

3Q13 Consolidated Financial Results

05 November 2013

3Q13 Results

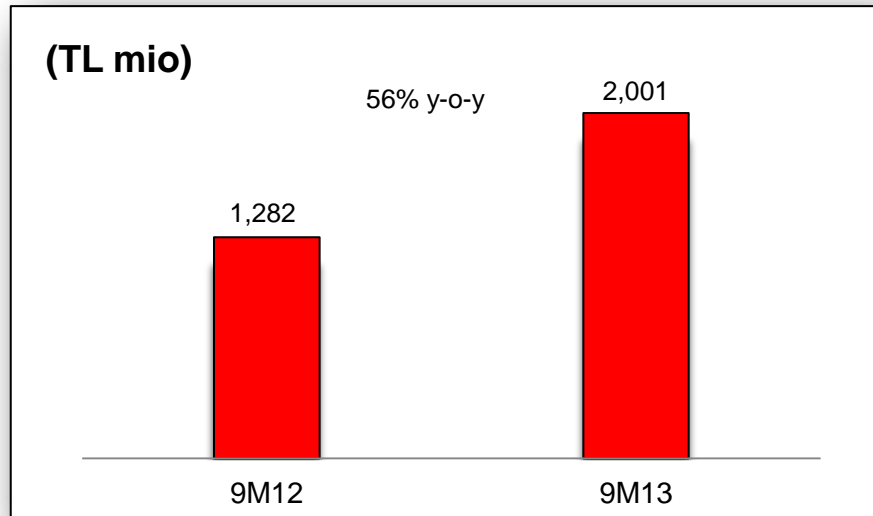
- Solid operational profitability
 - Reported net profit of TL 2,428 mio with ROA at 1.9%, ROE at 14.7%
 - Net profit increased by 43% y-o-y reaching TL 2,732 mio, ROA 2.1%, ROE 16.6%, (adj. for Comp. Board penalty and free provision)
- Operational profit driven by:
 - Continued growth in lending volumes
 - Better NIM management
 - Successful deposit cost management, while improving loan-to-deposit ratio to 103%
 - Fee Income growth of 29% y-o-y
 - Decelerating operational cost growth
- Growth in high margin loans continued
 - 26% increase in consumer loans with 40bps market share gain
 - 35% increase in TL SME Loans with 43% growth in Small&Micro
- 21.8% growth in deposits with special emphasis on demand deposits
- Strong Basel II ratio of 14.8% & Leverage of 8.8x continue to support strong growth

Net income driven by operational profit

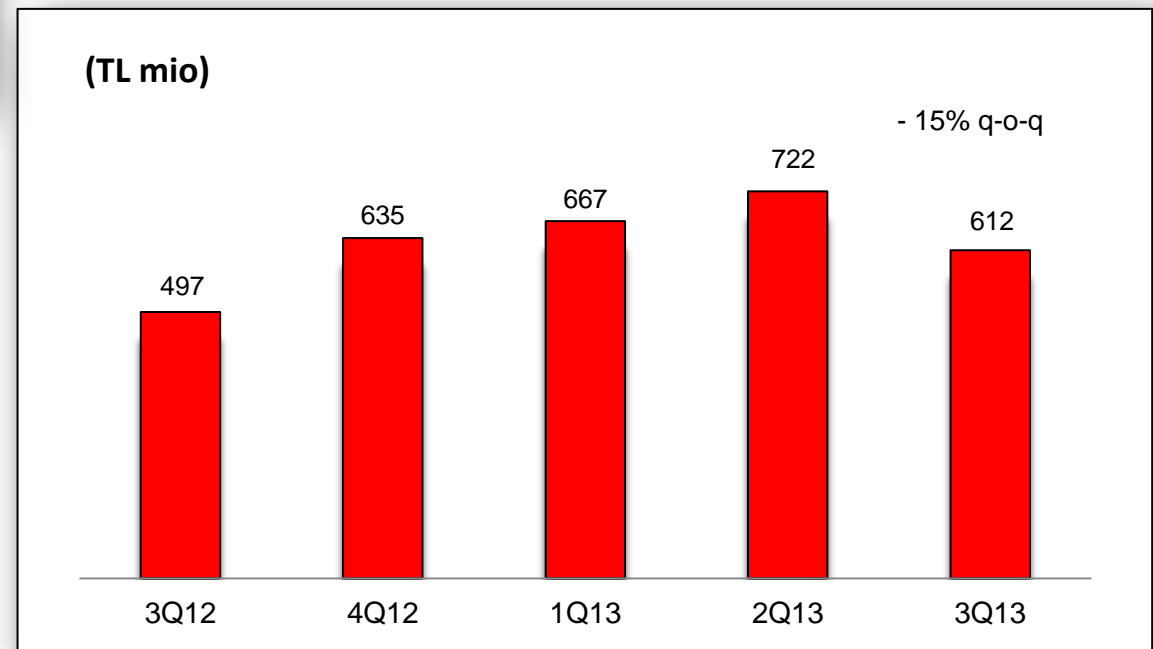
(TL mio)	9M12	1Q13	2Q13	3Q13	9M13	y-o-y
Net Profit	1,907	873	952	603	2,428	27%
Net Profit (exc. one off)*	1,907	1,002	952	603	2,732	43%
Net interest income	3,818	1,612	1,558	1,539	4,709	23%
Net fee income	1,303	560	598	526	1,684	29%
ROAE*	13.2%	17.9%	17.5%	11.2%	16.6%	3.4%
ROAA*	1.7%	2.4%	2.2%	1.3%	2.1%	0.4%
NIM	3.5%	3.8%	3.8%	3.3%	3.6%	0.1%
Cost of Risk	0.4%	0.9%	0.5%	0.7%	0.8%	0.4%
Cost to Asset*	2.0%	2.1%	1.9%	1.9%	1.9%	-0.1%
Fees to Cost*	60.1%	66.2%	72.1%	61.5%	66.5%	6.4%
CIR*	43.2%	36.6%	34.2%	46.1%	38.4%	-4.8%

* Excluding Competition Board penalty of TL129 mio and free provision of TL 175 mn

56% y-o-y increase in net profit excluding securities trading gains and one-off



- Profit declined only by 15% q-o-q vs 37% reduction in reported net profit



One-off items, net off tax:

4Q12: NPL sale income of TL 76 mio

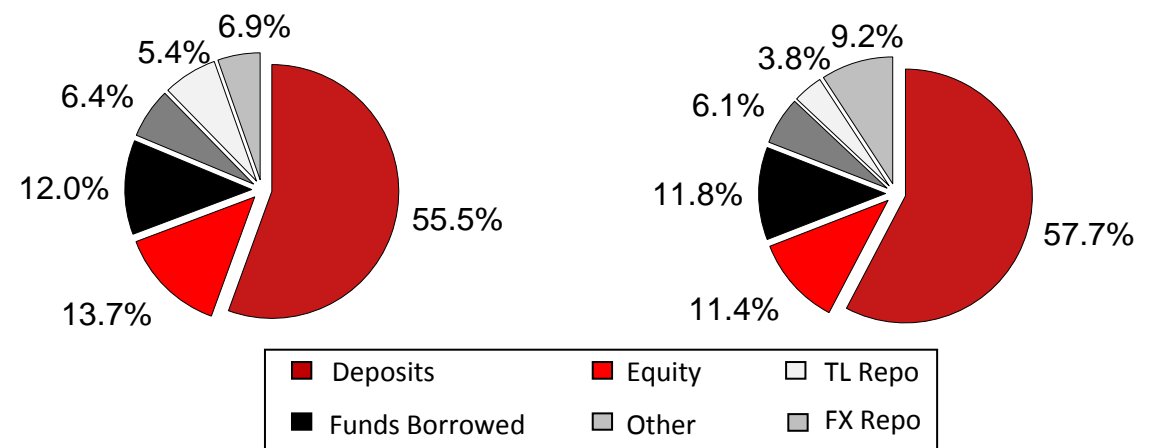
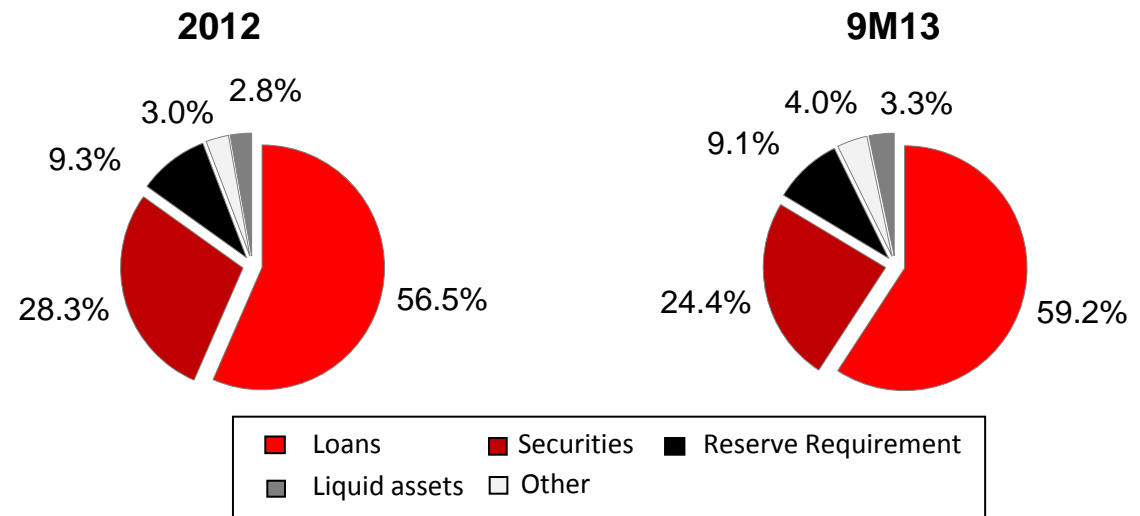
1Q13: Competition Board penalty of TL 129 mio

2Q13: NPL sale income of TL 46 mio; including free provision of TL 175 mio

Liquid & flexible balance sheet

- Loans / assets increased to 59%
- Securities / assets decreased to 24%

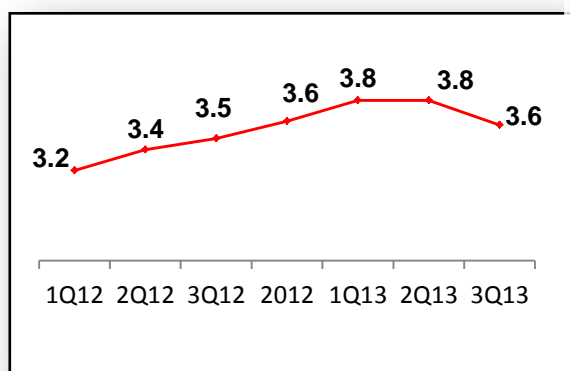
- CAR 14.8%*
- Tier I Ratio 14.4%*
- Leverage 8.8x
- Loans to Deposit 103%



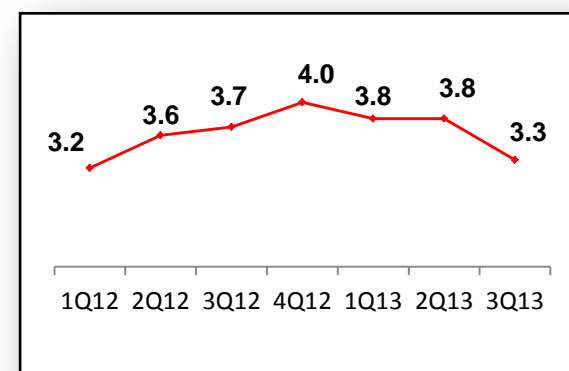
* According to Basel II

Subdued NIM reduction

NIM Cumulative*



NIM Quarterly*



(TL mio, US\$ mio)						NIM impact	
	3Q12	4Q12	1Q13	2Q13	3Q13	1Q13-2Q13	2Q13-3Q13
TL Loans	11.52%	11.17%	10.62%	9.72%	9.27%	-48	-15
TL Deposits	7.91%	6.66%	6.05%	5.27%	5.97%	38	-10
FX Loans	4.92%	4.97%	4.77%	4.70%	4.65%	-2	2
FX Deposits	2.85%	2.20%	1.98%	1.67%	2.10%	5	-5
Loan-Deposit impact						-7	-28
TL Securities	9.58%	9.02%	8.31%	8.16%	8.32%	7	-12
FX Securities	4.04%	4.16%	3.44%	3.47%	3.52%	2	-1
Securities impact						9	-13
Other						-1	-13
Total						1	-54

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

Continued growth in high margin loans

(TL mio)	4Q12	1Q13	2Q13	3Q13	y-t-d
TL loans	56,807	60,433	64,875	69,774	23%
Corporate	5,933	6,452	5,145	6,175	4%
SME	17,046	17,985	20,406	23,063	35%
Medium	13,095	13,729	15,414	17,403	33%
Small & Micro	3,951	4,256	4,992	5,660	43%
Consumer	20,944	22,833	25,512	26,456	26%
Credit Cards	12,884	13,163	13,812	14,080	9%

(US\$ mio)					
FX loans	19,534	19,504	20,136	21,107	8%
Corporate	13,473	13,085	13,744	14,536	8%
SME	6,061	6,419	6,392	6,571	8%

Total Loans (TL mio)	92,360	96,347	104,259	113,218	23%
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(*) FX indexed loans are booked under FX loans

Market share gain in high margin products and demand deposits

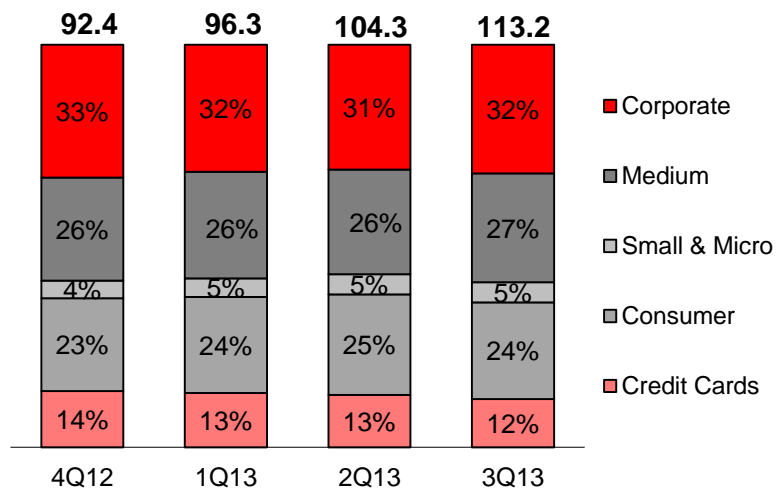
	3Q12 (%)	2012 (%)	3Q13 (%)	Change (y-t-d)	Change (y-o-y)
Total Loans	11.1	10.9	10.6	-30	-50
TL Loans	10.0	9.9	10.0	+10	0
Consumer	10.4	10.8	11.2	+40	+80
Mortgage	11.0	11.3	11.6	+30	+60
General Purpose	9.8	10.2	10.7	+50	+90
Commercial	7.8	7.6	7.9	+30	+10
Credit Cards	18.8	18.3	17.1	-120	-170
FX Loans	14.3	13.7	12.1	-160	-220

Total Deposits	11.0	10.5	10.8	+30	-20
TL Deposit	9.8	9.6	9.5	-10	-30
TL Demand	10.2	9.7	11.5	+180	+130
TL Time	10.8	10.4	10.1	-30	-70
FX Deposit	13.1	12.4	13.0	+60	-10
FX Demand	10.5	12.0	15.7	+370	+520
FX Time	19.0	18.5	18.6	+10	-40

Sector comparisons based on weekly BRSA unconsolidated figures.

Share of higher margin loans increasing while maintaining strong asset quality

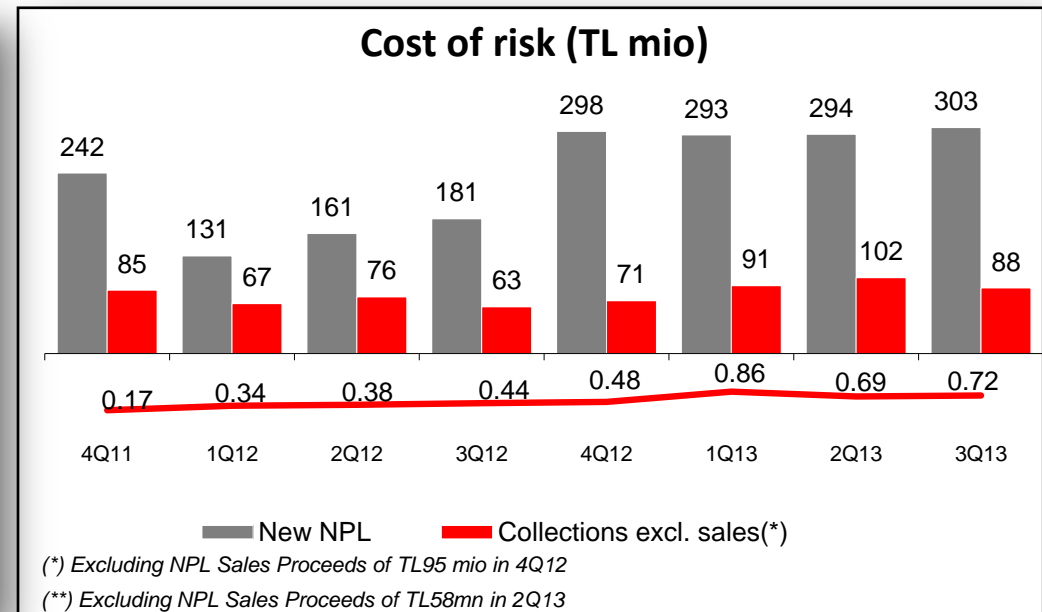
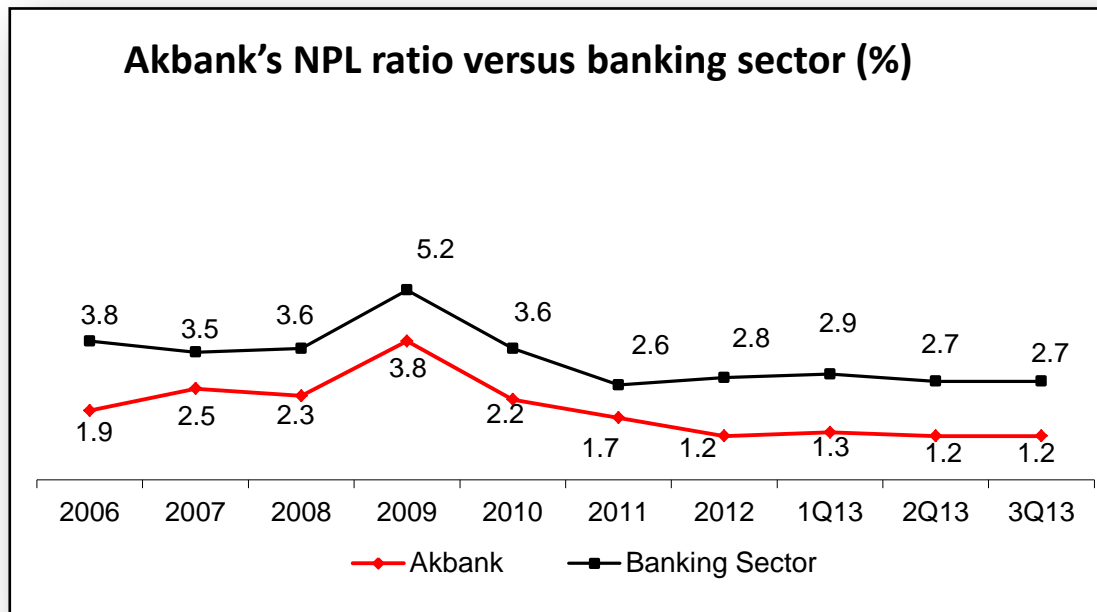
Loan breakdown (TL billion)



NPL ratios

	Akbank		Sector	
	4Q12	3Q13	4Q12	3Q13
Corporate	0.8%	0.0%	0.7%	2.4%
SME		1.3%		
Consumer	1.2%	1.4%	2.1%	2.1%
Credit Cards	2.4%	3.7%	5.1%	5.2%
Total	<u>1.2%</u>	<u>1.2%</u>	<u>2.8%</u>	<u>2.7%</u>

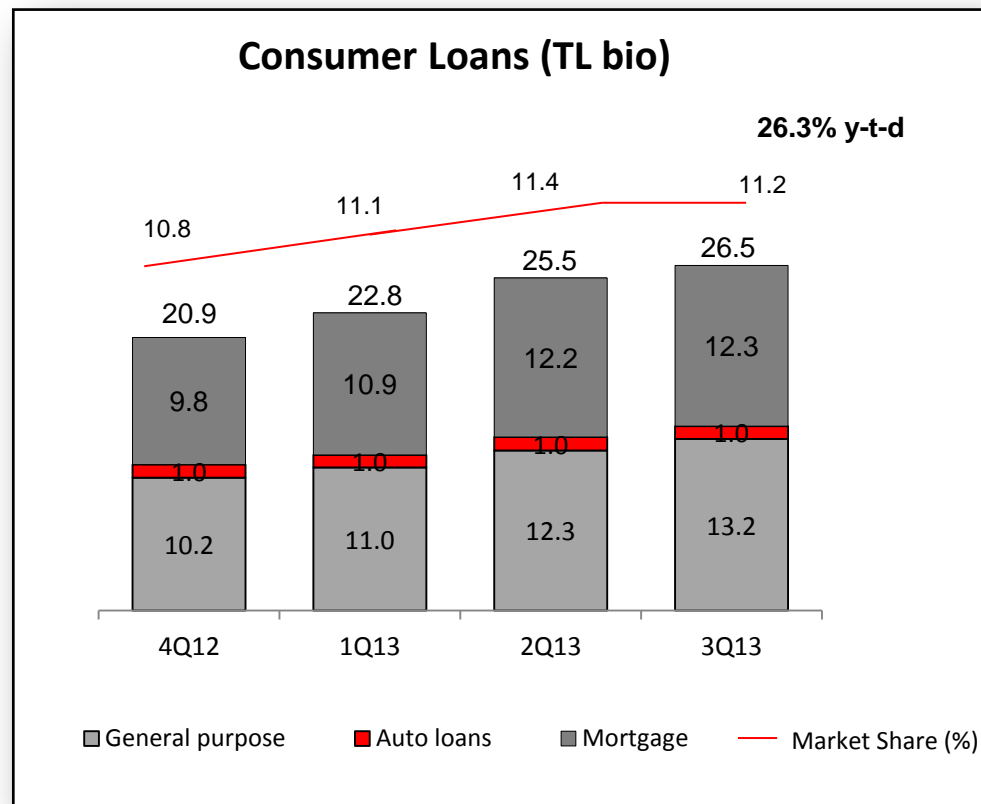
Low, stable cost of risk in line with guidance ...



... with very strong coverage;

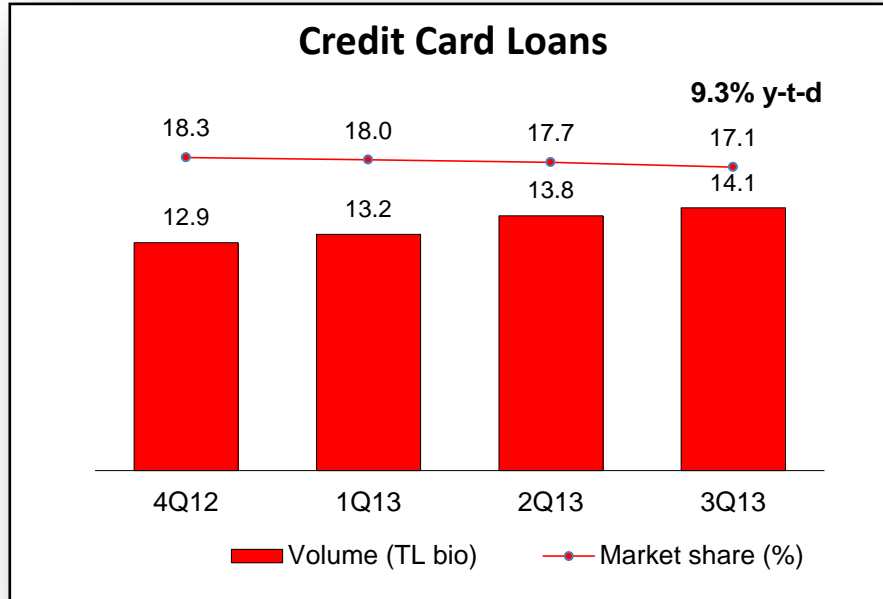
- **93%** specific coverage ratio
- Effect of higher coverage on ROE **~1%**
- **207%** coverage ratio including general provisions

Consumer Loans - sustained strong market position



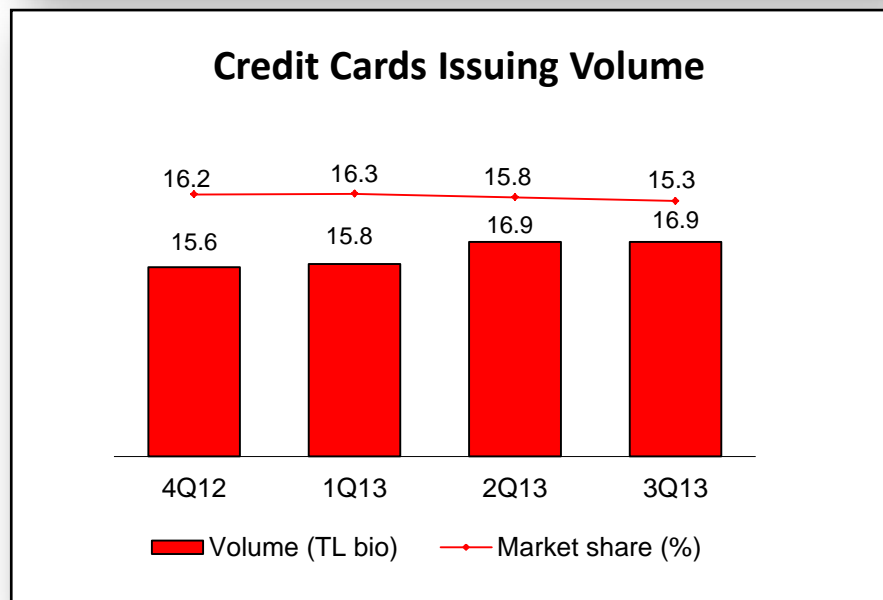
- Mortgage loans increased by 26% y-t-d
- GPLs increased by 29% y-t-d
- Cross sell ratio of mortgage 6.5x
- Cross sell ratio of GPLs 5.9x

Credit Cards - focus on profit optimization

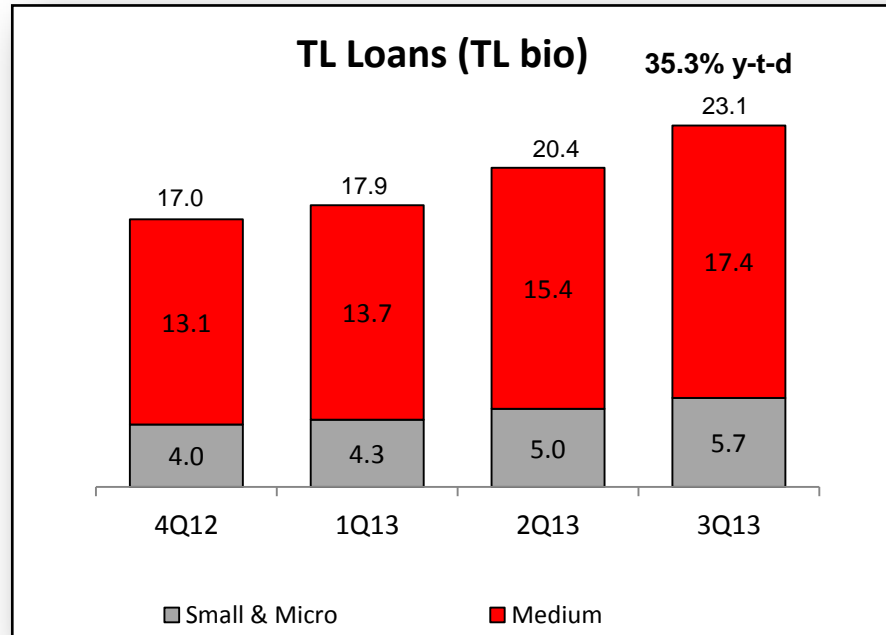


Higher quality portfolio with;

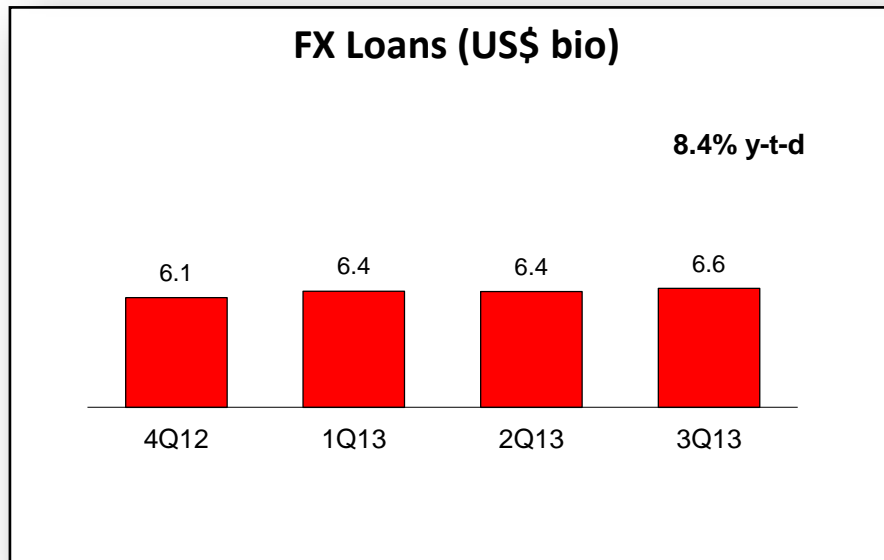
- **Lowest NPL ratio of 3.7% vs. 5.2% for the sector**
- **Highest issuance volume per card in the peer group by 31%**



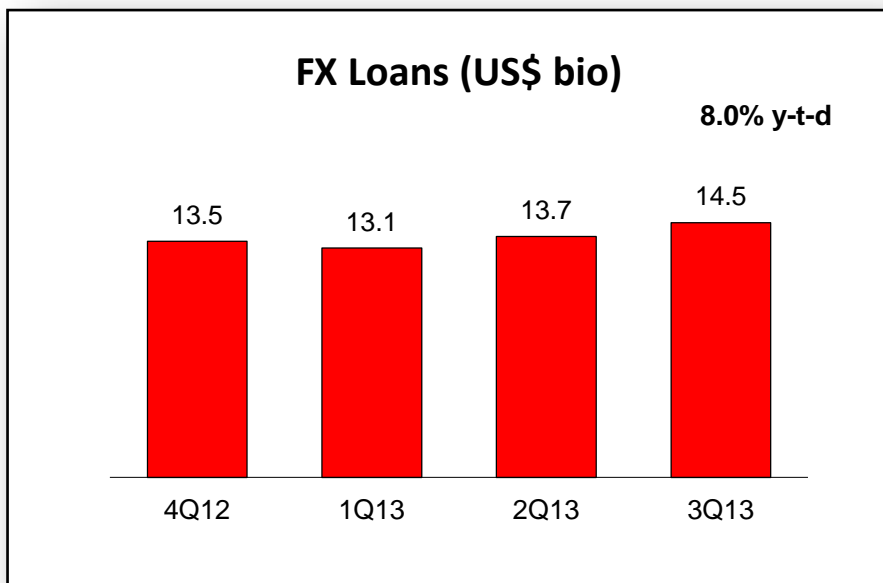
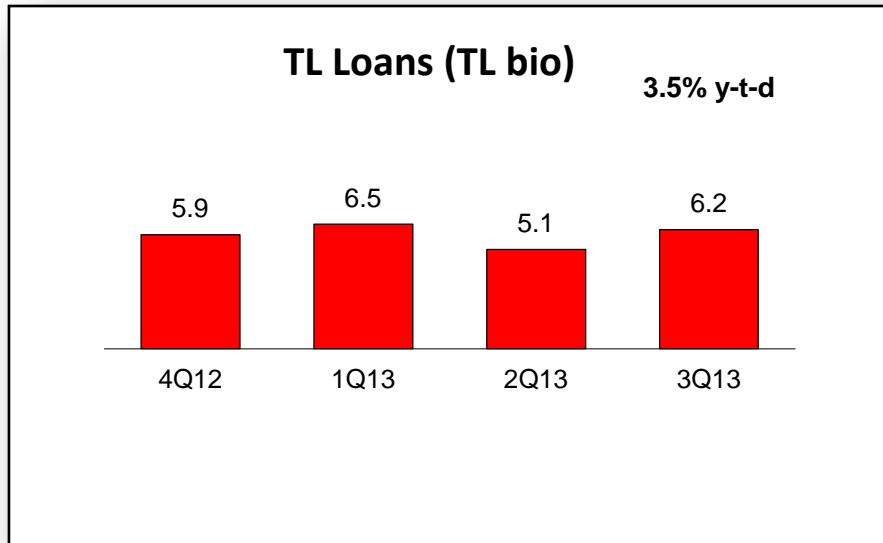
SME Loans – continued strong momentum with risk focus



- Small&Micro loans increased by 43% y-t-d
- Medium sized loans increased by 33% y-t-d
- Cross sell ratio of 4.4x in small and micro loans
- Cross sell ratio of 5.1x in medium sized loans

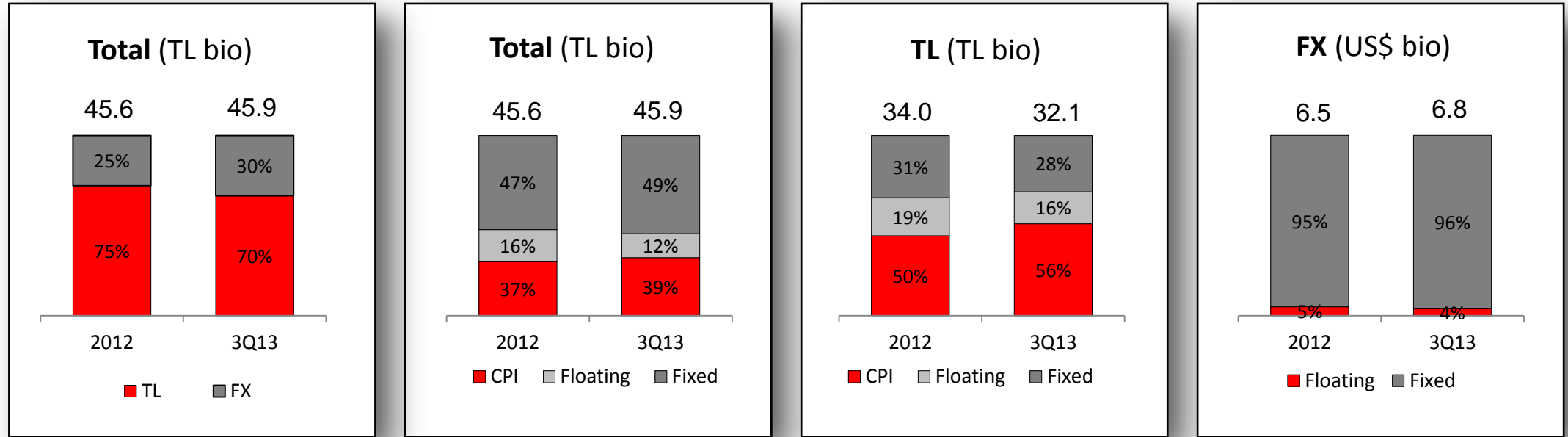


Corporate loans – high quality portfolio with zero credit losses



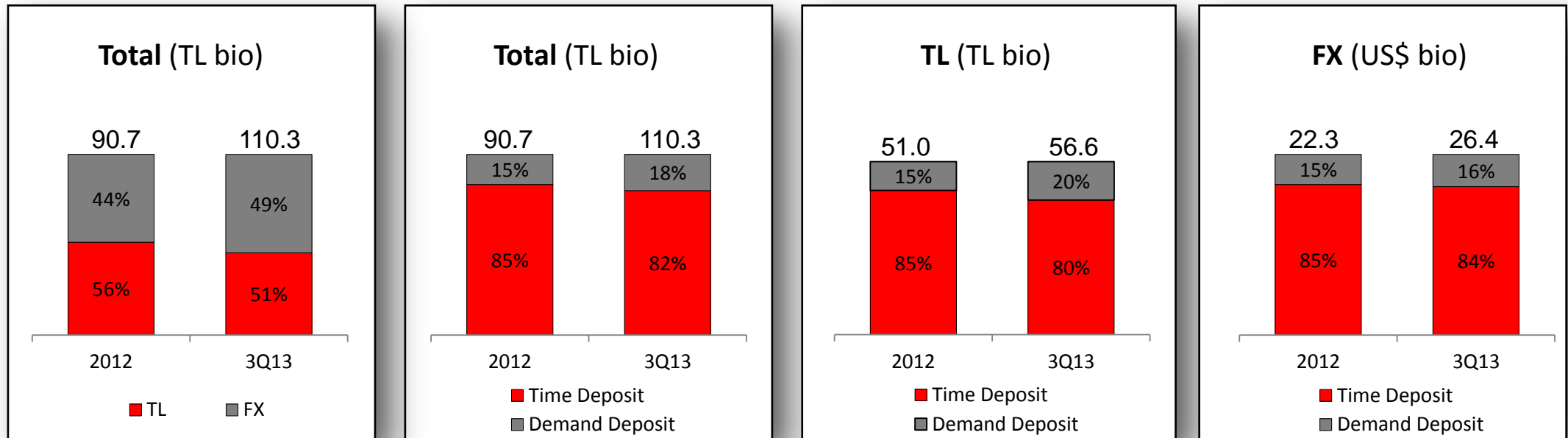
- Slower growth in TL corporate loans to the benefit of higher margin segments
- Cross sell ratio of 5.2x

Securities – Increased proportion of TL floating rate securities



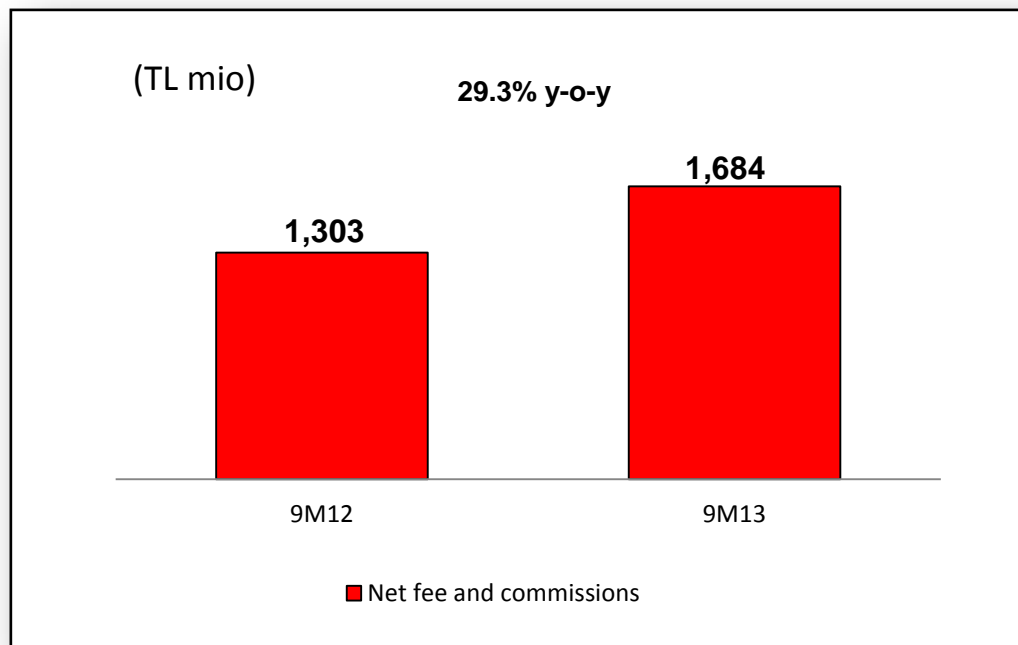
- TL 636 mio of trading gain
- M-t-m valuation in equity net (-) TL 1.1 bio
- Available for sale 96%, held-to-maturity 4%

Growth in deposits achieved without aggressive pricing

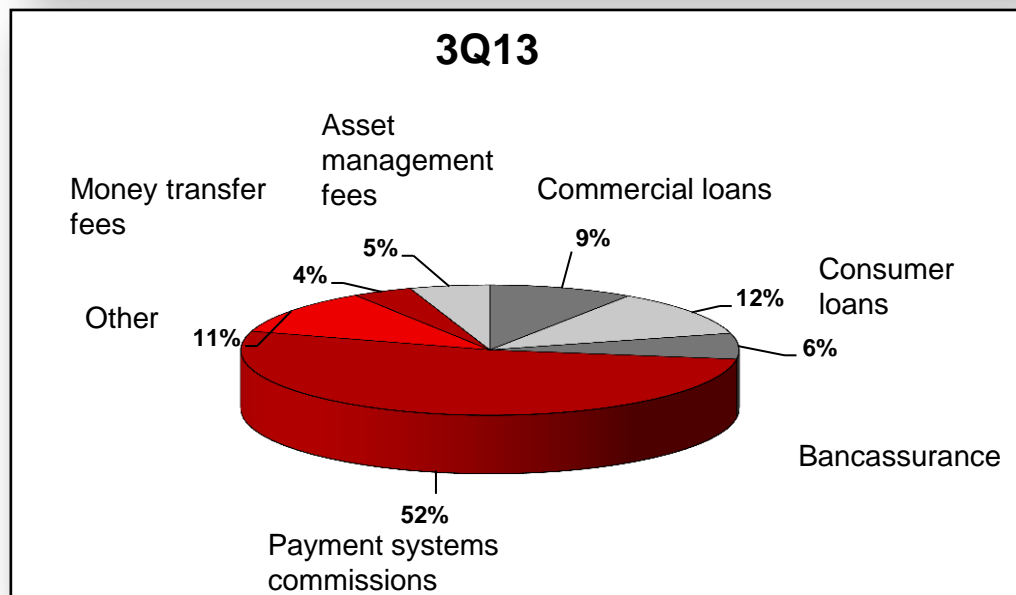


- Successful growth in demand deposits
- Loan to deposit ratio reduced to 103%

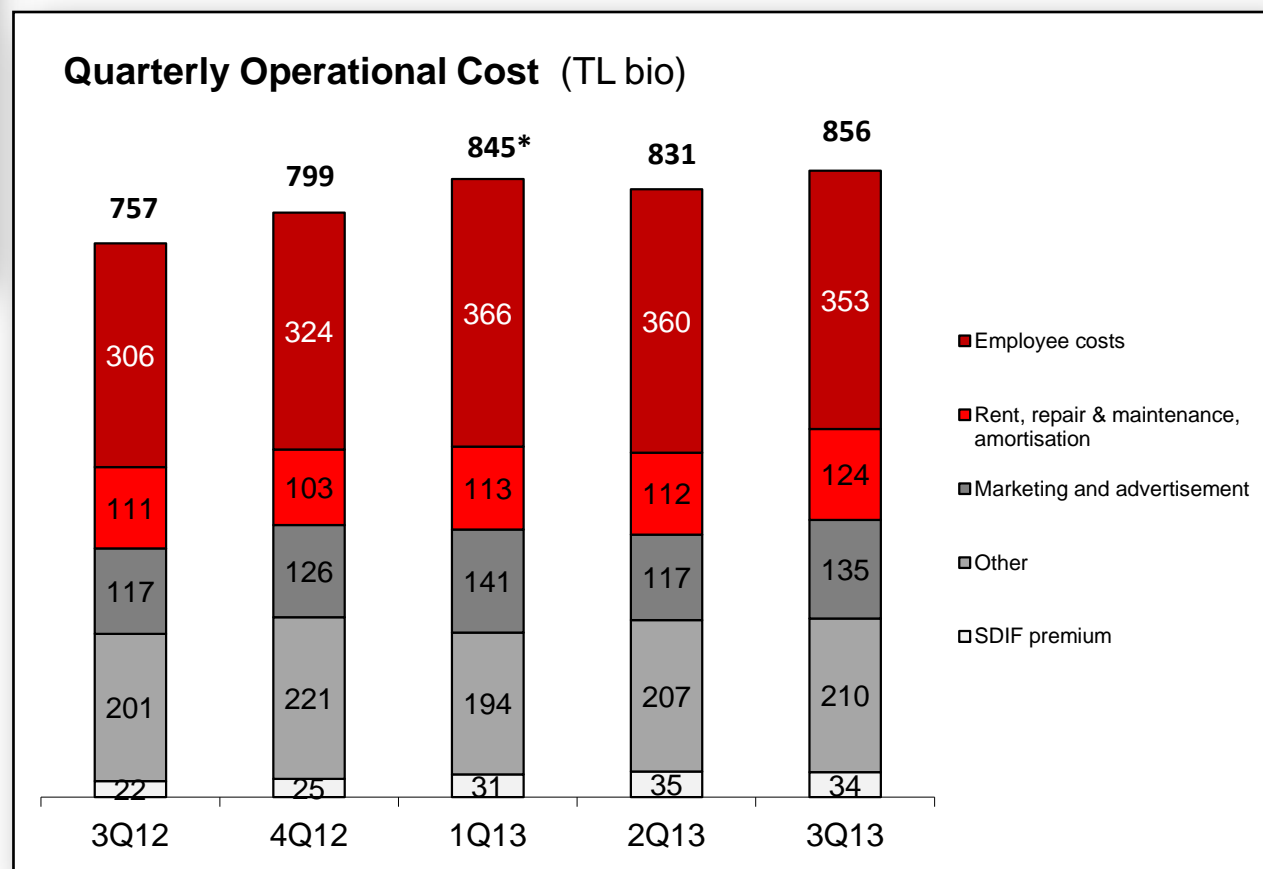
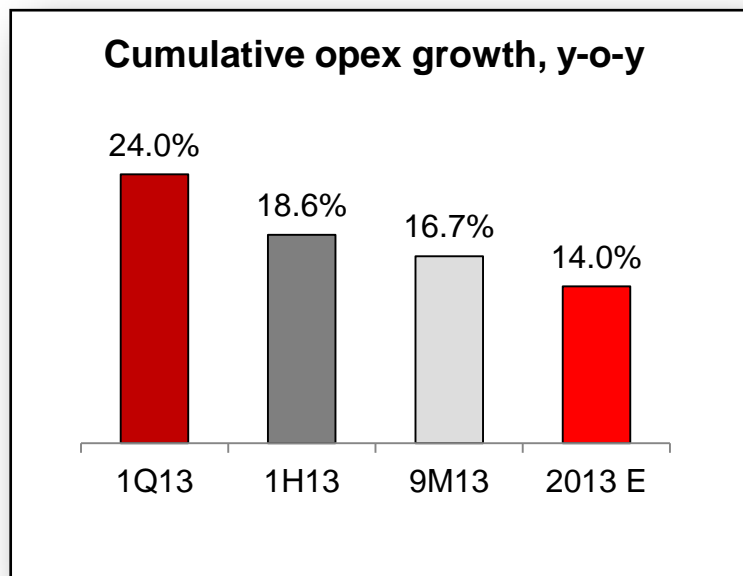
Solid fee & commission growth: 29% y-o-y



- 30% increase in bancassurance commissions - # 1 position in sector
- 15% increase in ADC commissions

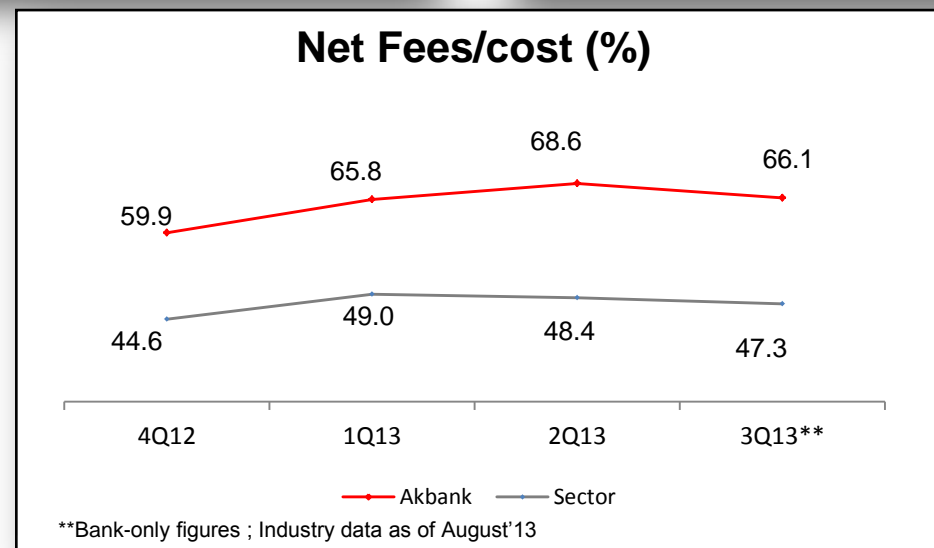
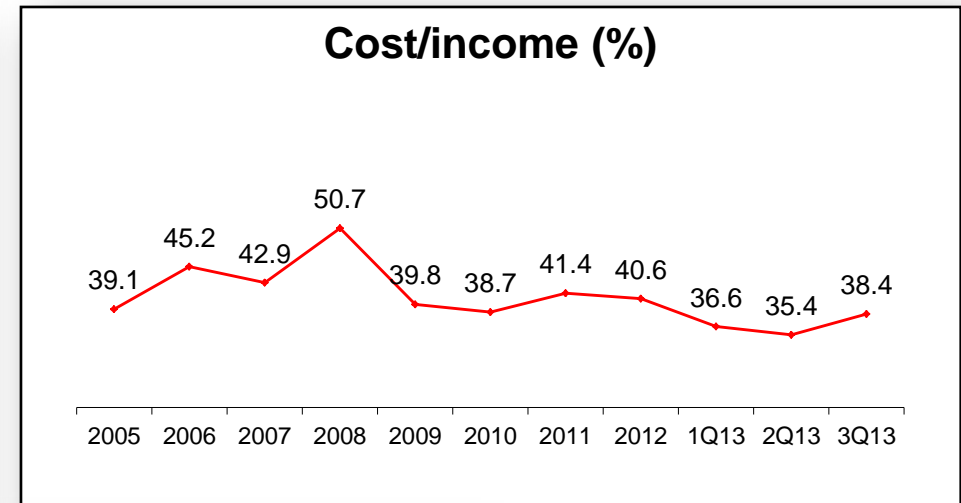
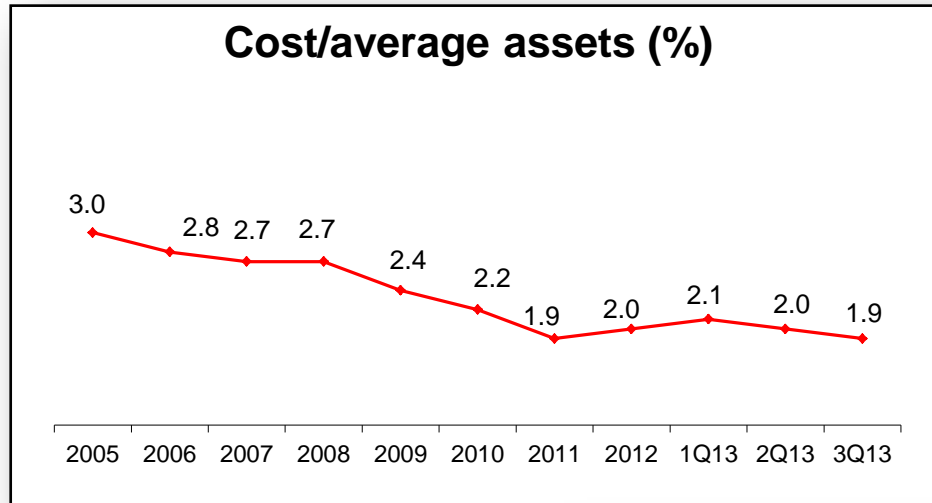


Downward cost growth with increased efficiency



*Excluding Competition Board penalty of TL 129 mio

Continuously best in efficiency



* 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%
NIM growth	flat, 3.6%
Net fees&com. growth	~23%
Opex growth	14%
Fees / opex	63%
Cost/ income	41%
Cost / assets	1.9%
NPL	1.3%
Cost of risk	70-80bps

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

Balance sheet highlights

Consolidated (TL mio)			Shares (%)		Change (%)
	2012	9M13	2012	9M13	
Cash and Due from Banks	19,854	23,814	12.1	12.4	20
Securities	46,292	46,719	28.3	24.4	1
Loans	92,360	113,218	56.5	59.2	23
Other	4,972	7,556	3.0	4.0	52
TOTAL ASSETS	163,478	191,307			17
Deposits	90,688	110,335	55.5	57.7	22
Funds Borrowed	19,682	22,493	12.0	11.8	14
Repo	20,121	24,991	12.3	13.1	24
- TL Repo	8,861	7,358	5.4	3.8	-17
- FX Repo	11,260	17,633	6.9	9.2	57
Other	10,511	11,733	6.4	6.1	12
Equity	22,476	21,755	13.7	11.4	(3)
TOTAL LIABILITIES	163,478	191,307			17

Income statement highlights

Consolidated (TL mio)	9M12	9M13	Change (%)
Interest Income	8,692	8,666	-
Interest Expense	(4,875)	(3,957)	(19)
Net Interest Income	3,818	4,709	23
Trading Gain (Loss)	33	642	-
- Securities	781	636	(19)
- Other	(748)	6	-
Provision for Loan Losses, net of collections	(267)	(608)	128
Net Interest Income after Trading Gain/Loss & NPL Prov.	3,583	4,743	32
Fees and Commissions (Net)	1,303	1,684	29
Operating Expense	(2,170)	(2,532)	17
Other Income	139	169	21
Other Provisions	(385)	(532)	38
Income Before one-off items and Tax	2,470	3,532	43
One-off items*	-	(304)	-
Income Before Tax	2,470	3,228	31
Tax	(563)	(800)	42
Net Income	1,907	2,428	27

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

Balance sheet highlights in USD

Consolidated (USD mio.*)			Shares (%)	
	2012	9M13	2012	9M13
Cash and Due from Banks	11,169	11,693	12.1	12.4
Securities	26,042	22,941	28.3	24.4
Loans	51,958	55,594	56.5	59.2
Other	2,797	3,736	3.0	4.0
TOTAL ASSETS	91,966	93,939		
Deposits	51,017	54,179	55.5	57.7
Funds Borrowed	11,072	11,045	12.0	11.8
Repo	11,319	12,271	12.3	13.1
- TL Repo	4,985	3,613	5.4	3.8
- FX Repo	6,334	8,659	6.9	9.2
Other	5,914	5,761	6.4	6.1
Equity	12,644	10,683	13.7	11.4
TOTAL LIABILITIES	91,966	93,939		

* Figures are stated with exchange rates effective at respective dates: 2012 – 1.7776; 3Q13 – 2.0365

Income statement highlights in USD

Consolidated (USD mio *)	9M12	9M13
Interest Income	4,870	4,255
Interest Expense	(2,731)	(1,943)
Net Interest Income	2,139	2,312
Trading Gain (Loss), Net	19	315
- Securities	438	312
- Other	(419)	3
Provision for Loan Losses, net of collections	(150)	(298)
Net Interest Income after Trading Gain/Loss & NPL Prov.	2,008	2,329
Fees and Commissions (Net)	730	827
Operating Expenses	(1,216)	(1,243)
Other Income	78	82
Other Provisions	(216)	(261)
Income Before one-off items and Tax	1,384	1,734
One-off items	-	(149)
Income Before Tax	1,384	1,585
Tax	(316)	(393)
Net Income	1,068	1,192

* Figures are stated with exchange rates effective at respective dates: 3Q12– 1.7847; 3Q13 – 2.0365

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