

TEKSTİLBANK

Earnings Presentation
December 31, 2009 / BRSA Consolidated

Encouraging volume growth in Q409...

Focal points in 2009 were:

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

Highlights of Q4 2009:

- 18% quarterly loan growth, well above sector average of 4.5%
- 12% quarterly deposit growth, again surpassing sector average of 5%
- Strong capital adequacy, at a more efficient 20.5%
- Significant improvement in NPL ratio
- 7 percentage points of quarterly increase in NPL coverage to 57%
- Pressure on margins due to no further decline in deposit costs as well as increased competition

Sound cost management translated into a 207% YoY surge in consolidated net income in 2009 despite declining volumes in a complex environment

Looking into 2010...

Macro

More encouraging macroeconomic environment:

- Estimated GDP Growth of 3.2%, following an estimated shrinkage of 5.6% in 2009
- CBT expects to maintain low policy rates for a long period of time
- Back to growth in world economy

Banking Sector

- Volume growth gaining pace:
 - 10-15% loan growth
 - 10-13% deposit growth
- Pressure on NIM with the end of CBT's easing cycle and increased competitive pressure
- Improvement in asset quality

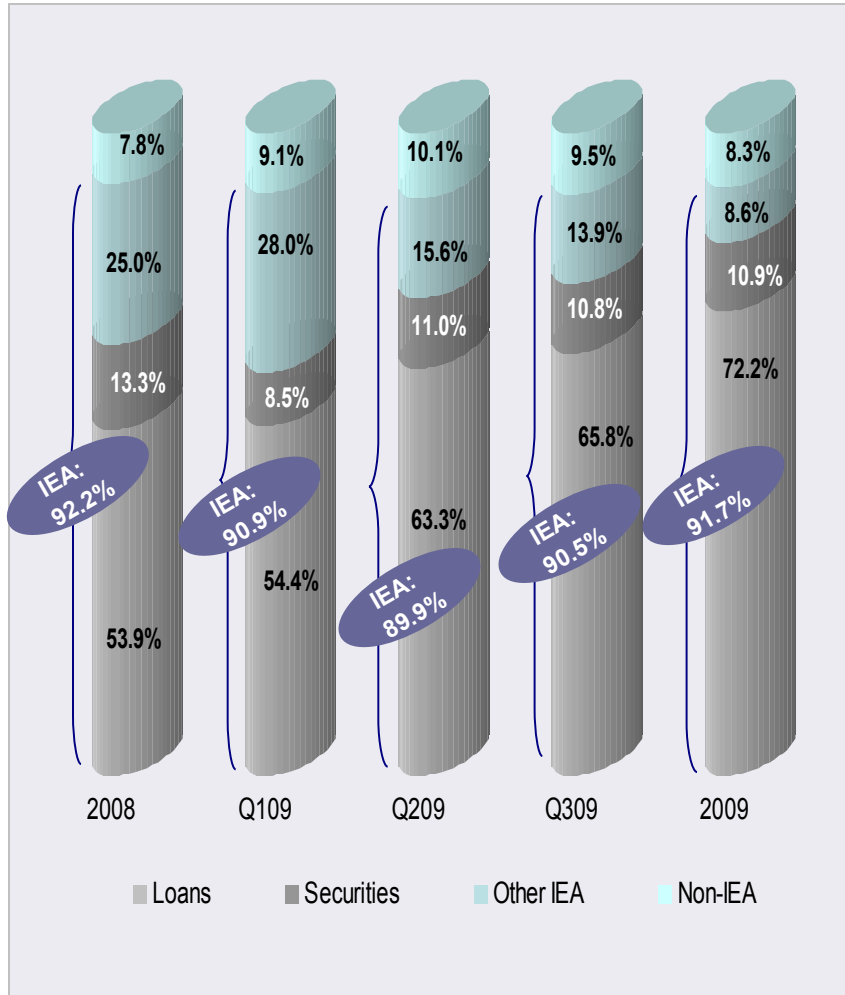
Tekstilbank

Set to re-gain momentum:

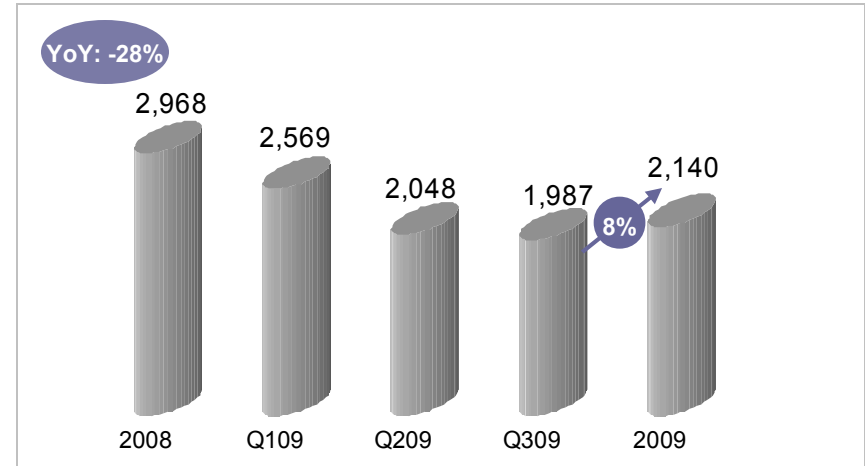
- Pressure on NIM in line with the sector
- Above sector volume growth:
 - Loans: ~20%
 - Deposits: ~ 20%
- Improvement in asset quality to continue
- Cost of risk to come down to pre-crisis levels (around 2%)
- Costs to continue to be under control

Asset structure...

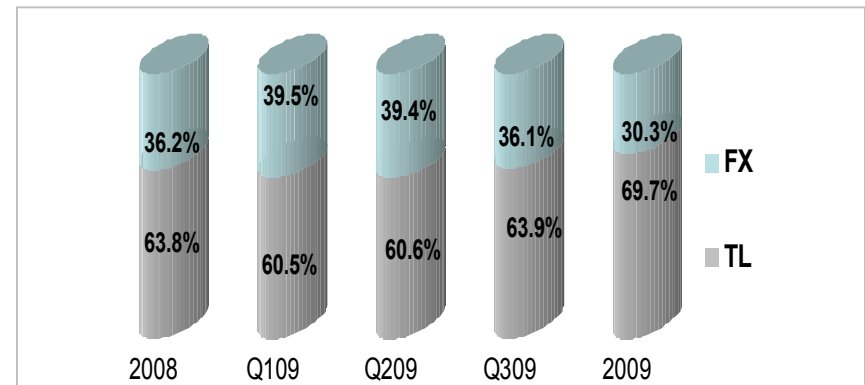
Composition of Assets



Total Assets (TRY mn)

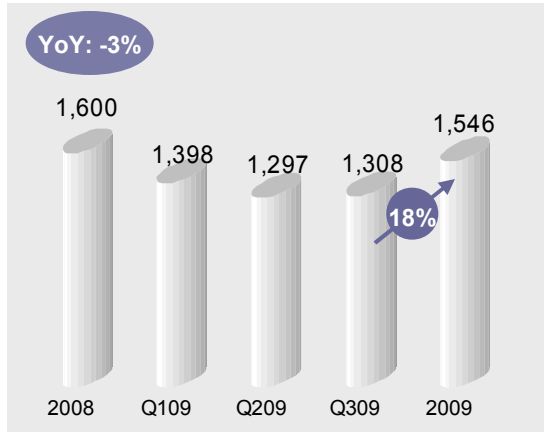


Currency Composition of Assets

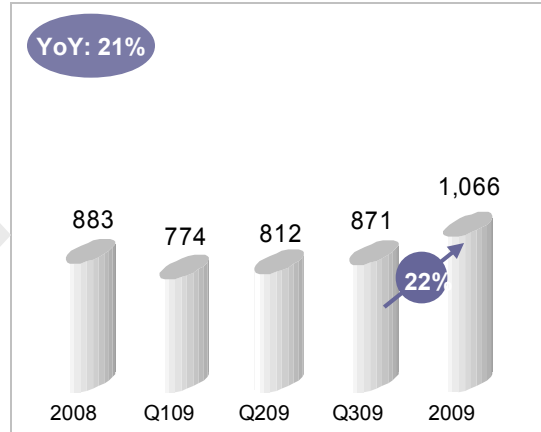


Loan growth well above sector average in Q409...

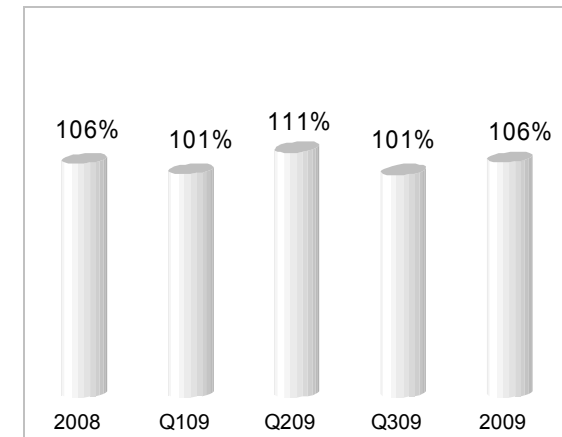
Total Cash Loans (TRY mn)



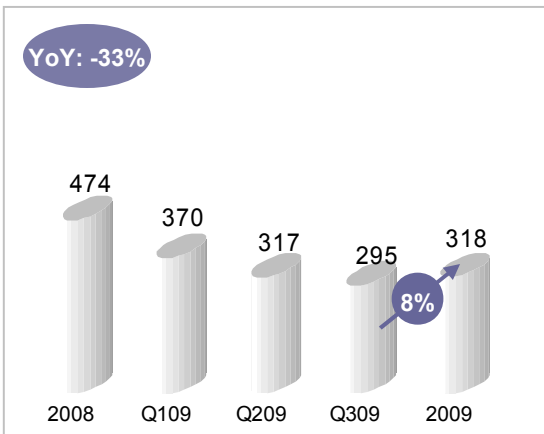
TL Cash Loans (TRY mn)



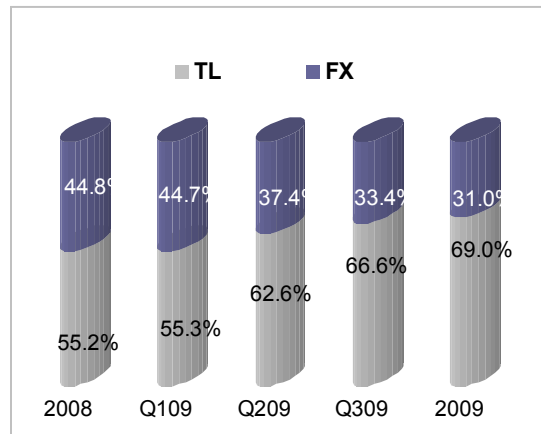
Loans / Customer Deposits



FX Cash Loans (US\$ mn)



Currency Breakdown of Cash Loans

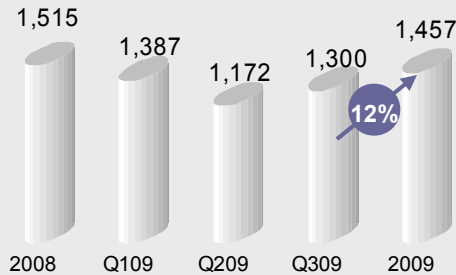


FX indexed cash loans are included in FX cash loans

12% quarterly deposit growth, again surpassing market growth of 5%...

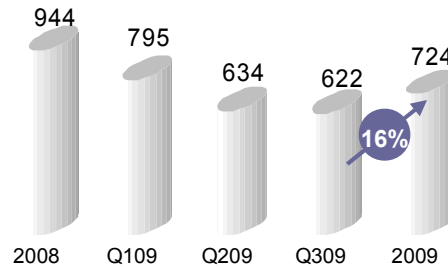
Total Deposits* (TRY mn)

YoY: -4%

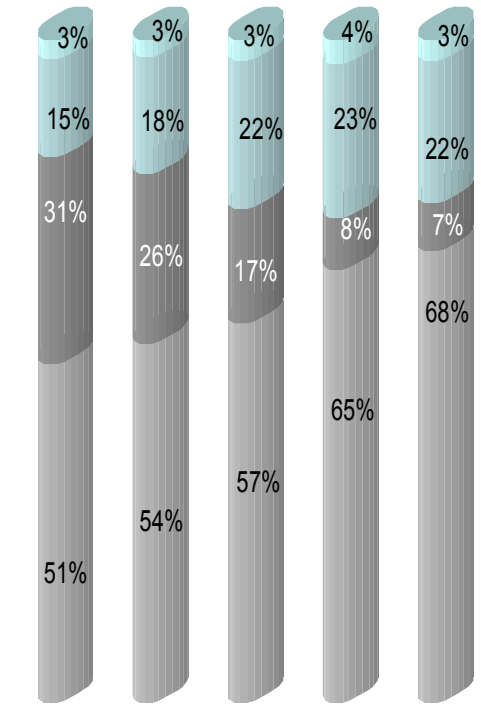


TL Deposits* (TRY mn)

YoY: -23%

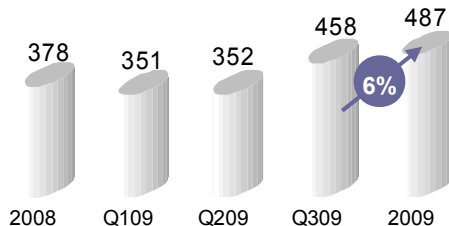


Composition of Liabilities & SHE

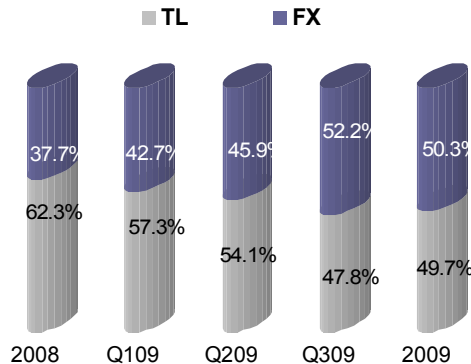


FX Deposits* (US\$ mn)

YoY: 29%



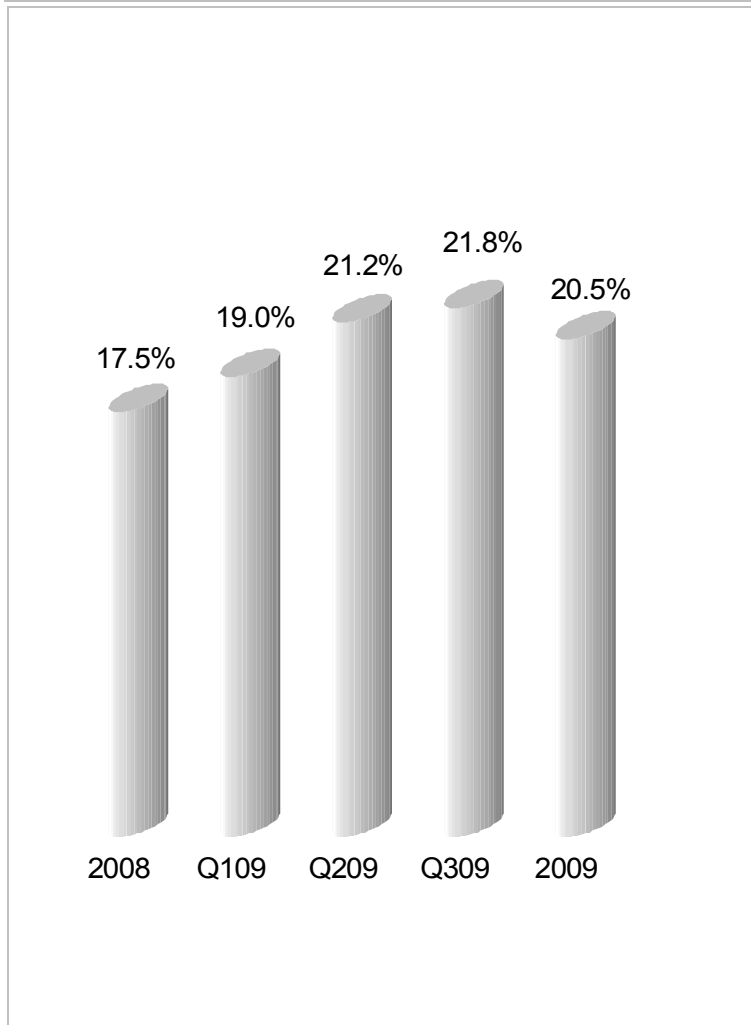
Currency Breakdown*



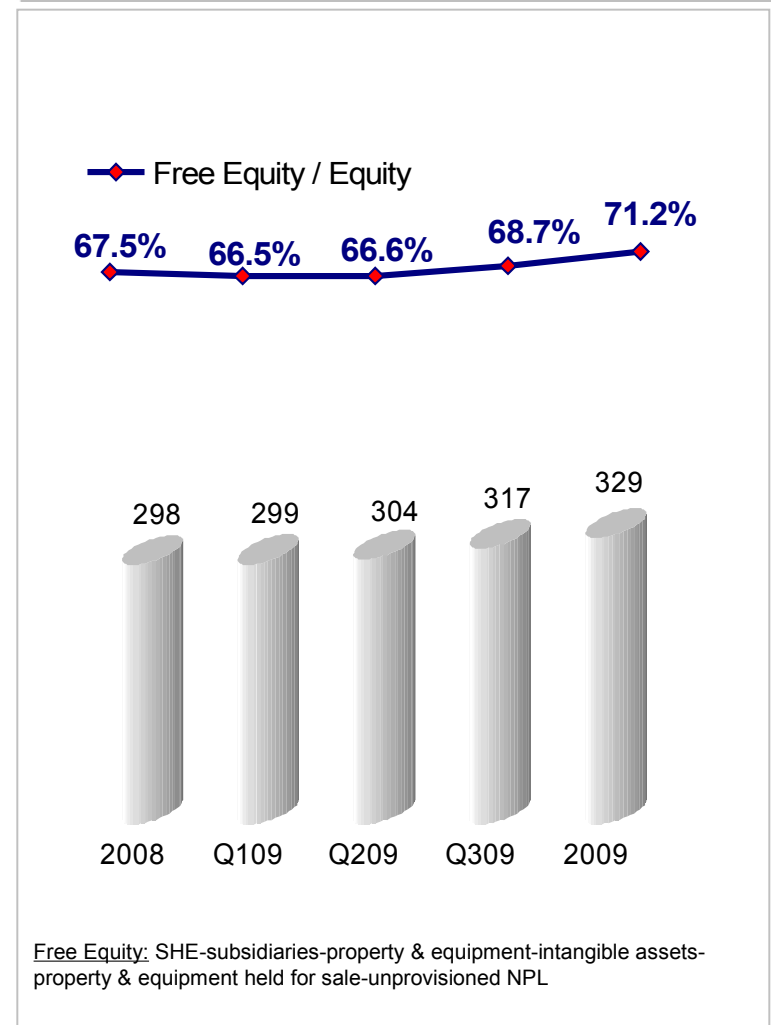
* Excluding bank deposits

Strong capital: Capital adequacy ratio came down to a more efficient 20.5%...

Capital Adequacy Ratio (CAR)



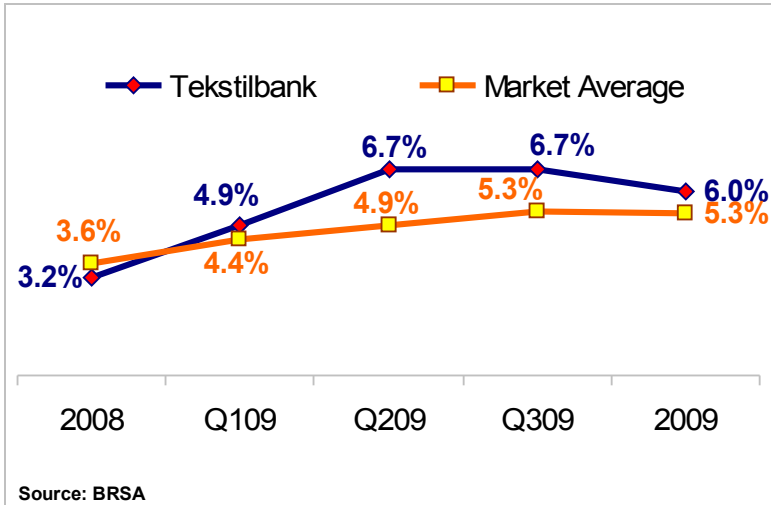
Free Equity (TRY mn)



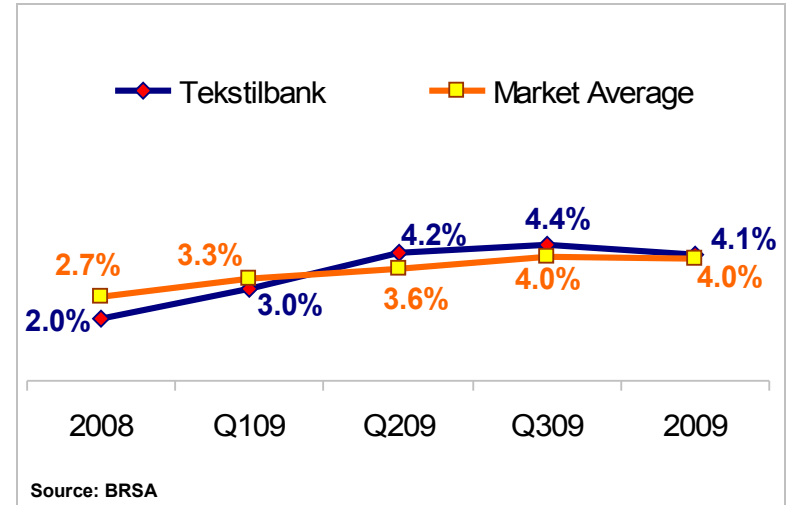
Free Equity: SHE-subsidaries-property & equipment-intangible assets-property & equipment held for sale-unprovisioned NPL

Significant improvement in NPL ratio in Q409...

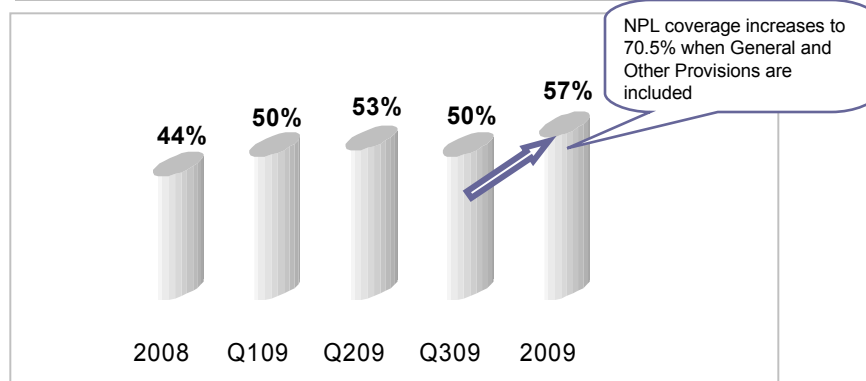
NPL Ratio



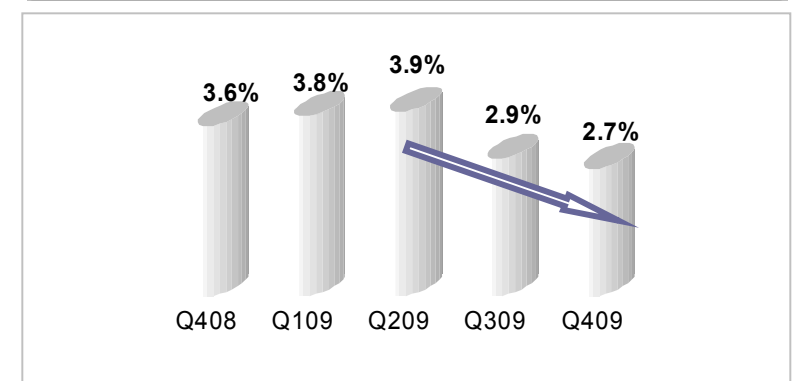
NPL Ratio (including non-cash loans)



NPL Coverage

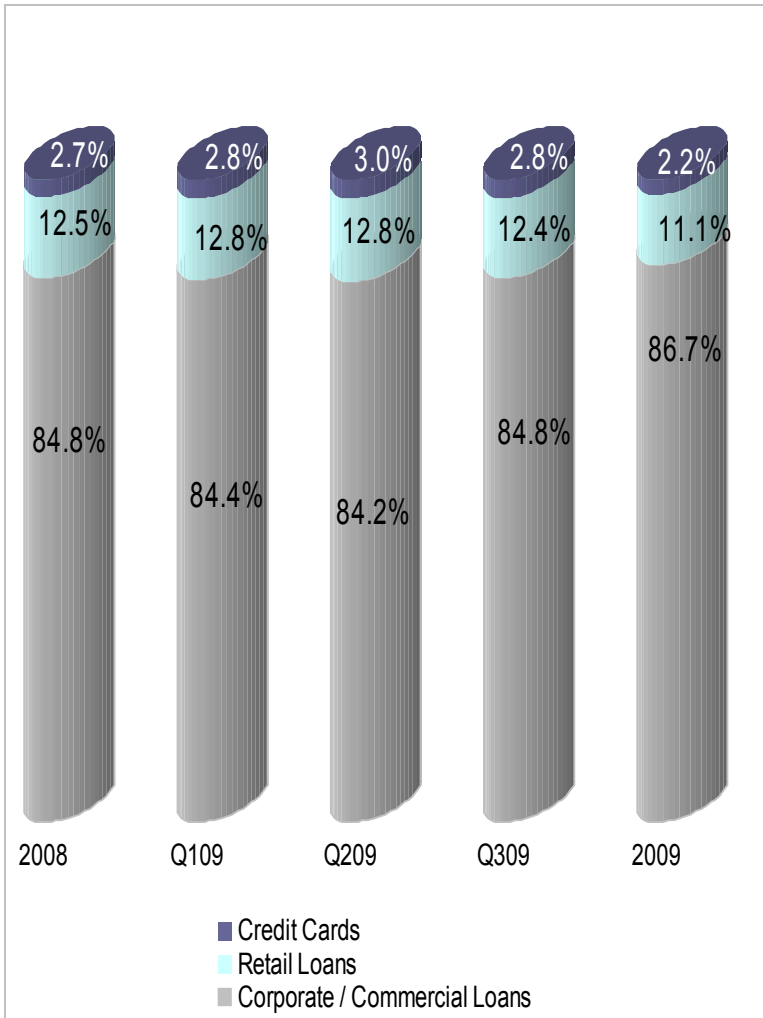


Cost of Risk

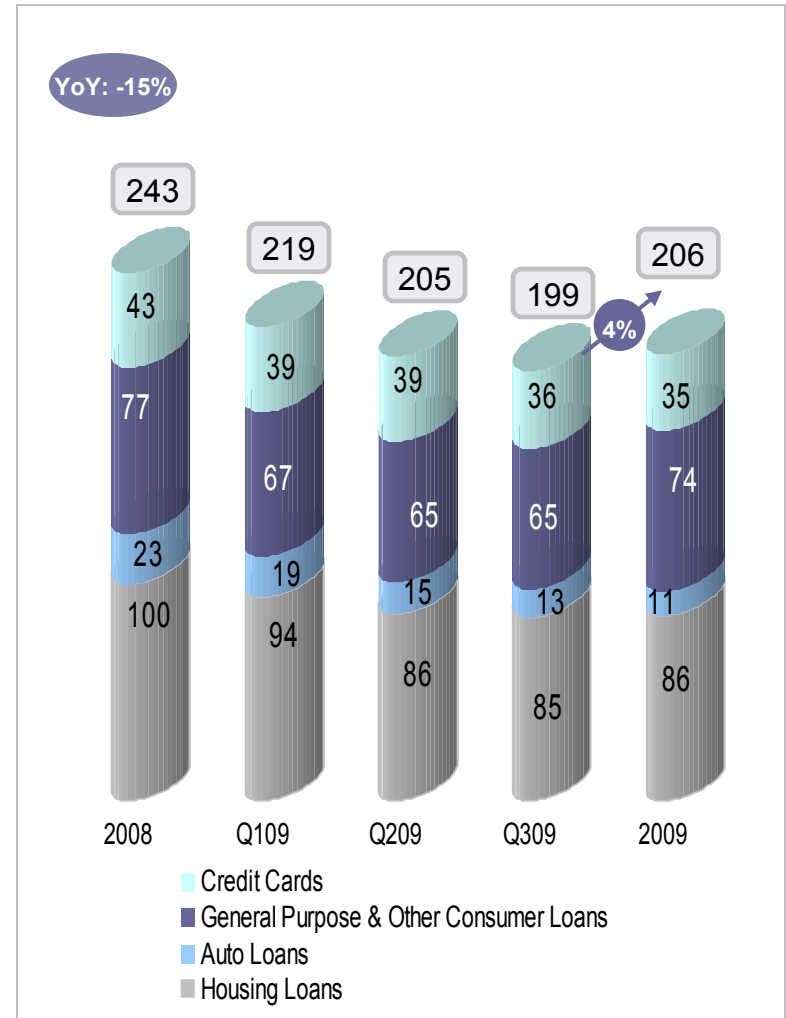


Retail banking...

Breakdown of Loan Portfolio



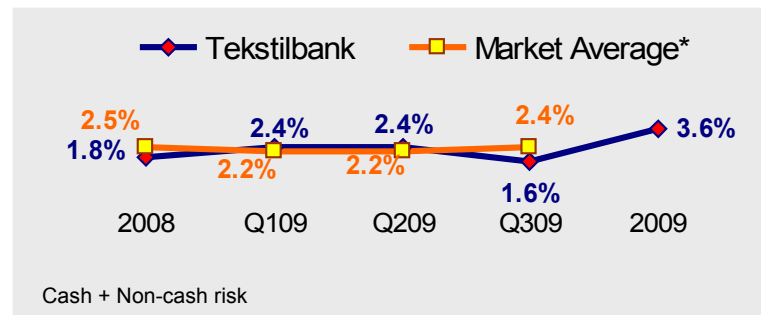
Breakdown of Retail Loans (TRY mn)



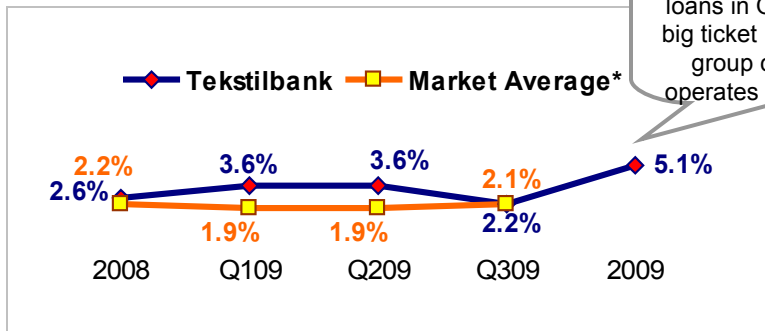
Group Loans...

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

Group Total Risk / Total Risk

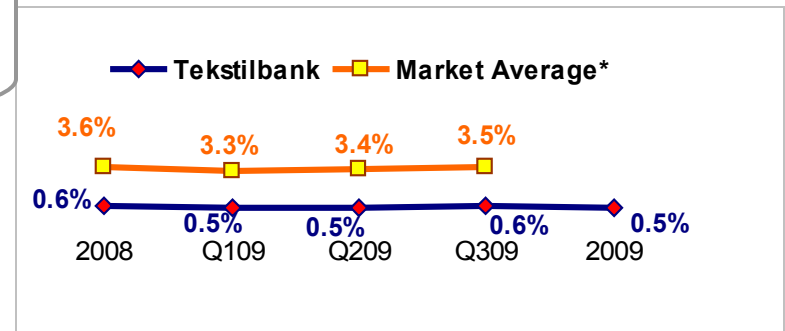


Group Cash Loans / Cash Loans



Increase in cash group loans in Q409 was due to a big ticket item extended to a group company, which operates in financial sector

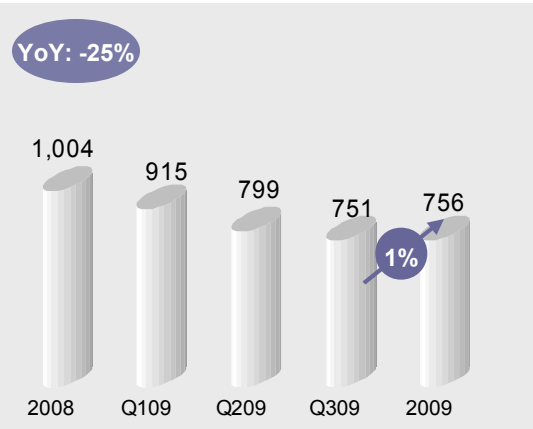
Group Non-Cash Loans / Non-Cash Loans



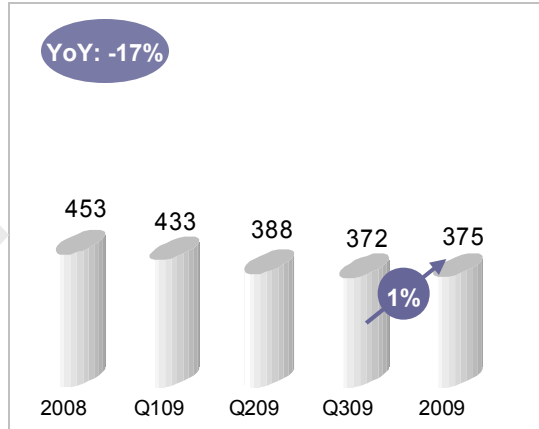
* Selected 20 banks' average (public banks are excluded) for December 31 2009 is not available yet

Non-cash loans...

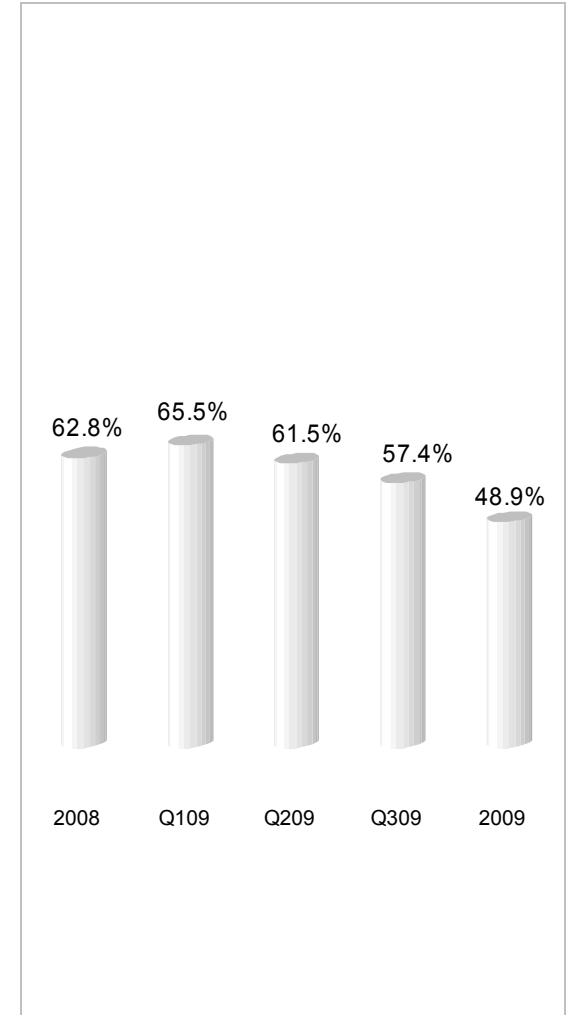
Total Non-Cash Loans (TRY mn)



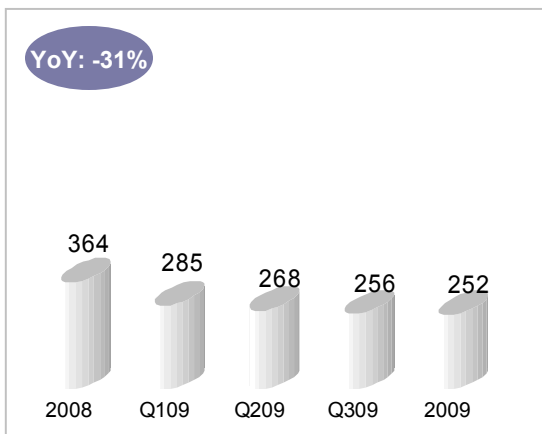
TL Non-Cash Loans (TRY mn)



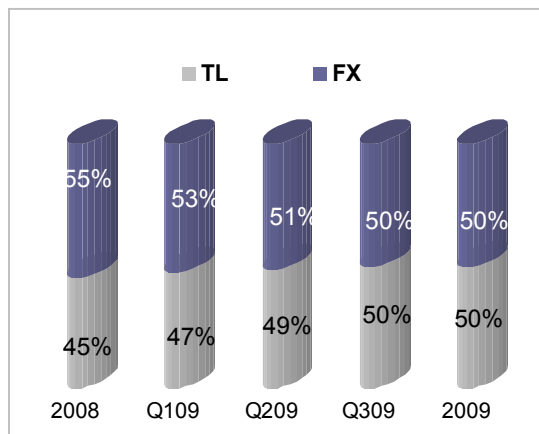
Non-Cash / Cash Loans



FX Non-Cash Loans (US\$ mn)

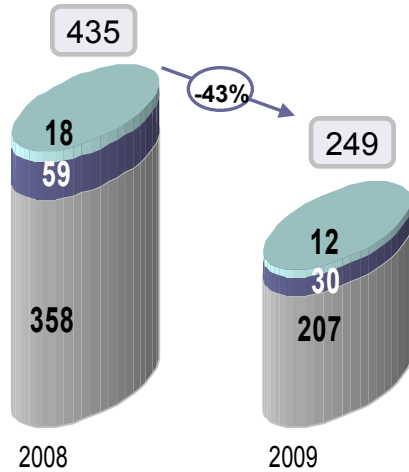


Currency Breakdown of Non-Cash Loans

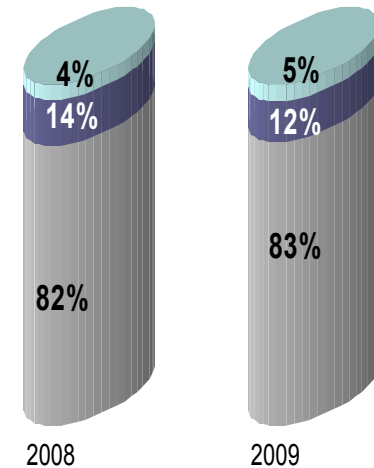


Interest Income & Expense...

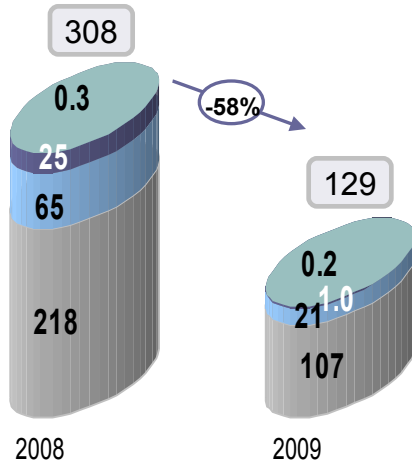
Interest Income (TRY mn)



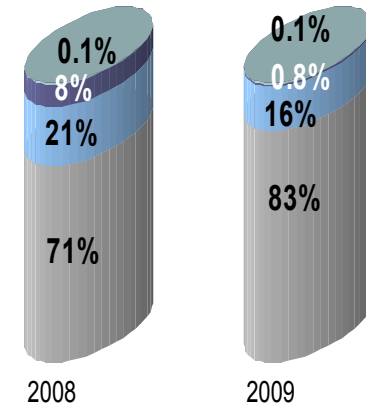
Composition of Interest Income



Interest Expense (TRY mn)

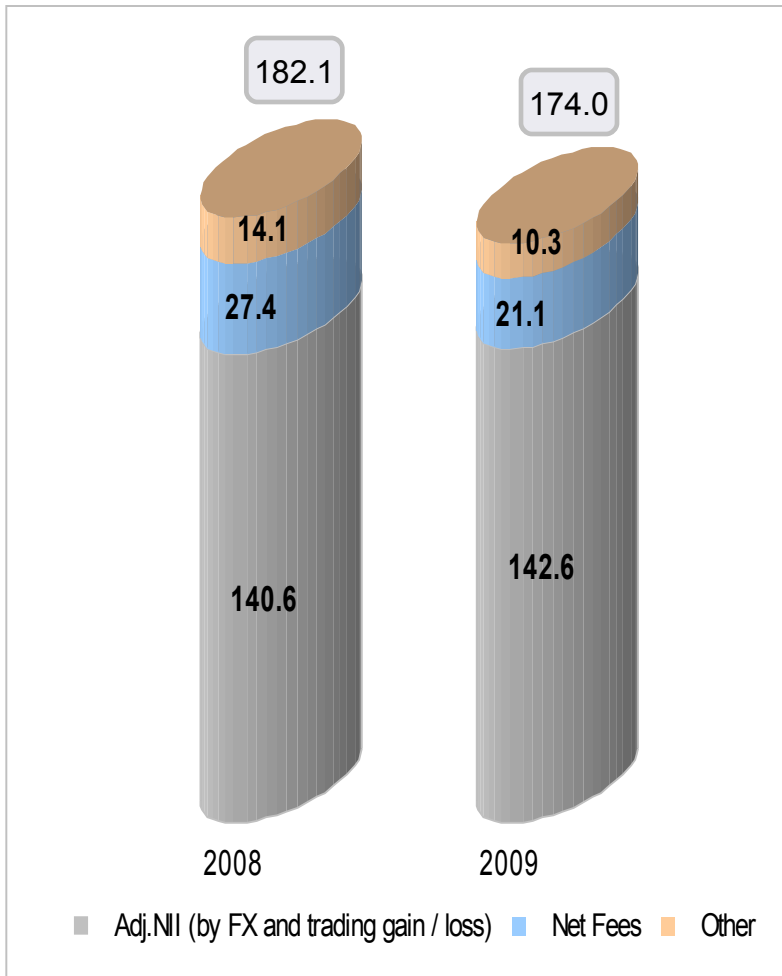


Composition of Interest Expense

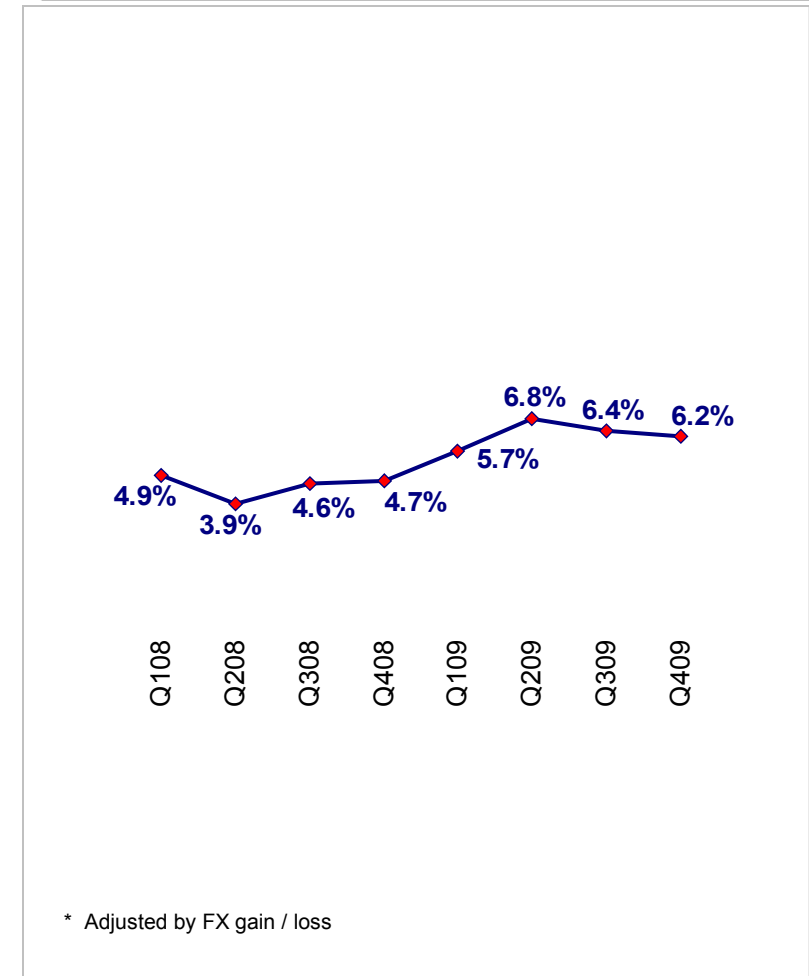


Pressure on margins continued in Q409 as expected, in line with the sector...

Banking Income (TRY mn)

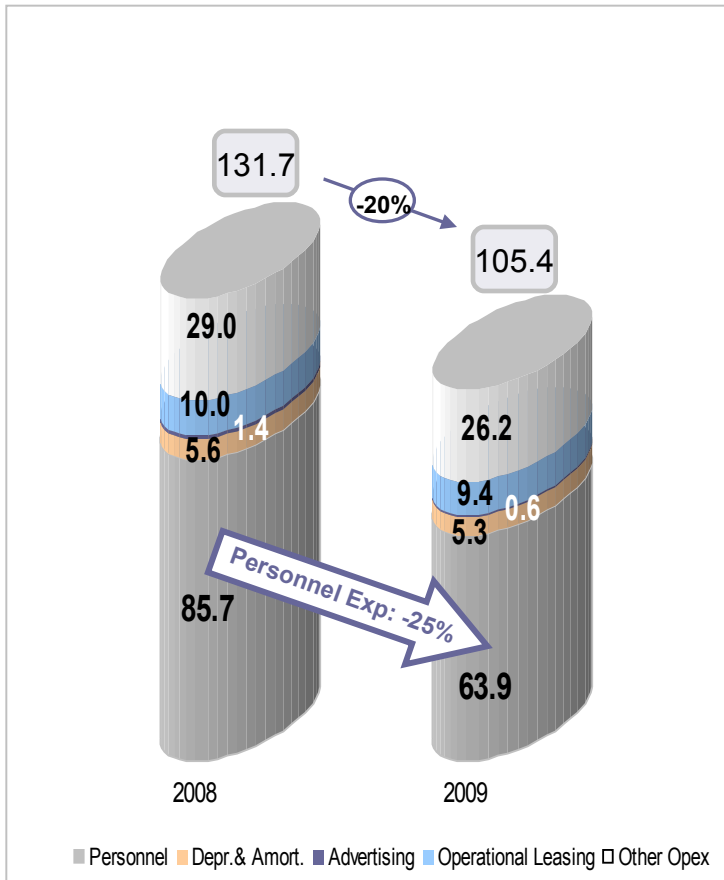


Adjusted Net Interest Margin*

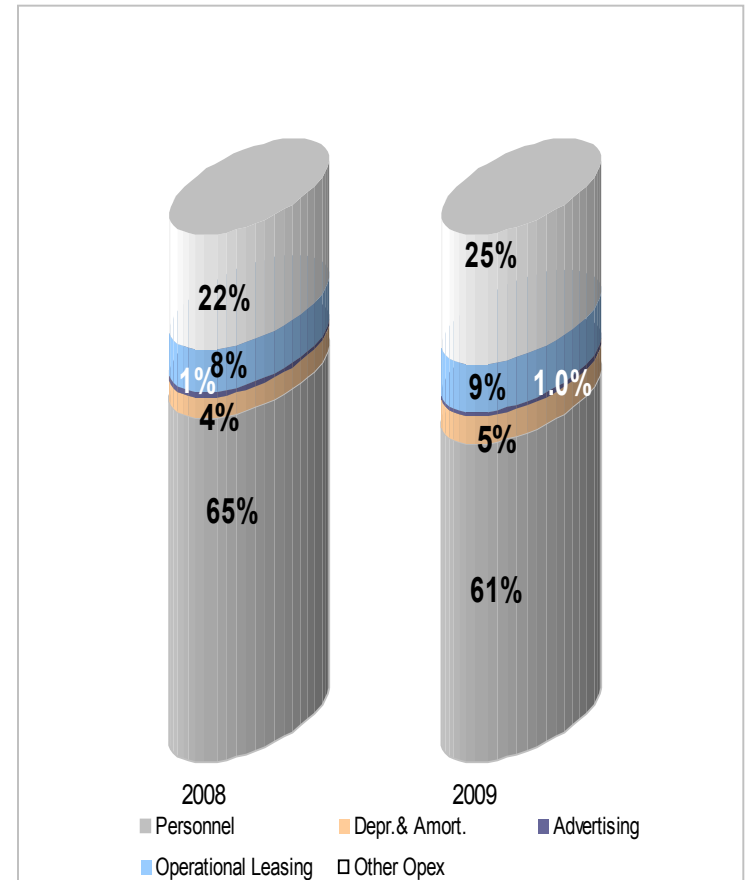


Strict cost measures paid off...

Operating Expenses (TRY mn)



Composition of Operating Expenses



Summary Balance Sheet...

TRY mn	2008	30.09.2009	2009
Cash & Banks	764	293	201
Total Securities	395	216	234
Total Cash Loans	1,600	1,308	1,546
Fixed Assets & Subsidiaries	113	98	92
Other	96	72	67
Total Assets	2,968	1,987	2,140
Deposits*	1,515	1,300	1,457
Interbank Money Market*	224	7	9
Borrowings	703	148	146
Other	85	70	65
SHE	441	462	463
Total Liabilities & SHE	2,968	1,987	2,140

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

Summary Income Statement...

TRY mn	2008	2009
Interest Income	435.2	248.9
Loans	357.8	206.9
Securities	59.2	29.9
Other	18.2	12.1
Interest Expense	308.0	129.1
Deposits	217.5	107.5
Funds Borrowed	65.4	20.5
Interbank & Other	25.1	1.2
Net Interest Income	127.3	119.8
Net FX Gain (Loss)*	10.2	10.3
Adj. Net Interest Income	137.5	130.0
Net Trading Income (Loss)*	3.1	12.6
Net Fees & Commissions	27.4	21.1
Other Operating Income	14.1	10.3
Total Operating Income	182.2	174.0
Provisions	43.0	48.9
Opex	131.7	105.5
Profit from Subsidiaries	0	0
Profit Before Tax	7.5	19.6
Tax	2.2	3.4
Net Income	5.3	16.2

Sound cost management translated into a 207% YoY surge in consolidated net income in 2009 despite declining volumes in a complex environment...

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

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