



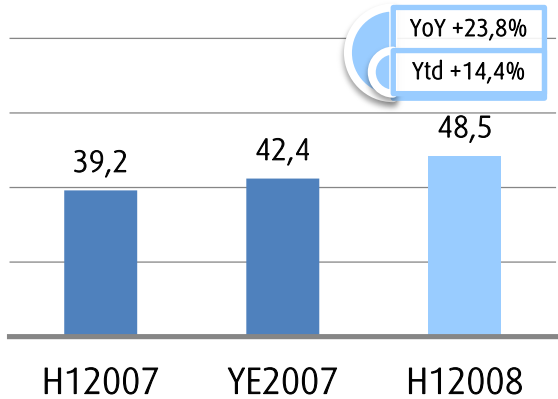
Earnings Presentation  
Brsa Bank-Only 1H08  
August 2008

# 2008 H1 Highlights

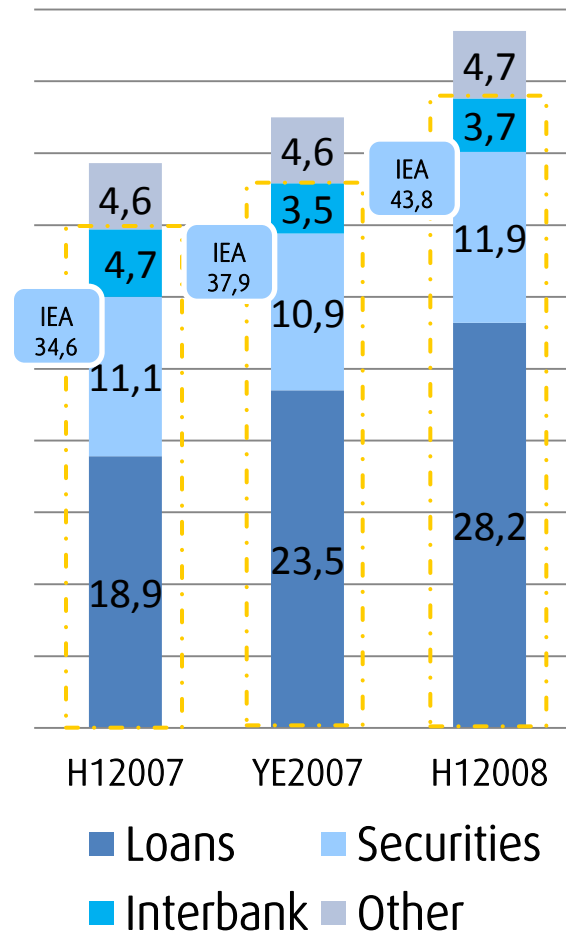
- ✓ Net Profits are up by 41% QoQ to 276,3 Mio YTL in 2Q08
- ✓ ROAE 21,4%; EPS is 0.19 YTL
- ✓ Strong growth in consumer lending; market share gains continue in general purpose consumer loans as in last two quarters
- ✓ CAR is improved by 19 bps to 13,66%; thanks to higher mortgage collateralized lending & slight increase in SHE
- ✓ Accelerated momentum in fees & commissions; 43% YoY increase
- ✓ Improving asset quality; NPL ratio is down by 30bps
- ✓ Cost of YTL deposits is down by 20 bps & adjusted NIM\* is stable
- ✓ Demand deposits surged 56% QoQ;reached to16% of total deposits

# Diversification of Asset Mix Towards IEA

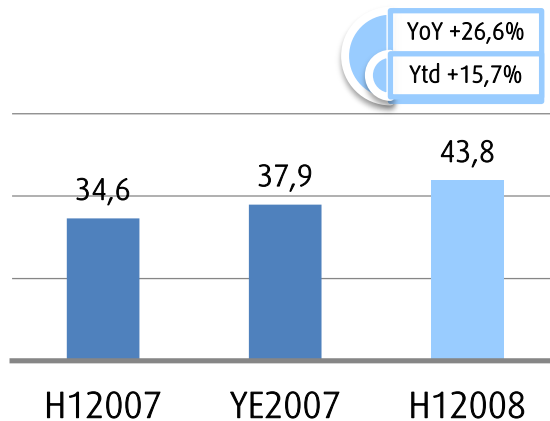
Total Assets (TRY bio)



Breakdown of Assets (TRY bio)



Interest Earning Assets (TRY bio)

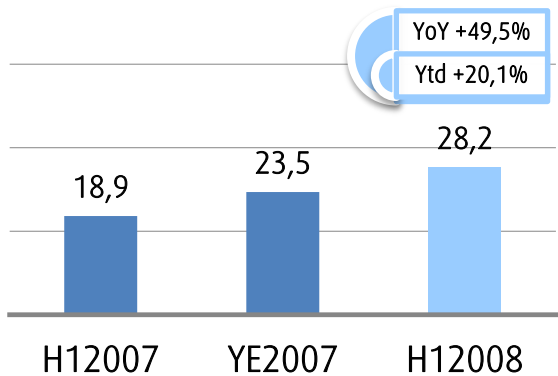


Asset Growth;  
Ytd

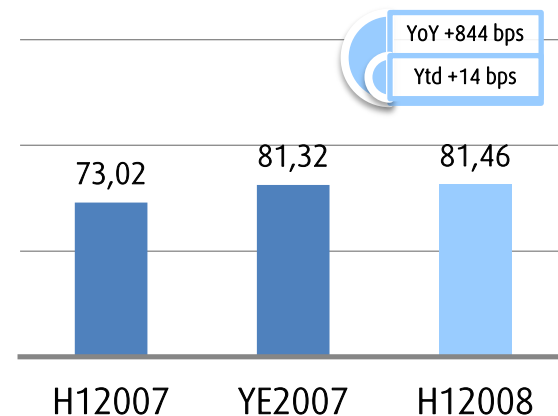
**14,4%**

# Expansion of Loan Portfolio Continued

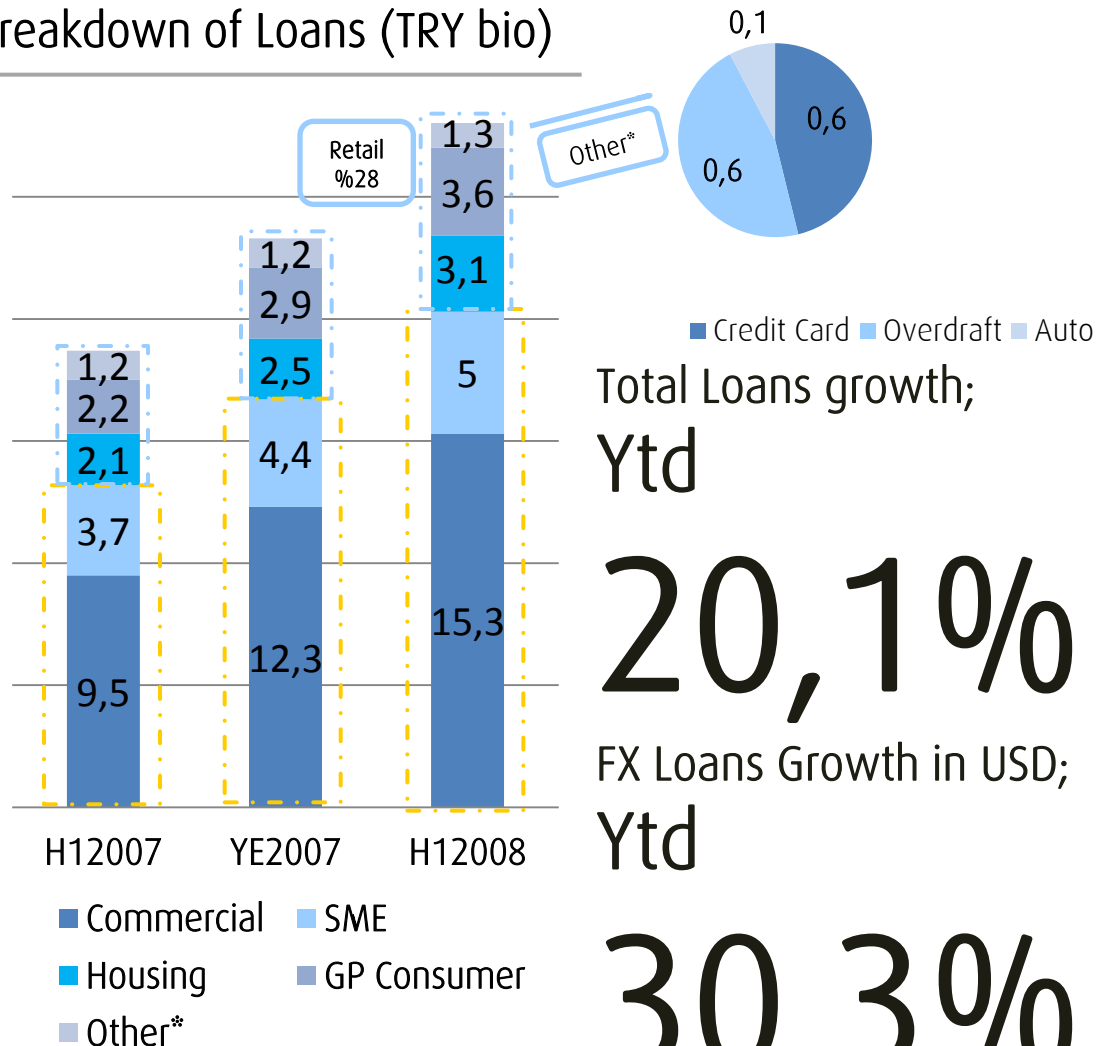
Total Loans (TRY bio)



Loan/Deposits (%)



Breakdown of Loans (TRY bio)



Total Loans growth;  
Ytd

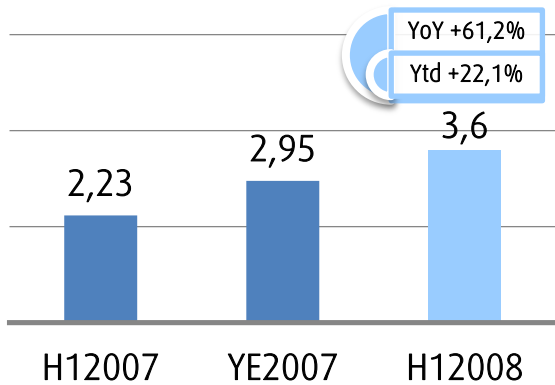
**20,1%**

FX Loans Growth in USD;  
Ytd

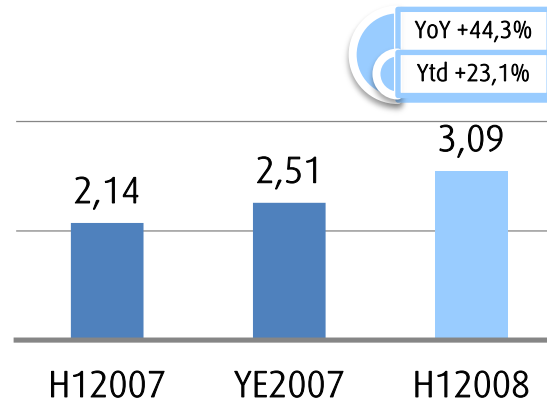
**30,3%**

# Strong Retail Loan Growth

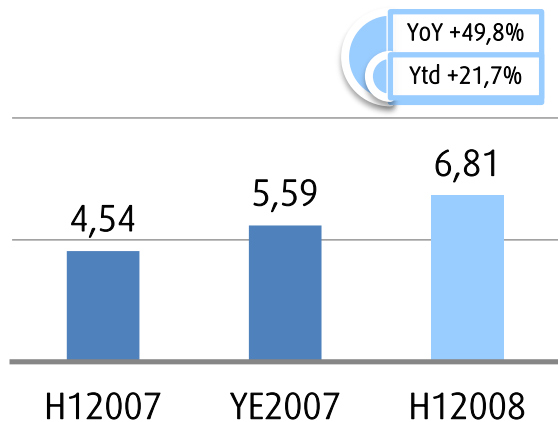
## General Purpose Consumer



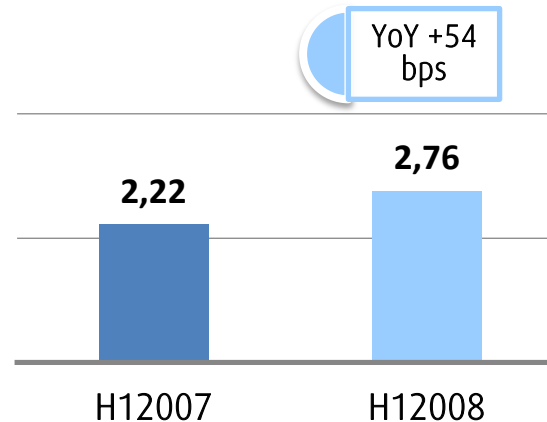
## Residential Mortgages<sup>1</sup>



## Total Retail<sup>2</sup>



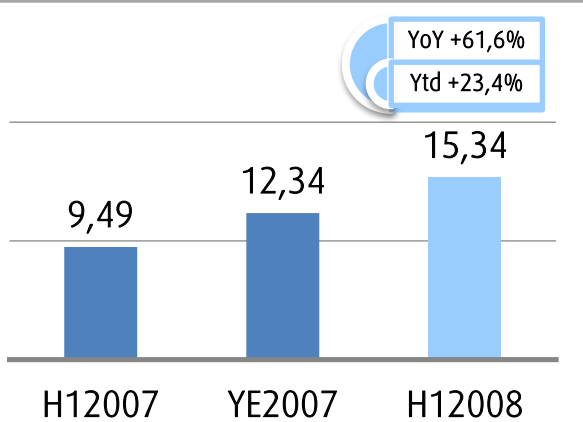
## Retail Cross-Selling Ratio



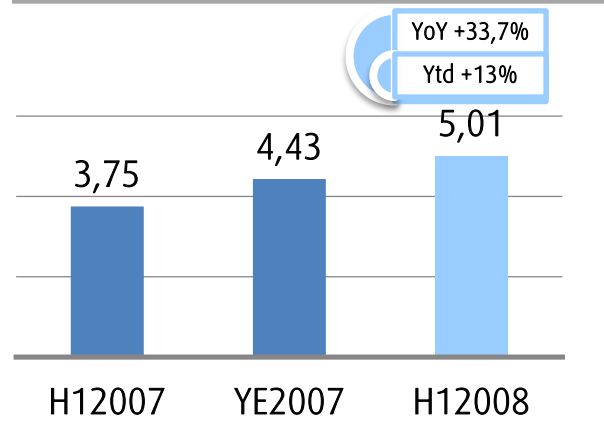
Market Share Gain in 1H08;  
Total Retail;  
**31 bps,**  
General Purpose;  
**10 bps.**  
Mortgage;  
**38 bps**

# Commercial, Corporate and SME Evolution

## Commercial & Corporate



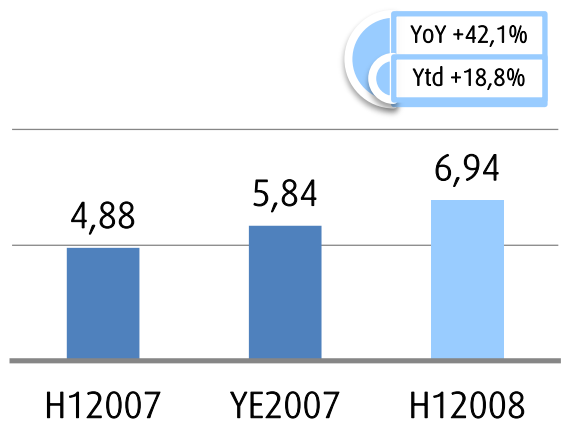
## SME (Commercial Installments)



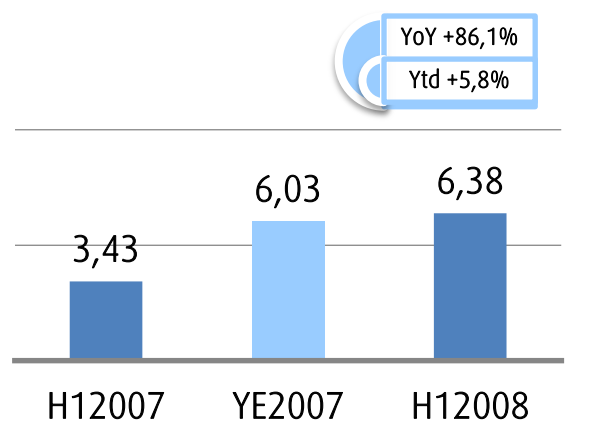
Commercial & Corporate Loan Growth;  
Ytd

**%23,4**

## Guarantees



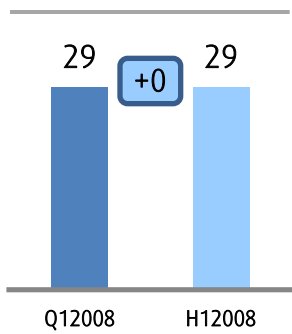
## Commitments



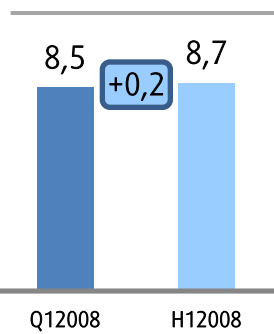
# Market Shares (%)

## Deposits and Funding

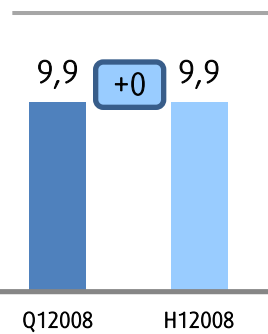
Payroll<sup>1</sup>



Total Deposits

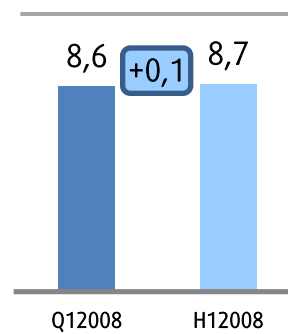


YTL Deposits

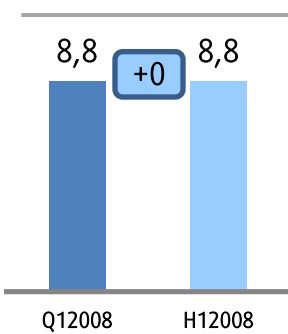


## Loans

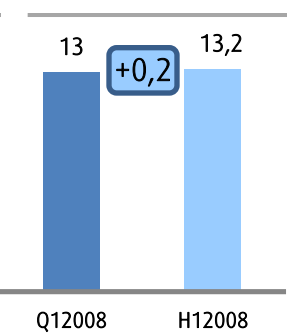
Total Loans



Retail Loans<sup>2</sup>

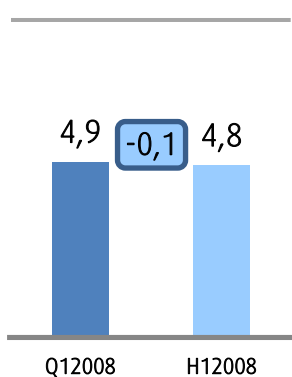


SME Installment

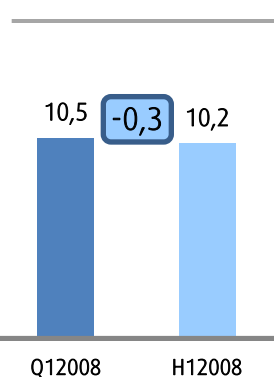


## Distribution #

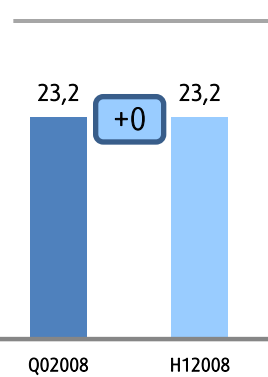
Branch



ATM



Debit Card



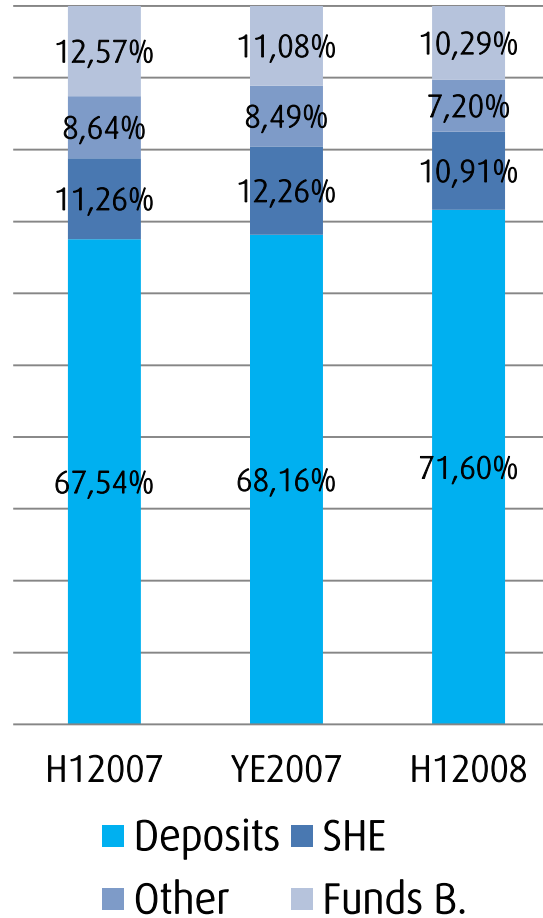
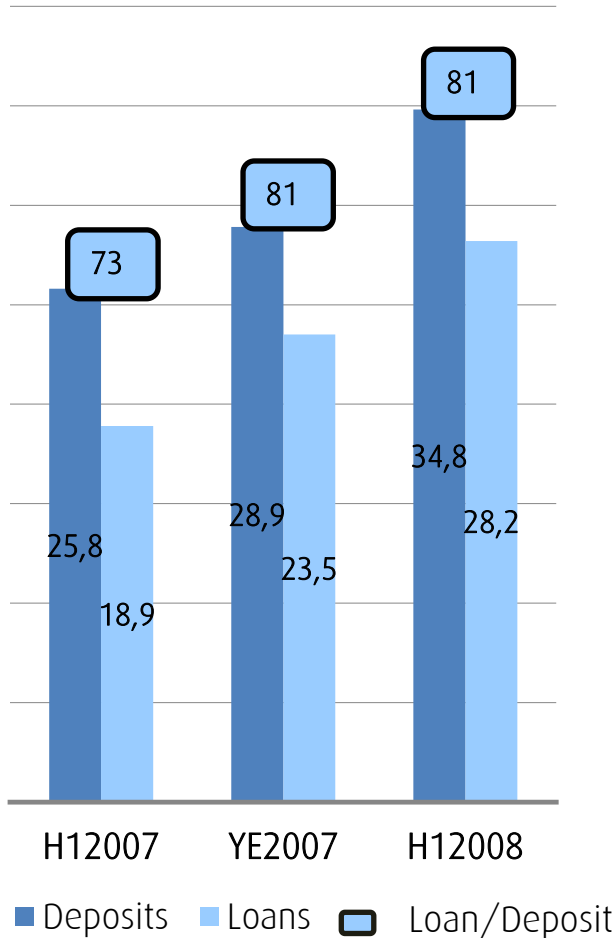
# 1 in payroll

# 1 in debit card #

# Deposits & Liabilities

Loans and Deposits (TRY,bio)

Breakdown of Liabilities (%)



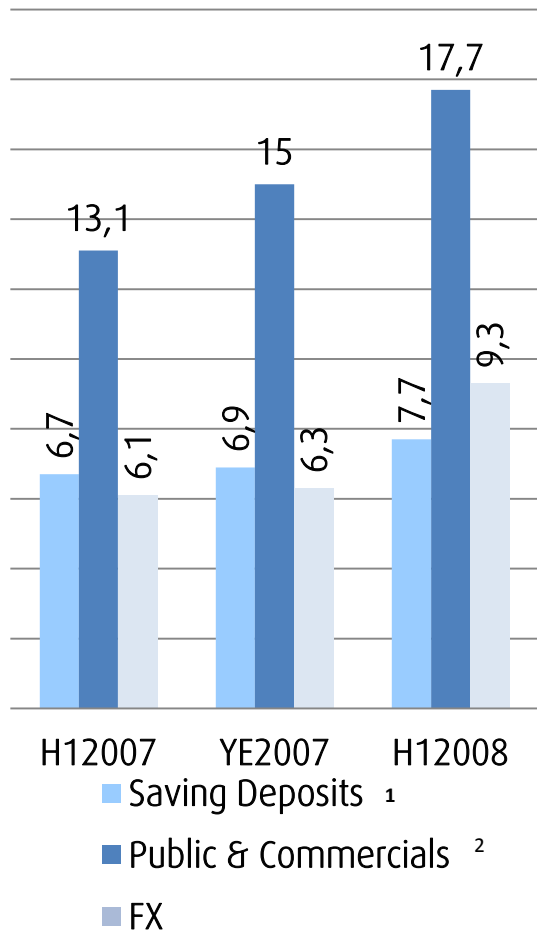
Total Deposits Growth;  
YoY  
**34,58%**

Ytd  
**20,43%**

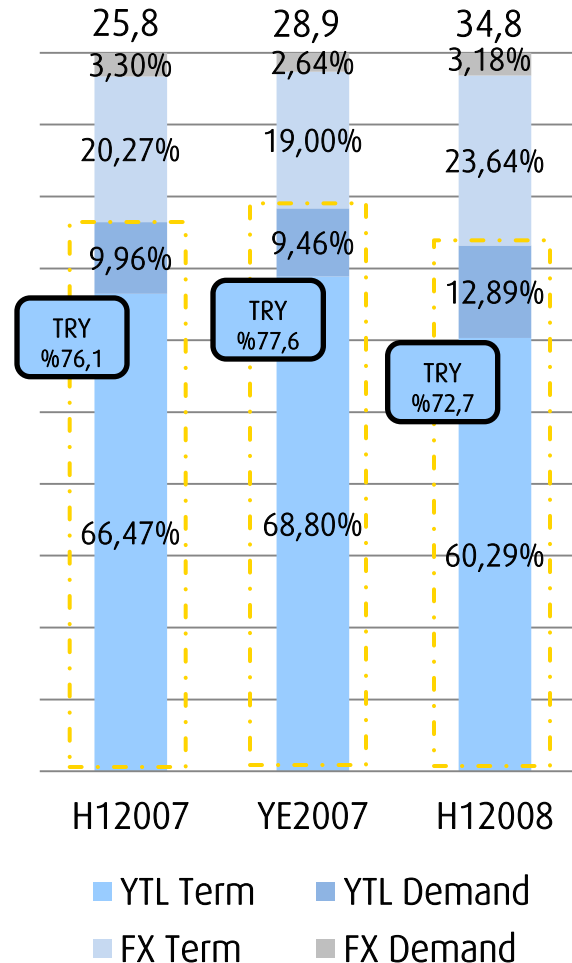


# Strong Deposit Growth

Deposit Composition (TRY,bio)\*



Breakdown of deposits (%)

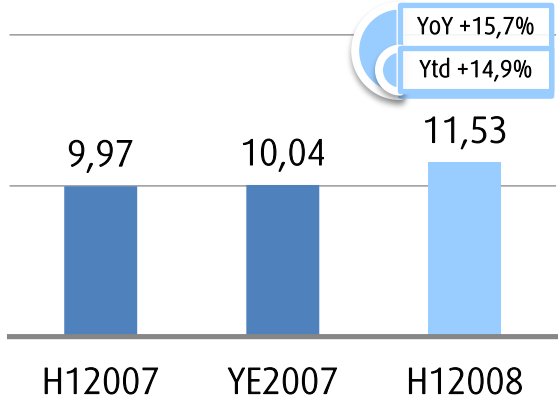


FX Deposits Growth in USD;  
Ytd

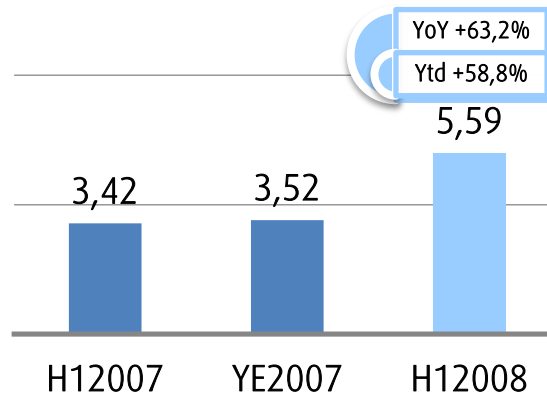
**%39,6**

# Demand Deposits Surged

Retail Deposits (TRY, bio)



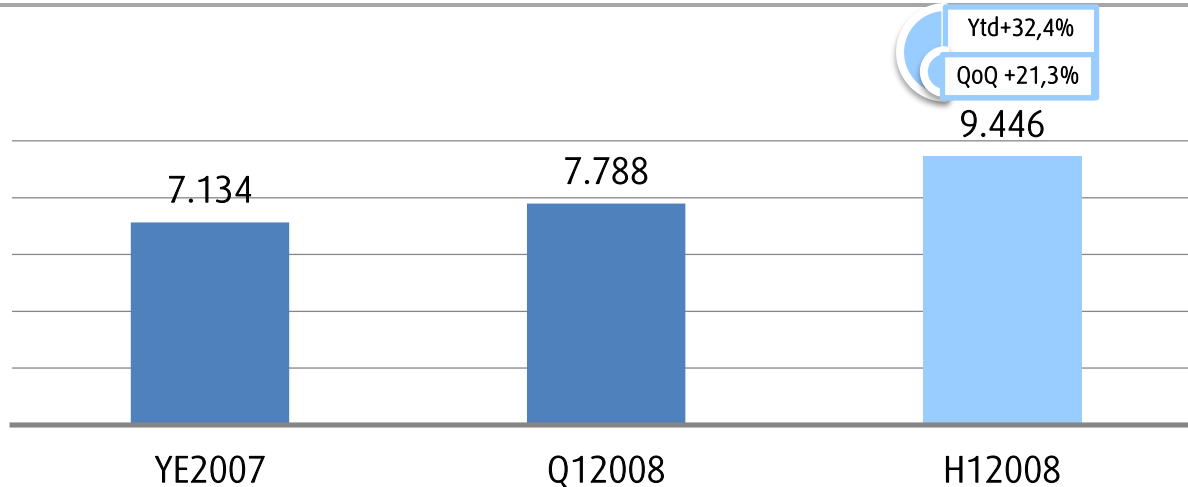
Demand Deposits (%)



Demand Deposits Growth;  
Ytd

**63,2%**

State Related Deposits\* (TRY, mio)

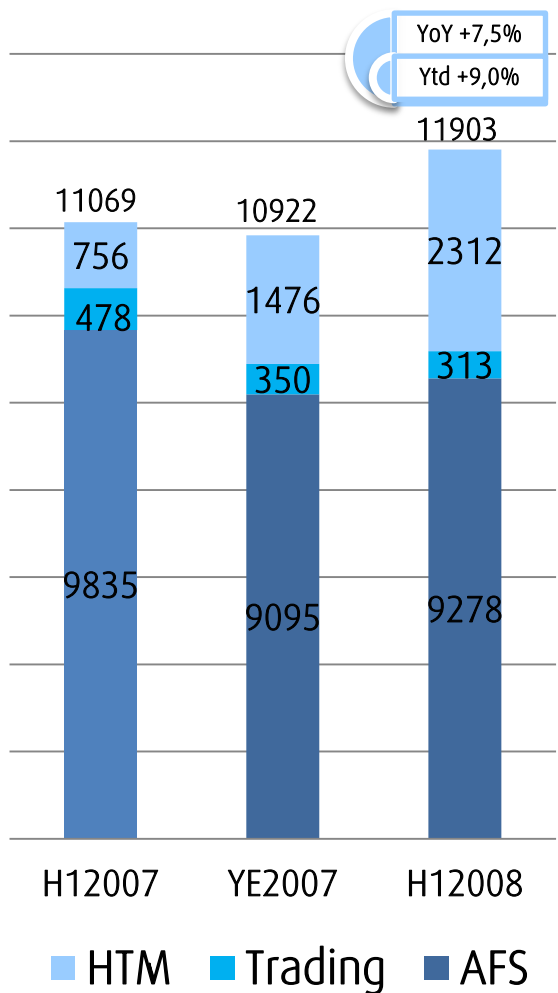


Retail Deposits Growth;  
Ytd

**15,7%**

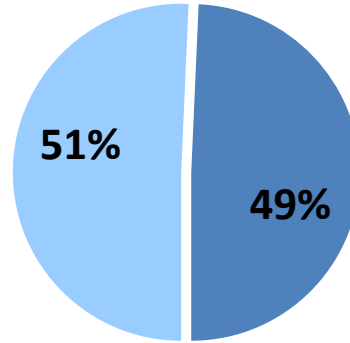
# Securities Portfolio Evolution

Total Securities (TRY, mio)

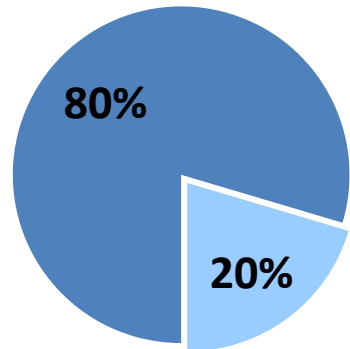


Portfolio Structure

YTL



FX



Legend: Fixed (dark blue), Floating (light blue)

YTL Securities Floating Rate Share;

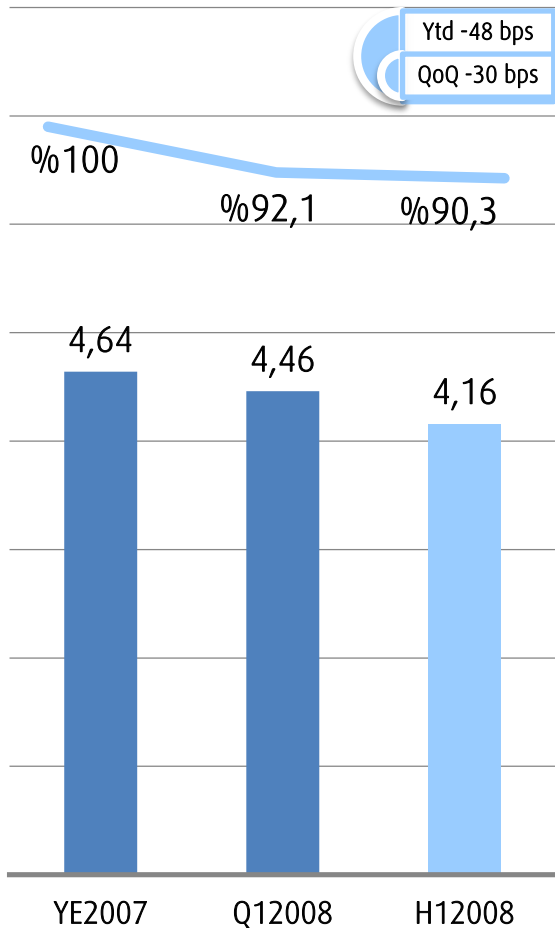
in 1Q08,  
%47

in 2Q08,  
%51

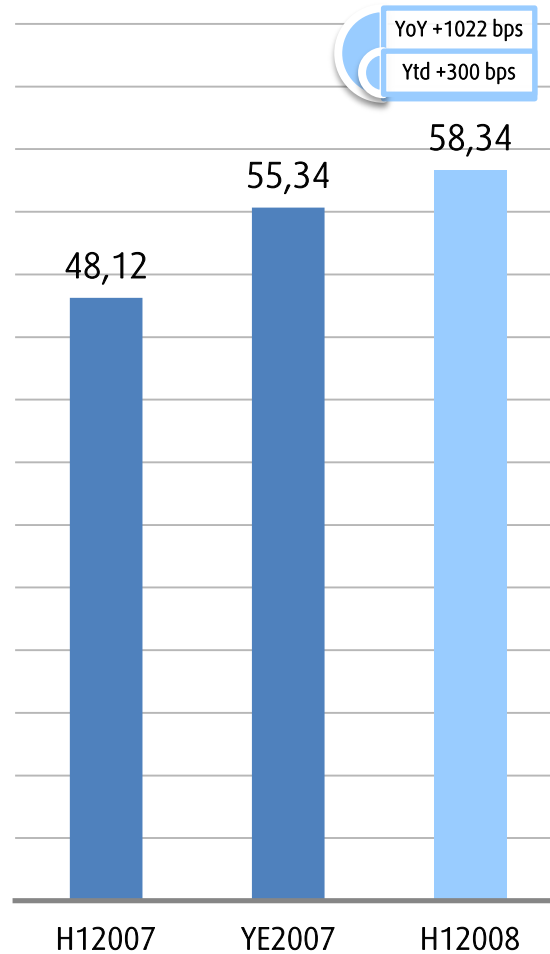
More FRN  
YTL Securities

# Asset Quality Continues to Improve

NPL Ratio & Provisions Coverage



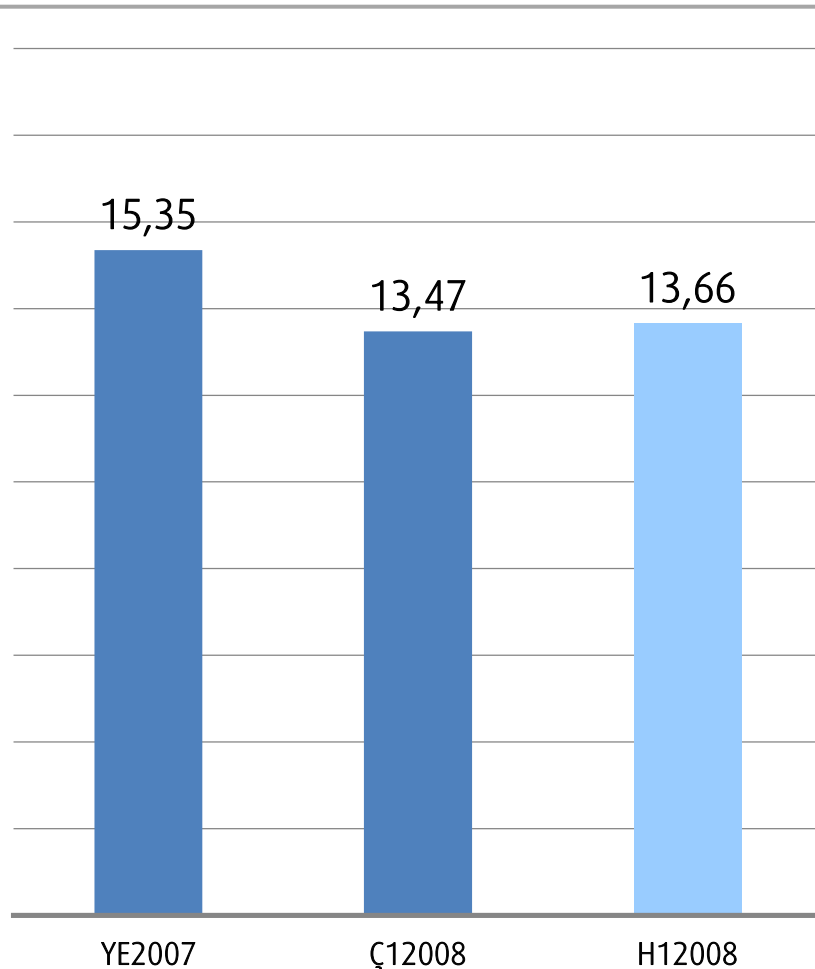
Loan / Assets (%)



No write-offs  
&  
No asset sale  
on NPL

# Capital Position; CAR is up by 19 bps

CAR (%)

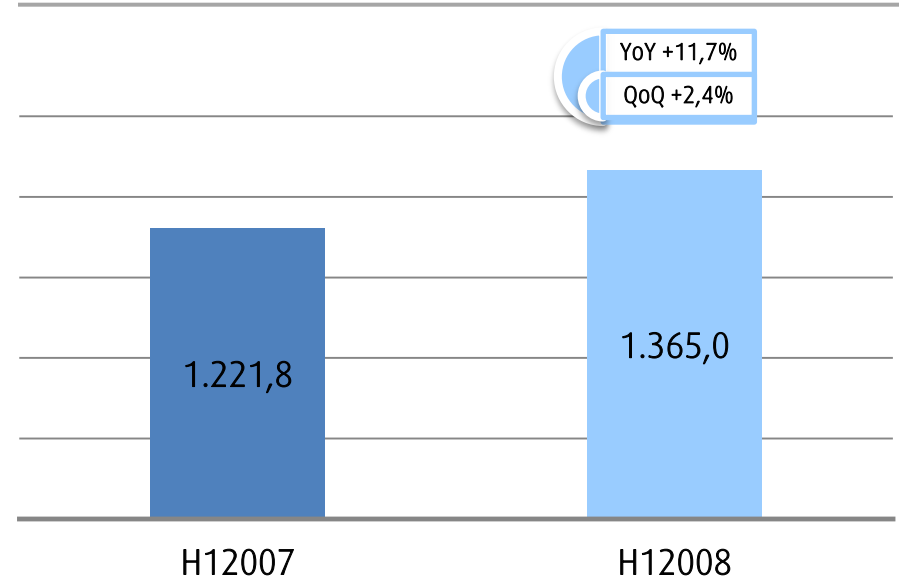


Despite strong loan growth; higher mortgage collaterals & slightly improved SHE helped CAR to increase.

# Earnings Summary

| (TRY-mio, %)                        | H12007         | H12008         | Growth       |
|-------------------------------------|----------------|----------------|--------------|
| Net Interest Income                 | 790,1          | 949,2          | 20.1%        |
| Net F&C Income                      | 161,6          | 231,9          | 43.5%        |
| Net Trading Income                  | 116,3          | 13,2           | -88,7%       |
| Divident Income                     | 33,8           | 25,3           | -25.2%       |
| Other Operating Income              | 153,8          | 170,7          | 11.0%        |
| <b>Total Operating Income</b>       | <b>1.255,6</b> | <b>1.390,3</b> | <b>10.7%</b> |
| <b>Total Operating Expenses (-)</b> | <b>458,4</b>   | <b>580,6</b>   | <b>26.7%</b> |
| <b>Operating Profit</b>             | <b>797,2</b>   | <b>809,6</b>   | <b>1.6%</b>  |
| Provisions (-)                      | 208,0          | 215,4          | 3.6%         |
| Tax Provisions (-)                  | 110,7          | 121,5          | 9.8%         |
| Income from investments             | 0              | 0              | n.a.         |
| Net Monetary Gain/Loss              | 0              | 0              | n. a.        |
| <b>Net Income</b>                   | <b>478,5</b>   | <b>472,7</b>   | <b>-1.2%</b> |

## Net Banking Income Composition



New Branch #

YoY 74

Ytd 39

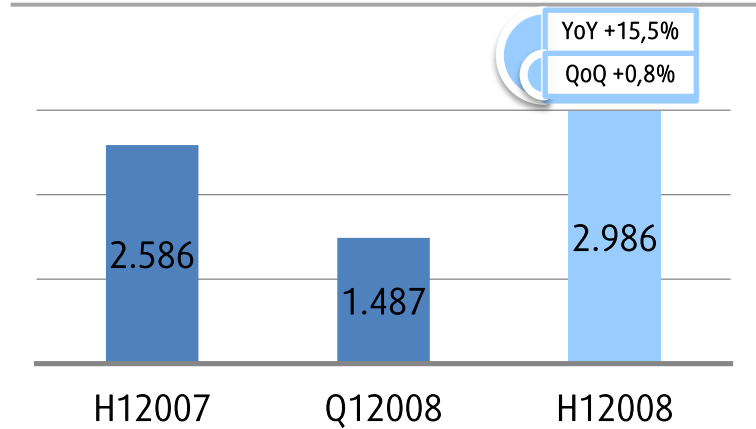
New Employee #

YoY +1500

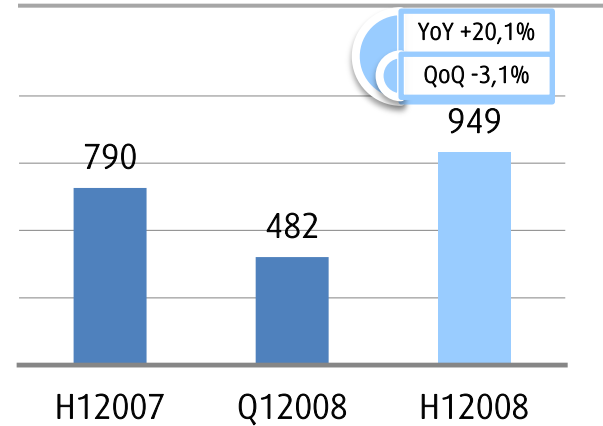
Ytd +800

# P & L Participants

Interest Income (TRY, mio)



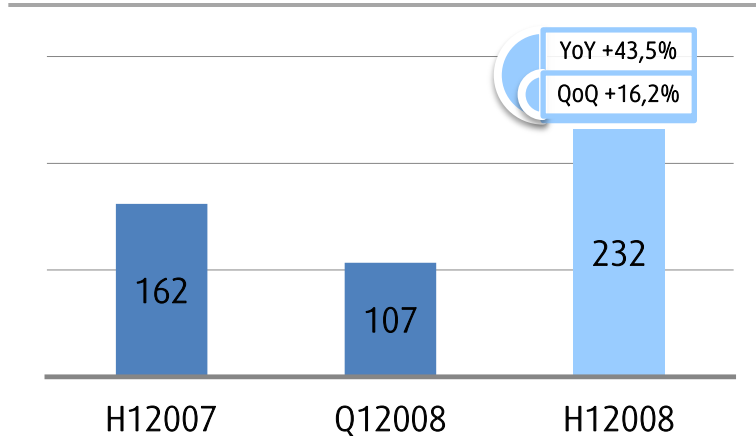
Net Interest Income



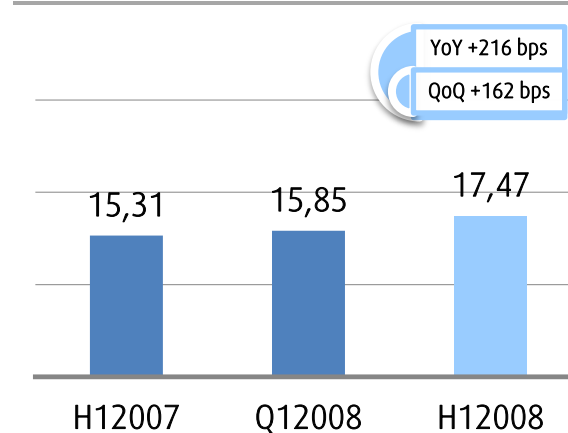
Net Interest Income Growth;  
YoY

20,1%

Net F & C Income (TRY, mio)



Net F & C Income/Op. Income

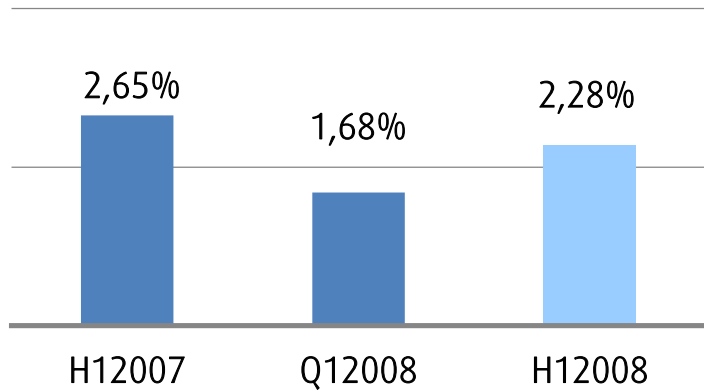


Net F&C Income Growth;  
YoY

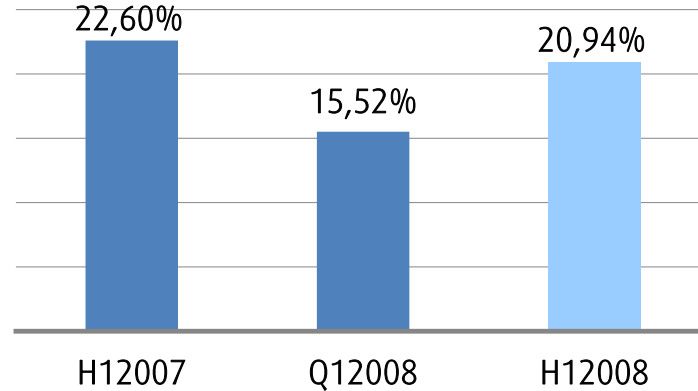
43,5%

# Earnings Ratios

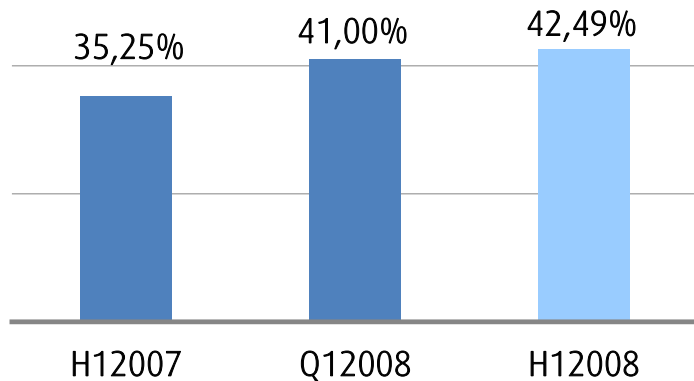
ROA<sup>1</sup>



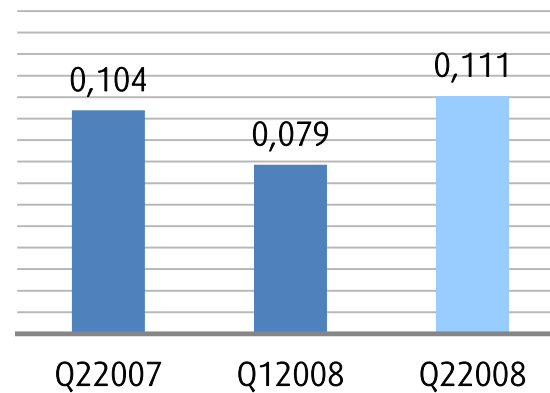
ROE<sup>1</sup>



Cost / Income (%)



Earnings Per Share (EPS)



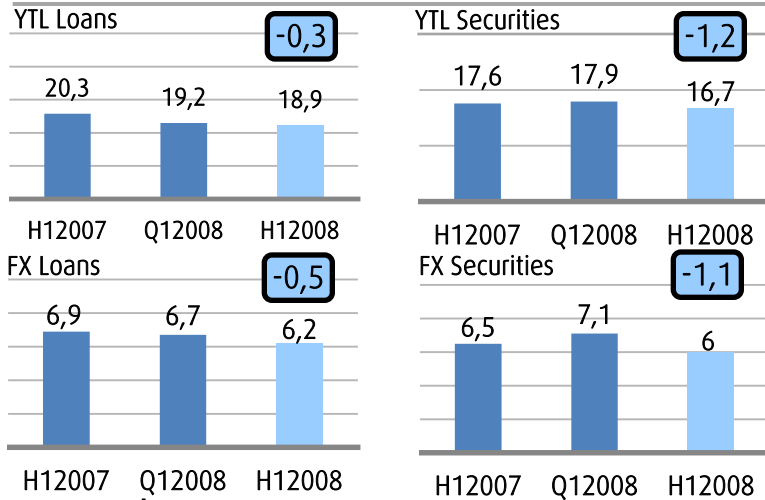
Cost / Income ratio

**42,5%**

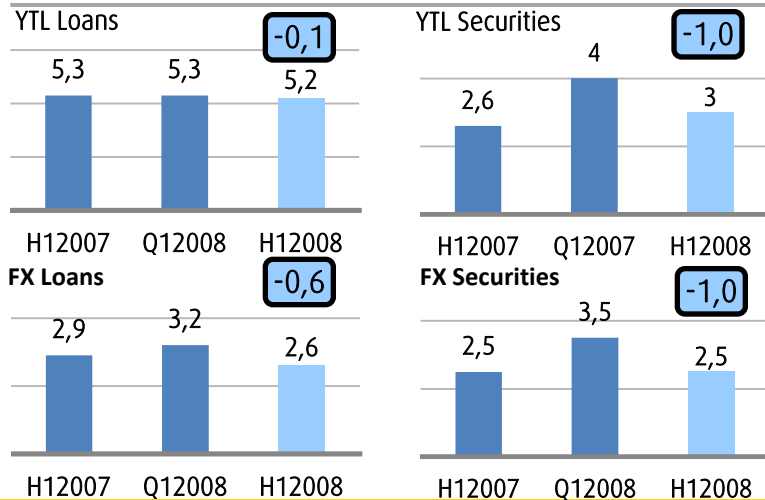


# Yield, spread, cost of deposits, NIM (%)

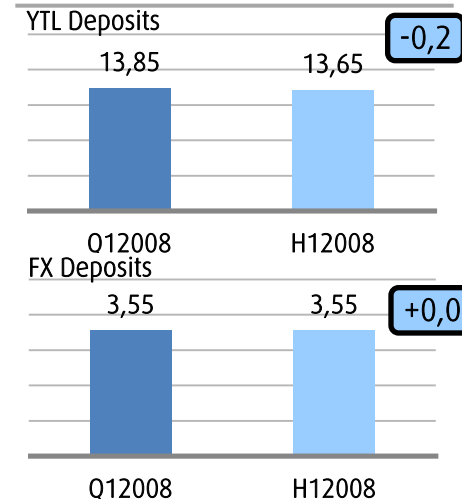
## Yield on Loans & Securities



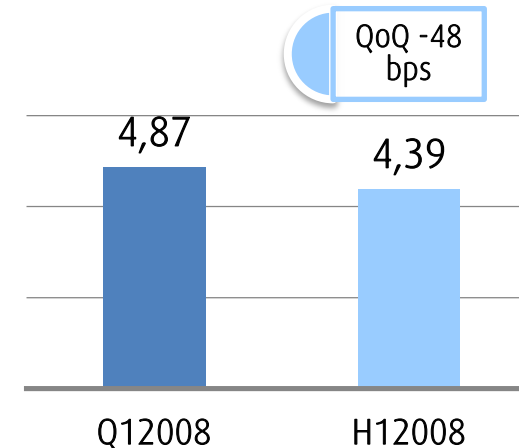
## Spreads



## Cost of Deposits



## NIM



Cost of YTL Deposits Decrease; Ytd **20 bps**

Stable Adjusted NIM\*

**4,68%**

Despite, 118 bps decline on YTL Securities' yields & 12 bps increase in FX assets share

# APPENDIX

# Vakif with numbers

| Distribution Channels & Customer Base (#) | H12008  | Efficiency ('000 TRY) | H12008    |
|---|---------|-----------------------|-----------|
| Branches <sup>1</sup>                     | 393     | Assets per Employee   | 5.111,1   |
| ATMs <sup>2</sup>                         | 2.090   | Assets per Branch     | 123.486,4 |
| Personnel                                 | 9.495   | Loans per Employee    | 2.970     |
| POS Terminals                             | 90.088  | Loans per Branch      | 71.745    |
| Outstanding Credit Cards                  | 1,98 mn | Deposits per Employee | 3.660,9   |
| Debit Cards                               | 13,3 mn | Deposits per Branch   | 88.449,2  |
| Total Customers                           | 7,8 mn  |                       |           |
| Total Payroll Customers                   | 2,0 mn  |                       |           |
| Internet Banking Customers                | 1,1 mn  |                       |           |
| Active Mutual Fund Customers              | 0,94 mn |                       |           |

## Most efficient bank in Turkey

# Balance Sheet

|                   | (TRY-mio, %)                      | H12007        | YE2007        | H12008        | YoY Growth   | Ytd Growth   |
|-------------------|-----------------------------------|---------------|---------------|---------------|--------------|--------------|
| Assets            | Cash & Balances with Central Bank | 2.717         | 2.490         | 2.452         | -9.8%        | -1.6%        |
|                   | Interbank                         | 4.665         | 3.462         | 3.693         | -20.8%       | 6.7%         |
|                   | Securities                        | 11.069        | 10.922        | 11.903        | 7.5%         | 9.0%         |
|                   | Loans                             | 18.861        | 23.470        | 28.196        | 49.5%        | 20.1%        |
|                   | Subsidiaries & Investments        | 463           | 586           | 562           | 21.3%        | -4.1%        |
|                   | Property & Equipment              | 877           | 906           | 949           | 8.3%         | 4.8%         |
|                   | Other                             | 543           | 573           | 775           | 42.7%        | 35.2%        |
|                   | <b>Total Assets</b>               | <b>39.195</b> | <b>42.408</b> | <b>48.530</b> | <b>23.8%</b> | <b>14.4%</b> |
| Liabilities & SHE | Deposits                          | 25.829        | 28.863        | 34.761        | 34.6%        | 20.4%        |
|                   | Funds Borrowed                    | 5.193         | 4.693         | 4.984         | -4.0%        | 6.2%         |
|                   | Other                             | 3.164         | 3.128         | 2.929         | -7.4%        | -6.4%        |
|                   | Provisions                        | 417           | 499           | 578           | 38.4%        | 15.8%        |
|                   | <b>Shareholders Equity</b>        | <b>4.592</b>  | <b>5.226</b>  | <b>5.279</b>  | <b>15.0%</b> | <b>1.0%</b>  |
| Off-B.S.          | Guarantees                        | 4.883         | 5.841         | 6.938         | 42.1%        | 18.8%        |
|                   | Commitments                       | 3.429         | 6.029         | 6.380         | 86.1%        | 5.8%         |
|                   | Derivatives                       | 2.892         | 1.464         | 1.554         | -46.3%       | 6.2%         |

# Income Statement

| (TRY-Thousand, %)     | H12007         | Q12008         | H12008         | $\Delta\{Q208$<br>$Q108\}$ | $\Delta\{H108$<br>$H107\}$ |
|-----------------------|----------------|----------------|----------------|----------------------------|----------------------------|
| Net Interest Income   | 790.102        | 482.156        | 949.235        | -3.1%                      | 20.1%                      |
| Net Fee & Com. Income | 161.625        | 107.234        | 231.856        | 16.2%                      | 43.5%                      |
| Divident Income       | 33.804         | 2.279          | 25.273         | 909.0%                     | -25.2%                     |
| Net Trading Income    | 116.274        | -17.895        | 13.183         | 273.7%                     | -88.7%                     |
| Other Income          | 153.757        | 102.978        | 170.738        | -34.2%                     | 11.0%                      |
| Total Revenues        | 1.255.562      | 676.752        | 1.390.285      | 5.4%                       | 10.7%                      |
| Operating Expense     | 458.355        | 277.497        | 580.647        | 9.2%                       | 26.7%                      |
| Provisions            | 207.986        | 146.350        | 215.379        | -52.8%                     | 3.6%                       |
| Tax Provisions        | 110.672        | 56.508         | 121.523        | 15.1%                      | 9.8%                       |
| <b>Net Income</b>     | <b>478.549</b> | <b>196.397</b> | <b>472.736</b> | <b>40.7%</b>               | <b>-1.2%</b>               |



# *VakıfBank*

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