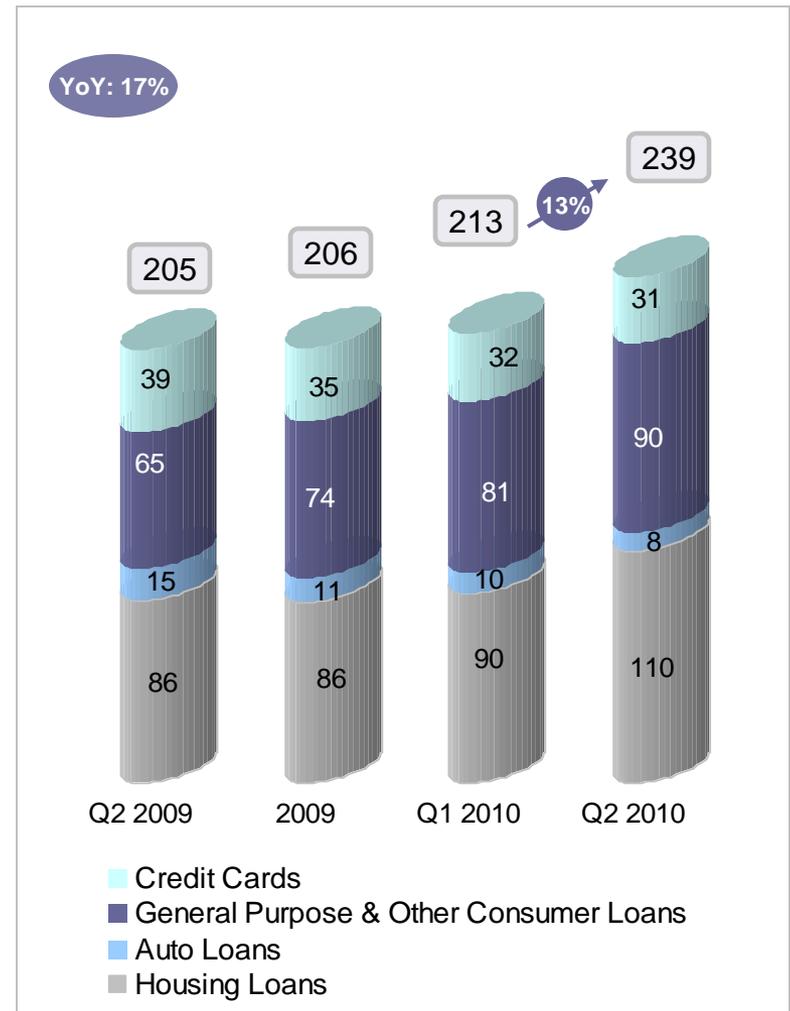


Higher concentration on retail banking...

Breakdown of Loan Portfolio

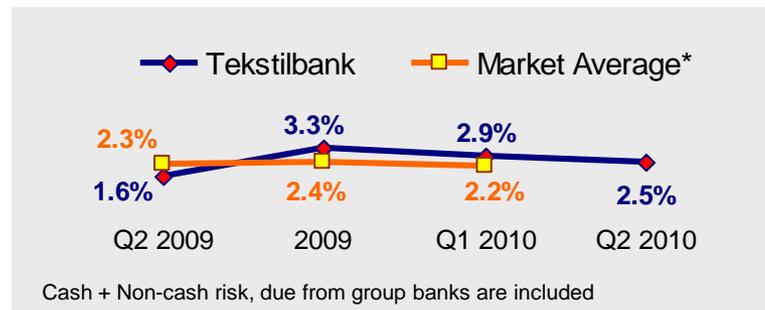


Breakdown of Retail Loans (TRY mn)

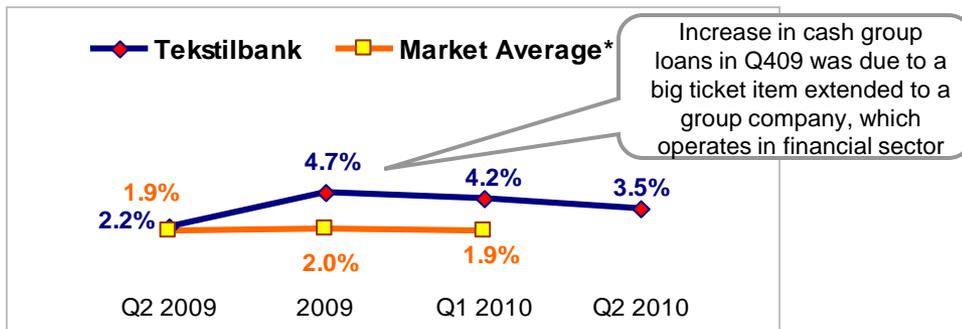


End of temporary rise in group loans...

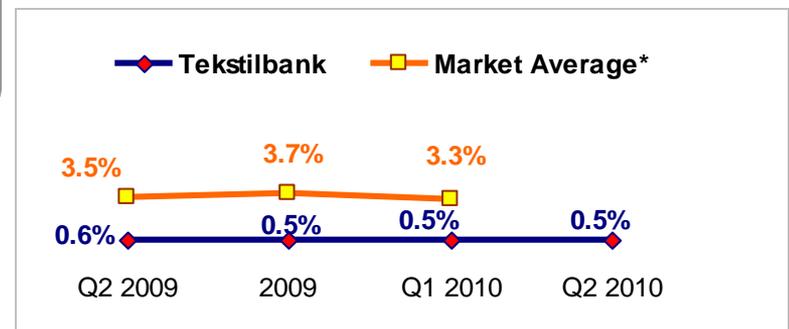
Group Total Risk / Total Risk



Group Cash Loans / Cash Loans



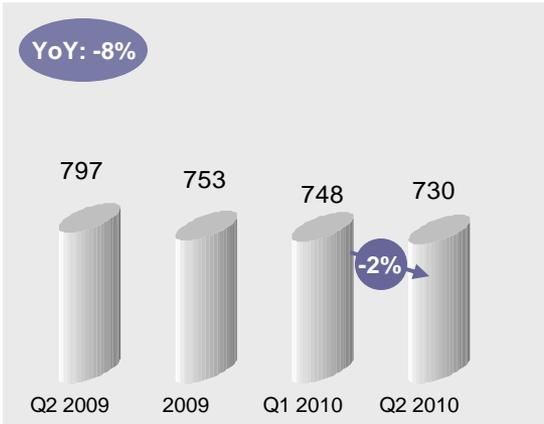
Group Non-Cash Loans / Non-Cash Loans



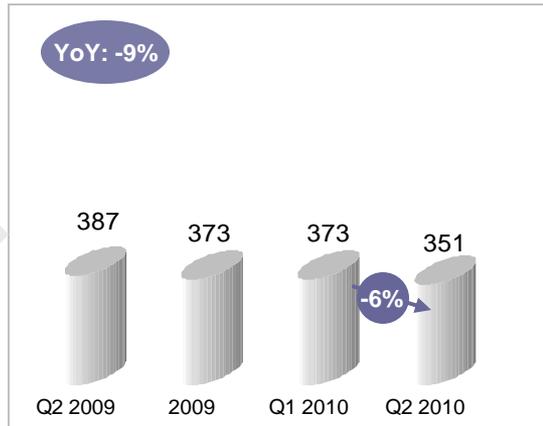
* Selected 22 banks' average for June 30 2010 is not available yet

Non-cash loans...

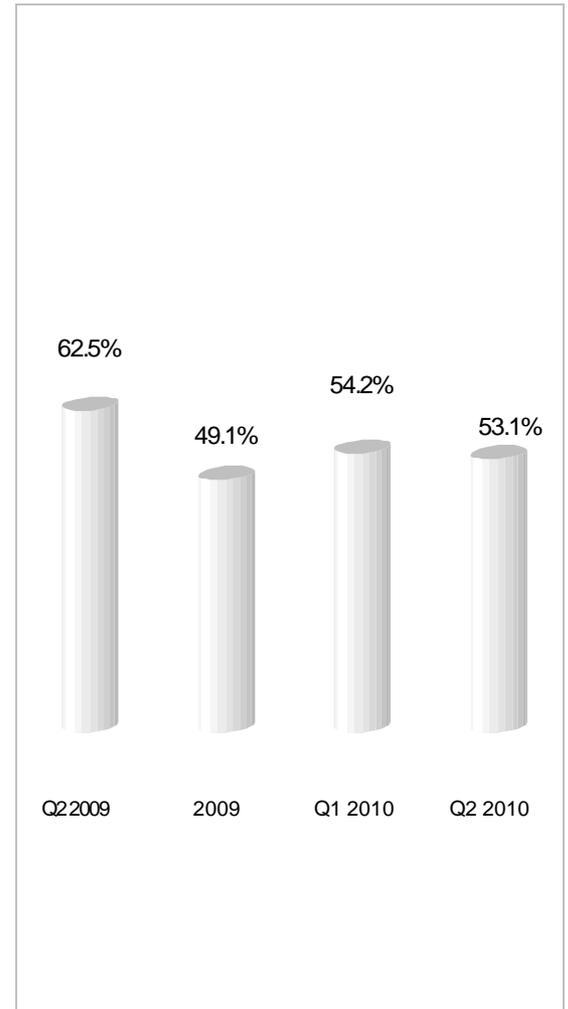
Total Non-Cash Loans (TRY mn)



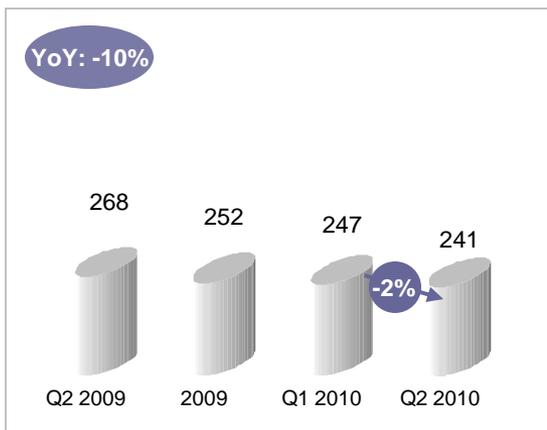
TL Non-Cash Loans (TRY mn)



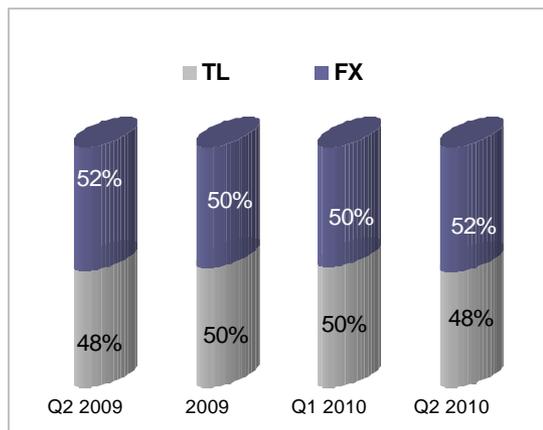
Non-Cash / Cash Loans



FX Non-Cash Loans (US\$ mn)

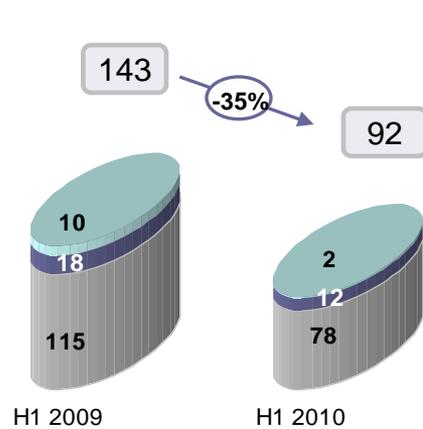


Currency Breakdown of Non-Cash Loans

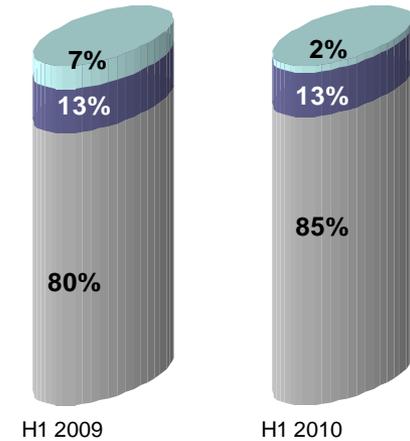


Interest Income & Expense...

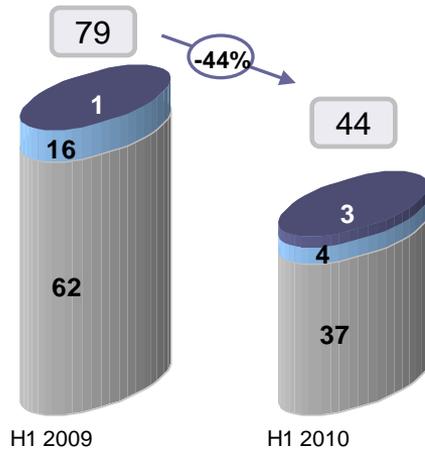
Interest Income (TRY mn)



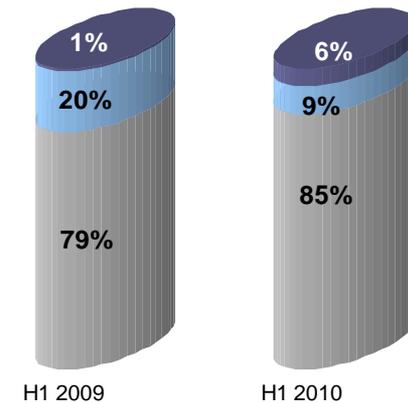
Composition of Interest Income



Interest Expense (TRY mn)

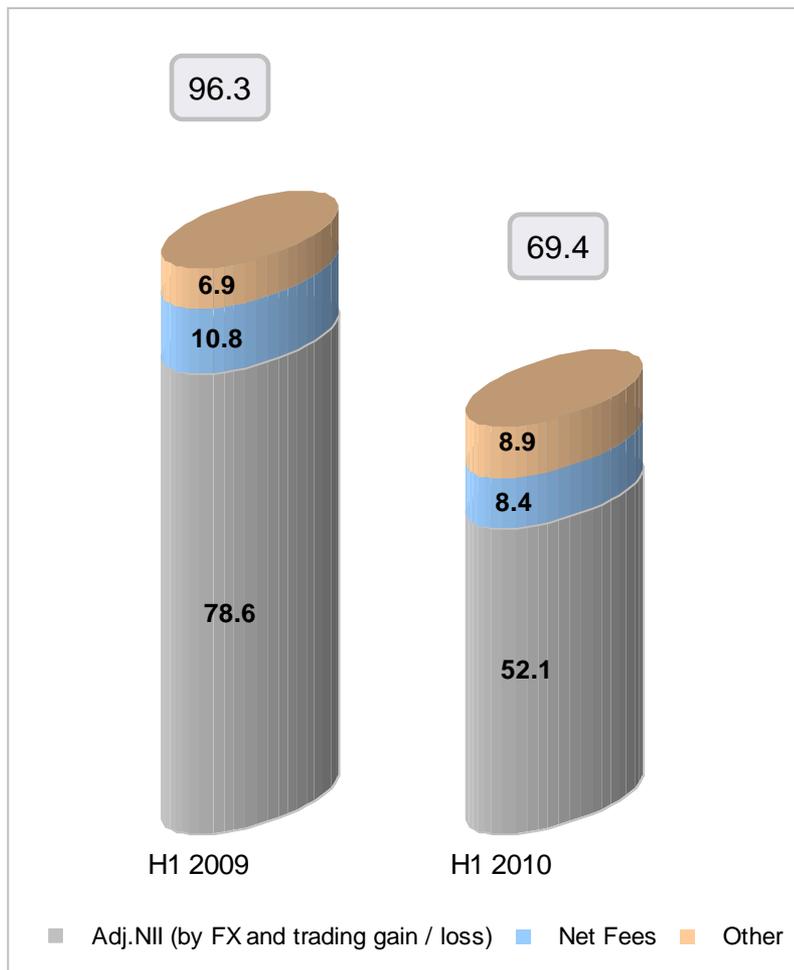


Composition of Interest Expense

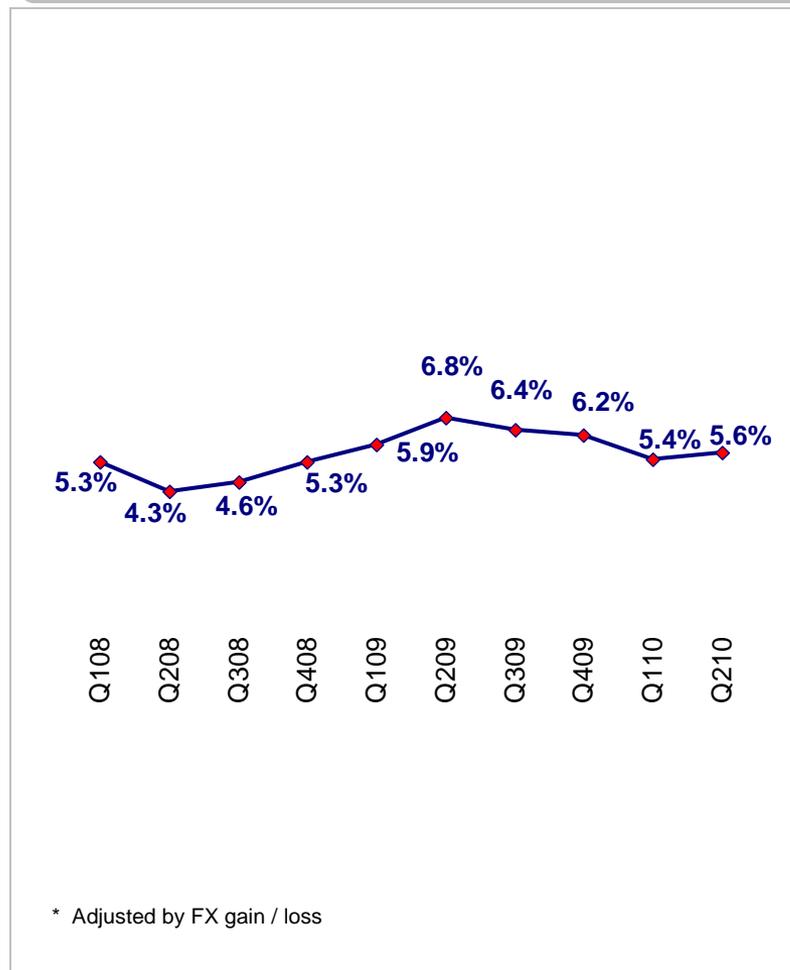


No margin compression, due to high level of focus...

Banking Income (TRY mn)

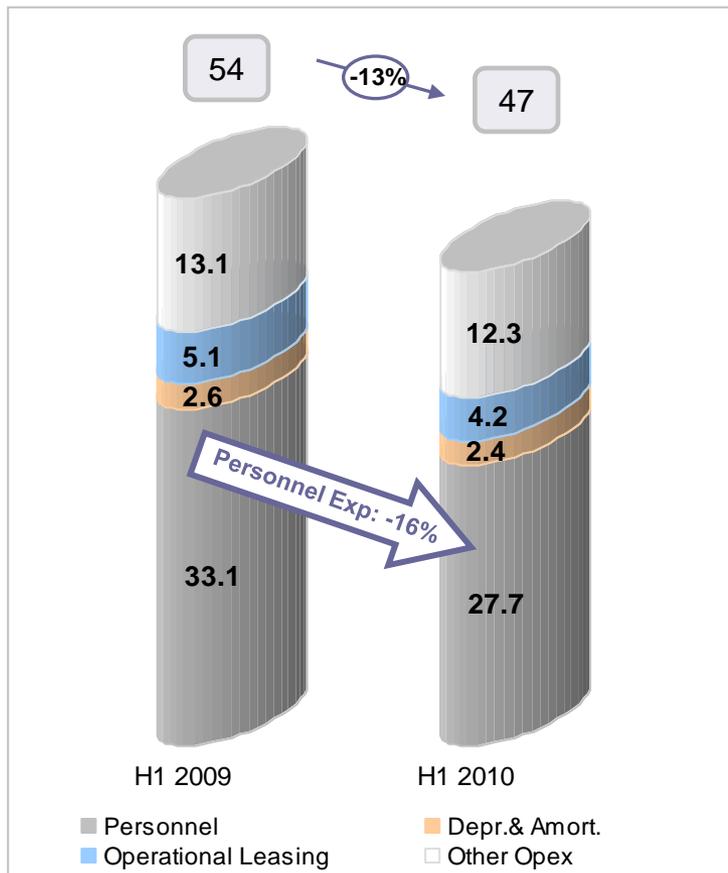


Adjusted Net Interest Margin*

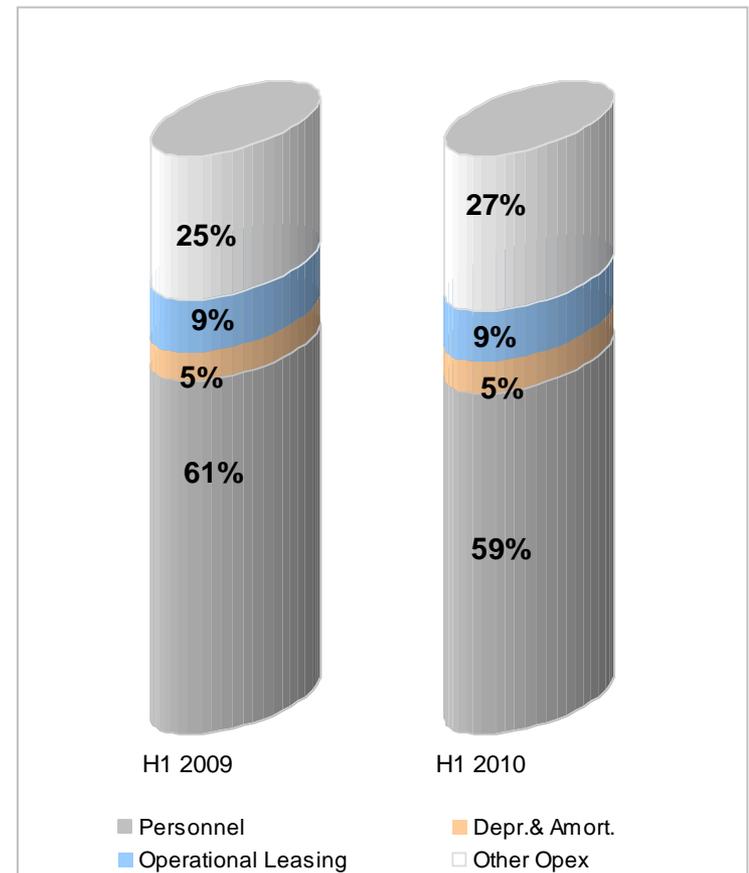


Strict cost measures continues...

Operating Expenses (TRY mn)



Composition of Operating Expenses



Strong NPL Recovery...

TRY mn	Q1 2010	Q2 2010
Recoveries	3.4	3.5
New NPL Formation	4.4	3.1

Summary Balance Sheet...

TRY mn	Q2 2009	2009	Q1 2010	Q2 2010
Cash & Banks	335	201	148	226
Total Securities	221	229	262	317
Total Cash Loans	1,276	1,534	1,381	1,375
Fixed Assets & Subsidiaries	119	102	98	97
Other	82	67	63	68
Total Assets	2,033	2,133	1,952	2,083
Deposits*	1,150	1,447	1,186	1,337
Interbank Money Market*	9	9	85	59
Borrowings	346	146	149	142
Other	64	63	59	69
SHE	464	468	473	476
Total Liabilities & SHE	2,033	2,133	1,952	2,083

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

Summary Income Statement...

TRY mn	Q1 2010	Q2 2010	H1 2009	H1 2010
Interest Income	46.2	46.1	142.9	92.4
Loans	40.0	37.9	115.4	77.9
Securities	5.2	7.0	17.7	12.3
Other	1.0	1.2	9.8	2.2
Interest Expense	22.1	21.6	78.7	43.8
Deposits	18.8	18.3	62.2	37.1
Funds Borrowed	2.6	1.4	15.8	4.0
Interbank & Other	0.7	1.9	0.7	2.7
Net Interest Income	24.1	24.5	64.2	48.6
Net FX Gain (Loss)*	1.0	1.1	7.6	2.1
Adj. Net Interest Income	25.1	25.6	71.8	50.7
Net Trading Income (Loss)*	0.7	0.7	6.8	1.4
Net Fees & Commissions	3.8	4.6	10.0	8.4
Other Operating Income	4.9	4.0	7.7	8.9
Total Operating Income	34.5	34.9	96.3	69.4
Provisions	5.8	3.7	28.6	9.5
Opex	22.5	24.2	53.9	46.7
Profit from Subsidiaries	0.2	0.0	0.0	0.2
Profit Before Tax	6.4	7.0	13.8	13.4
Tax	1.5	1.6	2.3	3.1
Net Income	4.9	5.4	11.5	10.3

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

Summary Income Statement (Consolidated)...

TRY mn	Q1 2010	Q2 2010	H1 2009	H1 2010
Interest Income	46.6	46.4	144.7	93.0
Loans	40.2	38.0	117.0	78.2
Securities	5.4	7.2	18.0	12.6
Other	1.0	1.2	9.7	2.2
Interest Expense	22.2	21.6	80.4	43.8
Deposits	18.9	18.3	64.5	37.2
Funds Borrowed	2.6	1.4	15.2	4.0
Interbank & Other	0.7	1.9	0.7	2.6
Net Interest Income	24.4	24.8	64.3	49.2
Net FX Gain (Loss)*	1.0	1.1	7.3	2.1
Adj. Net Interest Income	25.4	25.9	71.6	51.3
Net Trading Income (Loss)*	2.4	1.9	8.6	4.3
Net Fees & Commissions	4.5	5.4	11.9	9.9
Other Operating Income	4.7	4.0	6.8	8.7
Total Operating Income	37.0	37.2	98.9	74.2
Provisions	4.4	3.1	28.6	7.5
Opex	23.7	25.8	55.9	49.5
Profit from Subsidiaries	0.0	0.0	0.0	0.0
Profit Before Tax	8.9	8.3	14.4	17.2
Tax	1.8	1.8	2.3	3.6
Net Income	7.1	6.5	12.1	13.6

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

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