

2Q13 Consolidated Financial Results

25 July 2013

2Q13 Results

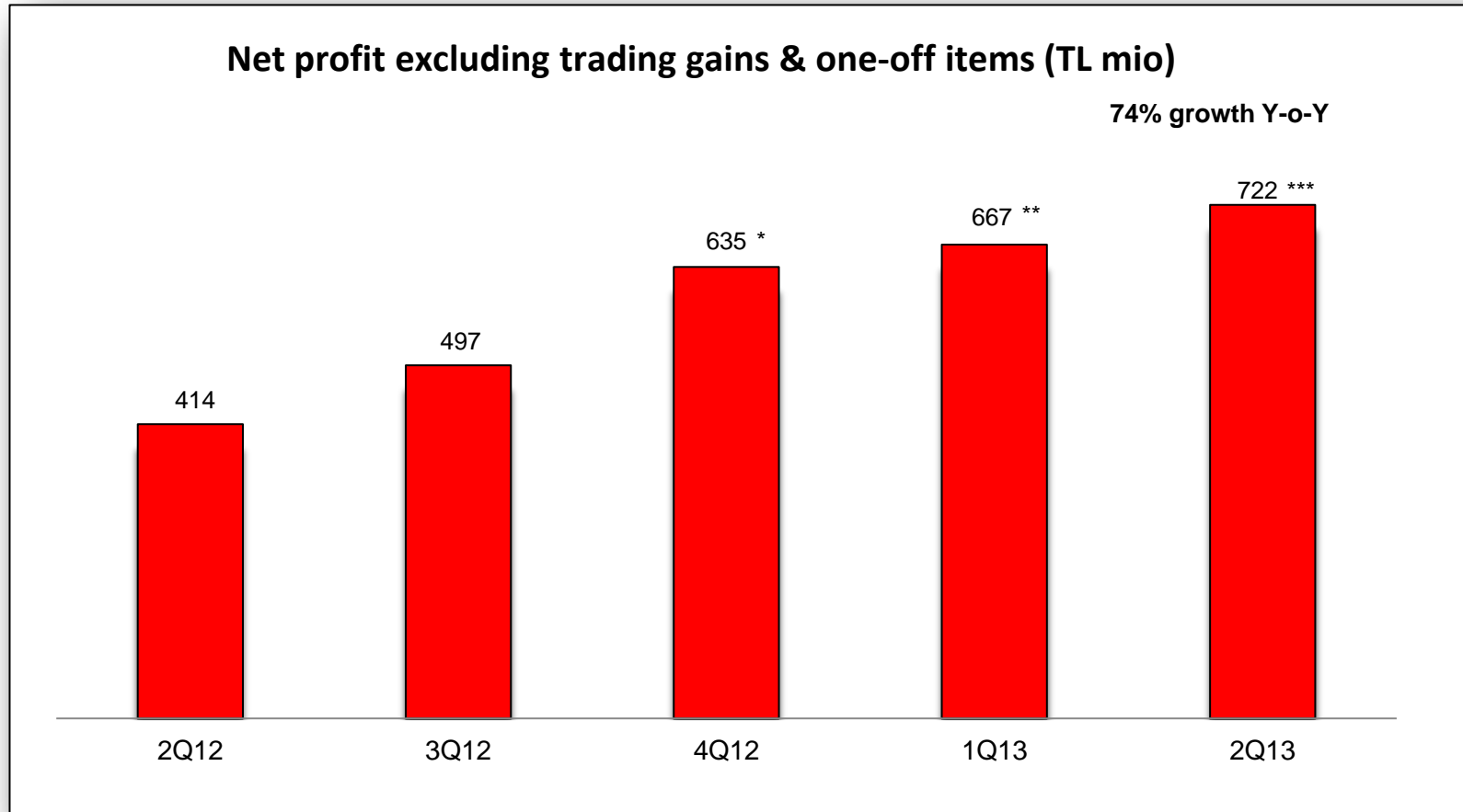
- Strong operational profitability
 - Reported net profit of TL 1,825 mio with ROA at 2.2%, ROE at 16.6%
 - Operational net profit increased by 77% y-o-y reaching TL1,954 mio, ROA 2.3%, ROE 17.8%, (adj. for Comp. Board penalty)
- Strong operational profit driven by:
 - Continued growth in lending volumes
 - Sustained cumulative and quarterly NIM
 - Fee Income growth of 34% y-o-y
 - Stabilized operational cost
- Growth in high margin loans continued
 - 16% increase in consumer loans with 20bps market share gain
 - 19.7% increase in TL SME Loans with 26.3% growth in Small&Micro
- 6.6% growth in deposits with special emphasis on demand & FX deposits
- Strong Basel II ratio of 15.7% & Leverage of 8.3x continue to support strong growth
- TL 175 mio free provision without which net profit would be TL 2 bio

Strong net income growth driven by NII and fees

(TL mio)	1H12	1Q13	2Q13	1H13	y-o-y
Net Profit	1,106	873	952	1,825	65%
Net Profit (exc. one off)	1,106	1,002	952	1,954	77%
Net interest income	2,412	1,612	1,558	3,170	31%
Net fee income	867	560	598	1,158	34%
ROAE	11.8%	17.9%*	17.5%	17.8%*	6.0%
ROAA	1.5%	2.4%*	2.2%	2.3%*	0.8%
NIM	3.4%	3.8%	3.8%	3.8%	0.4%
Cost of Risk	0.4%	0.9%	0.5%	0.7%	0.3%
Cost to Asset	2.0%	2.1%*	1.9%	2.0%*	-0.1%
Fees to Cost	61.4%	66.2%*	72.1%	69.1%*	7.7%
CIR	45.5%	36.6%*	34.2%	35.4%*	-10.1%

* Excluding Competition Board penalty of TL129 mio

Increasing customer driven profitability



One-off items:

* 4Q12 NPL sale income of TL 76 mio, net

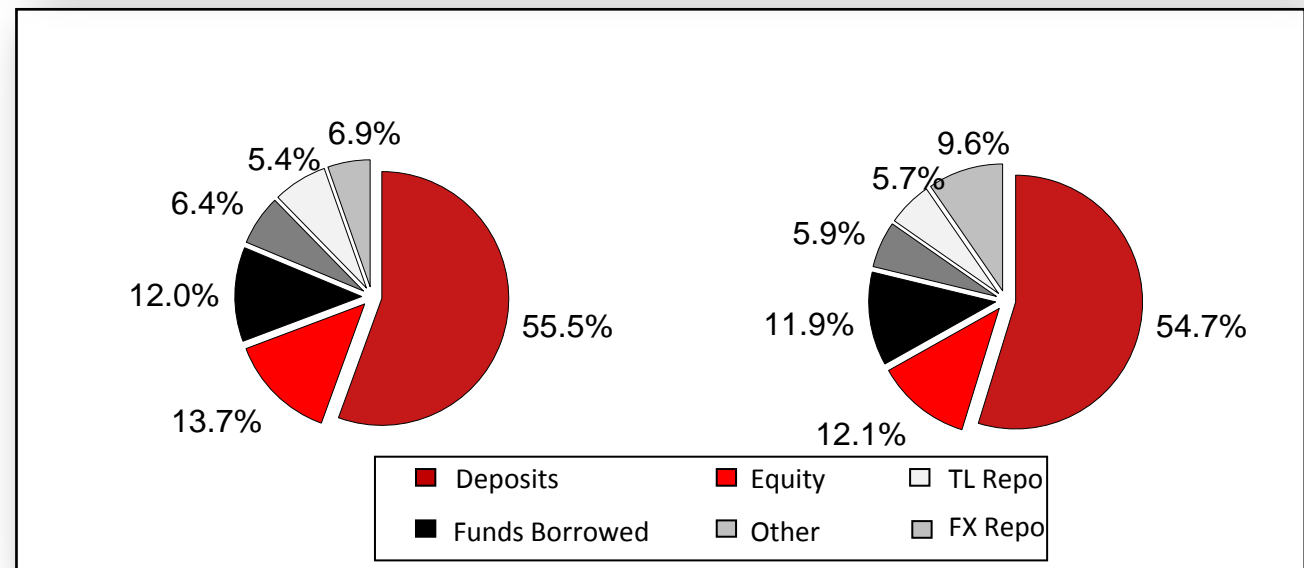
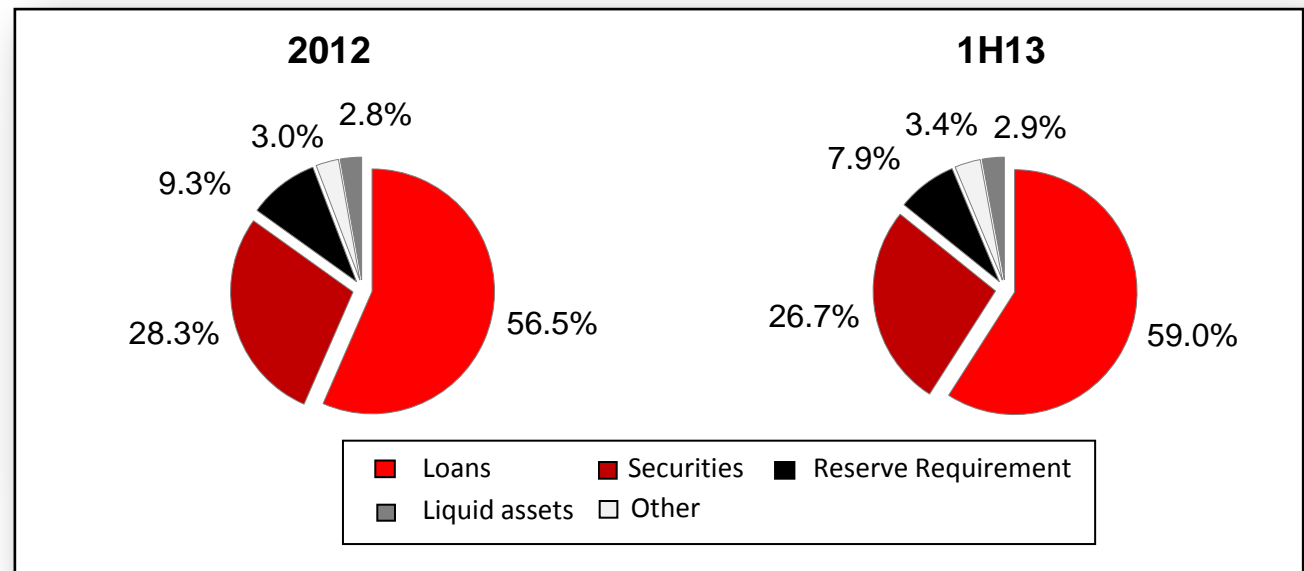
** 1Q13 Competition Board penalty of TL 129 mio, net

*** 2Q13 NPL sale income of TL 46 mio, net

Liquid & flexible balance sheet

- Loans / assets increased to 59%
- Securities / assets decreased to 27%

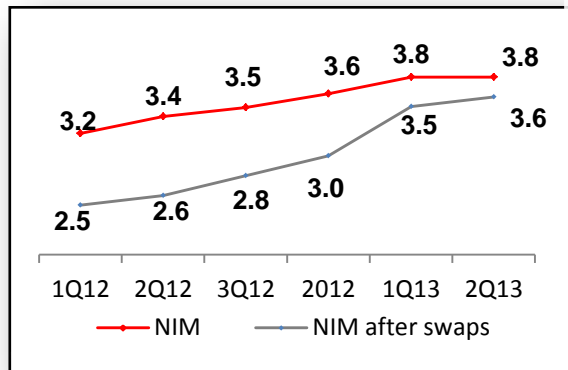
- CAR 15.7%*
- Tier I Ratio 15.3%*
- Leverage 8.3x
- Loans to Deposit 108%



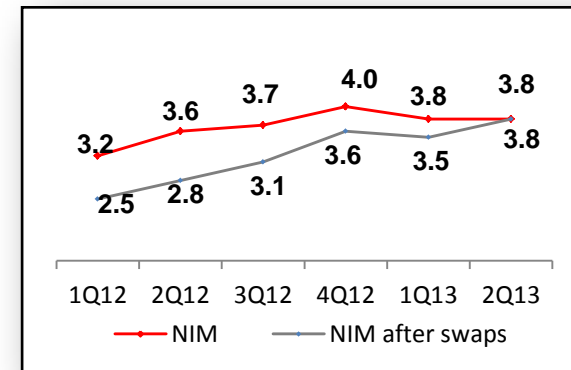
* According to Basel II

Stable quarterly NIM

NIM Cumulative*



NIM Quarterly*



(TL mio, US\$ mio)	2Q12	3Q12	4Q12	1Q13	2Q13	NIM impact	
						4Q12-1Q13	1Q13-2Q13
TL Loans	11.49%	11.52%	11.17%	10.62%	9.72%	7	-48
TL Deposits	8.53%	7.91%	6.66%	6.05%	5.27%	7	38
FX Loans	5.13%	4.92%	4.97%	4.77%	4.70%	-4	-2
FX Deposits	2.88%	2.85%	2.20%	1.98%	1.67%	4	5
Loan-Deposit impact						14	-7
TL Securities	10.76%	9.58%	9.02%	8.31%	8.16%	-48	7
FX Securities	4.43%	4.04%	4.16%	3.44%	3.47%	-6	2
Securities impact						-54	9
Other						25	-1
Total						-15	1

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

Growth in high margin loans

(TL mio)	4Q12	1Q13	2Q13	y-t-d
TL loans	56,807	60,433	64,875	14.2%
Corporate	5,933	6,452	5,145	-13.3%
SME	17,046	17,985	20,406	19.7%
Medium	13,095	13,729	15,414	17.7%
Small & Micro	3,951	4,256	4,992	26.3%
Consumer	20,944	22,833	25,512	21.8%
Credit Cards	12,884	13,163	13,812	7.2%

(US\$ mio)				
FX loans	19,534	19,504	20,136	3.1%
Corporate	13,473	13,085	13,744	2.0%
SME	6,061	6,419	6,392	5.5%

Total Loans (TL mio)	92,360	96,347	104,259	12.9%
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(*) FX indexed loans are booked under FX loans

Market share gain in high margin products and demand deposits

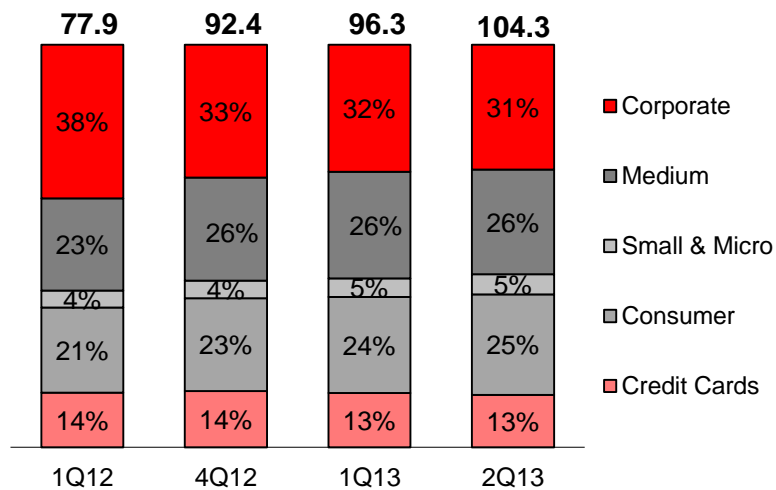
	1H12 (%)	2012 (%)	1H13 (%)	Change (y-t-d)	Change (y-o-y)
Total Loans	10.7	10.9	10.5	-40	-20
TL	9.1	9.9	9.8	-10	+70
FX	14.8	13.7	12.4	-130	-240
Consumer Loans	10.0	10.8	11.4	+60	+140
Mortgage	10.8	11.3	12.2	+90	+140
General Purpose	9.2	10.2	10.6	+40	+140
Credit Cards	19.1	18.3	17.7	-60	-140
Commercial loans*	9.8	9.9	9.4	-50	-40
Total Deposits	10.9	10.5	10.3	-20	-60
TL	9.4	9.6	9.0	-60	-40
TL Demand	9.3	9.7	10.1	+40	+80
TL Time	10.4	10.4	9.9	-50	-50
FX	13.4	12.4	12.9	+50	-50
FX Demand	11.5	12.0	13.6	+160	+210
FX Time	18.8	18.5	18.4	-10	-40

Sector comparisons based on weekly BRSA unconsolidated figures.

* Includes Corporate, Medium, Small and Micro loans

Share of higher margin loans increasing while maintaining strong asset quality

Loan breakdown (TL billion)

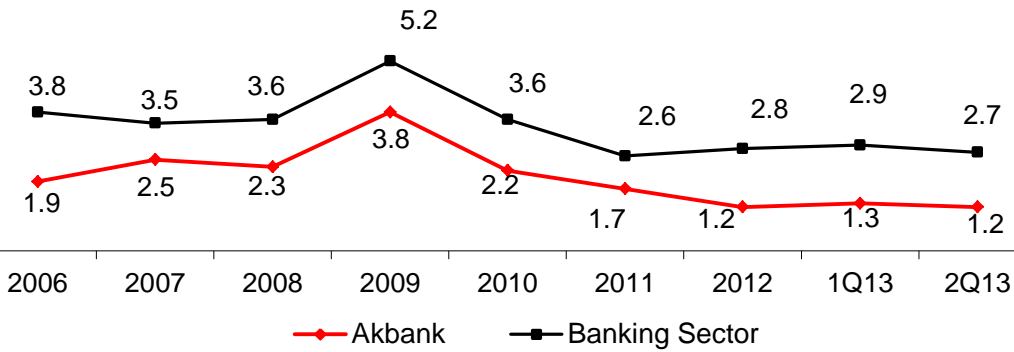


NPL ratios

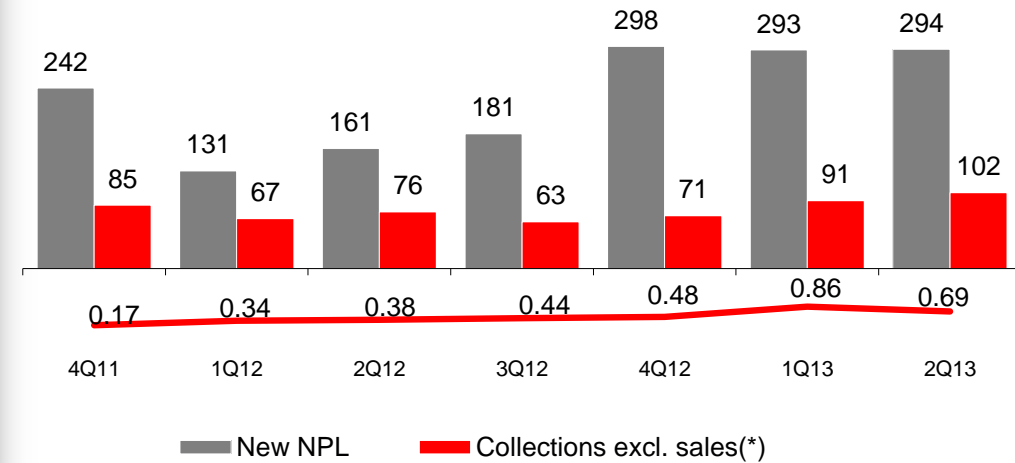
	Akbank		Sector	
	4Q12	2Q13	4Q12	2Q13
Corporate	0.8%	0.0%	0.7%	2.4%
SME		1.4%		
Consumer	1.2%	1.2%	2.1%	2.0%
Credit Cards	2.4%	2.9%	5.1%	4.9%
Total	<u>1.2%</u>	<u>1.2%</u>	<u>2.8%</u>	<u>2.7%</u>

Decreasing net cost of risk with increasing collections

Akbank's NPL ratio versus banking sector (%)



Cost of risk (TL mio)

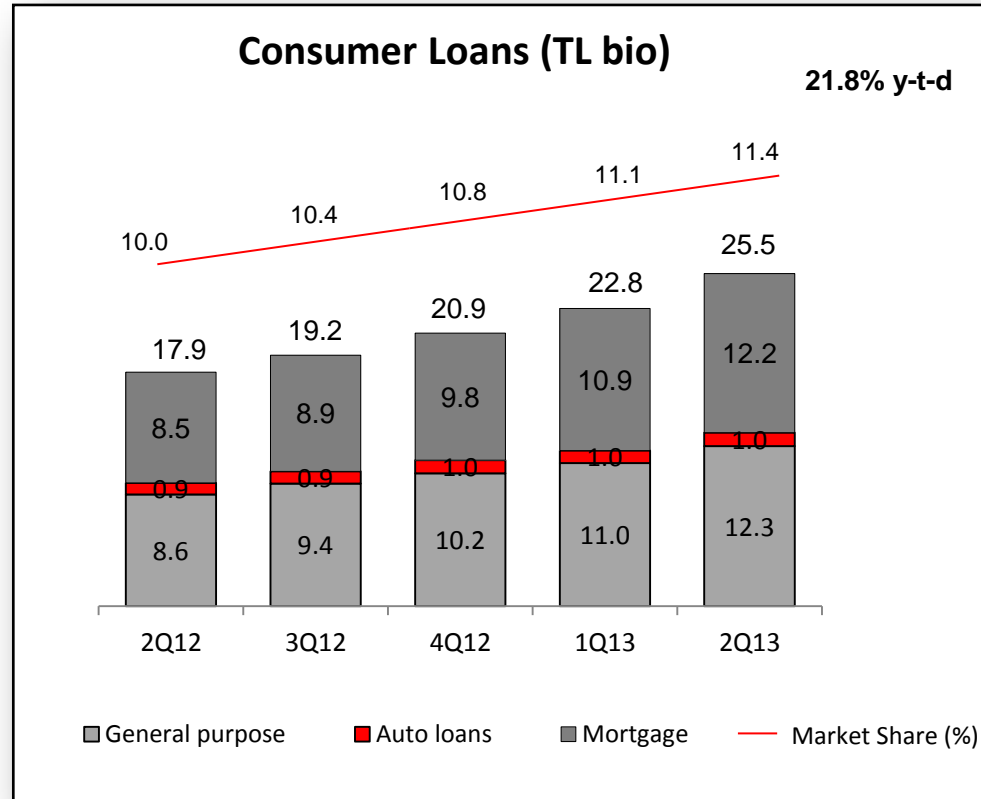


(*) Excluding NPL Sales Proceeds of TL95 mio in 4Q12

(**) Excluding NPL Sales Proceeds of TL58mn in 2Q13

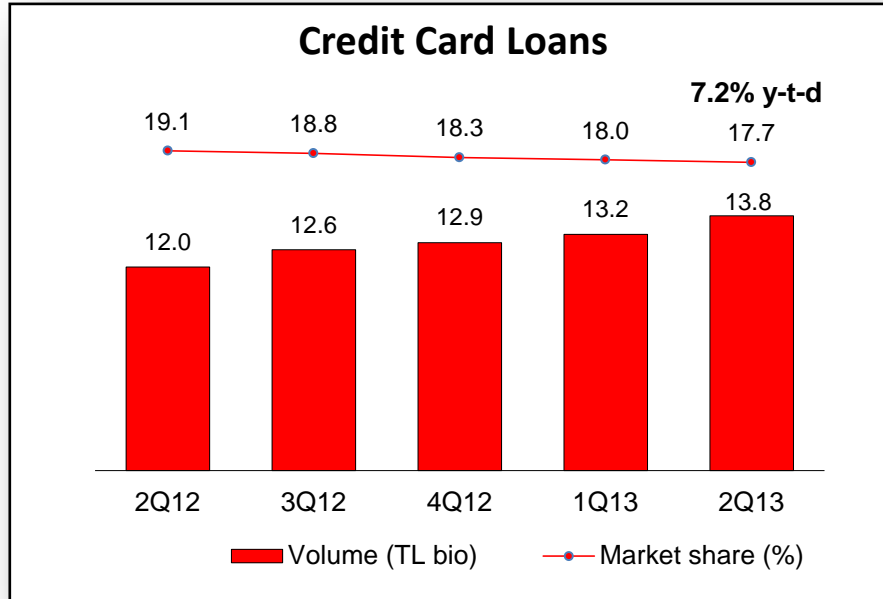
- **92%** specific coverage ratio
- Effect of higher coverage on ROE **~1%**
- **214%** coverage ratio including general provisions

Consumer Loans - strong growth and increasing market shares



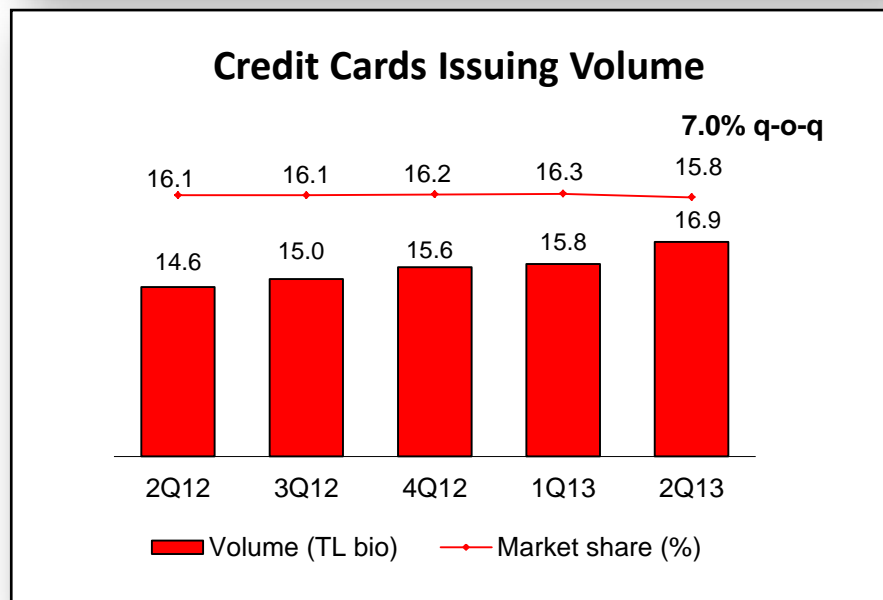
- **Mortgage loans increased by 25% y-t-d**
- **GPLs increased by 21% y-t-d**
- **Cross sell ratio of mortgage 6.4x**
- **Cross sell ratio of GPLs 5.8x**

Solidifying our strong position in credit card business

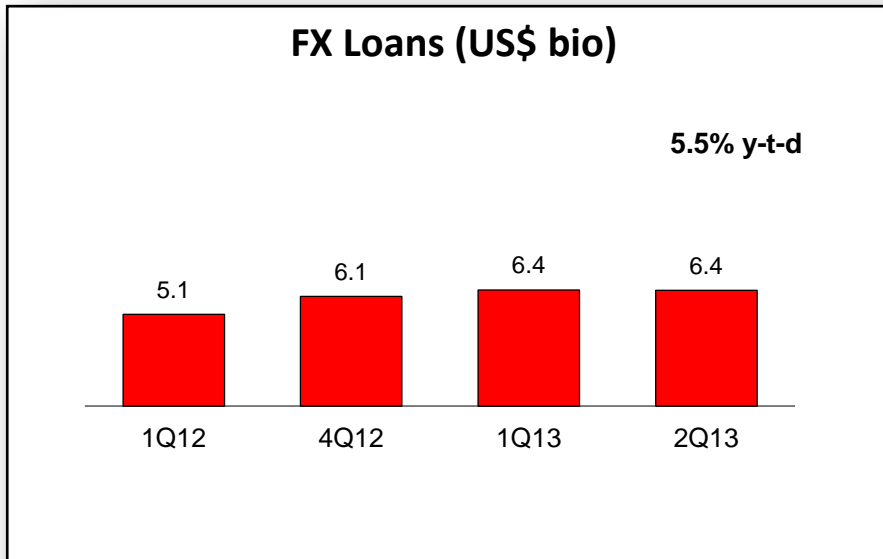
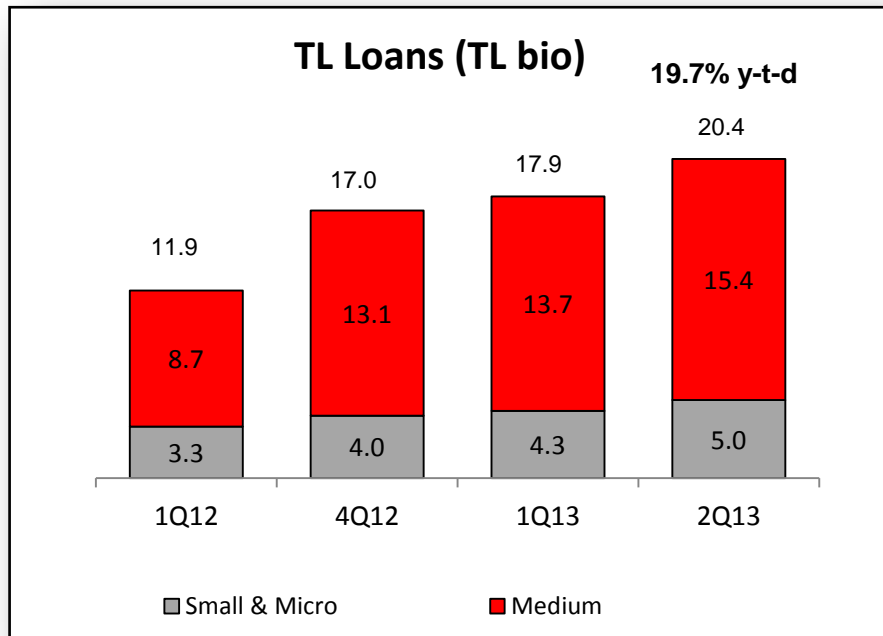


Higher quality portfolio with;

- **Lowest NPL ratio of 2.9% vs. 4.9% for the sector**
- **Highest issuance volume per card in the peer group by 31%**

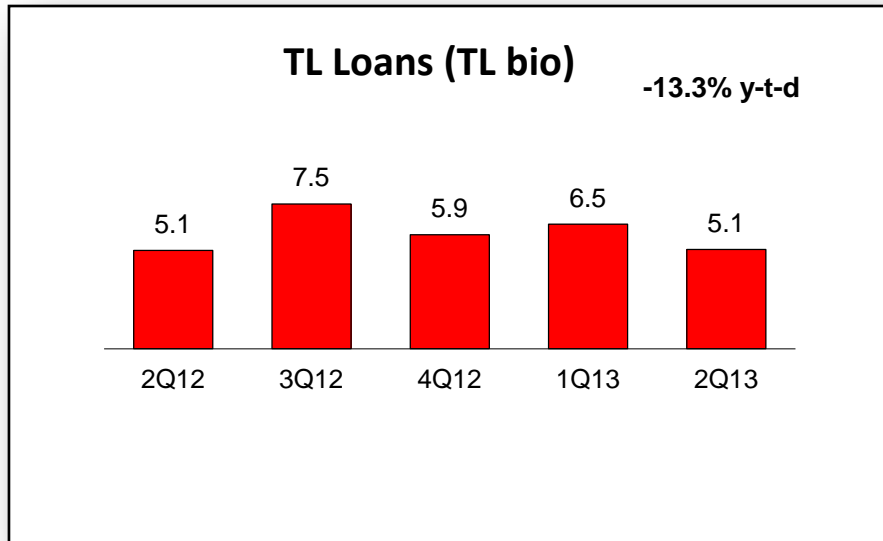


SME Loans – continued strong momentum with risk focus

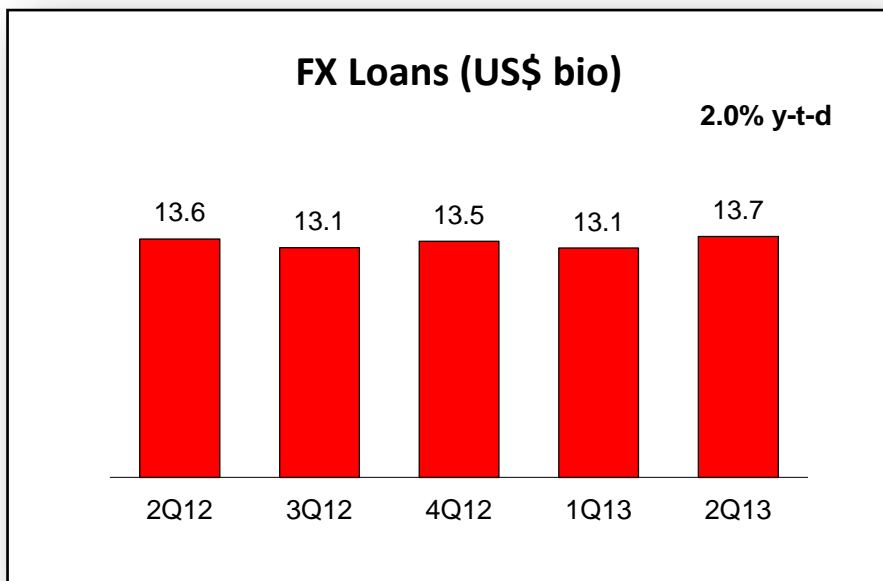


- Growth in SME loans through enhanced marketing capability and improved risk management
- Focus on Banking Transactions, Cheque Account, POS, Tax and Salary Payments
- Cross sell ratio of 4.2x in small and micro loans
- Cross sell ratio of 5.1x in medium sized loans

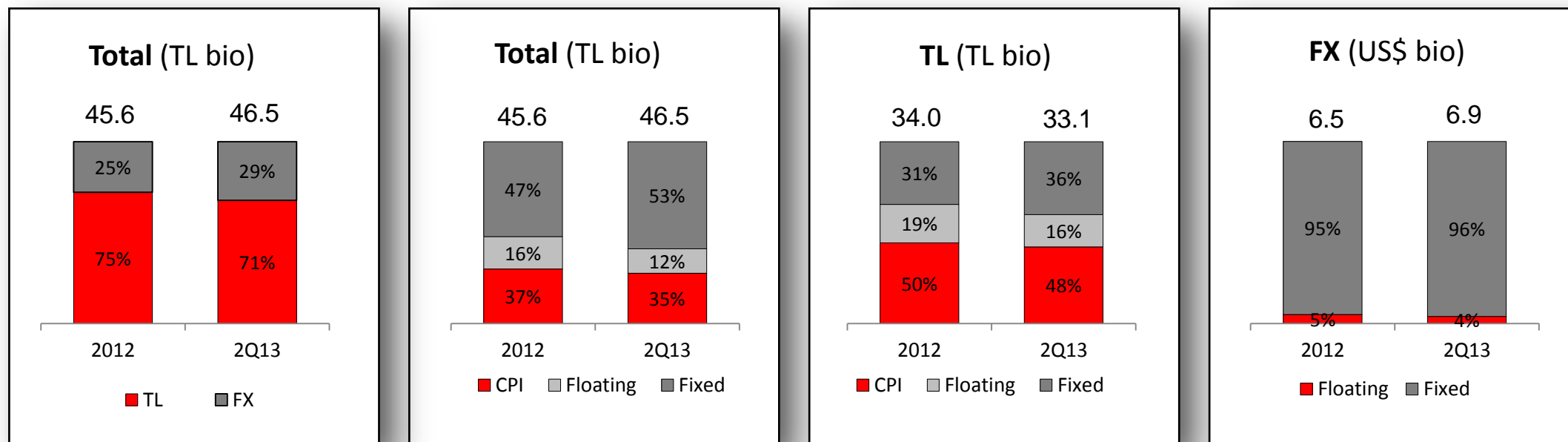
Corporate loans – high quality portfolio with zero credit losses



- Levering synergies across different business units
- Cross sell ratio of 5.0x



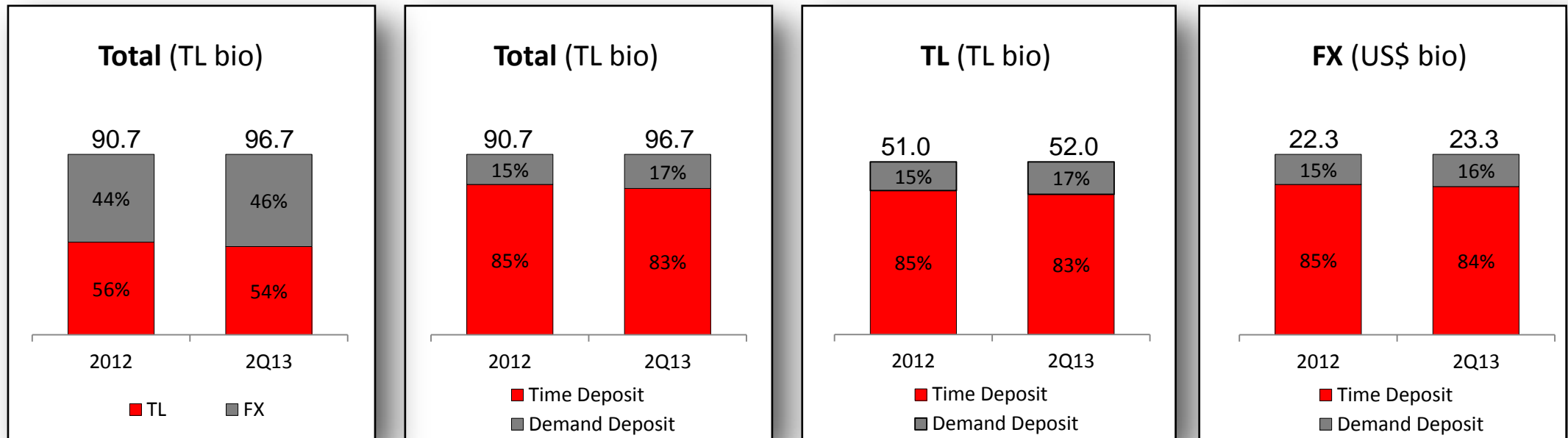
Securities – high proportion of TL floating rate securities



- TL 648mn of trading gain, up by 62% y-o-y
- M-t-m valuation in equity net (-) TL 0.8 bio
- Available for sale 95%, held-to-maturity 5%

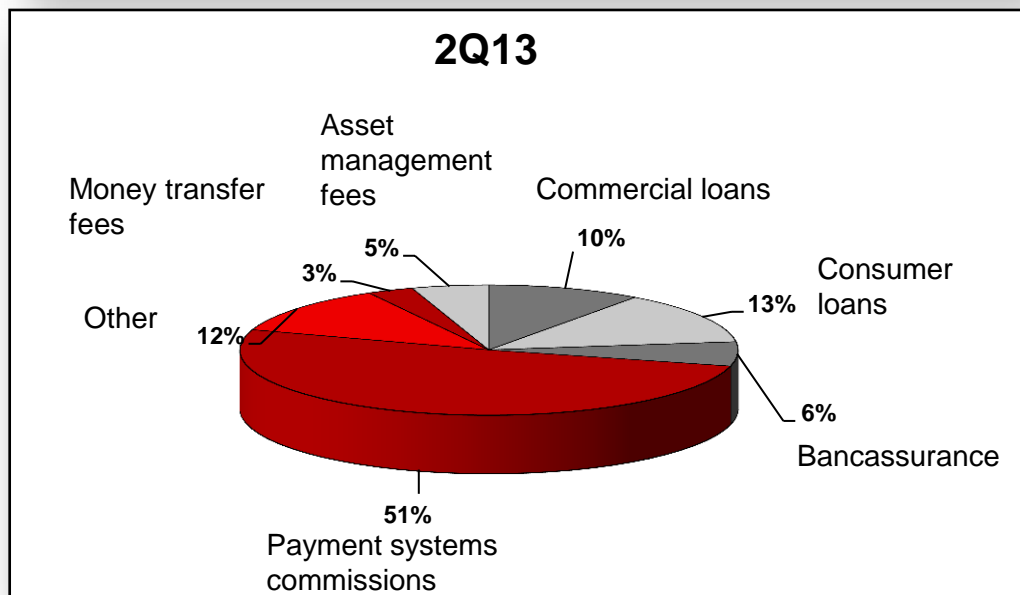
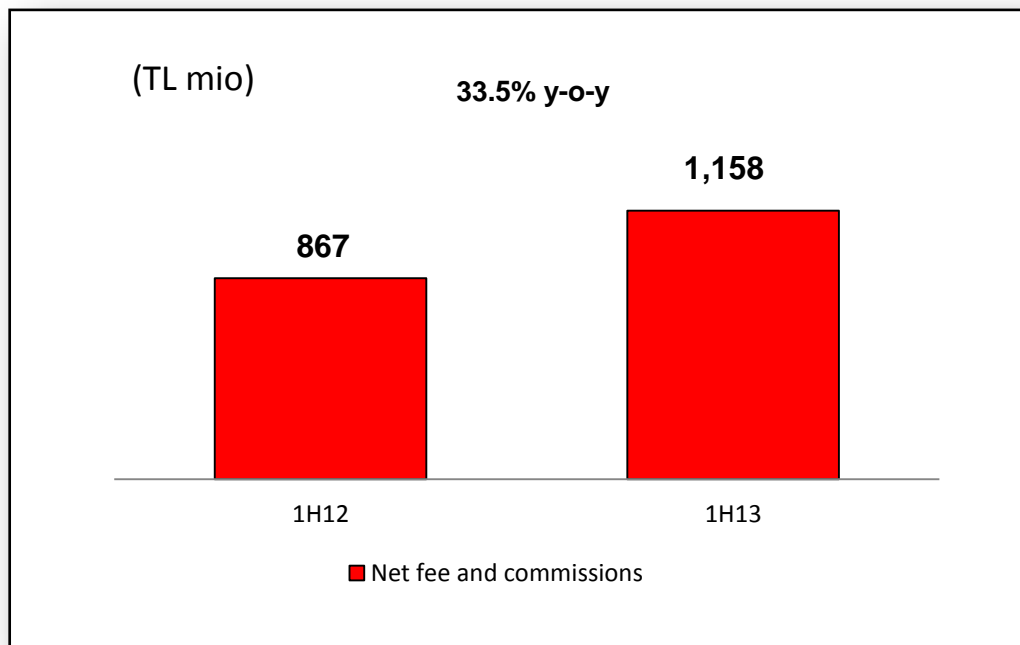
According to bank only financials

Deposits – focus on higher share of demand deposits



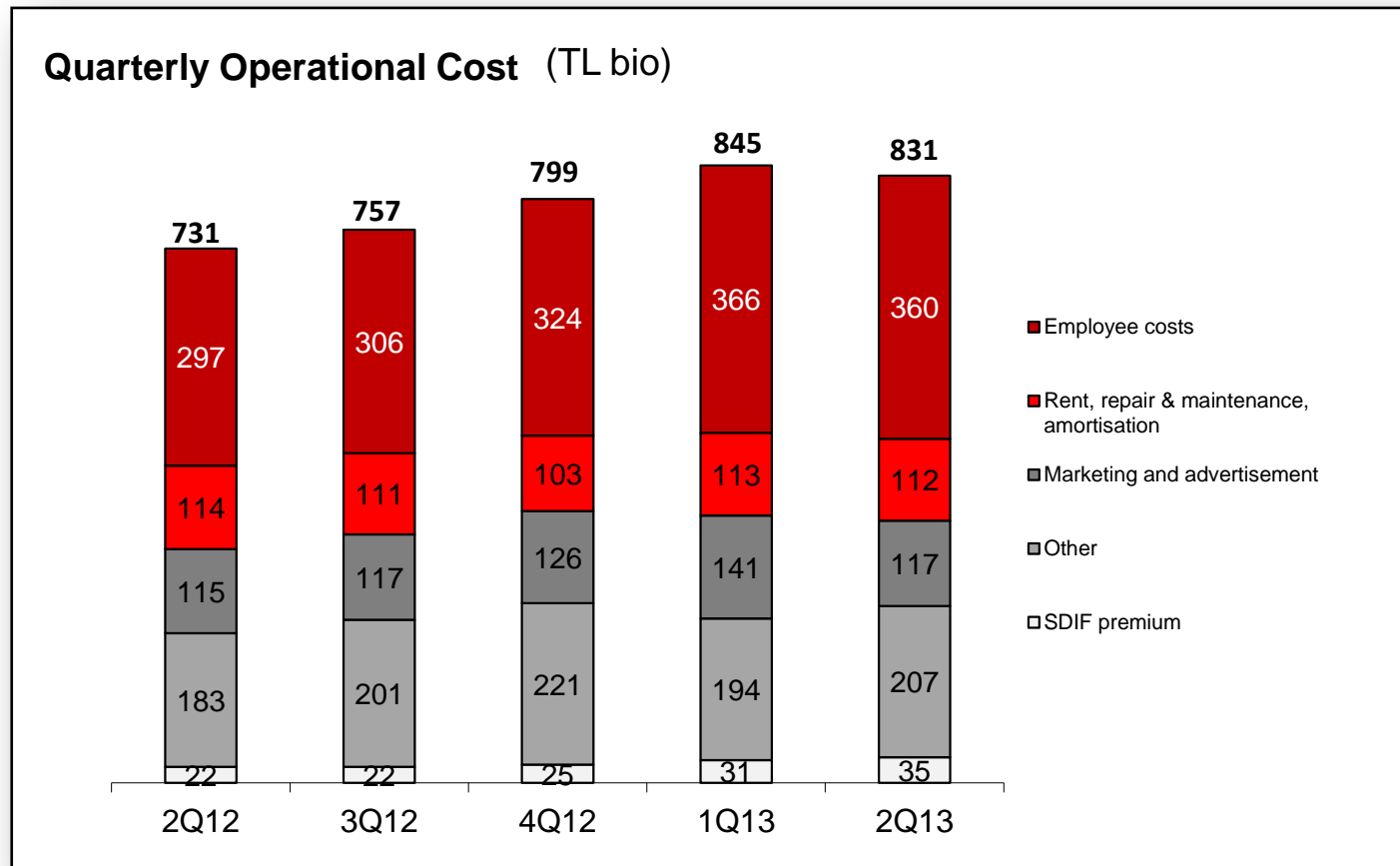
- Diversified deposit products;
 - saving accounts,
 - gold accounts,
 - Regular saving plan

Solid fee & commission growth:34% y-o-y



- 26% increase in bankassurance commissions
- 19% increase in ADC commissions
- Stronger focus on money transfer fees
- Stronger focus on cross sell

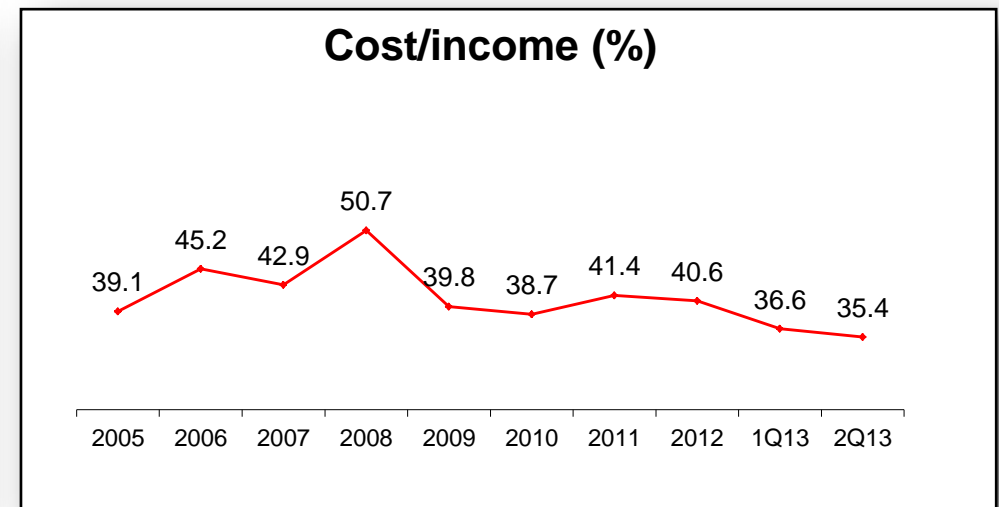
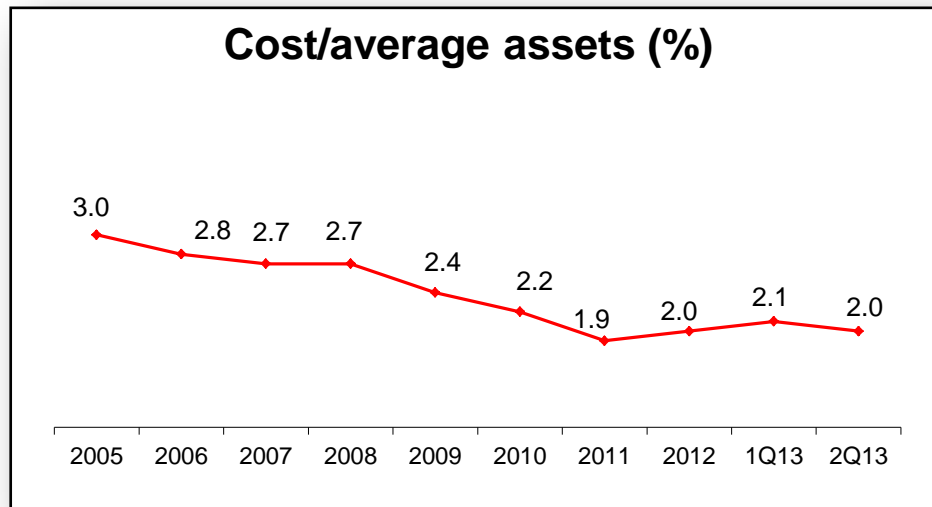
Decelerating cost growth with increased efficiency



- 18.6% y-o-y increase in 1H13 mainly due to HR Investment

	<u>Crisis management</u>	<u>Investment</u>	<u>Back to normal</u>
	2008-2011	2012-2013	2014-2015
Cost growth	%4	%16	%7-8

Cost ratios continue to improve



* Excluding Competition Board expense of TL129 mio

Budget Guidance

	2013
Total Assets	15%
Loans	20%
TL	22%
FX	15%
Total Deposits	15%
TL	15%
FX	15%

	2013
ROA	2.0%
Leverage	~8x
ROE	16.0%
NIM growth (after swaps)	+30bps
Net fees&com. growth	18-20%
Opex growth	14%
Fees / opex	63%
Cost/ income	41%
Cost / assets	1.9%
NPL	1.5%
Cost of risk	60bps

	Sustainable
• ROA:	1.8-2.0%
• ROE:	16-18%
• Leverage:	8.5x-9x

Balance sheet highlights

Consolidated (TL mio)			Shares (%)		Change (%)
	2012	1H13	2012	1H13	
Cash and Due from Banks	19,854	19,195	12.1	10.9	(3)
Securities	46,292	47,228	28.3	26.7	2
Loans	92,360	104,259	56.5	59.0	13
Other	4,972	5,953	3.0	3.4	20
TOTAL ASSETS	163,478	176,635			8
Deposits	90,688	96,663	55.5	54.7	7
Funds Borrowed	19,682	21,102	12.0	11.9	7
Repo	20,121	27,100	12.3	15.3	35
- TL Repo	8,861	10,143	5.4	5.7	14
- FX Repo	11,260	16,957	6.9	9.6	51
Other	10,511	10,485	6.4	5.9	-
Equity	22,476	21,285	13.7	12.1	(5)
TOTAL LIABILITIES	163,478	176,635			8

Income statement highlights

Consolidated (TL mio)	1H12	1H13	Change (%)
Interest Income	5,707	5,653	(1)
Interest Expense	(3,295)	(2,483)	(25)
Net Interest Income	2,412	3,170	31
Trading Gain (Loss), Net	(146)	685	-
Provision for Loan Losses, net of collections	(149)	(337)	126
Net Interest Income after Trading Gain/Loss & NPL Prov.	2,117	3,518	66
Fees and Commissions (Net)	867	1,158	34
Operating Expense	(1,413)	(1,676)	19
Other Income	121	63	(48)
Other Provisions	(258)	(323)	25
Income Before one-off items and Tax	1,435	2,741	91
One-off items*	-	(304)	-
Income Before Tax	1,435	2,437	70
Tax	(329)	(612)	86
Net Income	1,106	1,825	65

*Competition Board Expense of TL129mio and TL 175 mio free provision

Balance sheet highlights in USD

Consolidated (USD mio.*)			Shares (%)	
	2012	1H13	2012	1H13
Cash and Due from Banks	11,169	9,972	12.1	10.9
Securities	26,042	24,536	28.3	26.7
Loans	51,958	54,166	56.5	59.0
Other	2,797	3,093	3.0	3.4
TOTAL ASSETS	91,966	91,768		
Deposits	51,017	50,220	55.5	54.7
Funds Borrowed	11,072	10,963	12.0	11.9
Repo	11,319	14,079	12.3	15.3
- TL Repo	4,985	5,270	5.4	5.7
- FX Repo	6,334	8,810	6.9	9.6
Other	5,914	5,447	6.4	5.9
Equity	12,644	11,058	13.7	12.1
TOTAL LIABILITIES	91,966	91,768		

* Figures are stated with exchange rates effective at respective dates: 2012 – 1.7776; 2Q13 – 1.9248

Income statement highlights in USD

Consolidated (USD mio *)	1H12	1H13
Interest Income	3,159	2,937
Interest Expense	(1,824)	(1,290)
Net Interest Income	1,335	1,647
Trading Gain (Loss), Net	(81)	356
Provision for Loan Losses, net of collections	(82)	(175)
Net Interest Income after Trading Gain/Loss & NPL Prov.	1,172	1,828
Fees and Commissions (Net)	480	602
Operating Expenses	(782)	(871)
Other Income	67	33
Other Provisions	(143)	(168)
Income Before one-off items and Tax	794	1,424
One-off items	-	(158)
Income Before Tax	794	1,266
Tax	(182)	(318)
Net Income	612	948

* Figures are stated with exchange rates effective at respective dates: 2Q12– 1.8065; 2Q13 – 1.9248

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