



Investor Presentation

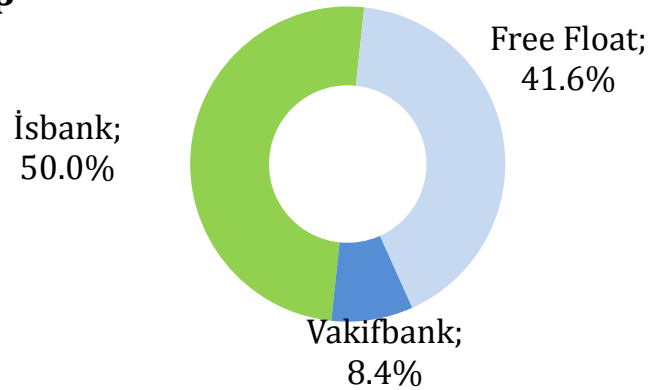
3Q2011 - BRSA
Bank Only Results



TSKB



Ownership



Credit Ratings (May 2011)

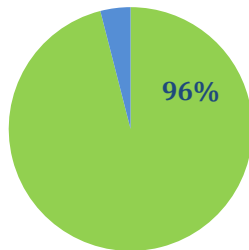
| | TSKB | Turkey |
|--------------|------|--------|
| Fitch LTFC | BB + | BB+ |
| Moody's LTIR | Ba1 | Ba2 |

Corporate Governance Rating

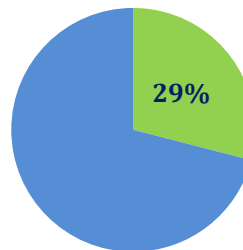
| | |
|------|---------|
| SAHA | 8.92/10 |
|------|---------|

Main Subsidiaries

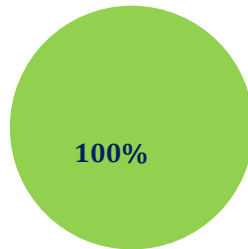
Yatırım Finansman Securities



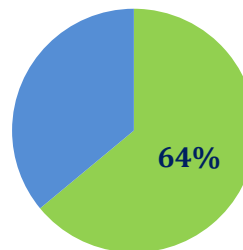
İş Leasing



TSKB Real Estate Appraisal



TSKB REIT



■ TSKB

- Established in 1950
- Largest private investment & development bank, **15th largest bank in Turkey**
- **USD 5.0 billion** asset size
- 353 employees, 3 branches



Macro outlook

- Rising tension in the global economic environment , more fragile European economies
- Recession warnings from CBT continue
- Higher lending rates in the sector, the loan demand starts to pull back
- Challenging environment for LT investments
- CBT's RRR measures still favors TSKB, which funds its leveraged TL securities portfolio through CBT's weekly repo auctions.
- Priority in asset quality rather than the loan growth

Recent TL depreciation

- YTD - TL depreciates **19%** against USD, **20%** in basket terms
- QoQ - TL depreciates **15%** against USD, **10%** in basket terms



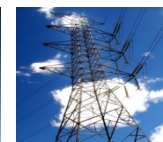
Sustainable Profitability; Stable Net Interest Margin

- Profitability higher than last year; Implying **8.5% yoy** increase, net Income reached **TRY 183 mn**
- RoE @ **18.9%**, still strong similar to second quarter 20.3%
- NIM @ **4.1%**, flat ytd
- C/I ratio @ **14.7%**

Robust Asset Quality; High Efficiency

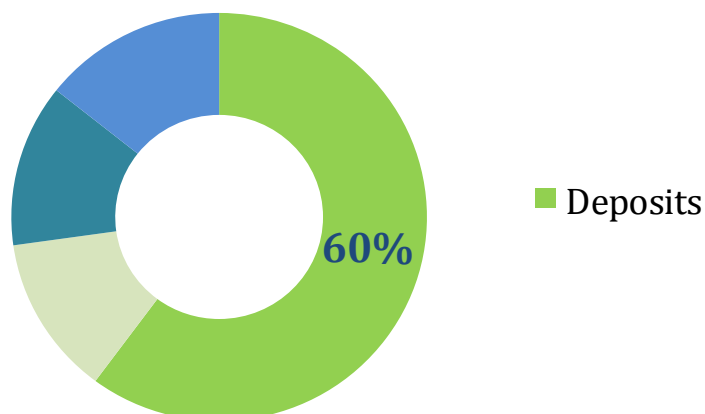
- Loan volume totaling **USD 3.3 bn**; up by **5.1% ytd** (in USD terms)
- NPL **0.44%**
- Cost of risk @ **0.51%**
- CAR @ **19.0%**; free capital @ **11.4%**
- Leverage ratio **7.0X**

Banking Sector vs TSKB



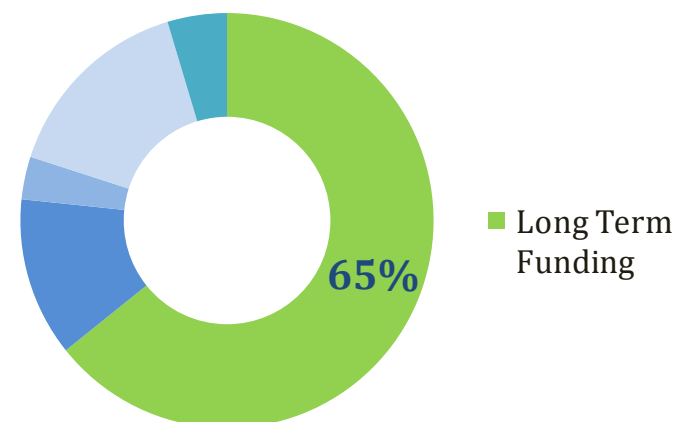
| 2011-3Q | Banking Sector | TSKB |
|-----------------------|----------------|-------|
| CAR | 16.6% | 19.0% |
| Loans/ assets | 54.3% | 66.1% |
| NPL | 2.82% | 0.4% |
| Cost to income | 44.8% | 14.7% |
| NIM | 3.7% | 4.1% |
| ROAE | 14.8% | 18.9% |

Banking Sector



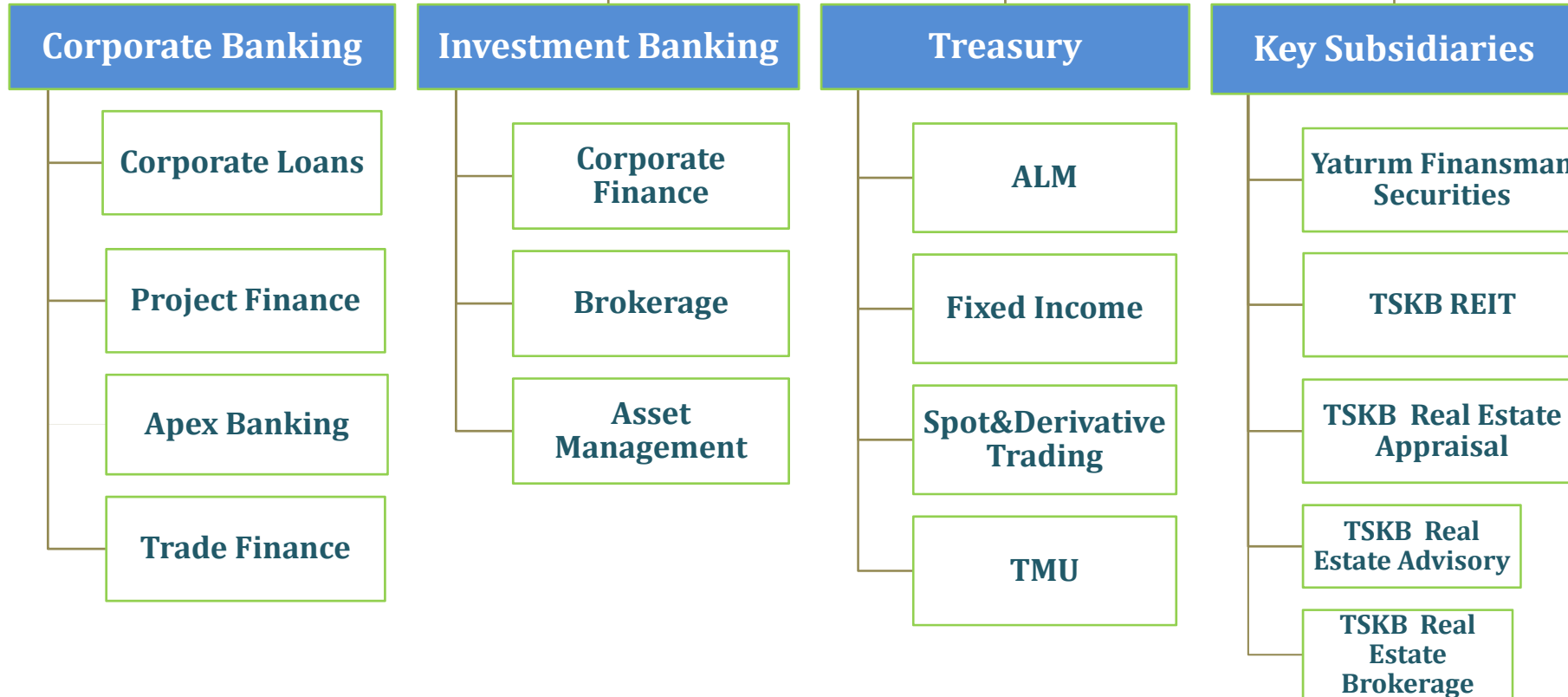
60% of liabilities are deposits
(Average maturity is less than 3 months)

TSKB



65% of liabilities are long term funding
(Average maturity is 12 years)

Business Lines





- **Corporate Lending and SME Loans**



- **Leasing**



- **Trade Finance**



- **Non-cash Loans**

Between 2005-2010, TSKB has financed half of **USD 7.7 bn** investments and contributed to the creation of **15.000** new jobs.



- Closed 95 projects with total installed capacity of **3,339 MW in Hydro, Wind, Geothermal and Biomass.**
- **59** of these projects are syndicated with other banks.
- For the acquisition Finance of **4** electricity distribution areas, **300 million USD** cash and non-cash limit has been allocated.
- Infrastructure sector will be on the agenda of 2012.

Two awards to TSKB

Euromoney Project Finance Magazine
"2010 Deals of the Year"

"European Hydro Power Deal of the Year"



Boyabat Dam ve HES Project
Finance

"European Utilities Deal of the Year"



Uludağ Electricity Distribution and
Çamlıbel Electricity Distribution
Shares' Purchase Project Finance

Apex Banking



TSKB



5 Commercial Banks
12 Leasing Companies



SMEs



10 Commercial Banks
9 Leasing Companies



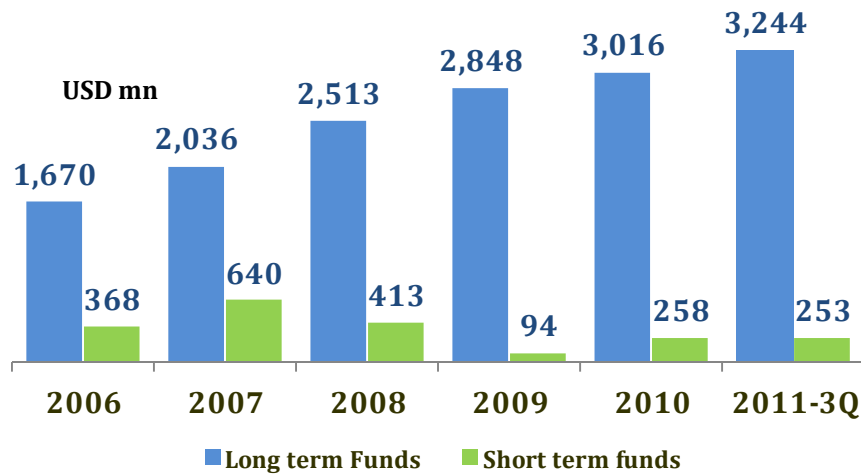
Exporters

- **11%** of lending through APEX scheme
- Placed through **23 intermediary financial institutions**
- **USD 1.49 bn** APEX funds; **USD 1,200 mn** to exports, **USD 219 mn** to SMEs
- Reached **over 1,000 companies.**

Long Term Funding



Outstanding Funding Base



World Bank (IBRD)



European Investment Bank (EIB)



Council of Europe Development Bank (CEB)



Kreditanstalt für Wiederaufbau (KfW)

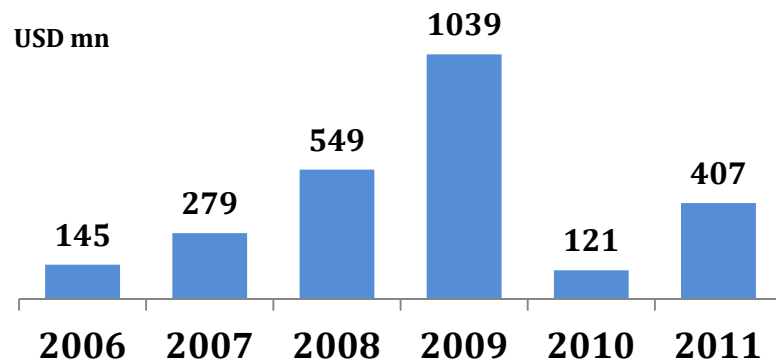


Agence Française de Développement (AFD)



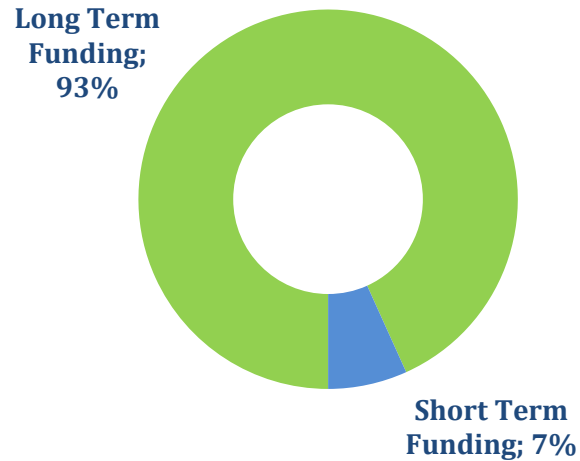
International Finance Corporation (IFC)

Multilateral Funding Agreements (anually)





Funding



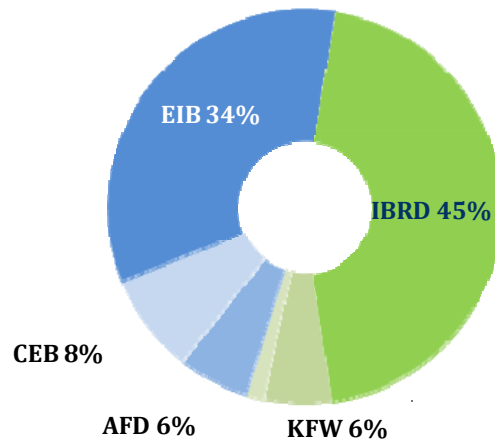
- Total LT outstanding funds: **USD mn 3,244** ; Since 2009 totaling **USD mn 1,567** agreements were signed.

- Long term funding average maturity: **12 yrs**

- **93%** of long term funds guaranteed by Turkish Treasury

- Short term funding: **7%** (Syndications, Bilateral Borrowings)

Outstanding LT Funds





M&A and Strategic Advisory

- Impressive track record in M&A buy-side/sell-side mandates for various sectors
- The forefront advisor of the most strategic asset privatizations
- Other services: Company and asset valuations, feasibility studies, brand appraisals, establishment of new companies and investment trusts

| | | | | | | | |
|---|----------------------------------|--|------------------------------|--|------------------------------------|--|--|
| Continues | October 2011 | Continues | Continues | Continues | October 2011 | October 2011 | October 2011 |
| Buy Side Energy Mandate for a Large Industrial Player | Sale of Akenerji & Sedas | Alternative Telecommunication Operator | Leading Fruit Juice Producer | Privatization of Motorways & Bridges | Aksa Göynük Enerji Üretim A.Ş. | Desna Gayrimenkul Yatırım A.Ş. Rönesans İştiraki | Ziraat Yatırım Menkul Değerler A.Ş. Ziraat Finansal Kiralama A.Ş. |
| TSKB | TSKB | TSKB | TSKB | TSKB | TSKB | TSKB | TSKB |
| Buy Side Advisory | Buy Side Advisory | Sell Side Advisory | Sell Side Advisory | Advisory to PA | Company Valuation | Company Valuation | Company Valuation |

Public Offering

Ongoing

| | | | | | |
|---|--|-----------------------------------|---------------------------------------|---|-----------------|
| Türk Hava Yolları Advisory for ÖİB | A Boutique Processed Food Company IPO | Leading Energy Company IPO | Leading Industrial Company IPO | Leading Electricity Distribution Company IPO | REIT IPO |
|---|--|-----------------------------------|---------------------------------------|---|-----------------|

Completed

- Emlak Konut REIT IPO (the 5th biggest IPO in Turkish history), TSKB REIT IPO and IPO of Aksa Energy were completed in 2010.
- TSKB has won EMEA Finance's Best Equity House in Turkey 2010 award in Europe Banking Awards.

Bond Origination

| | |
|---|---|
| Şekerbank Bank Bill Issuance Consortium Leader 12 and 18 months maturity TRY 350 mln March 2011 | Şekerbank Bank Bill Issuance Consortium Leader 12 and 24 months maturity TRY 150 mln March 2011 |
|---|---|

Ongoing

- TSKB FX Warrant issuance

Asset Management & Brokerage



Conventional Investment Funds

Private Asset Management

TSKB Investment Trust

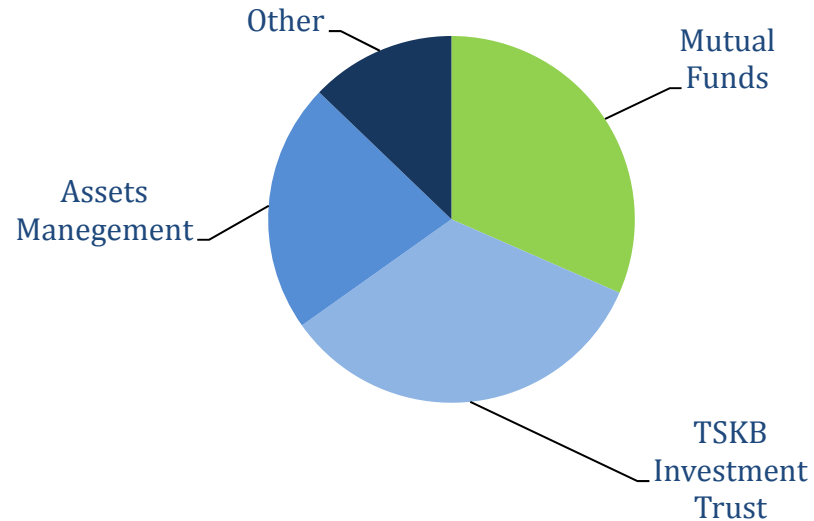
Capital Guaranteed Funds under the Umbrella fund

TSKB Energy Index at ISE

Secondary capital market transactions:

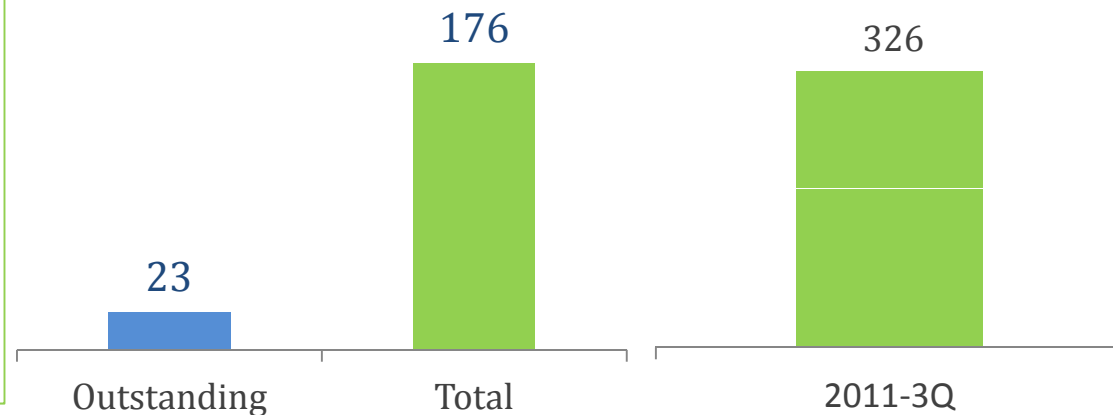
Investment Advisory and brokerage services to private&institutional customers in equity, fixed income, FX and derivative products

- TSKB Trading Platform (TTP)
- Istanbul-Ankara-İzmir branches



Capital Guaranteed Umbrella Funds (TRY mn)

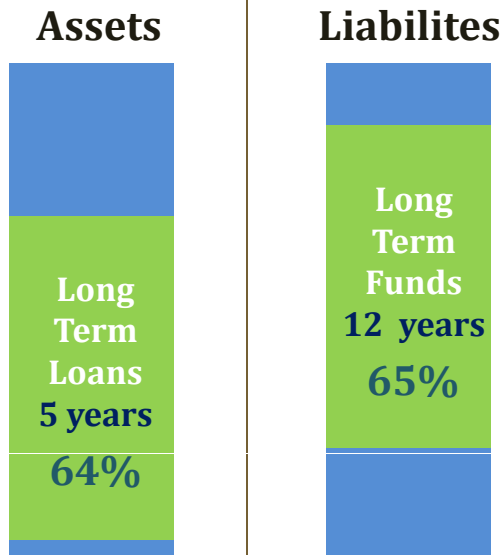
AUM (TRY mn)



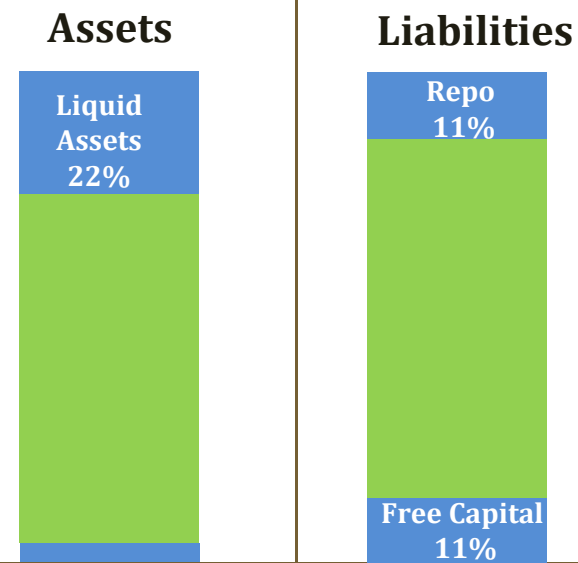
Financial Highlights



Foreign Currency

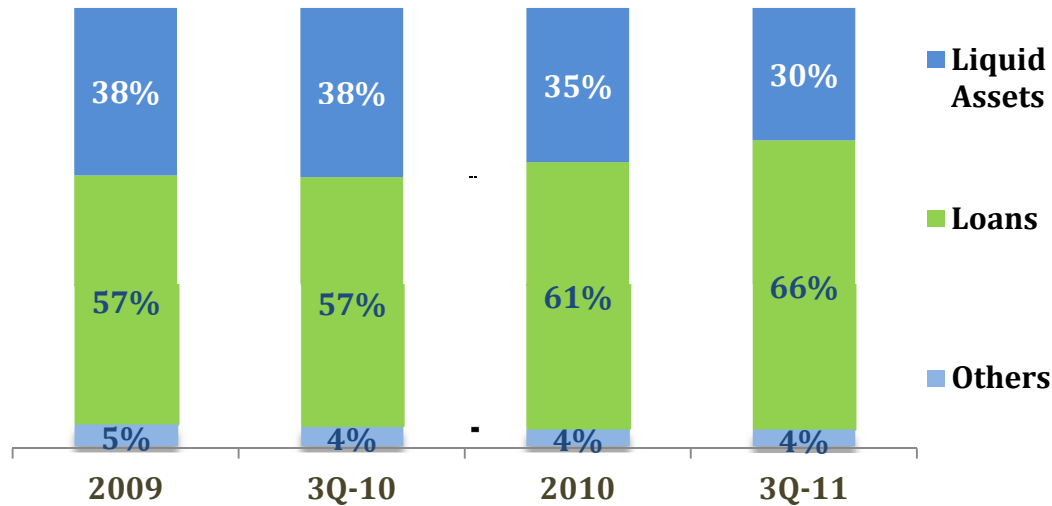


Turkish Lira



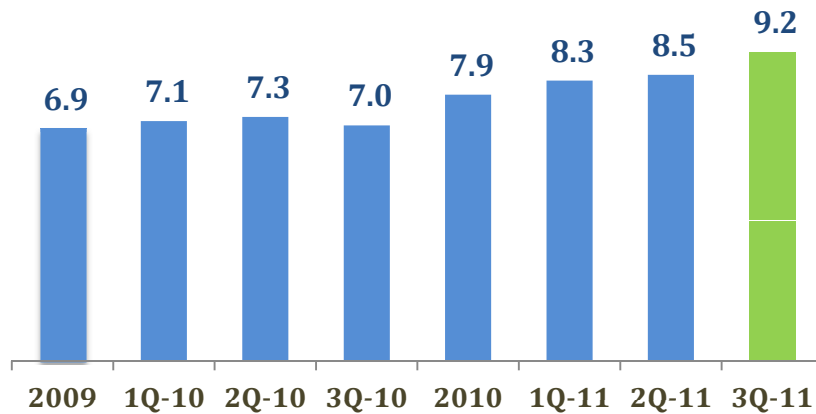
■ TRY
■ FX

Composition of Assets



- Loan/ Asset ratio: **66%**
- Securities/Assets: **29%**
- **74%** of assets are FX denominated
- **67%** of liquid assets are TRY government bonds
- Other assets: subsidiaries and tangible assets

TRY Bn



Total Assets (TRY)

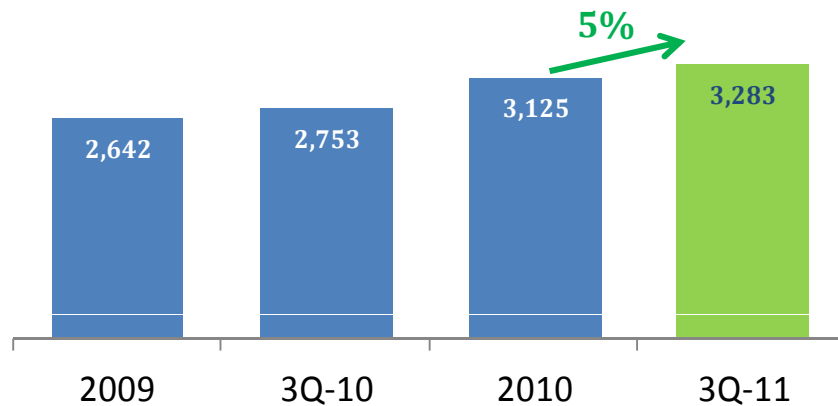


16.1% (ytd)

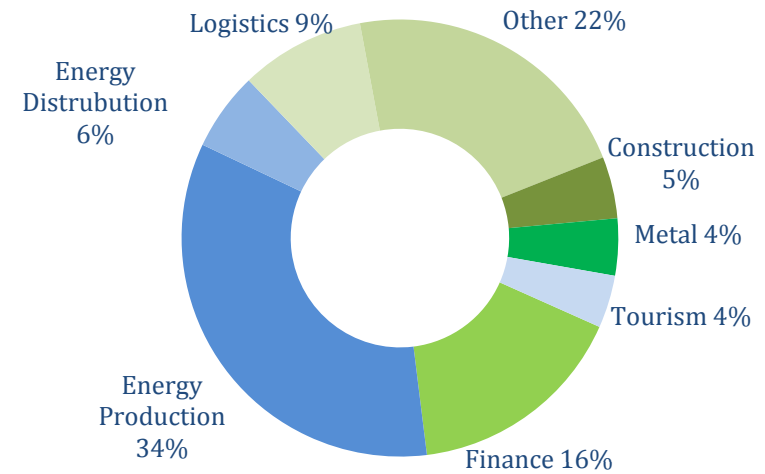
Loans



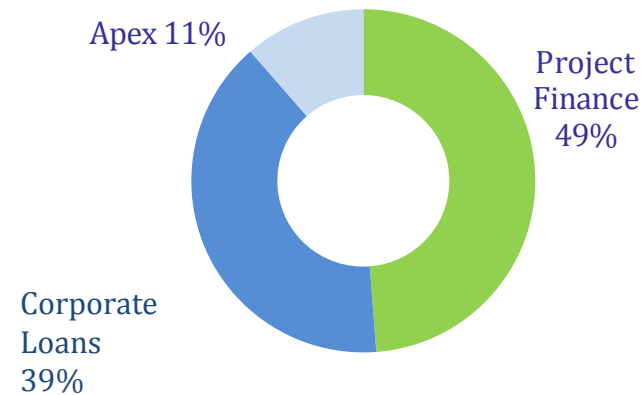
USD Mn



Loans by Sector

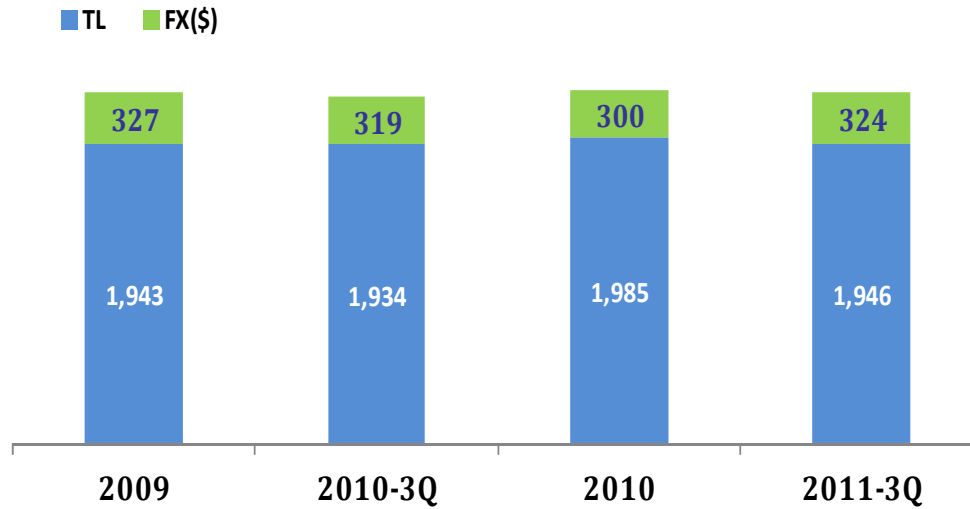


Loans by Type

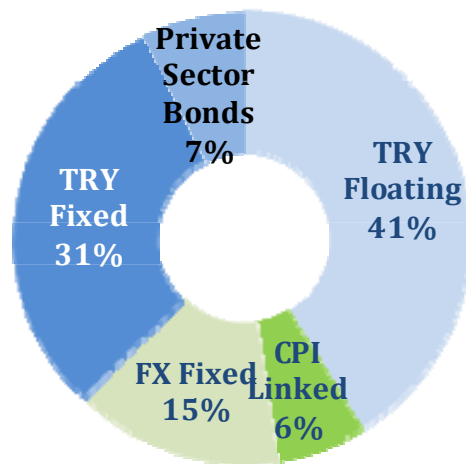


- **98%** foreign currency denominated
- No currency mismatch
- **45%** in EUROS, **53%** USD
- **5 years** of average maturity
- **0.4%** NPL Ratio

Securities Portfolio

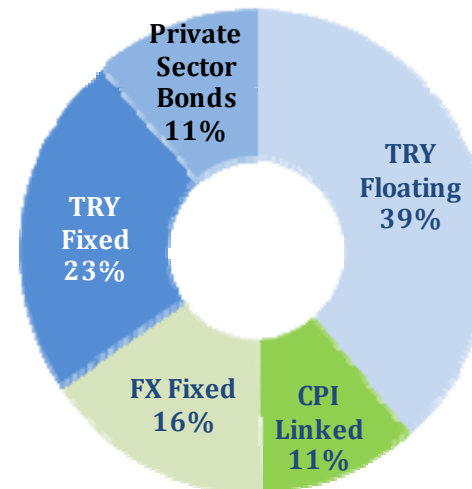


2010



- Duration is **1.3 yrs** in Zero Coupon bonds, **2.7 yrs** in FRNs .
- **91%** is in AFS portfolio.
- Floating in TRY portfolio: **69%**
- **76%** of the portfolio: TRY securities

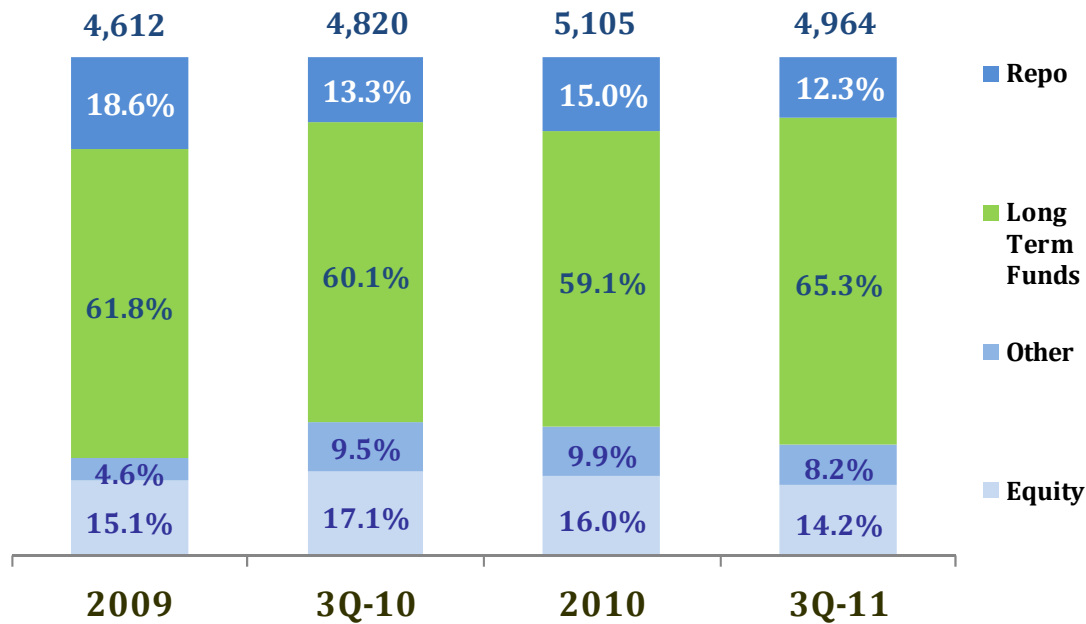
2011-3Q



Liabilities



USD mn

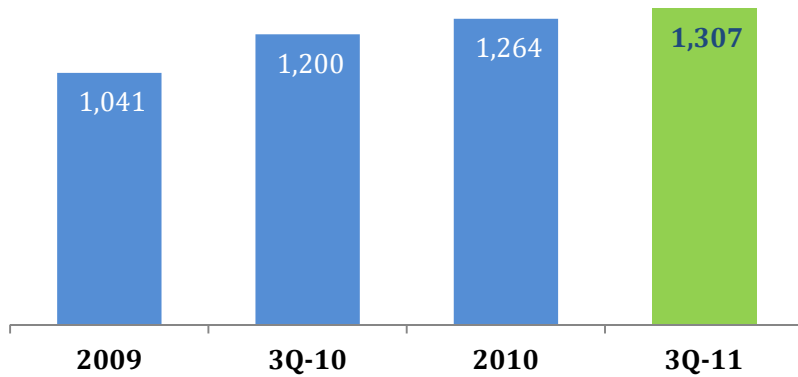


- Total FX borrowings: **USD 3.5 bn**
- Paid in Capital: **TRY 800 mn**
- Leverage ratio: **7.0X**

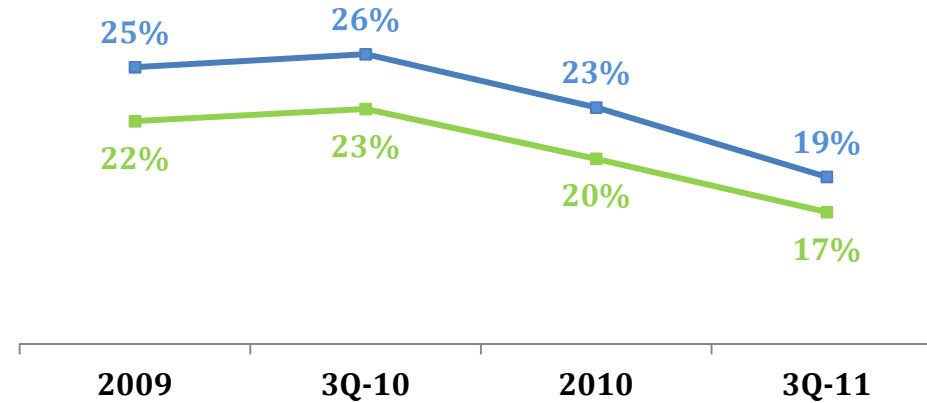
Shareholder's Equity



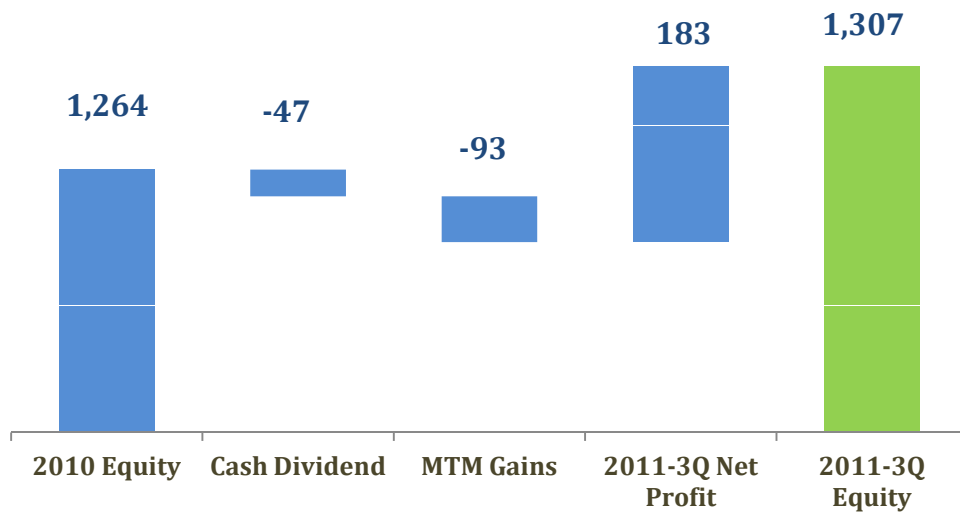
TRY mn



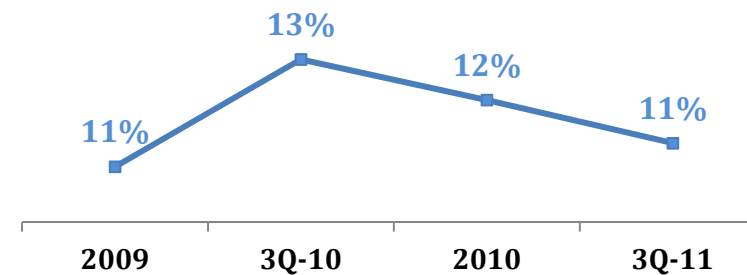
Capital Adequacy Ratio



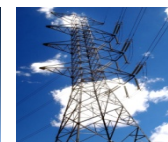
Equity Movement



Free Capital Ratio



Income Breakdown



| (TRY mn) | 2010-3Q | 2011-3Q | Change |
|---------------------------------|--------------|--------------|------------|
| Adj. Net Interest Income | 218.3 | 247.2 | 13% |
| Net Commissions | 8.9 | 11.1 | 24% |
| Dividend Income | 22.7 | 25.0 | 10% |
| Other Operating Income | 11.4 | 15.2 | 33% |
| Net Banking Income | 261.3 | 298.5 | 14% |
| Personnel Expenses | 24.3 | 27.5 | 13% |
| Adm. Expenses | 12.1 | 11.2 | -7% |
| Other Op. Expenses | 8.5 | 5.9 | -30% |
| Operating Profit | 216.5 | 253.8 | 17% |
| Provisions(+/-) | -3.1 | -27.1 | 781% |
| Tax Provisions | -44.7 | -43.7 | -2% |
| Net Profit | 168.7 | 183.0 | 8% |

Banking
Income



14%

Net Interest
Income



13%

Quarterly Income Breakdown

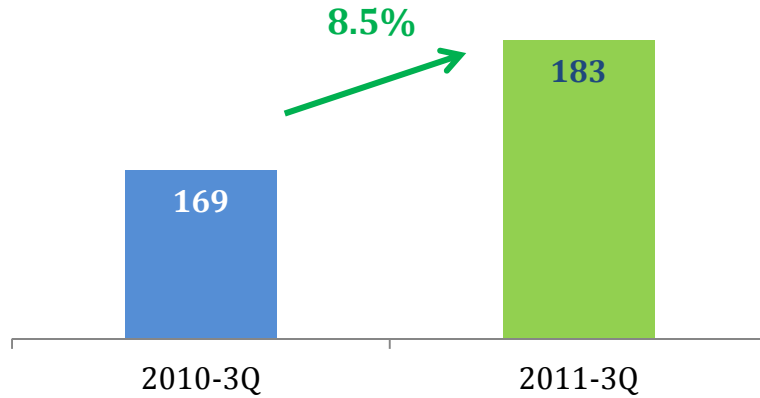


| (TRY mn) | 1Q10 | 2Q10 | 3Q10 | 4Q10 | 1Q11 | 2Q11 | 3Q11 | Change QoQ |
|---------------------------------|-----------|------------|-----------|-----------|------------|------------|-----------|-------------|
| Adj. Net Interest Income | 72 | 76 | 70 | 71 | 85 | 75 | 87 | 16% |
| Net Commissions | 2 | 4 | 2 | 6 | 4 | 3 | 4 | 33% |
| Dividend Income | 7 | 16 | 0 | 0 | 10 | 15 | 0 | N/A |
| Other Operating Income | 3 | 5 | 4 | 5 | 3 | 10 | 2 | -80% |
| Net Banking Income | 84 | 101 | 76 | 82 | 102 | 103 | 93 | -9% |
| Personnel Expenses | 8 | 8 | 8 | 12 | 10 | 9 | 8 | -11% |
| Adm. Expenses | 4 | 5 | 3 | 4 | 4 | 4 | 3 | 25% |
| Other Op. Expenses | 2 | 3 | 4 | 2 | 3 | 2 | 1 | -50% |
| Operating Profit | 70 | 85 | 61 | 64 | 85 | 88 | 81 | -8% |
| Provisions(+/-) | -1 | -2 | 0 | -9 | -3 | -10 | -14 | -40% |
| Tax Provisions | -13 | -17 | -15 | -12 | -15 | -14 | -14 | 0% |
| Net Profit | 56 | 66 | 46 | 43 | 67 | 64 | 53 | -17% |

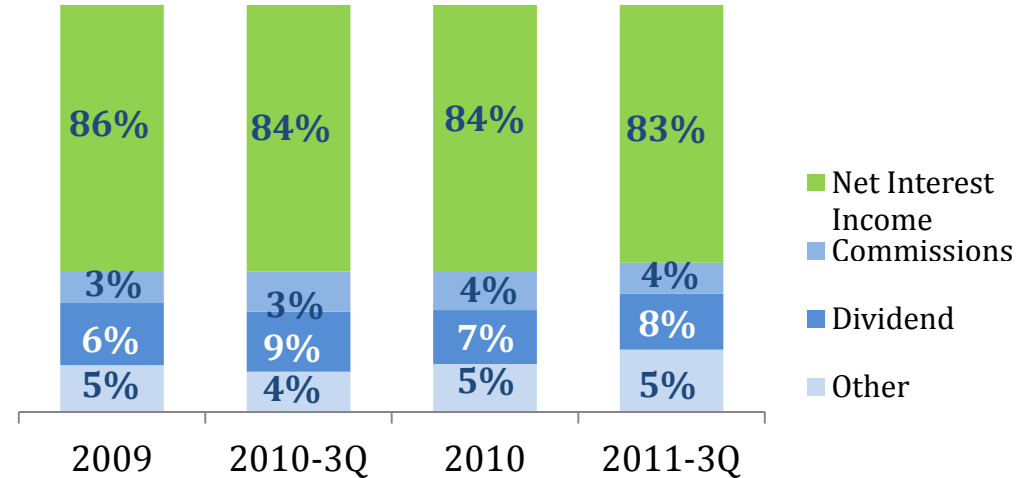
Income Breakdown



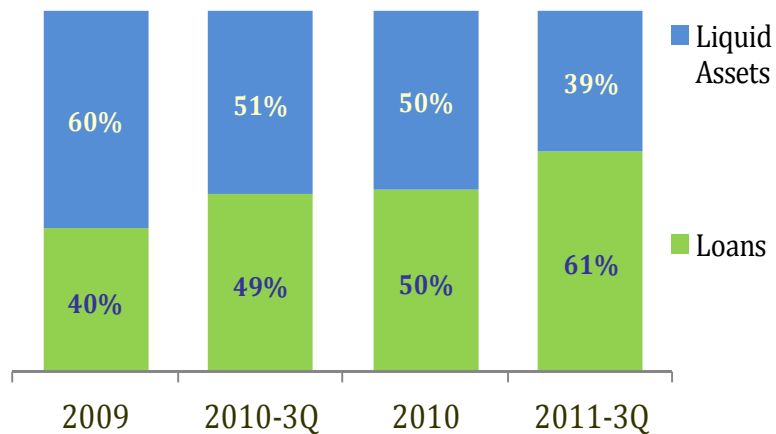
Net Profit



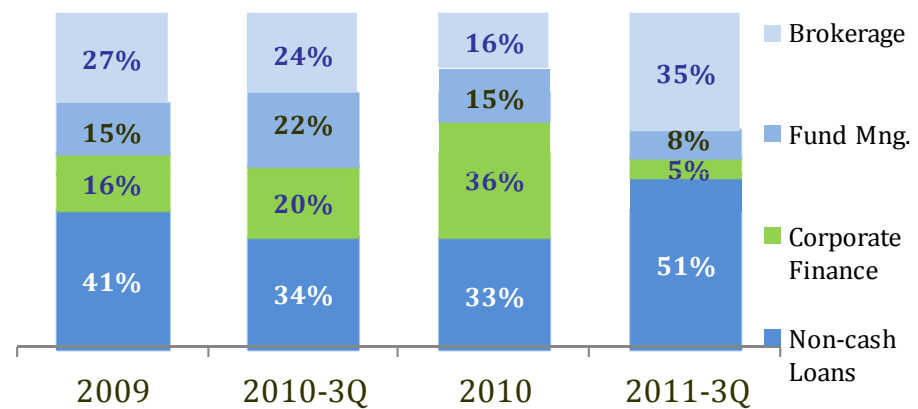
Income Breakdown



Net Interest Income Breakdown



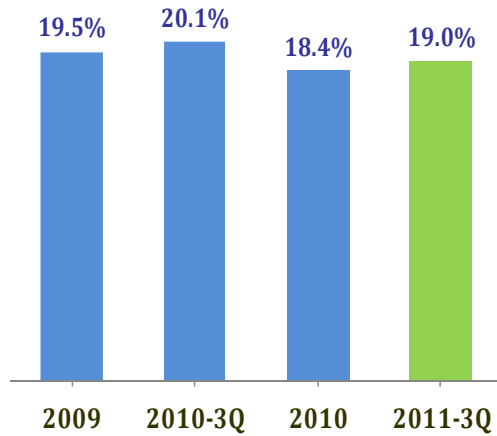
Commission Income Breakdown



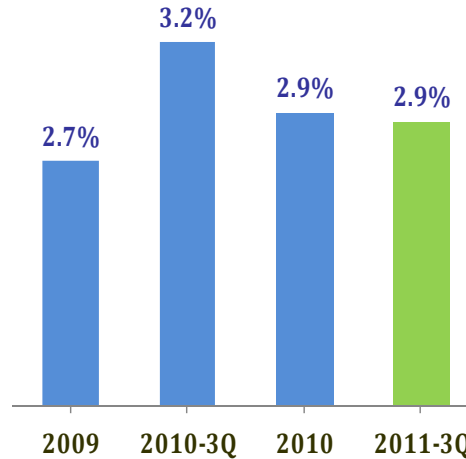
Key Performance Indicators



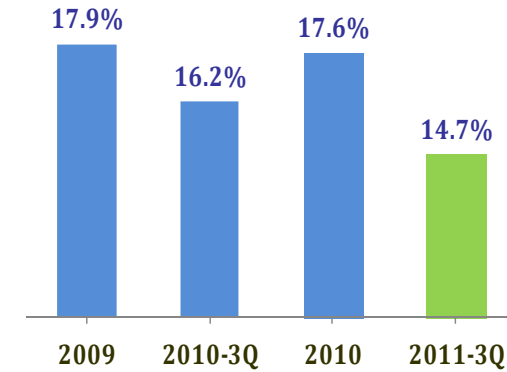
ROAE



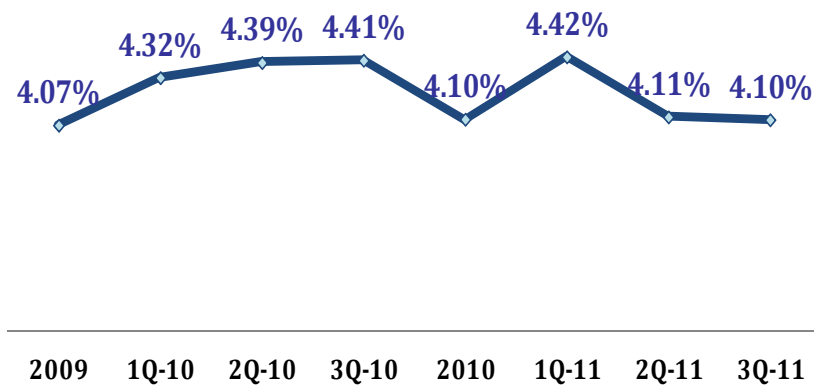
ROAA



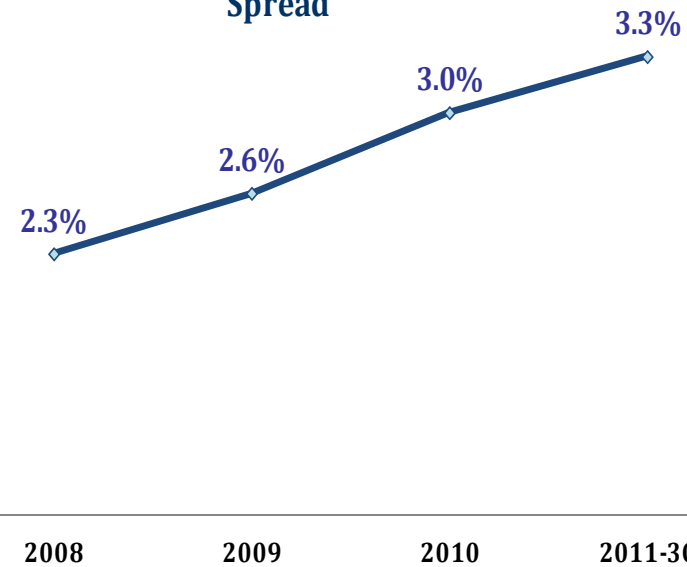
Cost to Income



NIM



Spread





Financial Institutions & Investor Relations

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