

www.vakifbank.com.tr

Earnings Presentation
BRSA Bank-Only 1Q2009
15 May 2009



1Q 2009 Vakifbank Highlights

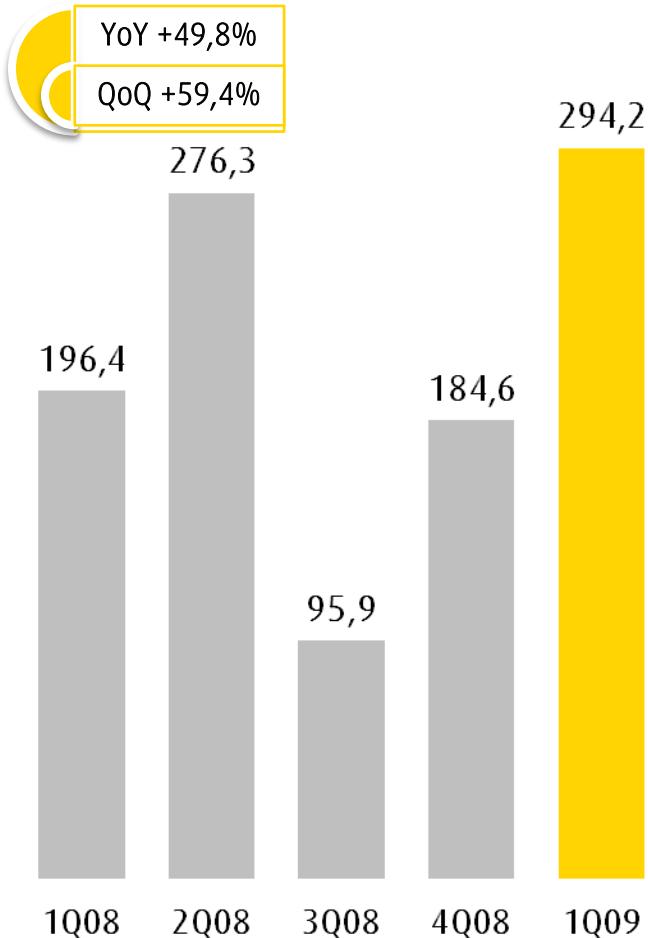
- ✓ Conservative lending continues; total loan growth 2,5% QoQ.
- ✓ Strong growth in securities book, 12% QoQ;
 - TL securities growth 12,3% QoQ, additions were mainly fixed T-bills,
 - Fixed share of TL securities is increased 5 pps to 41% of total TL securities,
 - More mark-to market gains expected in 2Q09.
- ✓ Strong deposits growth 6,5% QoQ, outperforming sector average again.
- ✓ Shareholders Equity is up by 6%, thanks to strong profitability.
- ✓ CAR is flat at 14,23%.
- ✓ Asset quality deterioration is less than sector average,
 - NPL growth is 17,5%, NPL ratio is up by 0,6 pps QoQ to 5,2%.

1Q 2009 Vakifbank Highlights

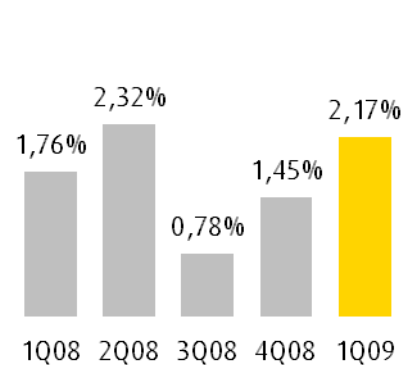
- ✓ Bank-only net profits are 294,2 mio TL, up by 60% QoQ and 50% YoY.
- ✓ Net Interest Income soared by 45,6% QoQ, 60% YoY.
- ✓ NIM surged by 171 bps QoQ to 6,28%, outperforming sector NIM expansion.
- ✓ Net Fee&Commissions down by 11% QoQ, due to weak retail loan demand.
- ✓ Still major beneficiary of lower interest rates in 2009 compared with peers*,
- ✓ TL dominated balance sheet, 67,5% of total assets are TL,
- ✓ Cost/Income ratio improved 4pps to 42%.
- ✓ Deposits reliant funding structure, 70% of liabilities are deposits,
- ✓ TL heavy deposits base, 70% of total deposits are TL,
- ✓ Conservative Loan/Deposit ratio, 79% blended, 72% for TL,

Earnings continue to improve

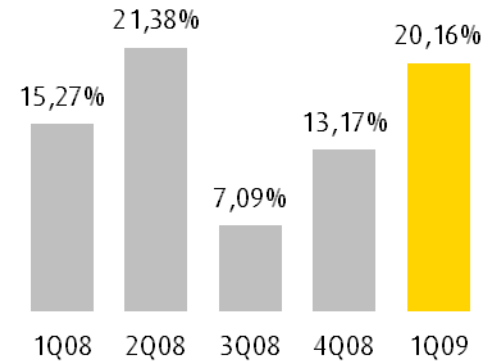
Quarterly Net Income (Mio TL)



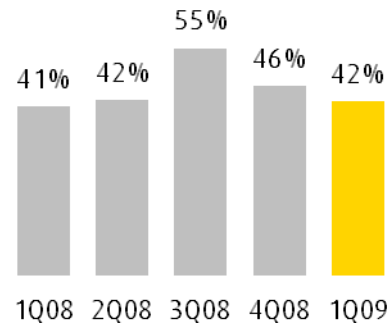
ROAA



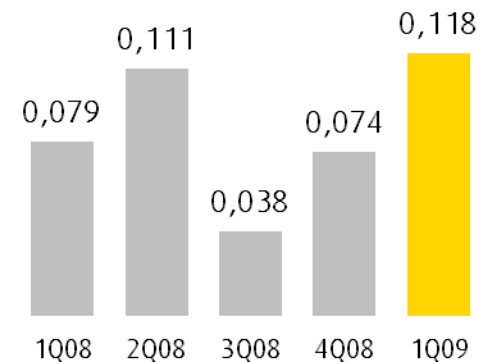
ROAE



Cost / Income (%)

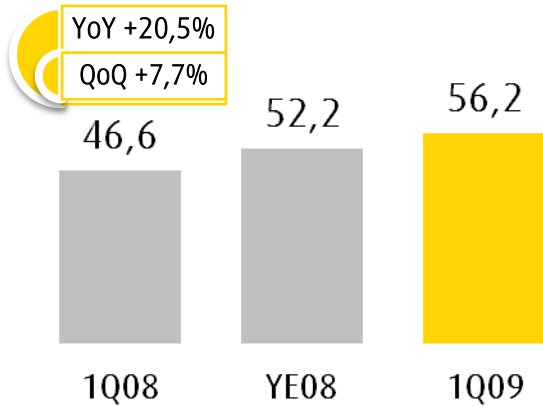


Earnings Per Share (EPS)

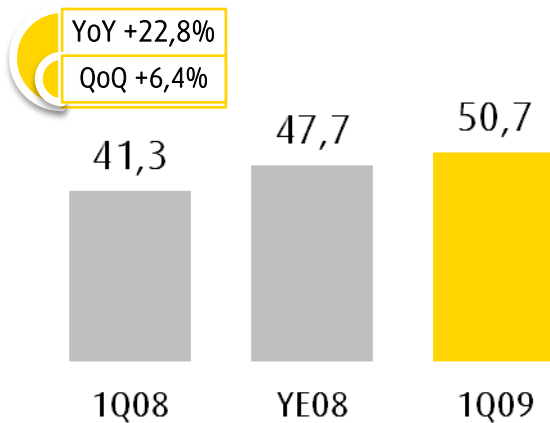


Total Assets

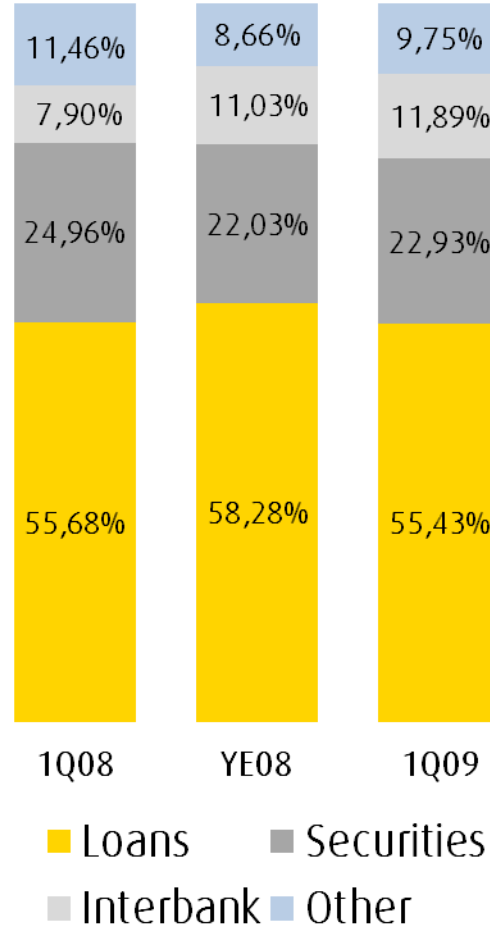
Total Assets (TL bio)



Interest Earning Assets (TL bio)



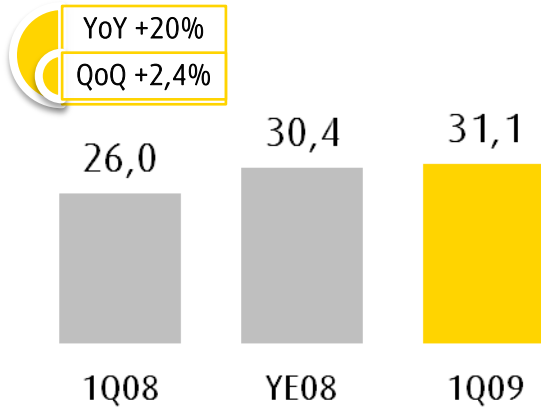
Breakdown of Assets (%)



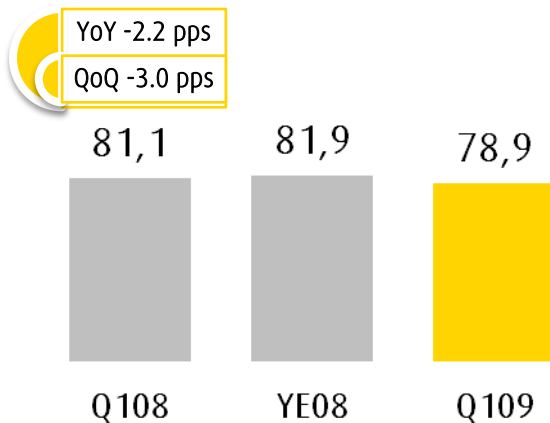
Asset Growth;
YoY
20,5%
IEA Growth;
YoY
22,8%

Conservative lending, TL heavy loan book

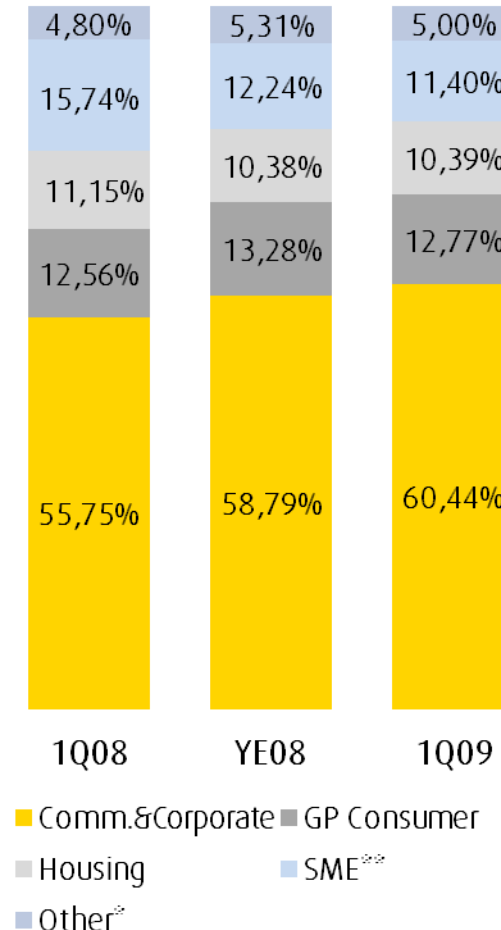
Total Loans (TL bio)



Loans/Deposits (%)



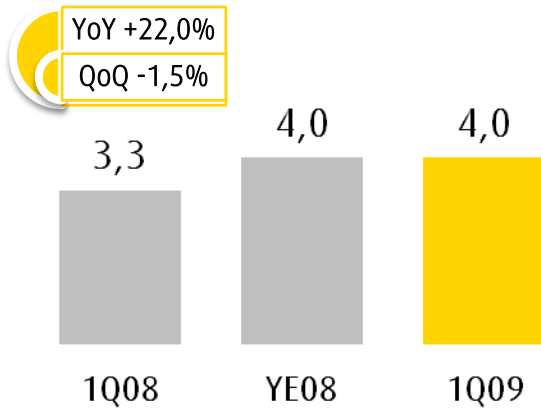
Breakdown of Loans (TL bio)



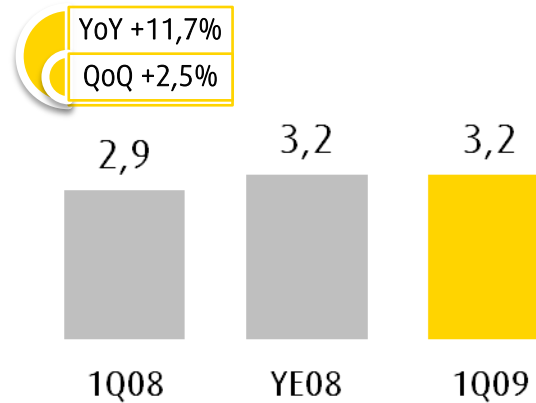
Loan Growth;
TL:
 YoY 11,6%
 QoQ 2,2%,
FC (USD):
 YoY 7,9%
 QoQ -6,2%.

Flat retail lending, more selective origination for non-payroll clients

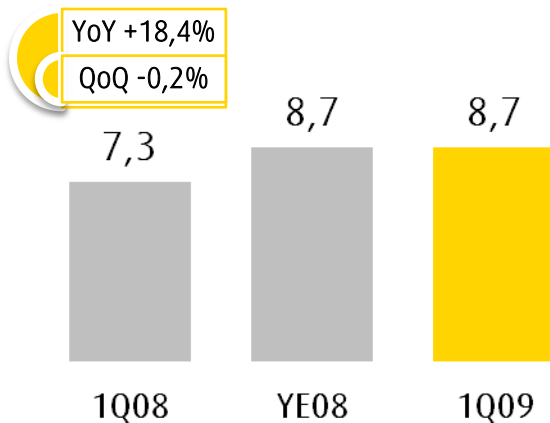
General Purpose Consumer (TL bio)



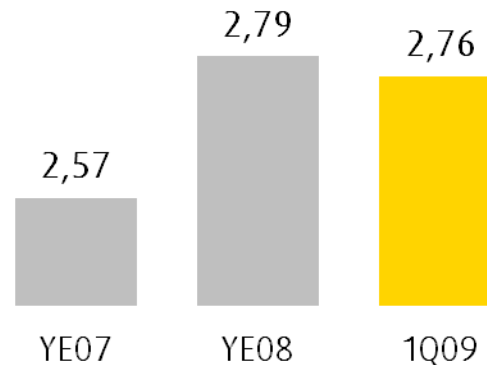
Residential Mortgages¹ (TL bio)



Total Retail (TL bio)



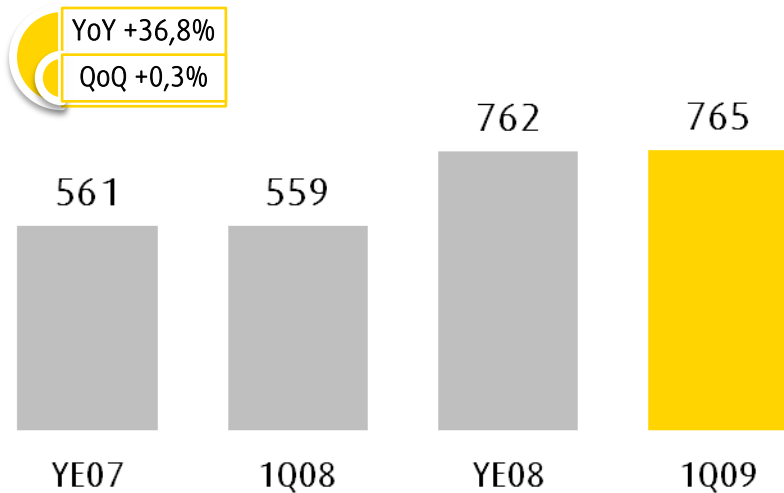
Retail Cross Selling Ratio



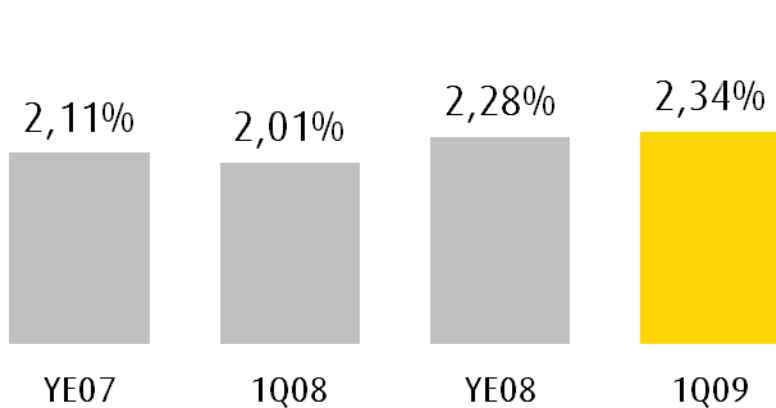
2 in General Purpose Loans, secure payroll focused lending, 28 bps market share gain in mortgages.

Gaining Ground in Credit Cards

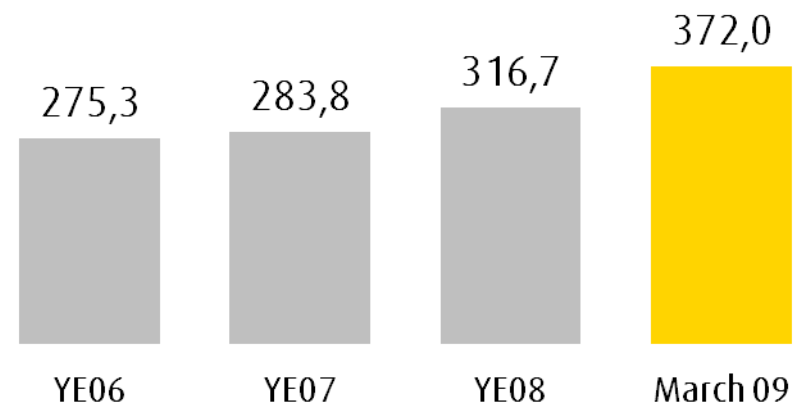
Credit Card Loans (TL mio)



Market share* (%)

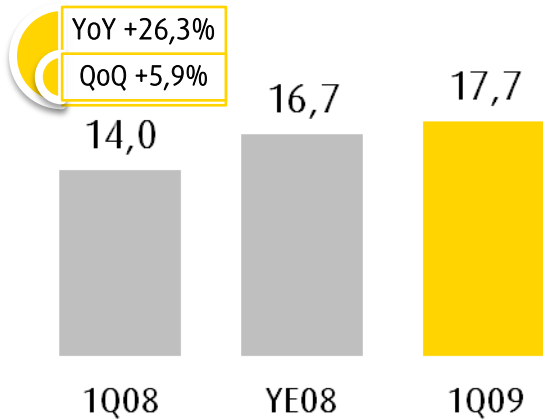


Average Monthly Issuing Volume (TL mio)

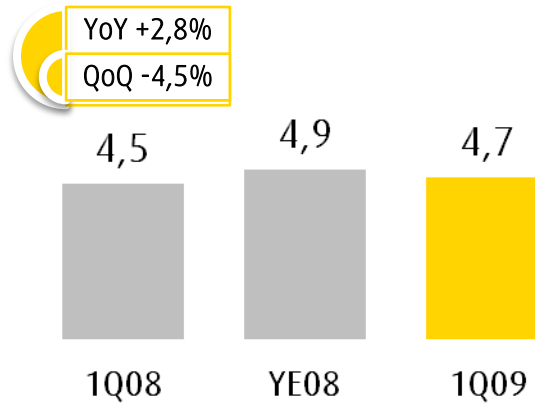


Well diversified loan portfolio

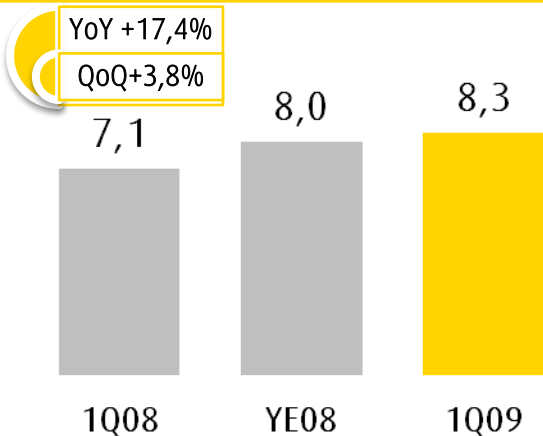
Commercial & Corporate (TL bio)



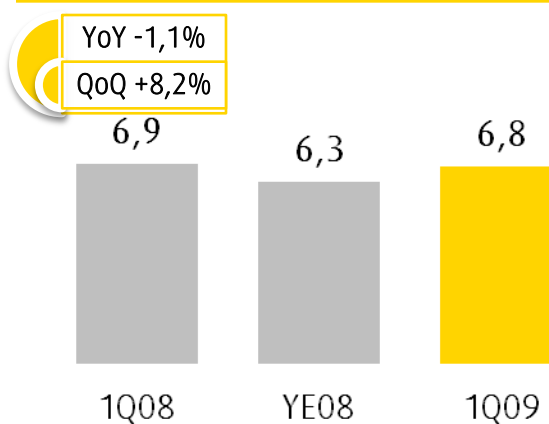
Commercial Installment (TL bio)



Guarantees (TL bio)



Commitments (TL bio)

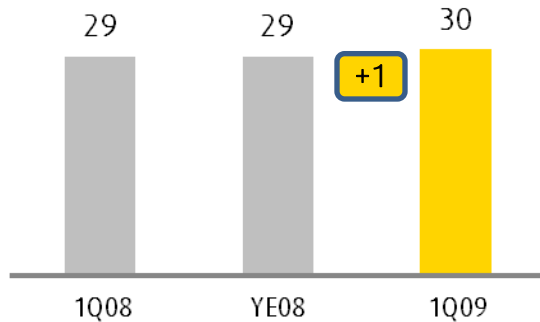


Commercial & Corporate Loan Growth; YoY 26,3%, Highly collateralized & selective SME lending; YoY +2,8% SME share in total loans: 11,4%

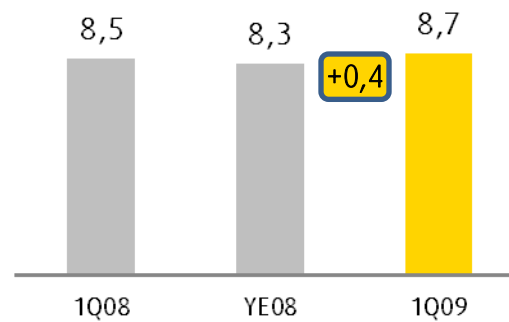
Market Shares (%)

Deposits and Funding

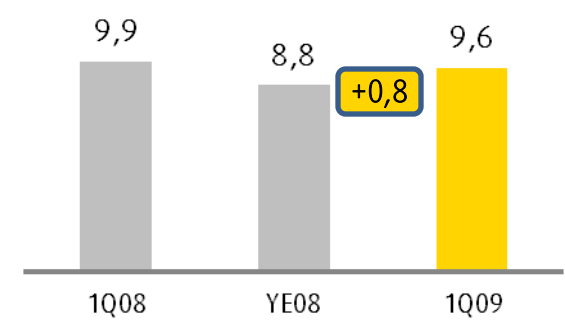
Payroll ¹



Total Deposits

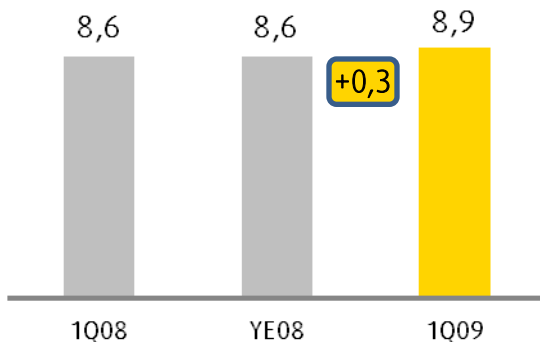


TL Deposits

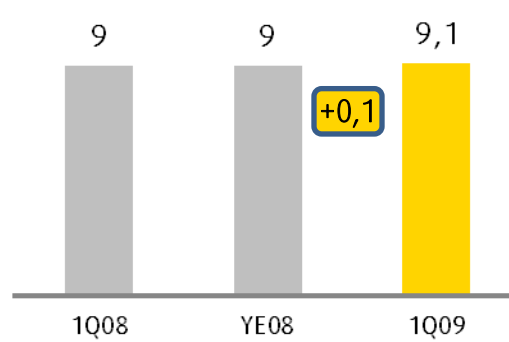


Loans

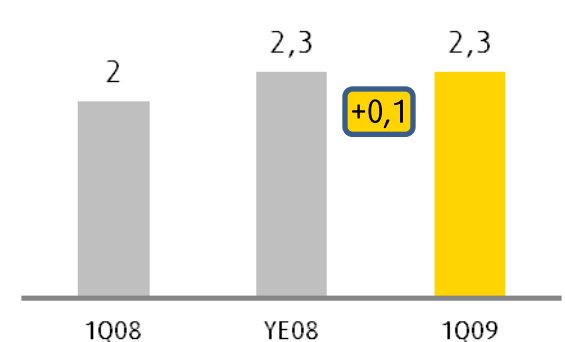
Total Loans



Retail Loans ²

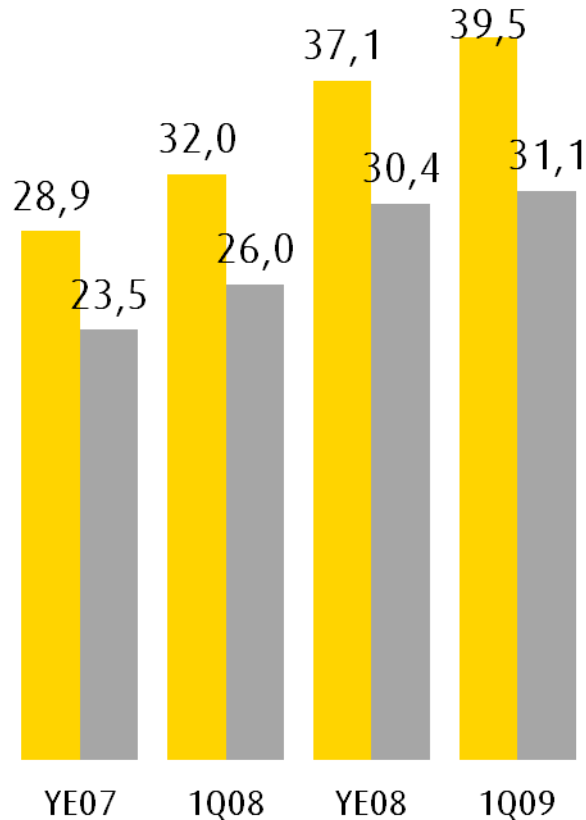


Credit Card



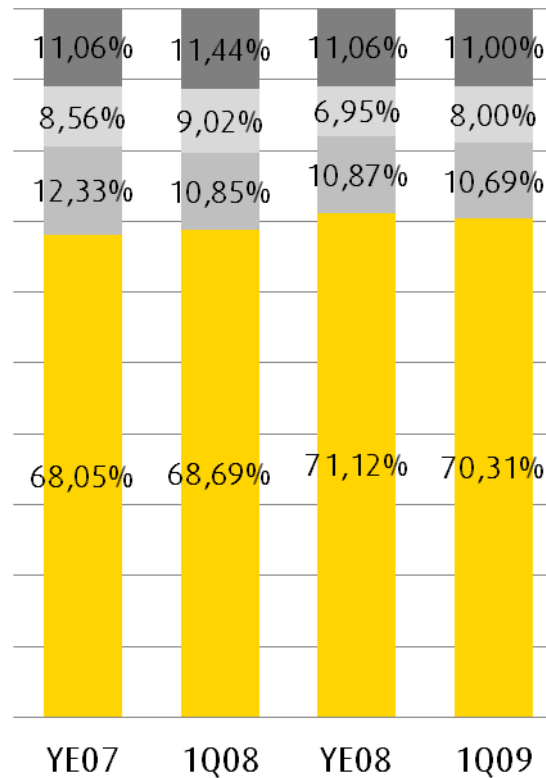
Deposits & Liabilities

Loans & Deposits (TL bio)



■ Deposits ■ Loans

Breakdown of Liabilities (%)

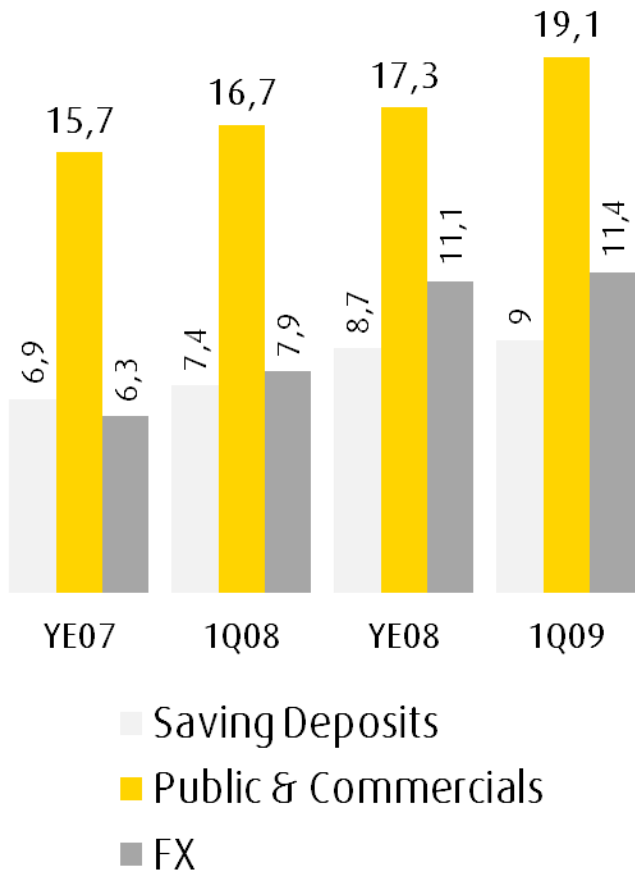


■ Deposits ■ SHE
■ Other ■ Funds B.

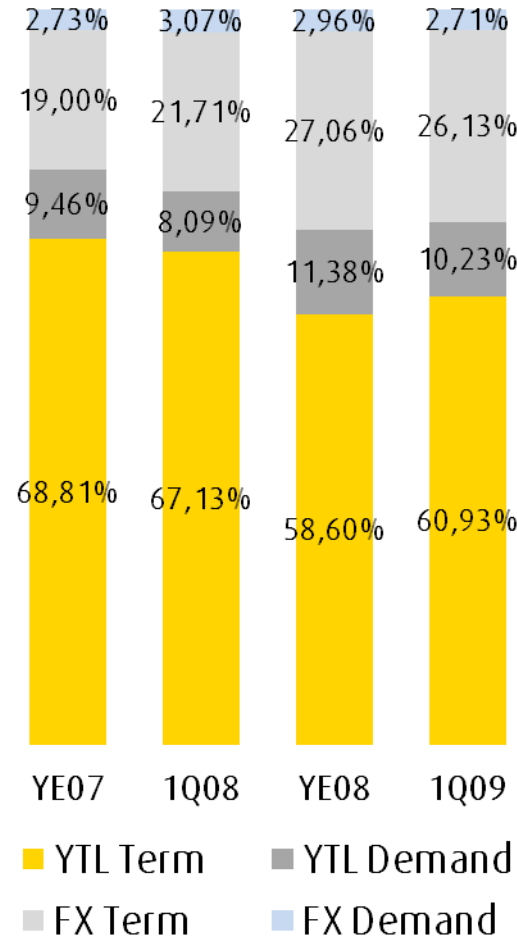
Deposits share;
1Q09:70,3%
1Q08:68,7%
Funds Borrowed;
1Q09:11,0%
1Q08:11,4%

Deposits & Liabilities

Deposits Composition (TL bio)



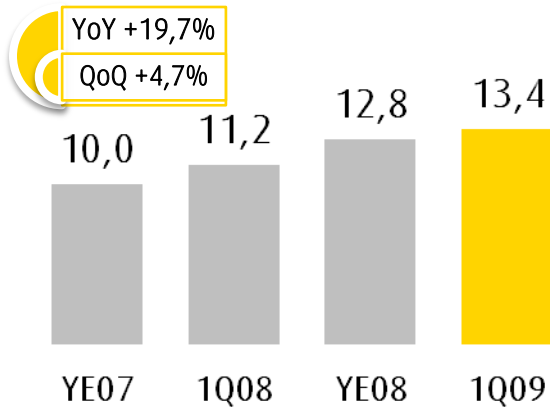
Breakdown of Deposits



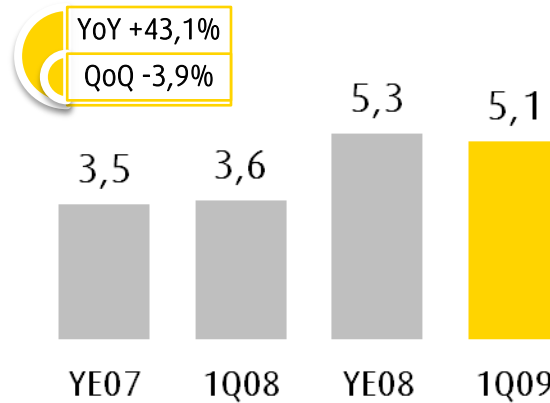
Deposit composition;
 TL:70%
 VS
 FC:30%

Retail focused solid deposit franchise

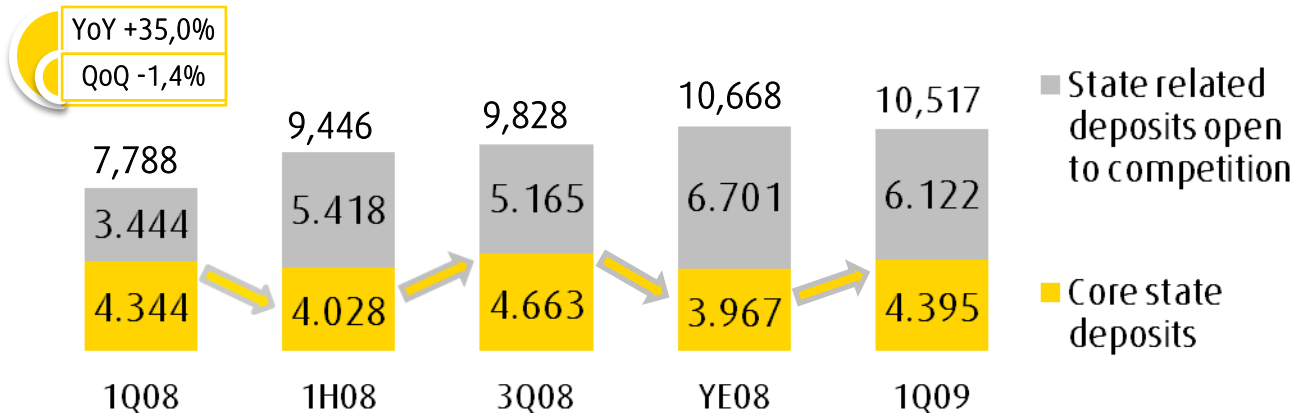
Retail Deposits (TL bio)



Demand Deposits (TL bio)



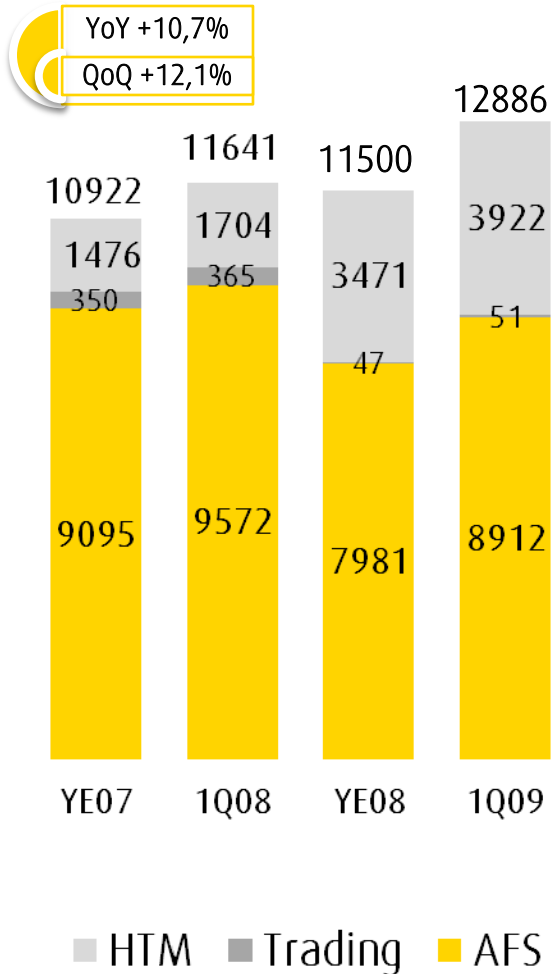
State Related Deposits (TL bio)



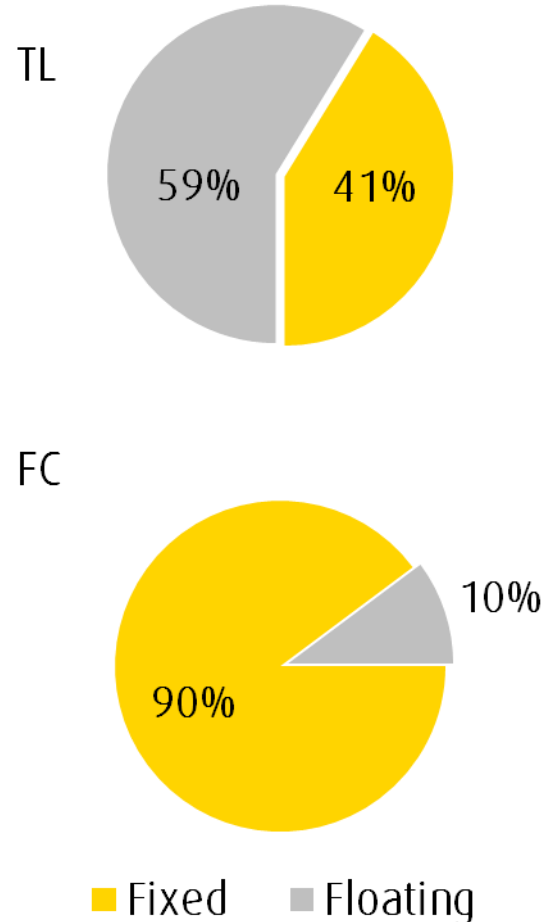
Strong deposits growth, QoQ 6,43%
Outperforming sector average.
Strong franchise continue to support retail deposits.
QoQ retail deposits growth 4,7%

TL heavy securities book, with 69% AFS

Total Securities (YTL mio)



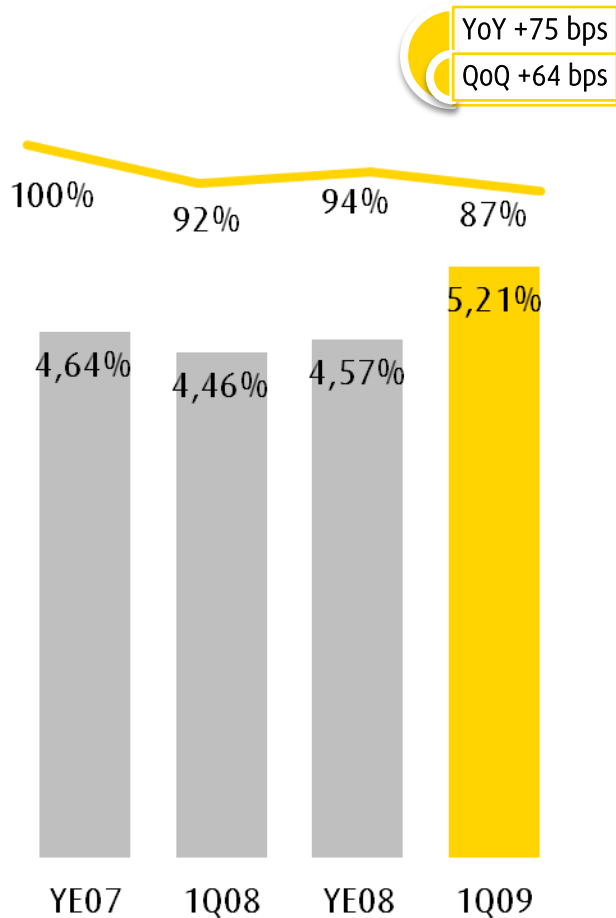
Portfolio Structure



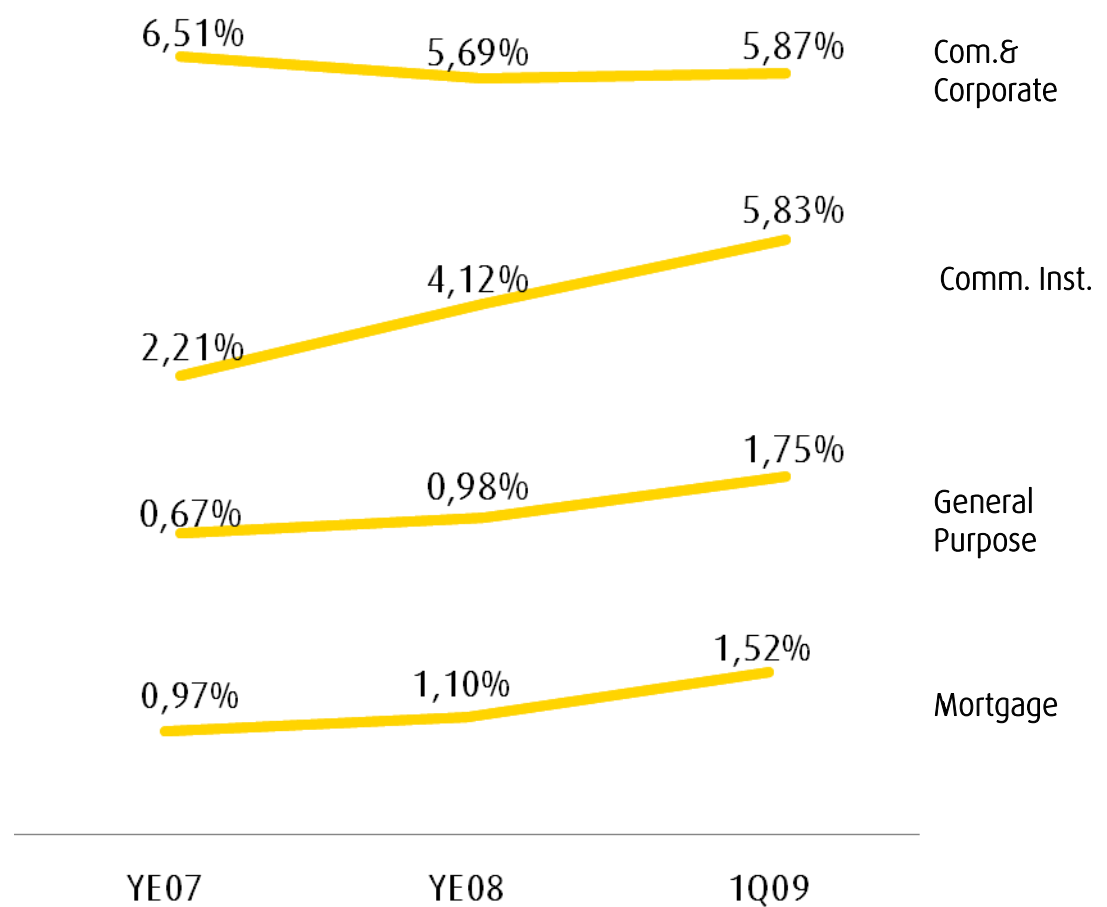
TL heavy portfolio
breakdown:
TL Securities;
72,5%
FC Securities;
27,5%
+1 bio TL
additional T-bills

NPL increase continued due to weaker economic activity

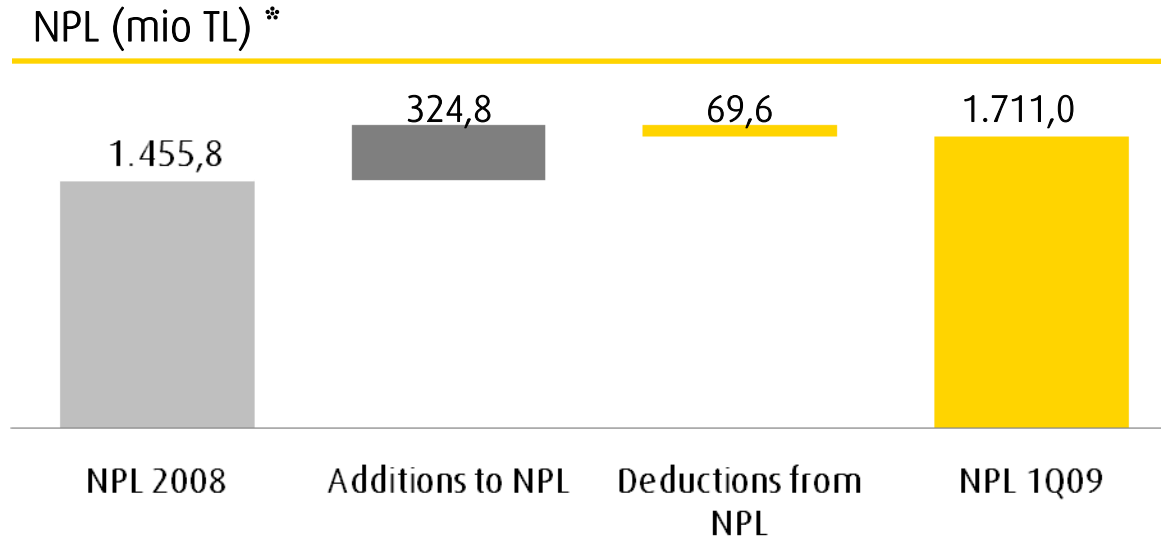
NPL Ratio* and Provisions Coverage**(%)



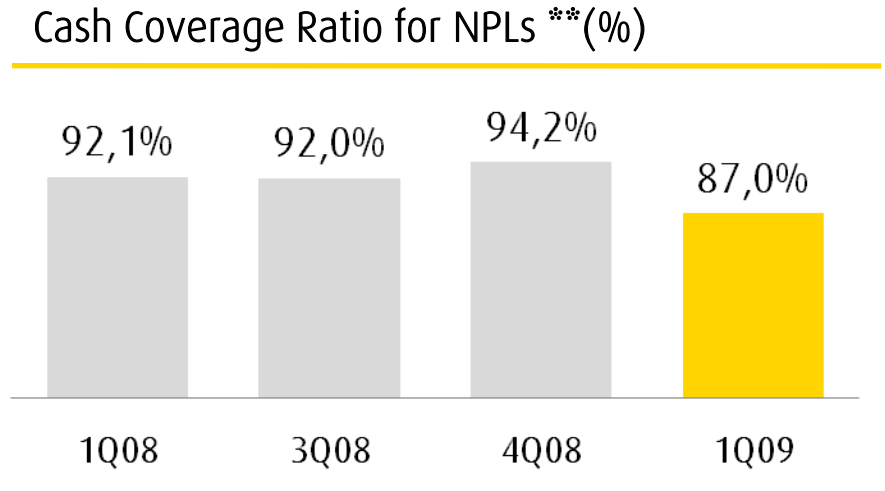
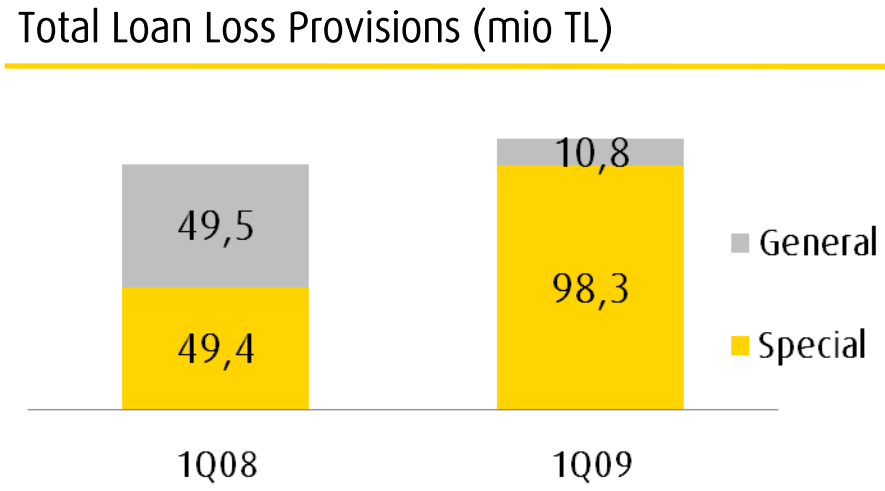
NPL Ratio by Segments* (%)



Asset Quality and NPL evaluation

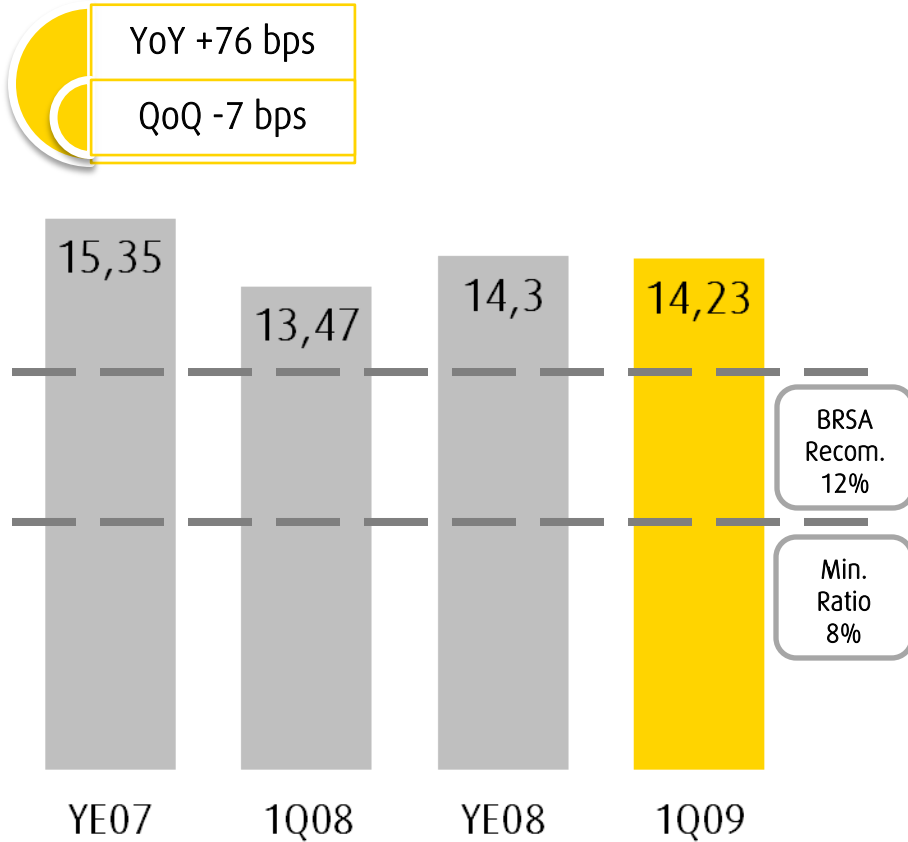


NPL Coverage Ratio:**
 87% without collaterals.
 Cost of Risk:
 1,28% in 1Q09



Effective capital management, adequate capitilization

Capital Adequacy Ratio (%)



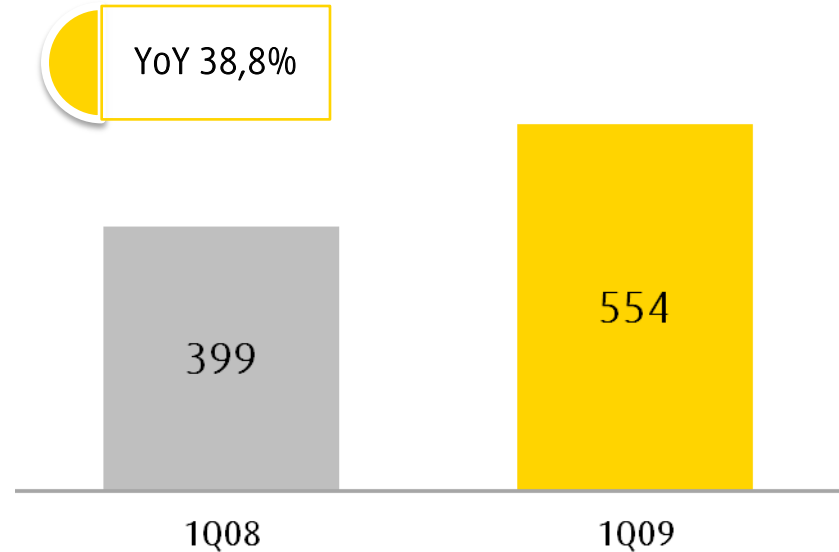
Conservatively lower leveraged than peers average

$$\frac{\text{Liabilities}}{\text{SHE}} = 9$$

Earnings Summary

(TRY-mio, %)	1Q08	1Q09	Growth
Net Interest Income	482,2	772,0	60,1%
Net F&C Income	107,2	100,7	-6,1%
Net Trading Income	-17,9	37,6	309,8%
Divident Income	2,3	11,2	391,8%
Other Operating Income	103,0	35,0	-66,0%
Total Operating Income	676,8	956,6	40,2%
Total Operating Expenses (-)	277,5	402,4	45,0%
Operating Profit	399,3	554,1	38,8%
Provisions (-)	146,4	186,6	27,5%
Tax Provisions (-)	56,5	73,2	29,5%
Income from investments	0	0	n.a.
Net Monetary Gain/Loss	0	0	n. a.
Net Income	196,4	294,2	49,8%

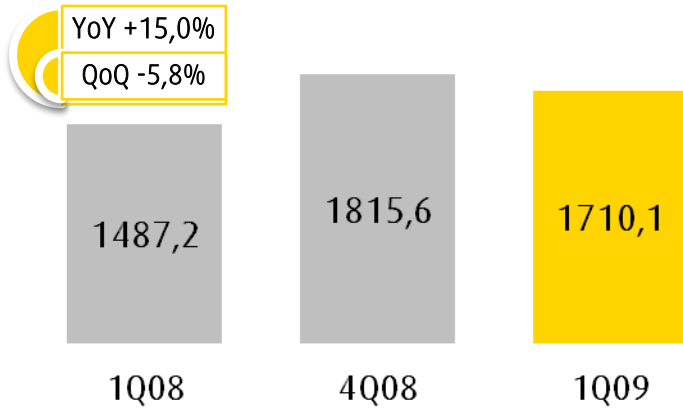
Operating Profit (TL mio)



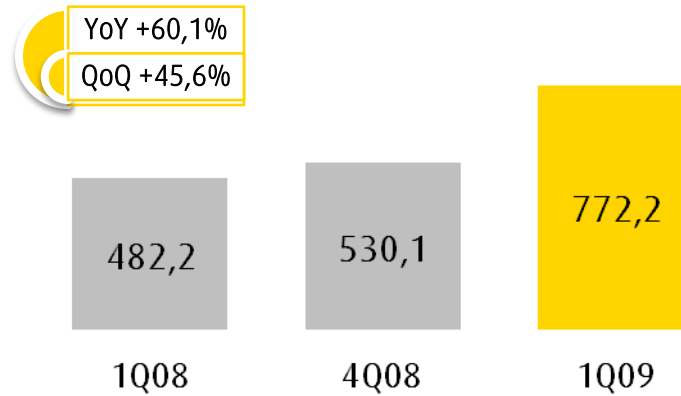
Opex increase is driven by;
YoY headcount increase
&
higher promotion expenses for
increased business volume.

P & L Participants

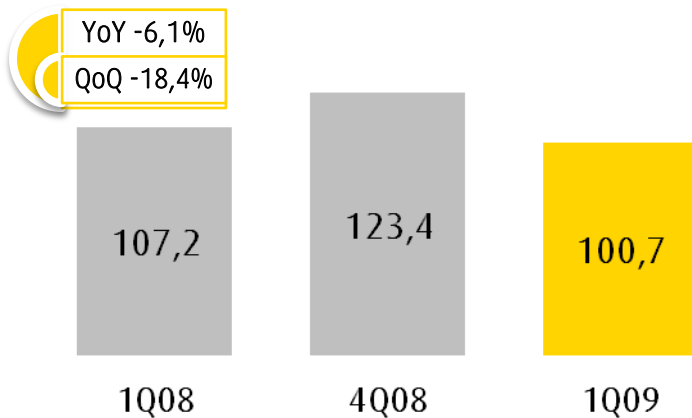
Interest Income (TRY mio)



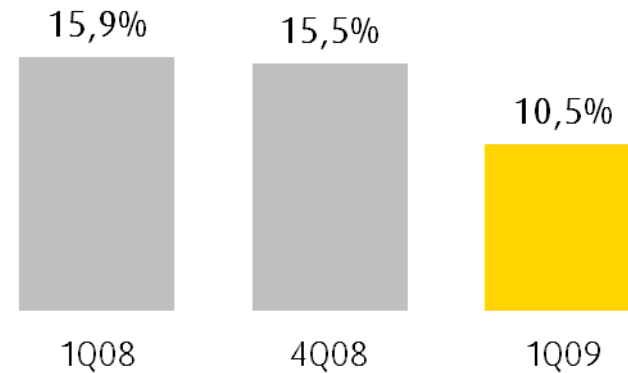
Net Interest Income (TRY mio)



Net F & C Income (TRY mio)



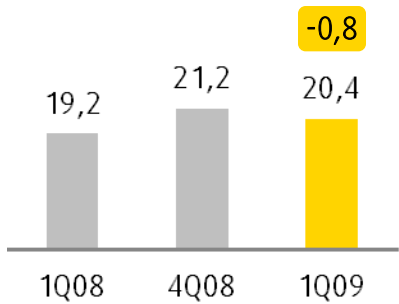
Net F & C Income/Op. Income



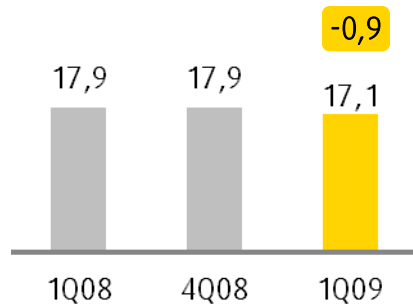
NIM expansion is higher than system average

Yields (%)

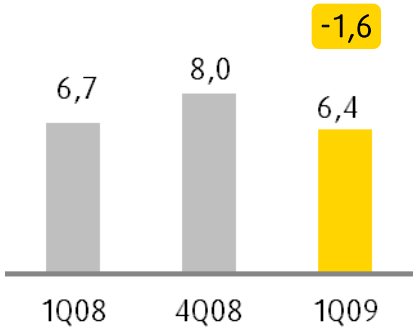
TL Loans



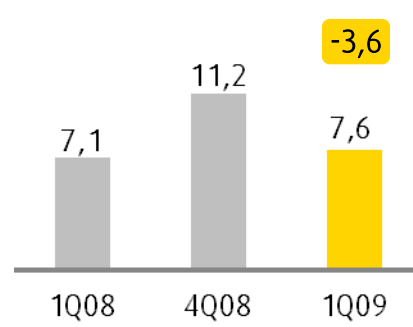
TL Securities



FC Loans

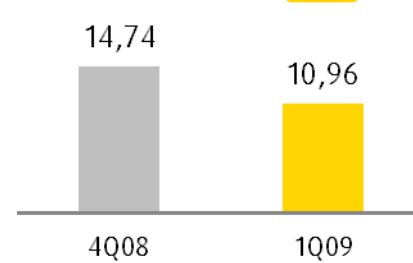


FC Securities

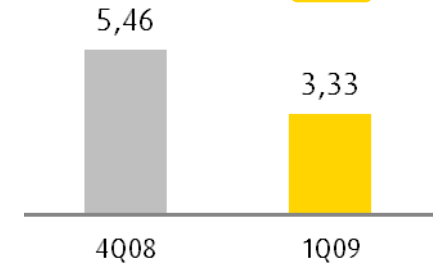


Cost of Deposits (%)

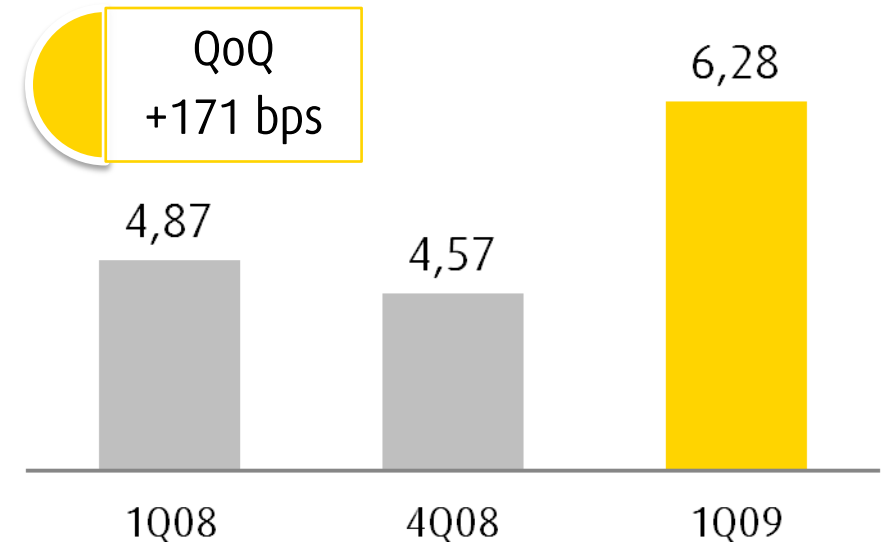
TL Deposits



FC Deposits



Net Interest Margin (NIM)



APPENDIX

Vakifbank with numbers

Distribution Channels & Customer Base (#)	1Q09	Efficiency ('000 TRY)	1Q09
Branches*	526	Assets per Employee	5.858,1
ATMs	2.163	Assets per Branch	106.836,8
Personnel	9.592	Loans per Employee	3.247,4
POS Terminals	72.662	Loans per Branch	59.218,2
Outstanding Credit Cards	2,05 mn	Deposits per Employee	4.118,6
Debit Cards	14,3 mn	Deposits per Branch	75.106,2
Total Customers	8,4 mn		
Total Payroll Customers	2,1 mn		
Internet Banking Customers	1,2 mn		
Active Mutual Fund Customers	1,01 mn		

**Most efficient
bank in Turkey**

Balance Sheet

	(TRY-mio, %)	1Q2008	4Q2008	1Q2009	YoY Growth	QoQ Growth
Assets	Cash & Balances with Central Bank	3.259	2.105	2.929	-10,1%	39,2%
	Interbank	3.684	5.759	6.682	81,4%	16,0%
	Securities	11.641	11.500	12.886	10,7%	12,1%
	Loans	25.967	30.417	31.149	20,0%	2,4%
	Subsidiaries & Investments	423	539	523	23,6%	-3.1%
	Property & Equipment	928	985	983	6,0%	-0.2%
	Other	735	889	1039	41,3%	16,9%
	Total Assets	46.636	52.193	56,191	20,5%	7,66%
Liabilities & SHE	Deposits	32.034	37.120	39.506	23,3%	6.4%
	Funds Borrowed	5.334	5.770	6.178	15,8%	7.1%
	Other	3.681	2.957	3.748	1,8%	26.7%
	Provisions	527	675	752	42,7%	11,4%
	Shareholders Equity	5.061	5.671	6.007	18,7%	5,9%
Off-B.S.	Guarantees	7.085	8.011	8.315	17,4%	3.8%
	Commitments	6.863	6.279	6.791	-1,5%	8.2%
	Derivatives	816	2.512	3.687	351,8%	46,8%

Income Statement

(TRY-Thousand, %)	1Q2008	4Q2008	1Q2009	$\Delta\{1Q09$ 4Q08}	$\Delta\{1Q09$ 1Q08}
Net Interest Income	482.156	530.079	772.028	45,6%	60,1%
Net Fee & Com. Income	107.234	123.365	100.683	-18,4%	-6,1%
Divident Income	2.279	0	11.208	n.a	391,8%
Net Trading Income	-17.895	52.876	37.550	-29,0%	309,8%
Other Income	102.978	88.750	35.041	-60,5%	-66,0%
Total Revenues	676.752	795.070	956.510	20.3%	41,3%
Operating Expense	-277.497	-363.612	-402.408	10.7%	45,0%
Provisions	-146.350	-224.532	-186.665	-16,9%	27,6%
Tax Provisions	-56.508	-22.368	-73.193	227,2%	29,5%
Net Income	196.397	184.558	294.214	59,4%	49,8%



Investor Relations

Çamlık Cad. Çayır Çimen Sok. No:2 Kat:5

34330 1. Levent-İstanbul / Turkey

E-mail: investor.relations@vakifbank.com.tr

Tel (90-212) 316 7120

Fax (90-212) 316 7126

www.vakifbank.com.tr

Disclaimer Notice: This report has been prepared by Vakifbank, Investor Relations Department and is provided for information purposes only. Although the information on which the report is based has been obtained from sources which we believe to be reliable, no representation or warranty is made by Vakifbank for the accuracy or completeness of the information contained herein. Information contained herein is subject to change without notice. Vakifbank accepts no liability whatsoever for any direct or consequential loss of any kind arising out of the use this document or any part of its content.