

1Q12 Consolidated Financial Results

30 April 2012

AKBANK

1Q12 Results

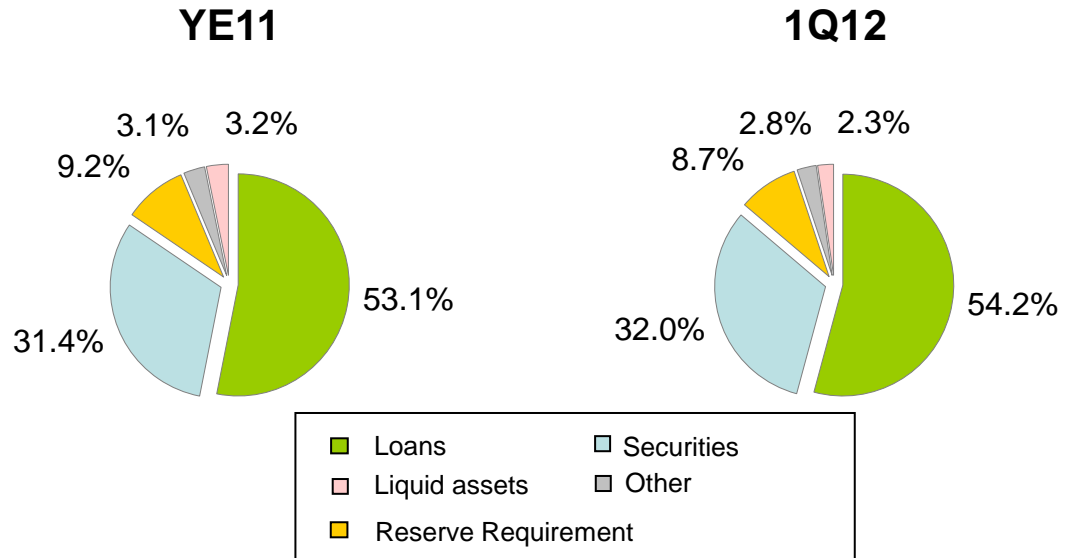
Strong growth with healthy margins and fee income generation

- Strong loan growth of 4.7% with market share gain of 30bps y-t-d
- Strong deposit growth of 3.3% with market share gain of 40bps y-t-d
- Improved Loan/deposit net interest margin impact by 13bps
- Low loan/deposit ratio maintained at 93.3%
- Strong capital adequacy ratio sustained at 16.3%
- Strong fee income generation of 9.2% y-o-y
- Net profit is TL 531 mn with ROAE at 11.5%, ROAA at 1.5%
 - CPI linked securities valued by actual inflation readings; net profit would have been TL 630 mn
 - GLLP expense additionally weighed on net profit by TL 104 mn, due to loan growth

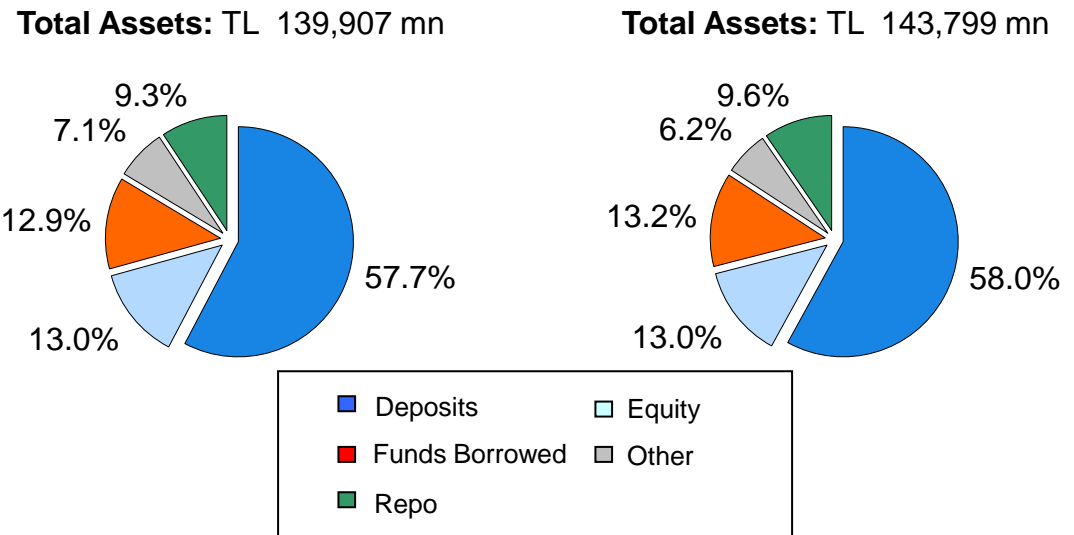
Sector comparisons based on weekly BRSA unconsolidated figures.

Healthy growth potential with liquid & flexible balance sheet

- Loans / assets increased to 54% from 53%
- Securities / assets increased to 32% from 31%



- CAR 16.3%
- Tier I Ratio 15.4%
- Leverage 7.7X
- Loans to Deposit 93.3%



Total Assets: TL 139,907 mn

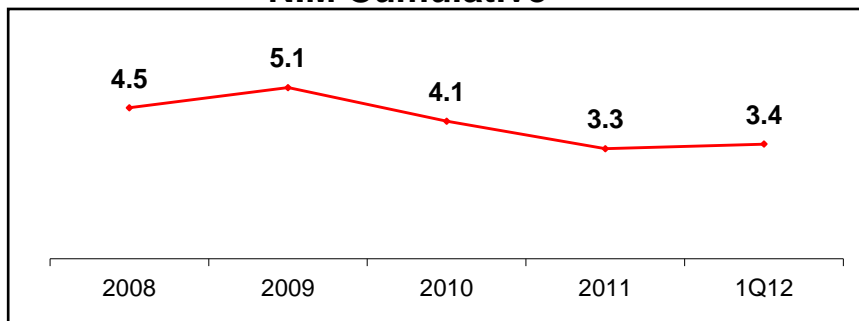
Total Assets: TL 143,799 mn

1Q12 Highlights

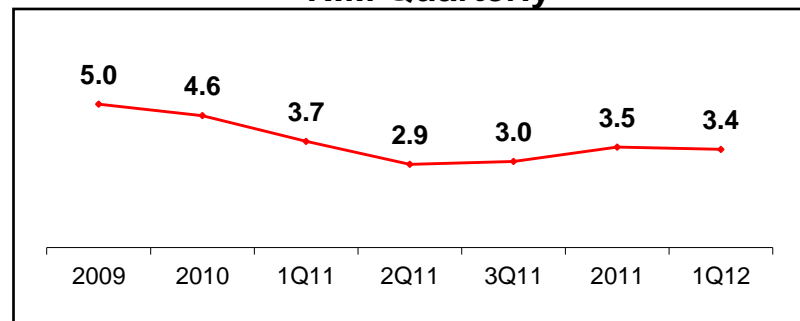
(TL mn.)	1Q11	4Q11	1Q12
Net Profit	728	575	531
ROAE	16.6%	12.8%	11.5%
ROAA	2.4%	1.6%	1.5%
NIM	3.7%	3.5%	3.4%
Cost of Risk	-0.2%	0.9%	0.3%
Cost to Asset	2.0%	1.9%	1.9%
Fees to Cost	60.0%	62.8%	58.9%
CIR	36.4%	46.7%	44.2%

Loan / deposit net interest margin improved by 13 bps

NIM Cumulative*



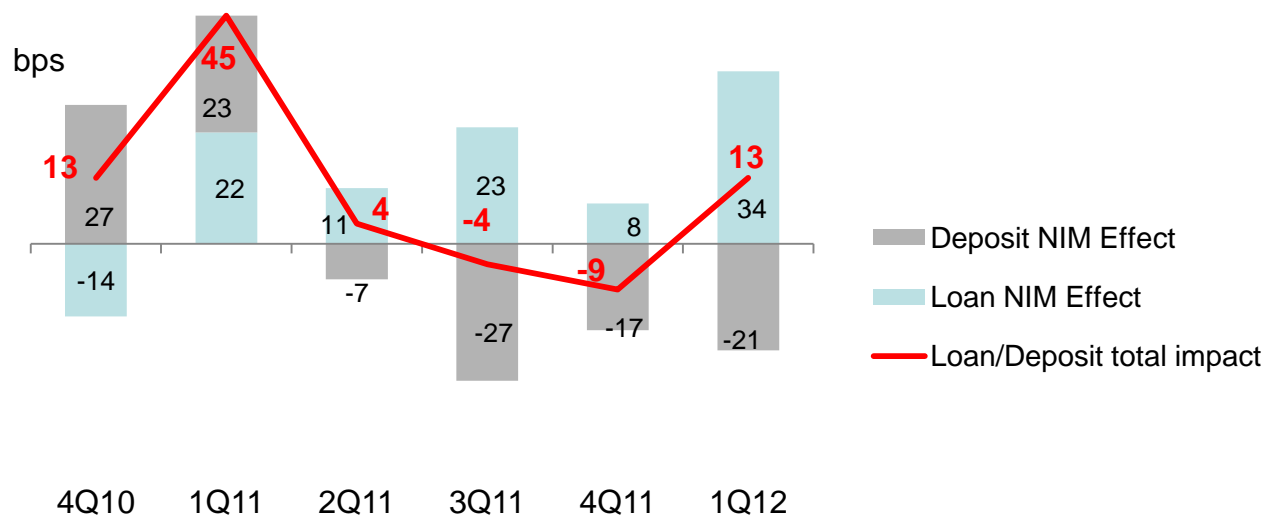
NIM Quarterly*



(TL mn., \$ mn.)	2Q11	3Q11	4Q11	1Q12	NIM impact		
					2Q11-3Q11	3Q11-4Q11	4Q11-1Q12
TL Loans	10.00%	10.45%	10.70%	10.99%	8	12	34
TL Deposits	6.92%	7.66%	8.01%	8.58%	-23	-10	-16
FX Loans	4.07%	4.50%	4.37%	4.66%	15	-4	0
FX Deposits	2.68%	2.89%	3.20%	3.33%	-4	-7	-5
Loan-Deposit impact					-4	-9	13
TL Securities	9.10%	9.51%	11.78%	10.89%	4	59	-13
FX Securities	4.72%	4.52%	4.44%	4.96%	2	1	-1
Securities impact					6	60	-14
Other					-1	4	-8
Total					1	55	-9

* Adjusted for BRSA classification, reserve requirements included in interest earning assets

Positive effect of high yield lending



- We will continue to see the positive effect of loan and deposit margin in the upcoming quarters

High yielding TL loans major contributor to growth

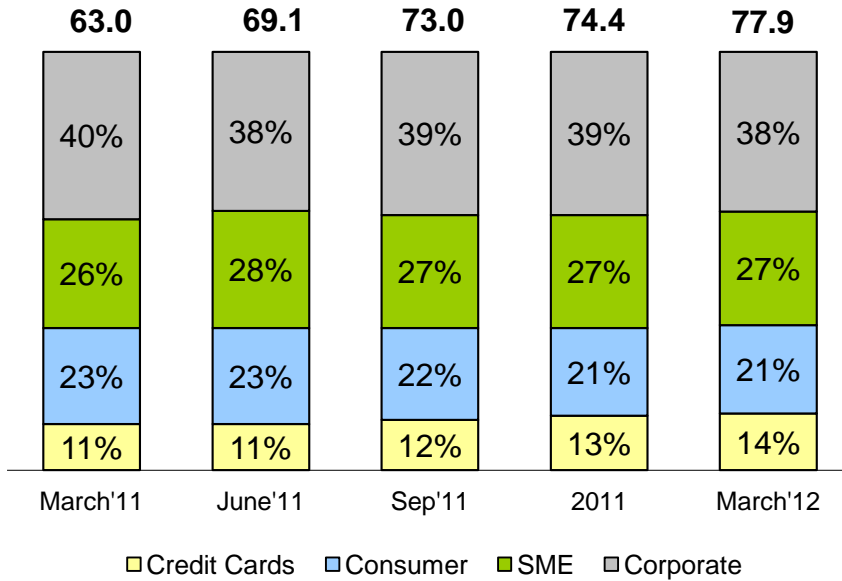
(TL mn., \$ mn.)	1Q11	2Q11	3Q11	YE11	1Q12	y-t-d
TL loans	35,898	39,671	40,903	42,000	44,455	10.6%
FX loans (\$ mn)	17,651	18,240	17,341	17,129	17,728	3.5%
Total loans	63,016	69,141	73,005	74,356	77,884	4.7%

(TL mn., \$ mn.)*	1Q11	2Q11	3Q11	YE11	1Q12	y-t-d
TL Corporate	4,973	4,765	4,737	4,400	5,972	35.7%
FX Corporate (\$ mn)	13,089	13,412	12,885	12,714	13,191	3.8%
TL SME	9,121	10,522	10,591	10,790	11,960	10.8%
FX SME (\$ mn)	4,820	5,202	4,787	4,928	5,027	2.0%
Consumer	14,193	15,564	15,623	15,516	16,247	4.7%
Credit Cards	6,665	7,606	8,504	9,505	10,462	10.1%

(*) Excluding accrued interest on loans

Strong asset quality with high collateralization

(TL billion)



NPL ratios

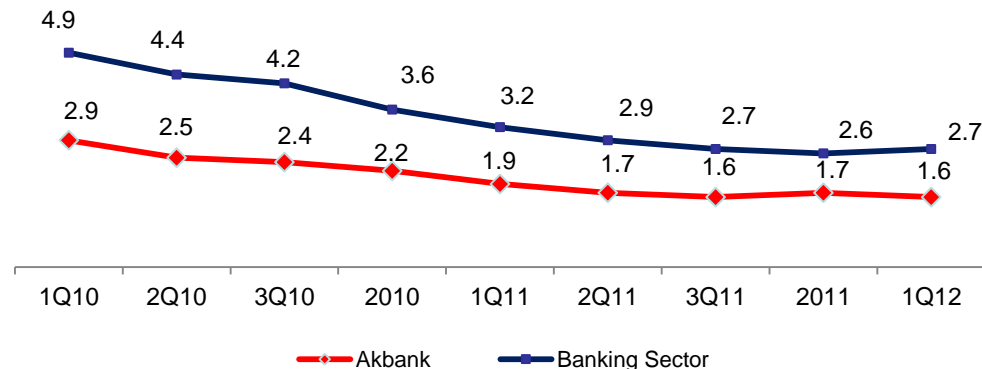
	Akbank		Sector	
	2011	1Q12	2011	1Q12
Corporate	0.0%	0.0%	2.3%	2.3%
SME	2.9%	2.8%	2.3%	2.3%
Consumer	1.8%	1.8%	1.9%	2.0%
Credit Cards	3.2%	3.1%	5.9%	6.0%
Total	<u>1.7%</u>	<u>1.6%</u>	<u>2.6%</u>	<u>2.7%</u>

Note: Corporate and SME NPL ratios for Akbank are grouped together with a bracket and labeled as 1.3%.

- 163% coverage ratio including general provisions
- Higher GLLP expense of TL 104 mn due to higher loan growth

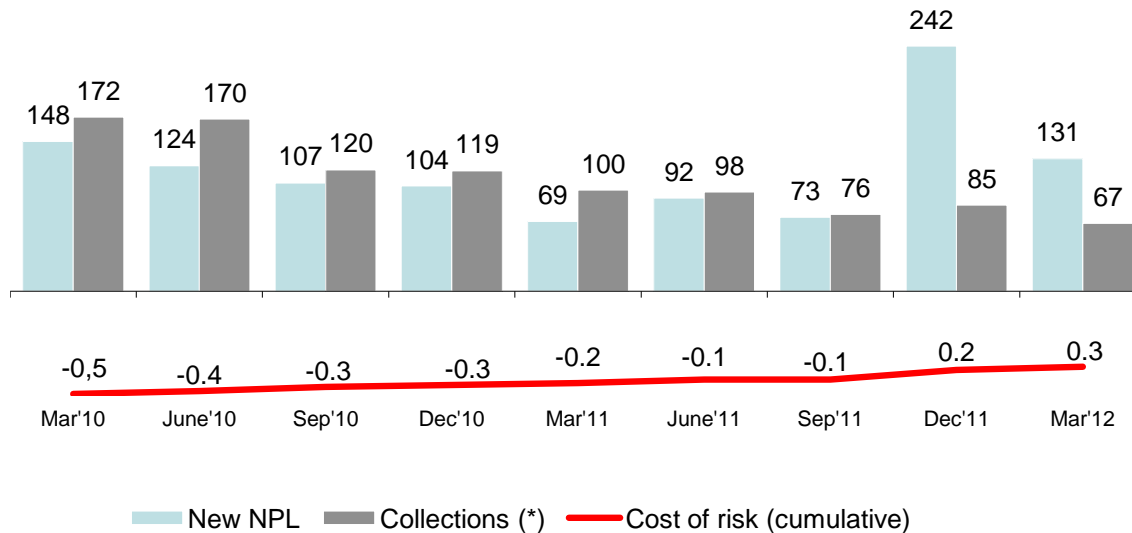
Cost of risk increase in line with expectations

NPL ratio



(TL mn.)

Cost of risk

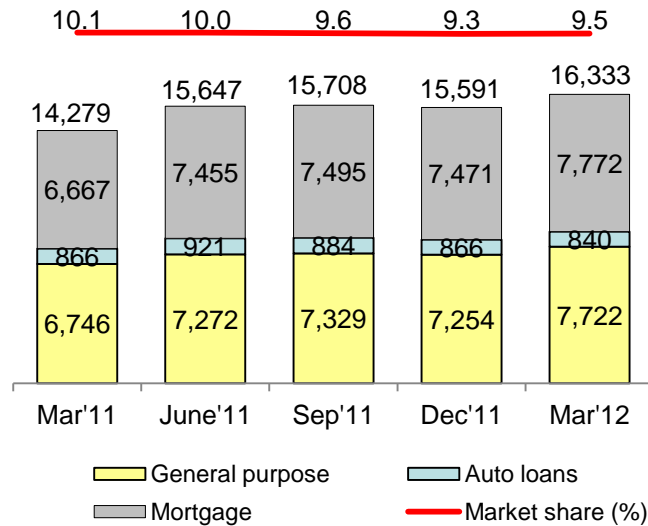


(*) Excluding NPL Sales

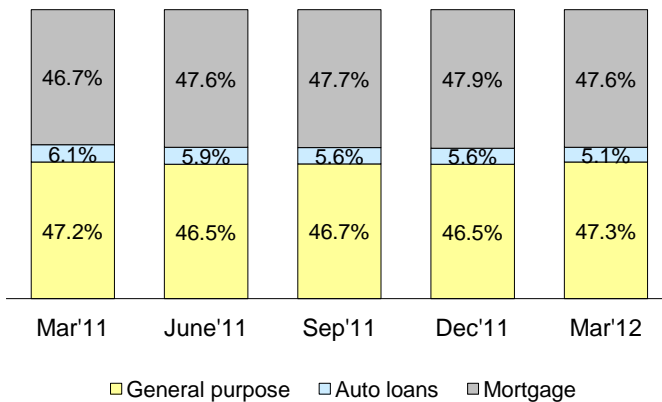
Prudent management of consumer loans with market share gains

(TL mn.)

4.8% y-t-d



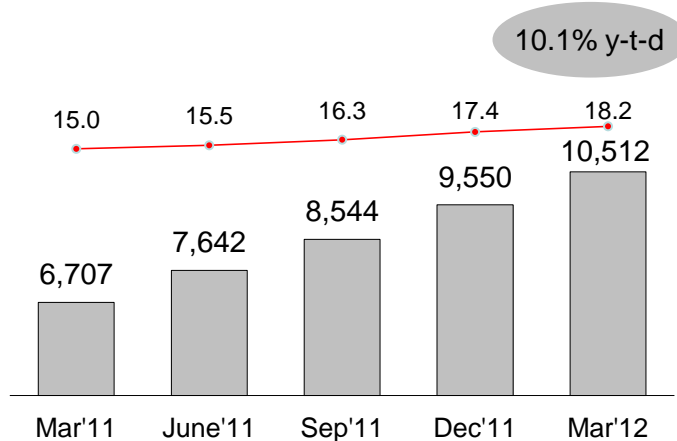
- Mortgage loans grew 4.0% y-t-d, 30bps increase in market share
- General purpose loans grew 6.4% y-t-d, 30bps increase in market share



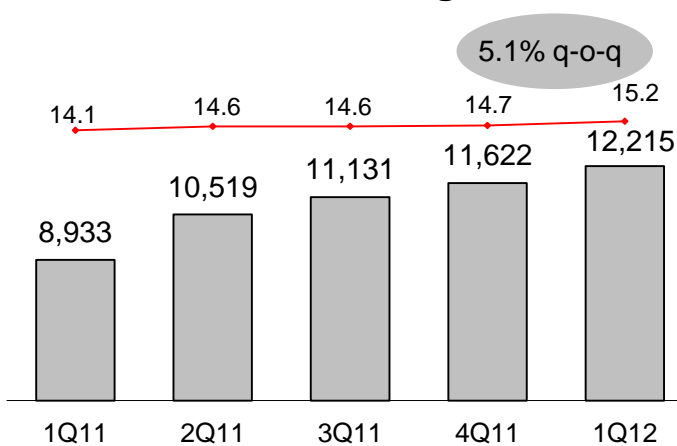
Cross-sell ratio	
Mortgage Loans	5.8x
General Purposes Loans	5.7x
Auto Loans	5.2x

Extending our strong position in credit card business

Credit Card Loans (TL mn)



Credit Cards Issuing Volume



■ Volume (TL mn.)

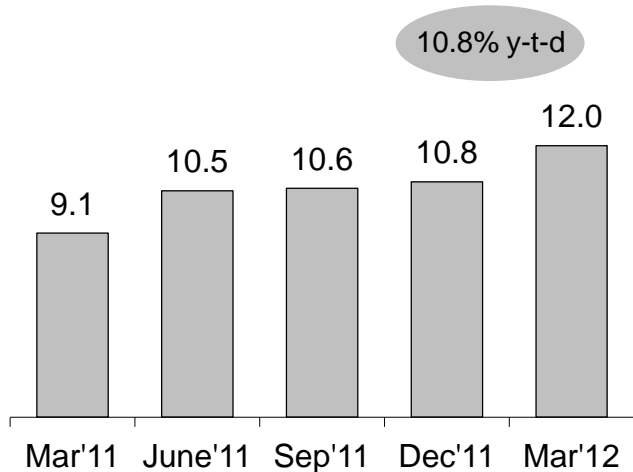
■ Market shares

Higher quality portfolio with;

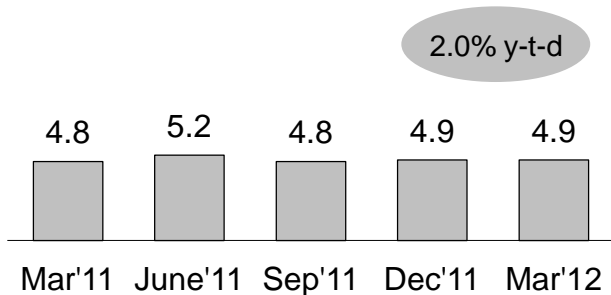
- Fastest market share growth in the market - pacing towards leadership
- 80 bps market share gain in Credit Card Loans in 1Q12
- 50 bps market share gain in Credit Card Issuing Volume
- Highest fee generating bank in payment systems
- Highest issuance volume per card in the peer group by 19%
- Low NPL ratio of 3.1% vs 6.0% for the sector

SME loans – strong momentum with risk focus

TL Loans (TL bn)



FX Loans (USD bn)

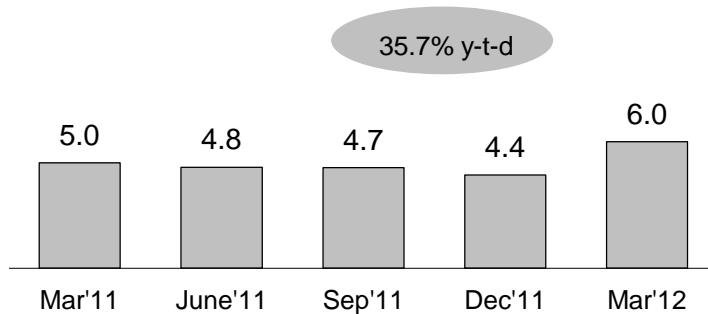


- Growth with a profitable mix
- Bundled product packages for different sectors i.e. tourism, wholesale and foreign trade support
- Loan packages with loyalty and support programmes for Merchants and Small Businesses
- Channeling of multilateral funds from OPIC, EIB and EBRD
- Increased focus on export finance, energy efficiency, renewable energy
- Cross sell ratio of 3.9x

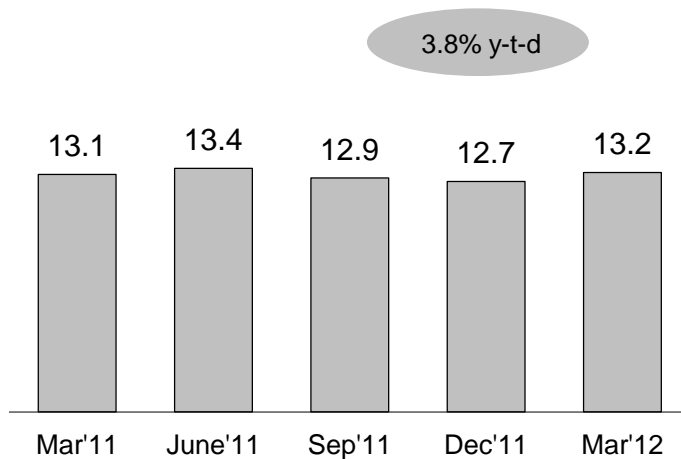
SME loans given to companies with sales turnover <TL 100 mn

Corporate loans – growth with profitability focus

TL Loans (TL bn)

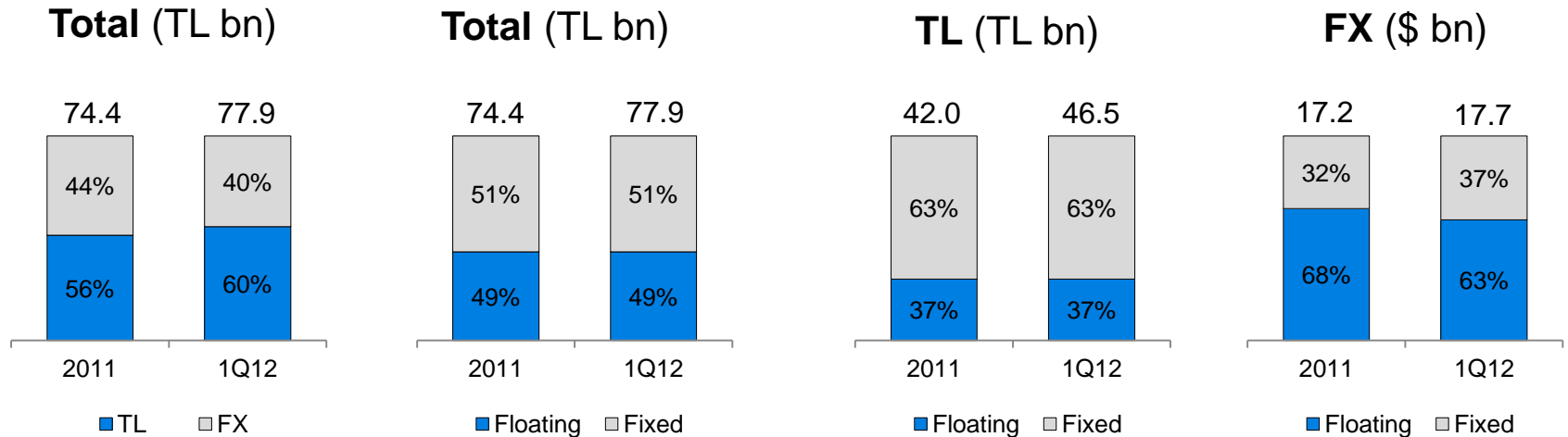


FX Loans (USD bn)



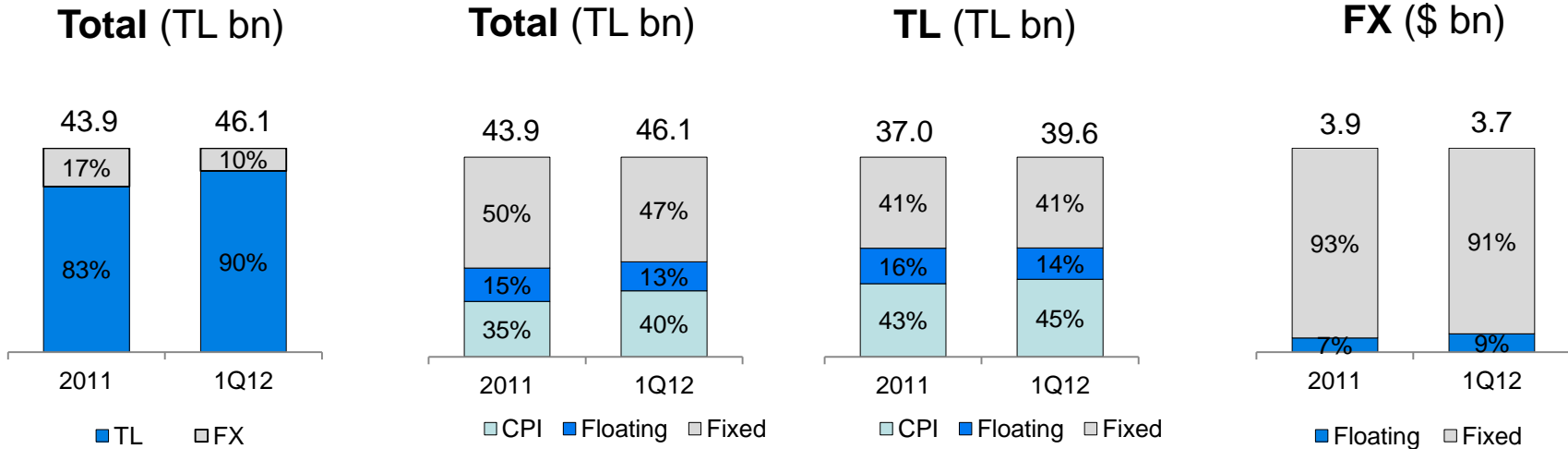
- Levering synergies across different business units
- Proactive and customer-focused approach and an emphasis on customer satisfaction
- High quality portfolio with zero credit losses
- Cross sell ratio of 4.8x

Loans - increasing share of TL loans



- 10.6% increase in TL loans, 50 bps market share gain

Securities – well managed to support profitability

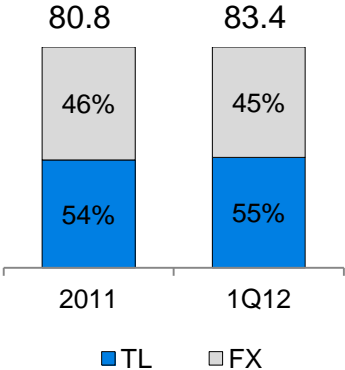


- CPI inflation estimated at 8.7%
- Available for sale 89% (2011: 88%), held-to-maturity 10% (2010: 11%), trading 1% (2011:1%)
- TL 200 mn of trading gain

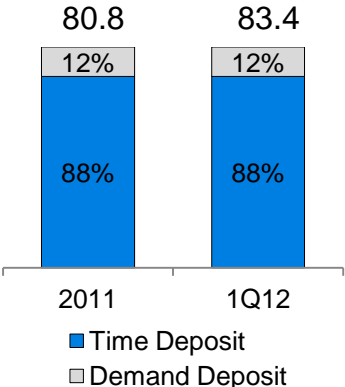
Percentage breakdowns are calculated based on cost of securities, excluding accruals

Deposits - 40 bps increase in market share

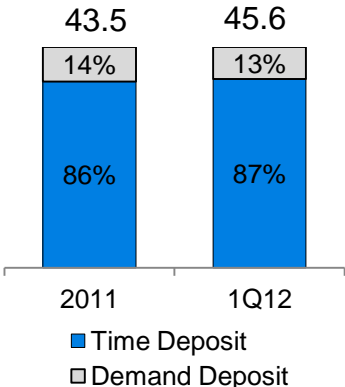
Total (TL bn)



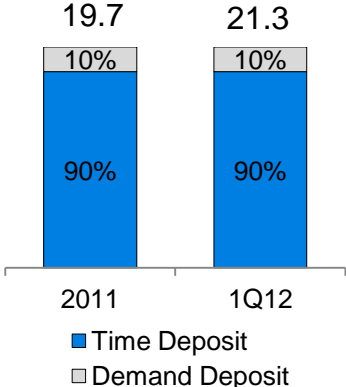
Total (TL bn)



TL (TL bn)

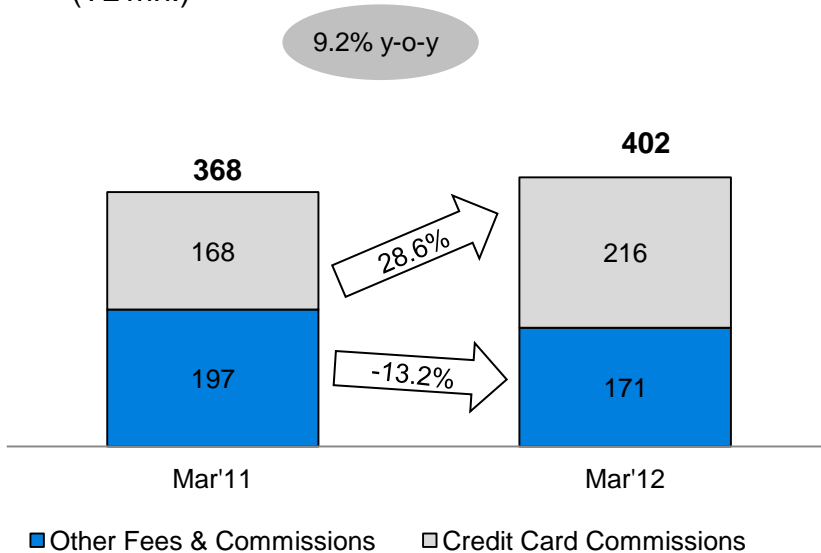


FX (\$ bn)



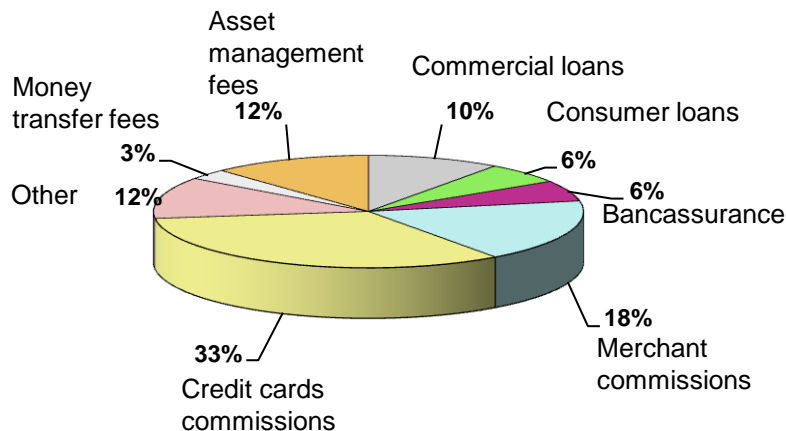
Strong fee and commission growth

(TL mn.)

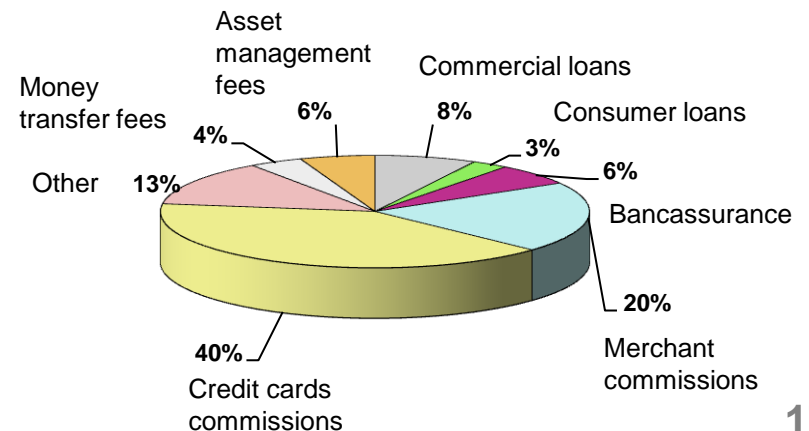


- Growth is mainly due to credit card (33%) and bancassurance (19%) commissions
- 36% increase in non-branch channels commissions
- Fee/income and fee/cost ratios are 26% and 58.9% respectively
- Other fees & commissions decreased due to mutual fund cap and loan fees accounting change

1Q11

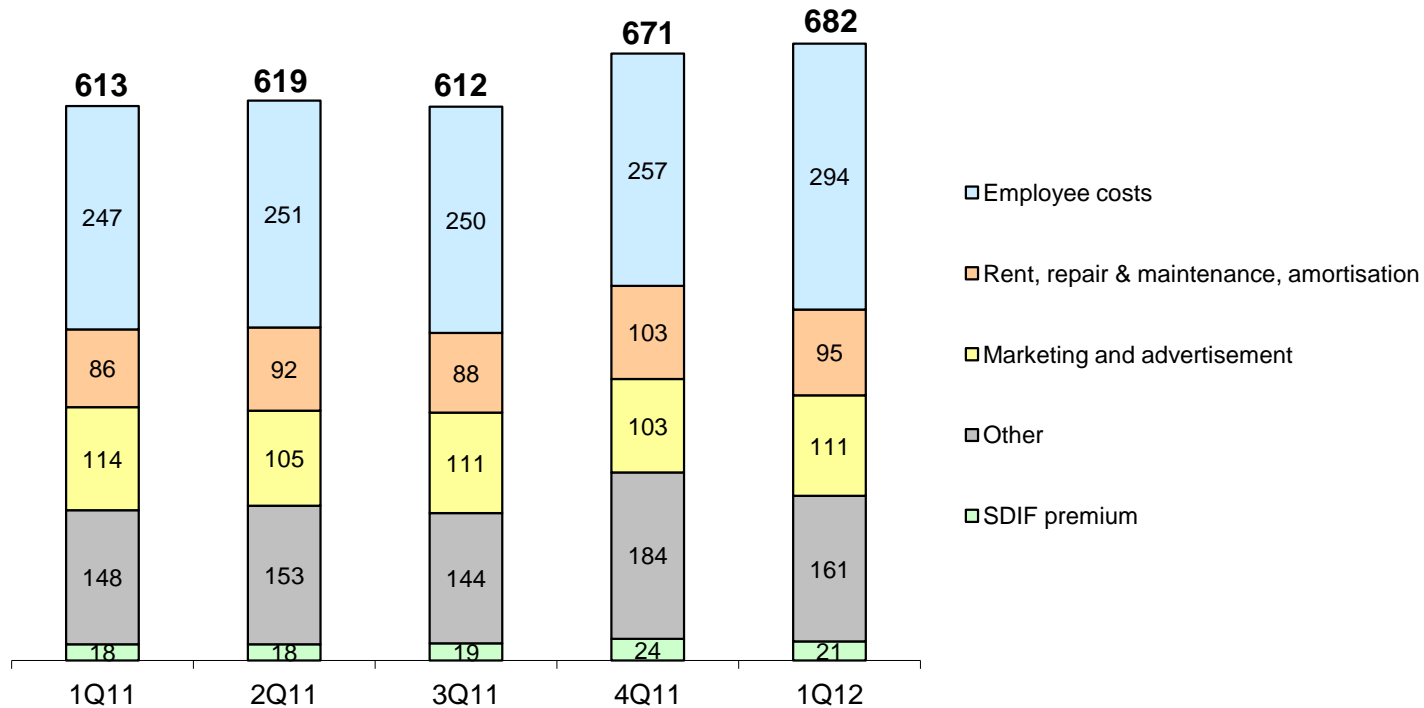


1Q12



Operational cost increase in line with budget

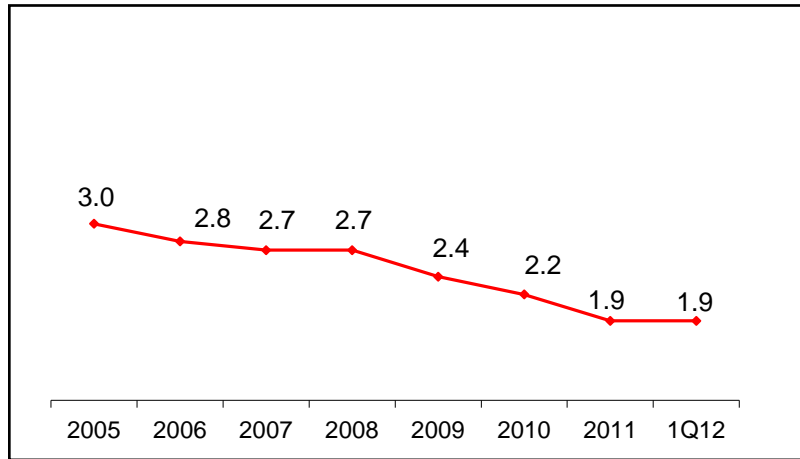
Quarterly Operational Cost



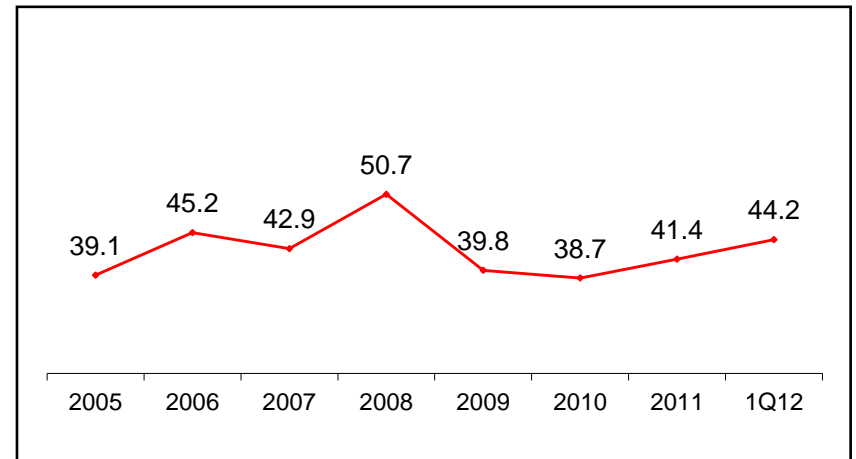
- 11.2% y-o-y increase mainly due to HR expenses

Cost to asset ratio continues to be under control

Cost/average assets (%)



Cost/income (%)



- Cost to Income ratio is targeted to improve in following quarters
- Low cost / asset ratio has a positive impact on ROA

Akbank 2012 targets

- ROE 15-16%
- Leverage 8.0x
- Loan growth 18%
- Loan / assets 54%
- Securities / assets 30%
- Deposit growth 15%
- NIM 15-20 bps higher than 2011 NIM
- Net commission income ~10%
- Opex: High single digit
- NPL ~1.6-1.8%
- Cost of risk between 30-40 bps

Balance sheet highlights

Consolidated (TL mn.)			Shares (%)		Change (%)
	2011	1Q12	2011	1Q12	
Cash and Due from Banks	17,342	15,794	12.4	11.0	(9)
Securities	43,957	46,075	31.4	32.0	5
Loans	74,356	77,884	53.1	54.2	5
Other	4,252	4,045	3.0	2.8	(5)
TOTAL ASSETS	139,907	143,799			3
Deposits	80,771	83,448	57.7	58.0	3
Funds Borrowed	20,741	18,971	14.8	13.2	(9)
Repo	13,062	13,781	9.3	9.6	6
Other	7,201	8,849	5.1	6.2	23
Equity	18,131	18,750	13.0	13.0	3
TOTAL LIABILITIES	139,907	143,799			3

Income statement highlights

Consolidated (TL mn.)	1Q11	1Q12	Change (%)
Interest Income	2,245	2,773	24
Interest Expense	(1,151)	(1,593)	38
Net Interest Income	1,093	1,180	8
Trading Gain (Loss), Net	143	(73)	-
Provision for Loan Losses, net of collections	32	(64)	-
Net Interest Income after Trading Gain/Loss & NPL Prov.	1,268	1,042	(18)
Fees and Commissions (Net)	368	402	9
Operating Expense	(613)	(682)	11
Other Income	50	100	98
Other Provisions	(145)	(170)	18
Income Before Tax	928	691	(26)
Tax	(200)	(160)	(20)
Net Income	728	531	(27)

Balance sheet highlights in USD

Consolidated (USD mn.*)			Shares (%)	
	2011	1Q12	2011	1Q12
Cash and Due from Banks	9,181	8,909	12.4	11.0
Securities	23,271	25,988	31.4	32.0
Loans	39,364	43,931	53.1	54.2
Other	2,251	2,281	3.0	2.8
TOTAL ASSETS	74,068	81,109		
Deposits	42,761	47,069	57.7	58.0
Funds Borrowed	10,981	10,701	14.8	13.2
Repo	6,915	7,773	9.3	9.6
Other	3,813	4,990	5.1	6.2
Equity	9,599	10,576	13.0	13.0
TOTAL LIABILITIES	74,068	81,109		

* Figures are stated with exchange rates effective at respective dates: 2011 – 1.8889; 1Q12 – 1.7729

Income statement highlights in USD

Consolidated (USD mn.*)	1Q11	1Q12
Interest Income	1,461	1,564
Interest Expense	(749)	(899)
Net Interest Income	712	665
Trading Gain (Loss), Net	93	(41)
Provision for Loan Losses, net of collections	21	(36)
Net Interest Income after Trading Gain/Loss & NPL Prov.	825	588
Fees and Commissions (Net)	240	227
Operating Expenses	(399)	(385)
Other Income	33	56
Other Provisions	(94)	(96)
Income Before Tax	604	390
Tax	(130)	(91)
Net Income	474	299

* Figures are stated with exchange rates effective at respective dates: 1Q1 1– 1.5363; 1Q12 – 1.7729 (Sharp fall in USD terms is due to strong TL depreciation in the period)

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