

YE13 Consolidated Financial Results

05 February 2014

Strong Profitability with Best Tier 1 and Highest Coverage(*)

Profitability

- Reported net profit TL 3,077 mio, ROA 1.7% and ROE 14%
- Net profit (ex. one-offs) TL 3,476 mio, ROA 2.0% and ROE 15.8%
- One-off items;
 - ✓ Free Provisions TL 270 mio
 - ✓ Competition Board penalty TL 129 mio

Profitability Drivers

- Hands on asset/liability management, NIM 3.6% flat yoy
- Strong fee income growth 25%
- Best in class cost efficiency and productivity, cost/assets 1.9%

Earnings Quality

- 48% increase in net profit ex. one-off & trading gains
- Strongest Tier 1 ratio 14.5% (CAR of 14.7%)
- Continued 100% NPL coverage policy
- Highest specific and general loan loss provisioning coverage 196%

* In the peer group.

Strategic Balance Sheet Management

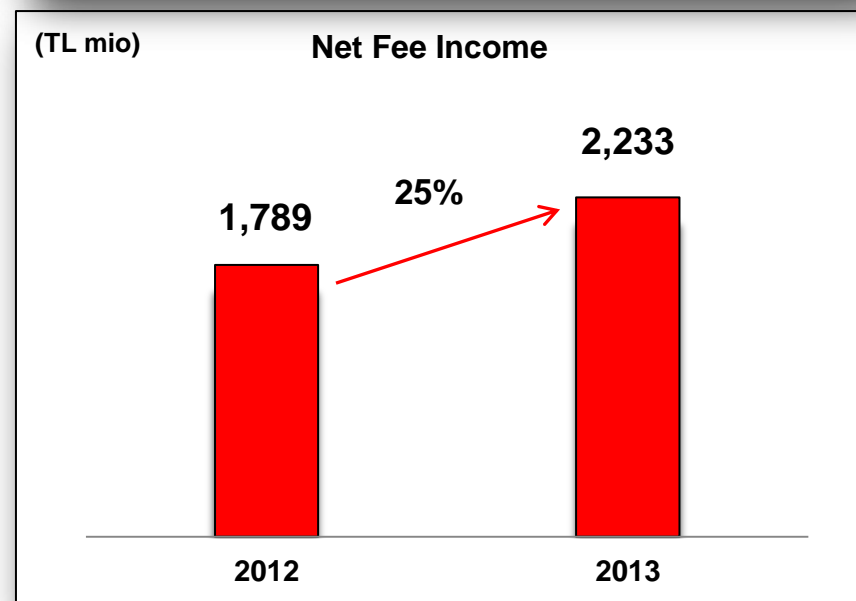
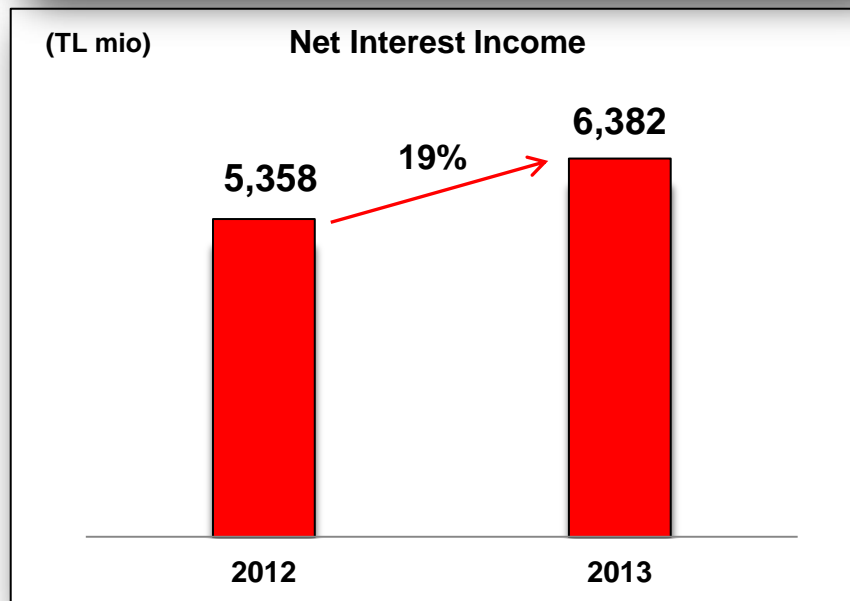
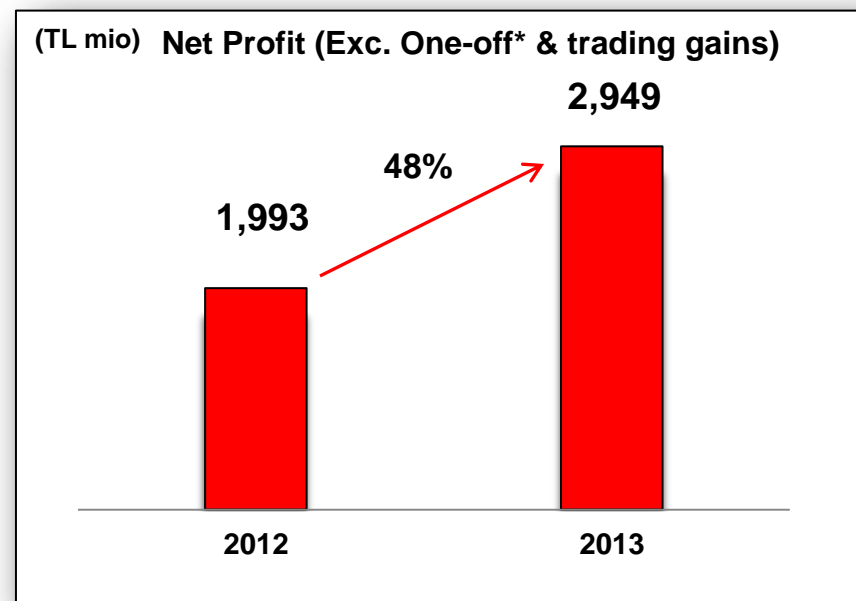
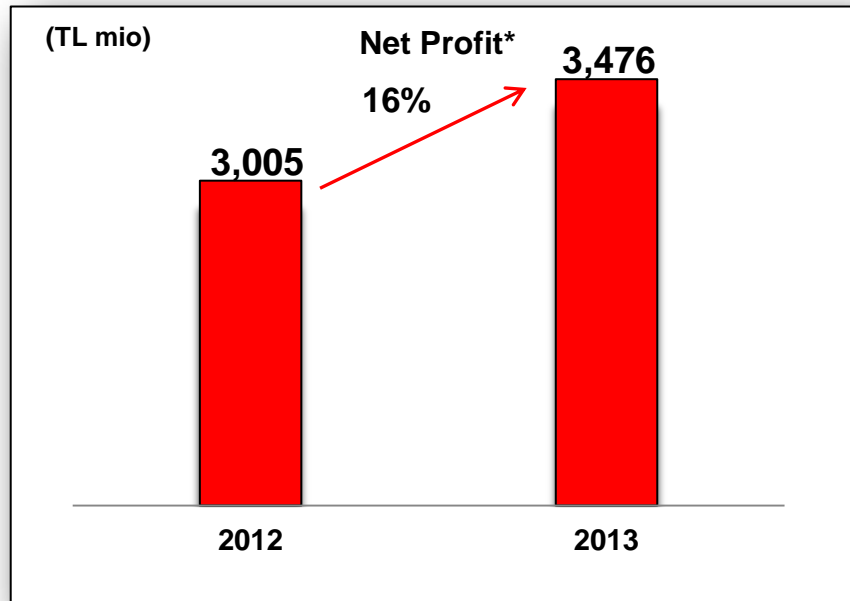
Customer Driven Growth in Selected Segments

- Assets grew by 20%, Loans 28% and Deposits 24%
- Higher growth in high margin loans continued:
 - ✓ 33% increase in consumer loans with 40bps market share gain
 - ✓ 42% increase in TL SME Loans including a 58% growth in Small & Micro
- 24% growth in deposits with special emphasis on demand deposits

Balance Sheet Positioning – Post Tapering

- Increased share of floating and CPI linked securities
- More than one-third of securities maturing in 2014
- Increased share of daily re-pricable TL loans
- Cautious FX lending approach

Net Income Driven by Operational Profit



* In 2013, one -off items include Competition Board penalty of TL129 mio and free provisions of TL 270 mio.

Solid Financial Results

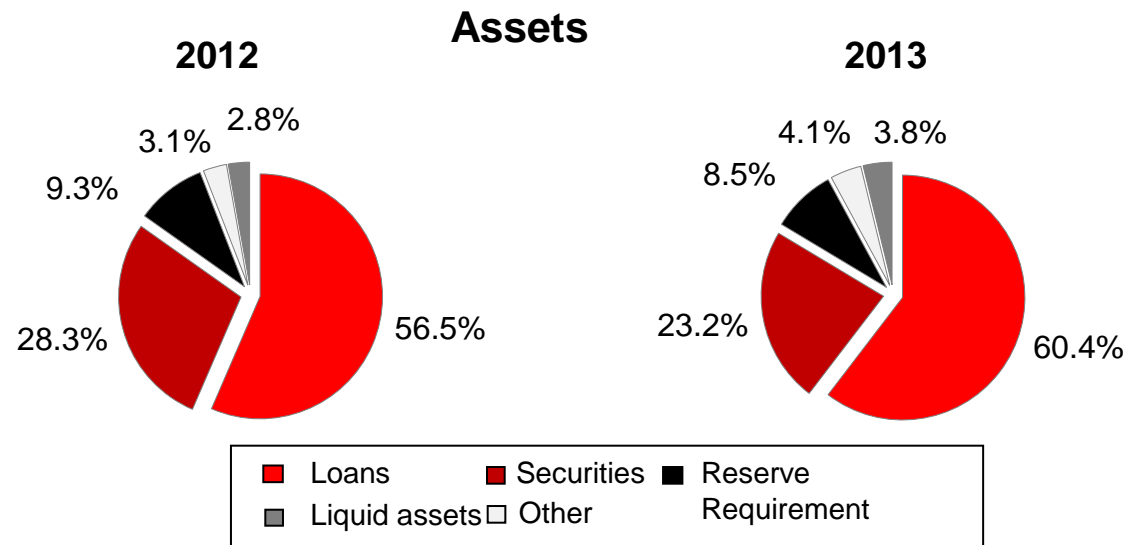
(TL mio)	YE12	1Q13	2Q13	3Q13	4Q13	YE13	yoy
Net Profit	3,005	873	952	603	649	3,077	2.4%
Net Profit (ex. one off)*	3,005	1,002	1,127	603	744	3,476	15.7%
Net interest income	5,358	1,612	1,558	1,539	1,673	6,382	19.1%
Net fee income	1,789	560	598	526	549	2,233	24.8%
ROAE*	15.1%	17.9%	20.7%	11.2%	13.6%	15.8%	0.7%
ROAA*	2.0%	2.4%	2.6%	1.3%	1.5%	2.0%	0.0%
NIM	3.6%	3.8%	3.8%	3.3%	3.7%	3.6%	0.0%
Cost of Risk	0.5%	0.9%	0.5%	0.8%	1.0%	0.8%	0.3%
Cost to Asset*	2.0%	2.1%	1.9%	1.9%	1.8%	1.9%	-0.1%
Fees to Cost*	60.3%	66.2%	72.1%	61.5%	63.2%	65.7%	5.4%
CIR*	40.6%	36.6%	34.2%	46.1%	46.5%	40.2%	-0.4%

* In 2013, one-off items include Competition Board penalty of TL129 mio and free provisions of TL 270 mio.

Well-Structured Asset/Liability Mix

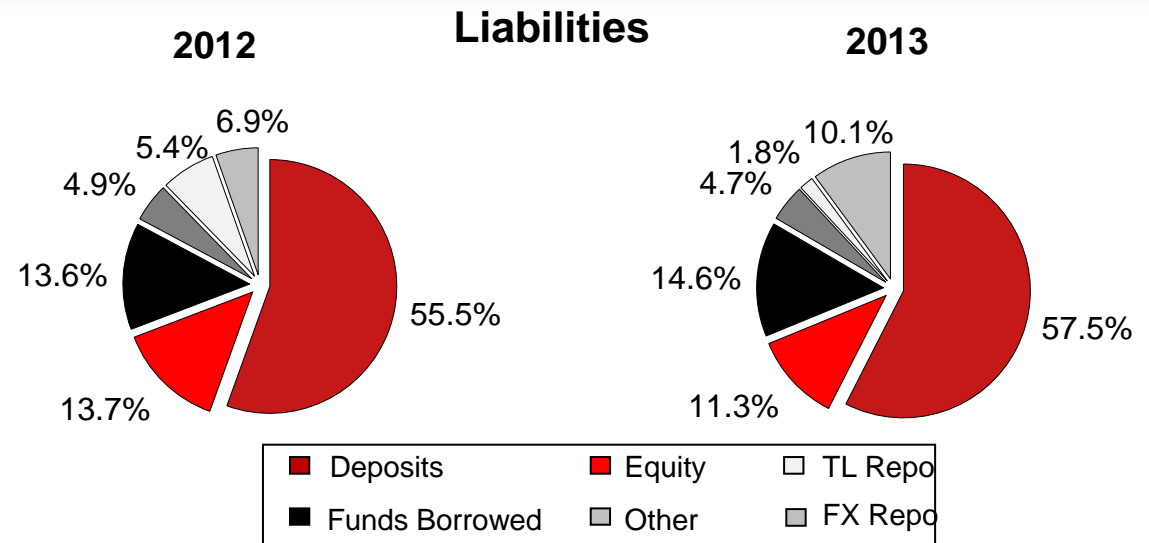
Continued Shift to Loans

- Loans / assets increased from 56.5% to 60.4%
- Securities / assets decreased from 28.3% to 23.2%



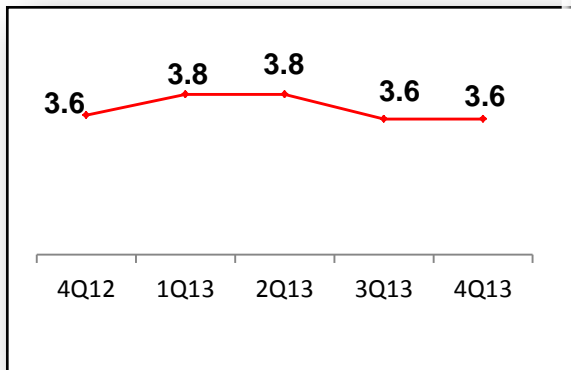
Diversified Funding

- Increased share of deposits in total funding
- Well-diversified wholesale funding
- Loans to Deposit 105%

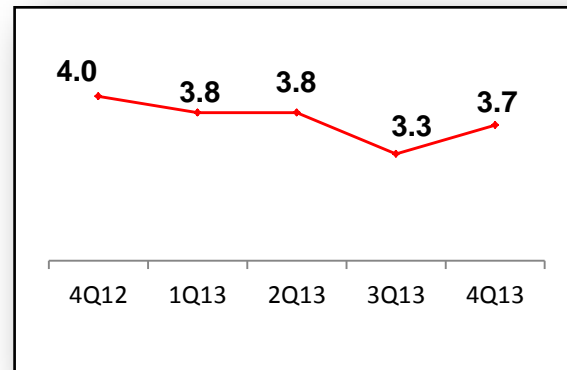


Well-Managed NIM

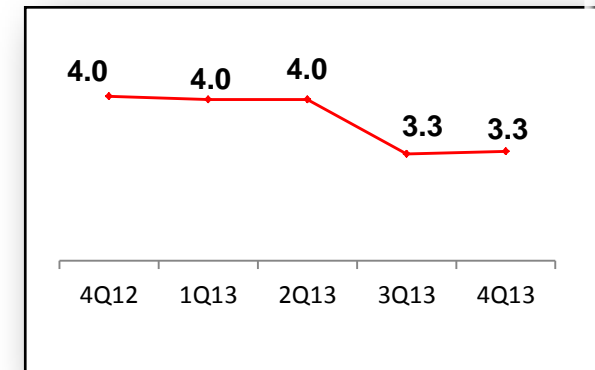
NIM Cumulative



NIM Quarterly



NIM Quarterly*



(%)	4Q12	1Q13	2Q13	3Q13	4Q13	NIM impact (bps)	
						2Q-3Q	3Q-4Q
TL Loans	11.17	10.62	9.72	9.27	9.60	-15	17
TL Deposits (blended)	6.66	6.05	5.27	5.97	6.27	-23	-4
- TL Time Deposits	7.89	7.23	6.40	7.42	7.78		
FX Loans	4.97	4.77	4.70	4.65	4.50	2	-4
FX Deposits (blended)	2.20	1.98	1.67	2.04	2.00	-14	2
- FX Time Deposits	2.63	2.50	2.10	2.51	2.40		
Loan-Deposit impact						-50	11
TL Securities	9.02	8.31	8.16	8.32	10.75	-12	30
FX Securities	4.16	3.44	3.47	3.52	3.50	-1	0
Securities impact						-13	30
Other						8	1
Total						-55	42

* All periods in 2013 have been adjusted for the actual 2013 CPI rate of 7.70% applicable to CPI Linkers.

Continued Growth in Selected Areas

(TL mio)	4Q12	1Q13	2Q13	3Q13	4Q13	yoy (%)
TL loans	56,593	59,980	64,494	69,512	71,908	27
Corporate	5,933	6,452	5,145	6,175	6,532	10
SME	17,128	18,025	20,530	23,062	24,281	42
Medium	13,177	13,769	15,538	17,402	18,044	37
Small & Micro	3,951	4,256	4,992	5,660	6,237	58
Consumer	20,740	22,667	25,318	26,286	27,591	33
Credit Cards	12,792	12,836	13,501	13,989	13,504	6
(US\$ mio)						
FX loans*	19,728	19,502	20,122	21,107	21,274	8
Corporate	13,667	13,085	13,744	14,536	14,176	4
Medium	6,061	6,417	6,378	6,571	7,098	17
Total Loans (TL mio)	92,360	96,347	104,259	113,218	118,010	28

(*) FX indexed loans are shown under FX loans

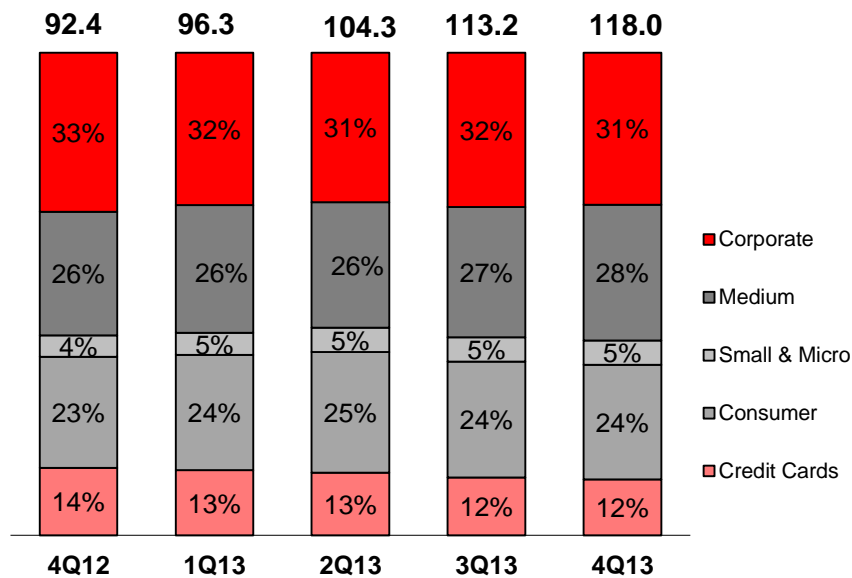
Market Share Gain in High Margin Products

	2012 (%)	2013 (%)	Δ (bps)
Total Loans	10.9	10.4	-50
TL Loans	9.9	9.9	0
Consumer	10.8	11.2	+40
Mortgage	11.3	11.4	+10
General Purpose	10.2	10.9	+70
Commercial	9.9	9.4	-50
Credit Cards	18.3	16.5	-180
FX Loans	13.7	11.6	-210
Total Deposits	10.5	10.4	-10
TL Deposit	10.1	9.8	-30
TL Demand (avg.)	8.9	9.3	+40
TL Time	10.3	9.8	-50
FX Deposit	13.3	13.1	-20
FX Demand (avg.)	8.9	10.1	+120
FX Time	14.2	13.7	-50

Sector figures are based on weekly BRSA unconsolidated data.

Increased Share of High Margin Loans

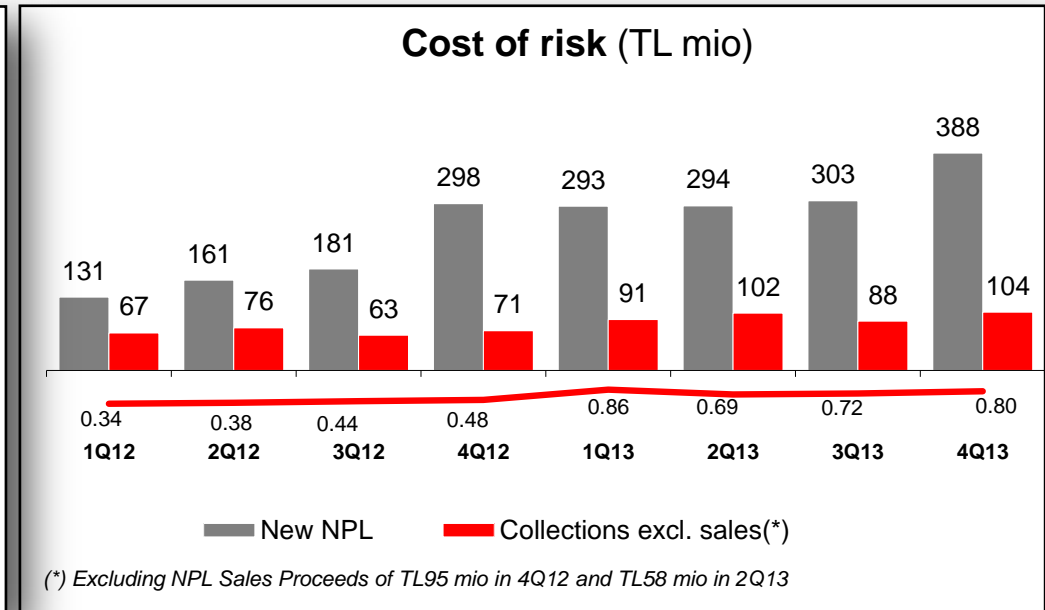
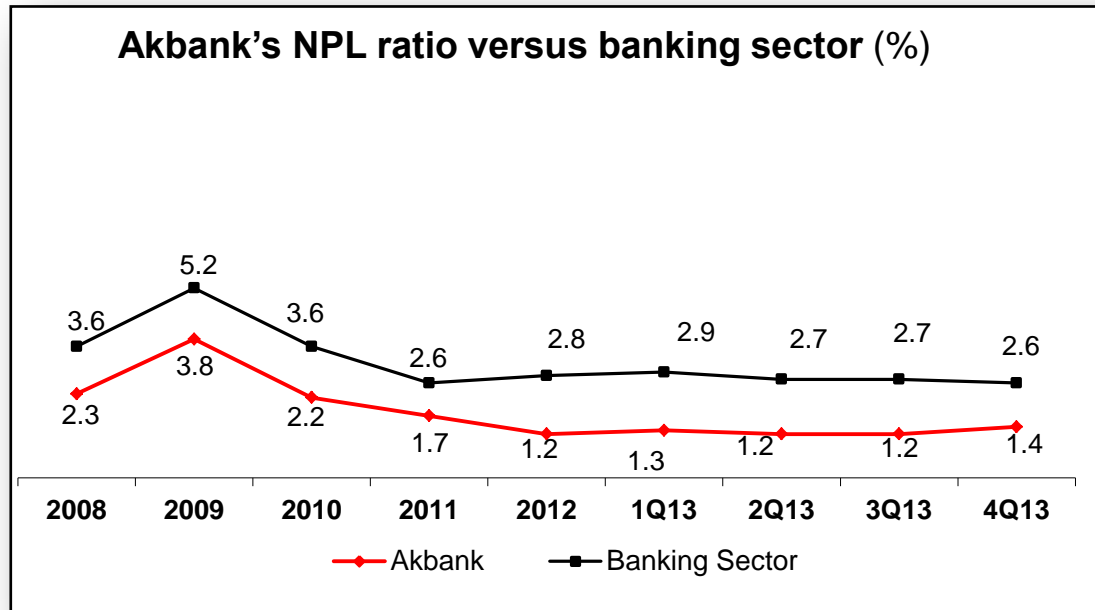
Breakdown of Loans (TL bio)



NPL ratios

	Akbank		Sector	
	2012	2013	2012	2013
Corporate	0.8%	0.0%	0.7%	2.4%
SME		1.3%		
Consumer	1.2%	1.5%	2.1%	2.0%
Credit Cards	2.4%	4.4%	5.1%	5.4%
Total	1.2%	1.4%	2.8%	2.6%

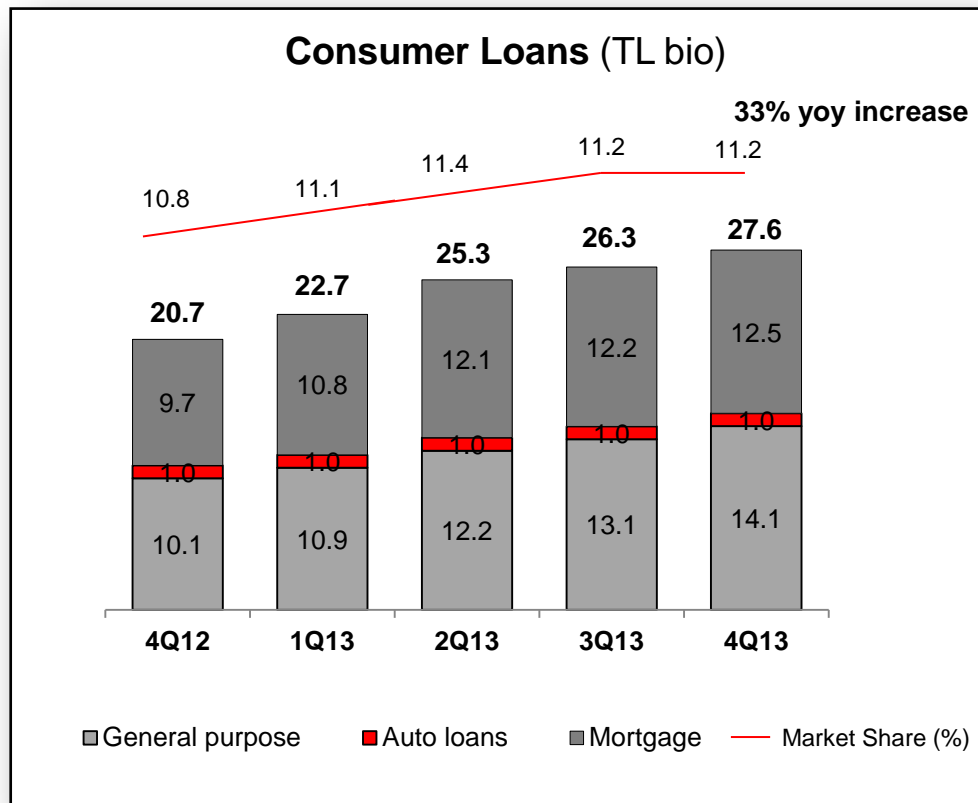
Low Cost of Risk with Strong Coverage



Strong Coverage on Loans

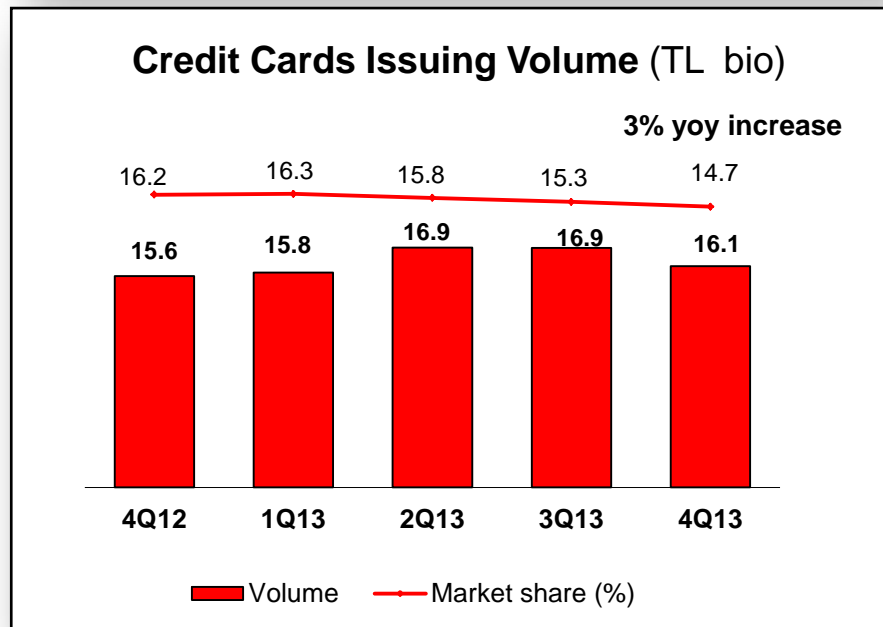
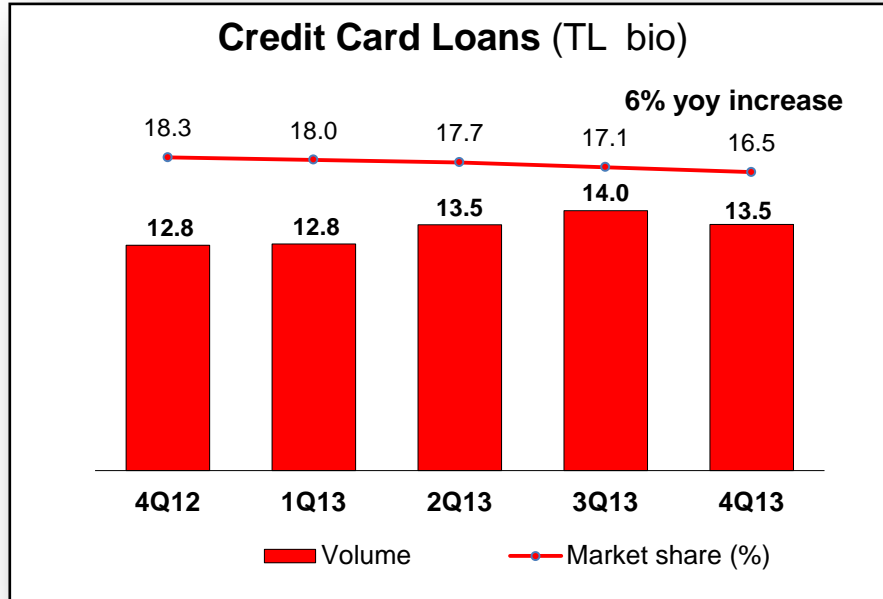
- **94%** specific coverage ratio
- Effect of higher coverage on ROE **~1%**
- **196%** coverage ratio including general provisions

Consumer Loans - Sustained Market Position



- Mortgage loans up by 30% yoy
- GPLs up by 40% yoy
- Cross sell ratio of mortgage 6.5x
- Cross sell ratio of GPLs 5.9x

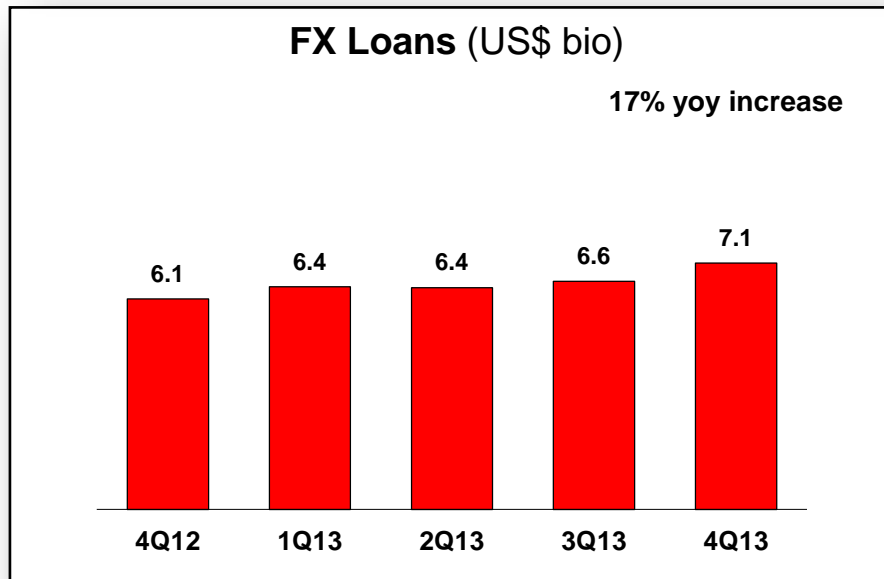
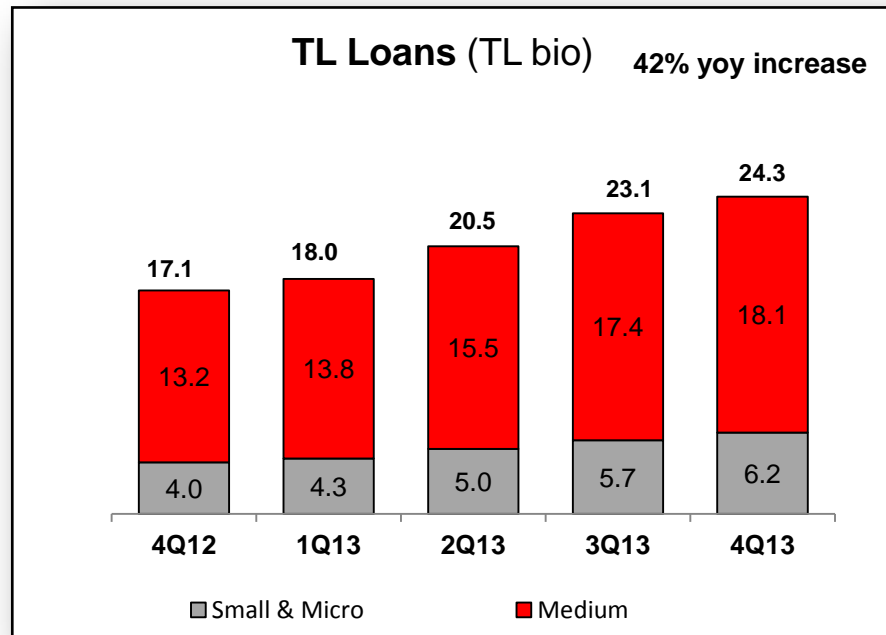
Credit Cards - Focus on Profit Optimization



Higher Quality Portfolio with;

- Lower NPL ratio of 4.4% vs. 5.4% for the sector
- Highest payment systems commissions in the sector.
- Highest issuing volume per card in the peer group

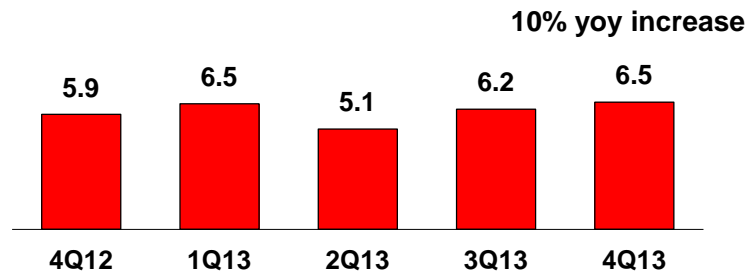
SME Loans – Continued Strong Momentum with Risk Focus



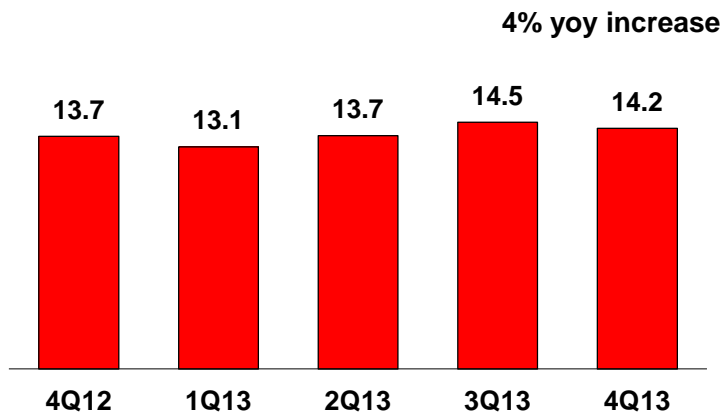
- Small&Micro loans increased by 58% yoy
- Medium enterprise loans increased by 37% yoy
- Cross sell ratio of 4.4x in small and micro loans
- Cross sell of 5.5x in medium enterprise loans

Corporate Loans – High Quality Portfolio with Zero Credit Losses

TL Loans (TL bio)

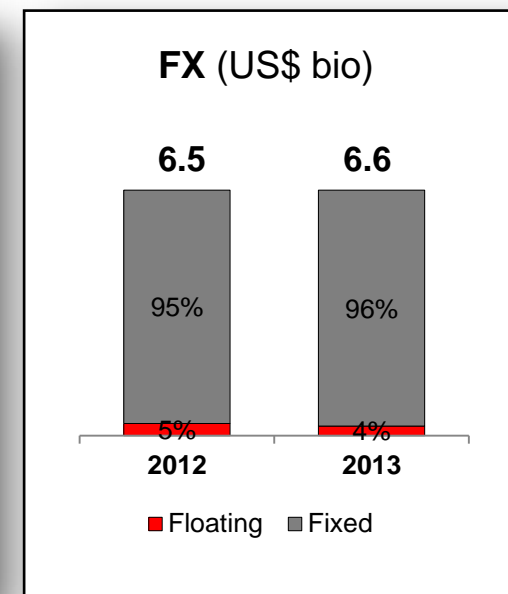
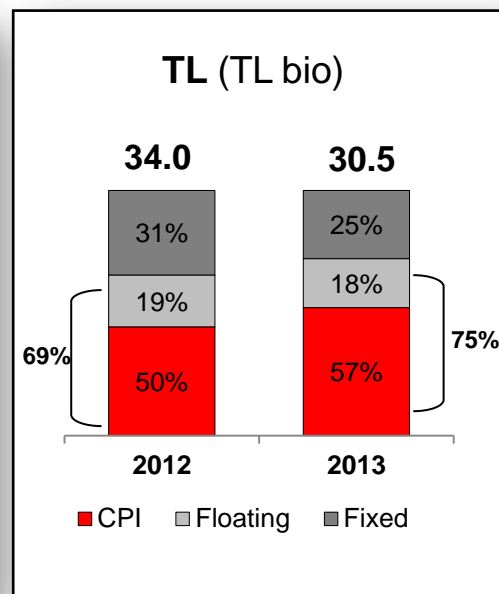
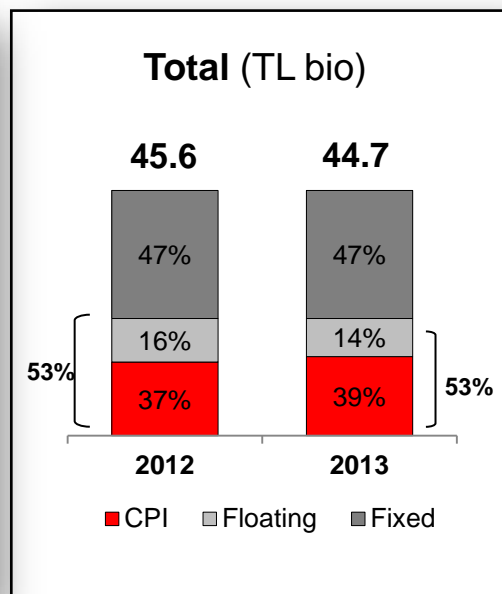
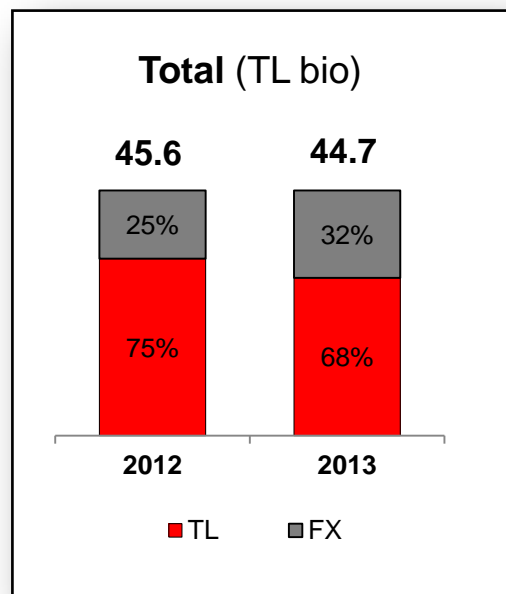


FX Loans (US\$ bio)



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

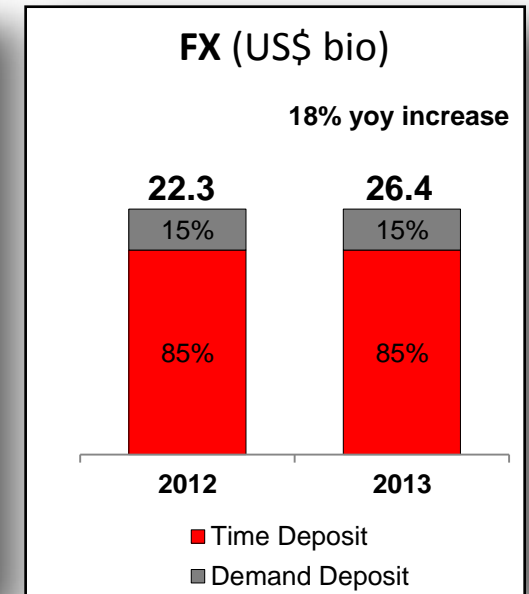
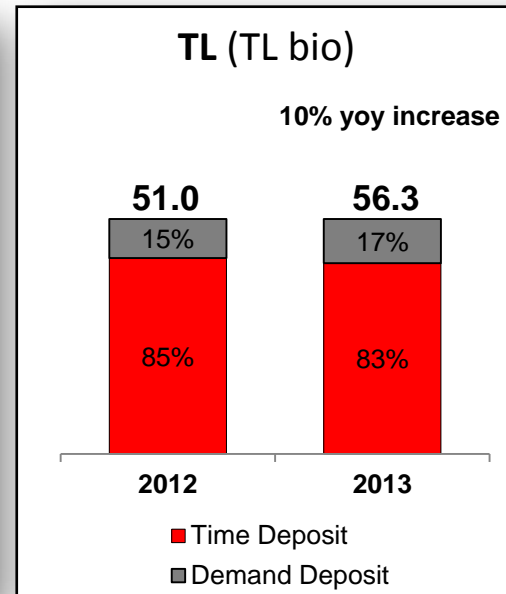
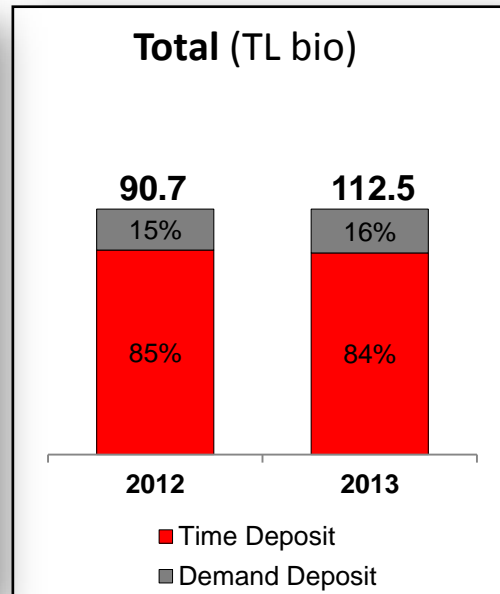
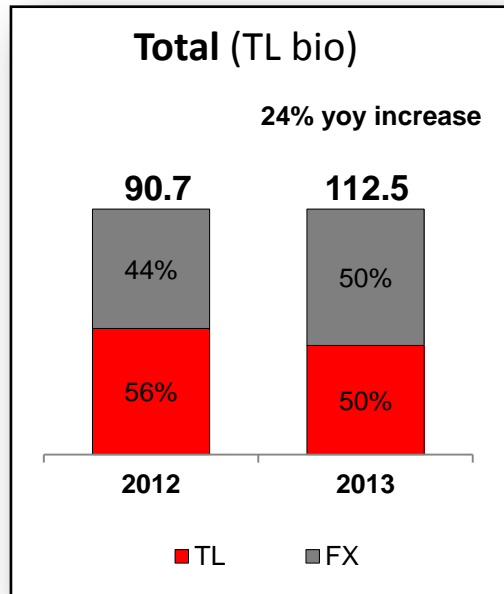
Well-Positioned Securities Book



- TL 657 mio of trading gain vs. TL 1,265 mio in 2012
- M-t-M valuation in equity is (-) TL 1.3 bio, net of tax
- 27% HtM, 73% AFS portfolio

*According to bank only financials.

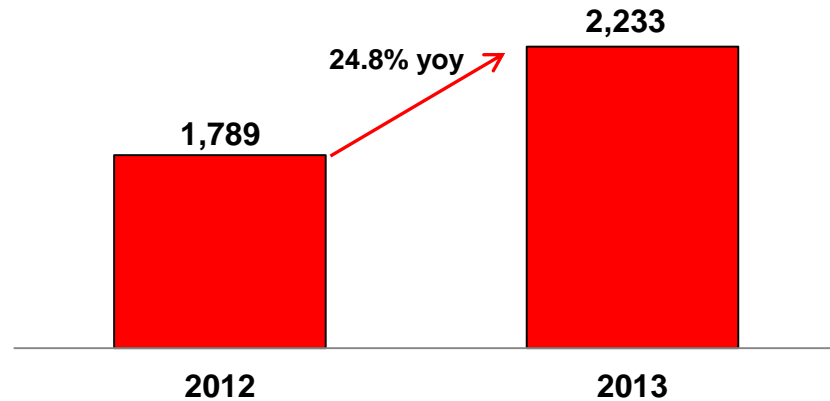
Deposits Growth Without Aggressive Pricing



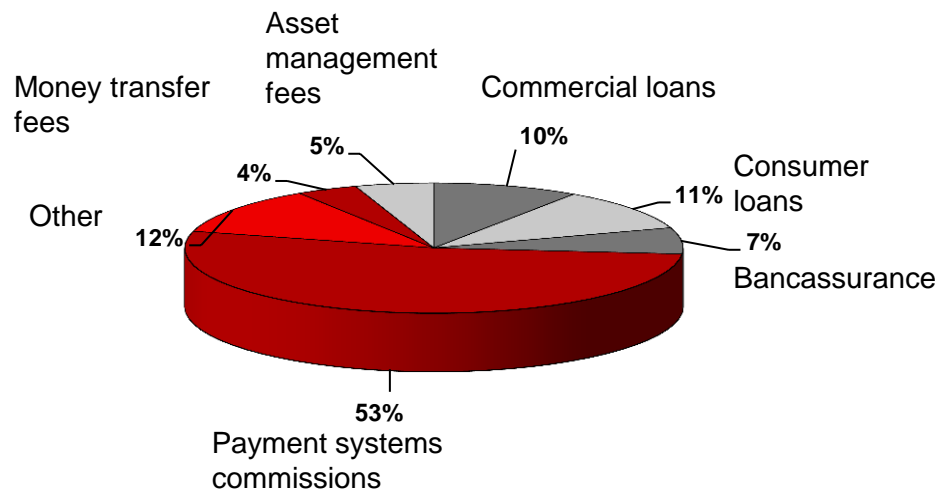
- Increased share of demand deposits
- Loan to deposit ratio at 105%

Solid Fee & Commission Growth: 25% yoy

Net fee and commissions (TL mio)

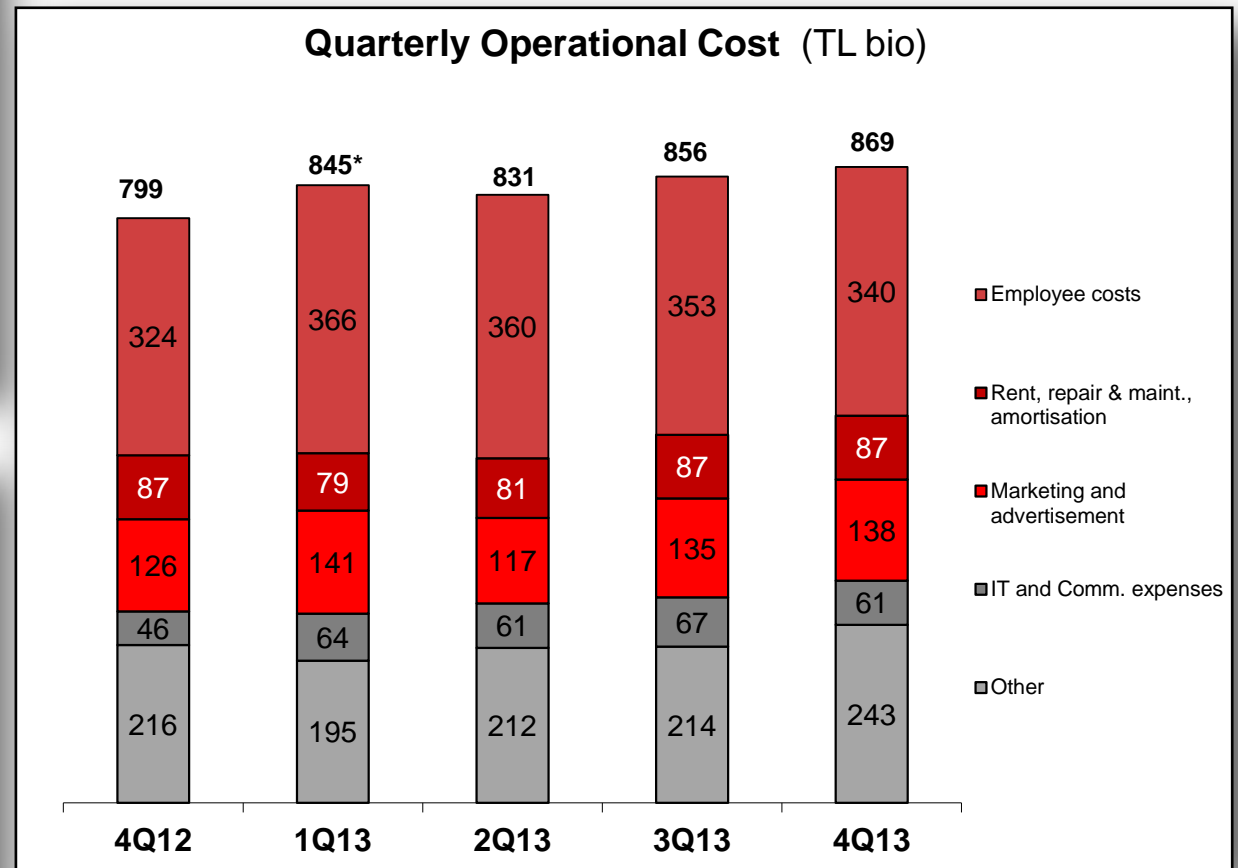
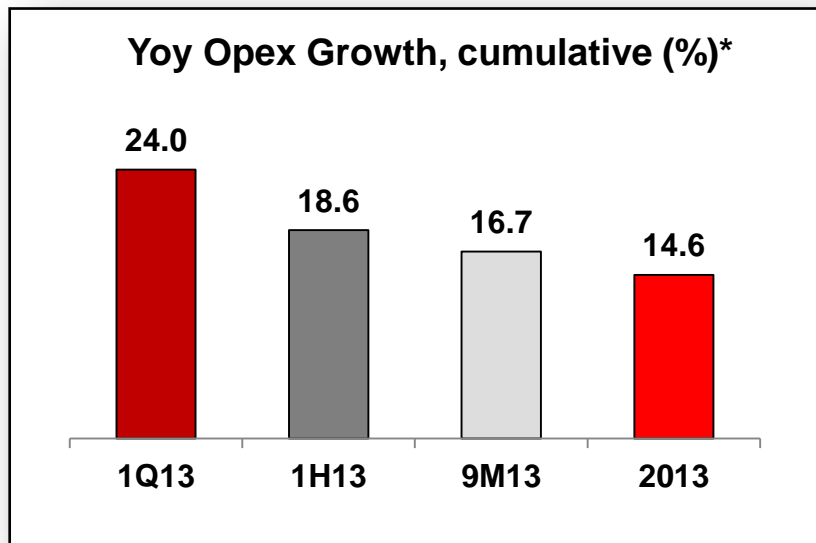
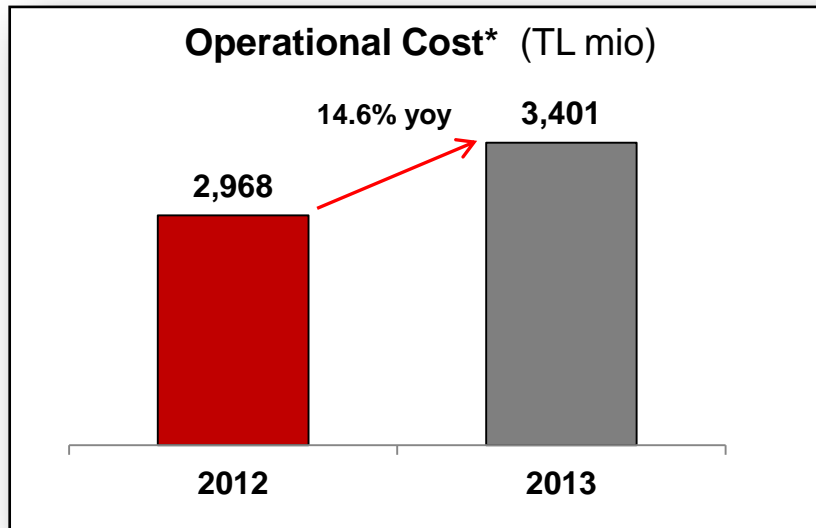


Split of Commission Income



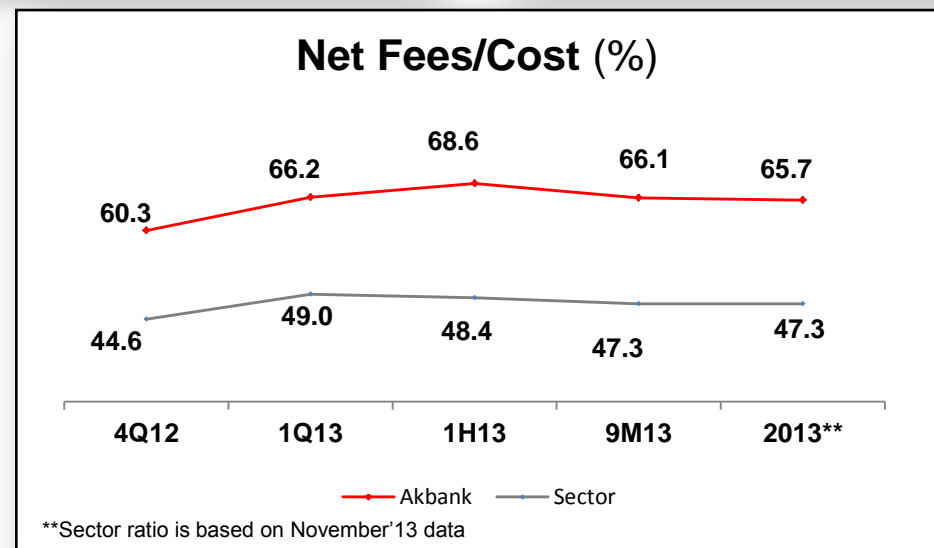
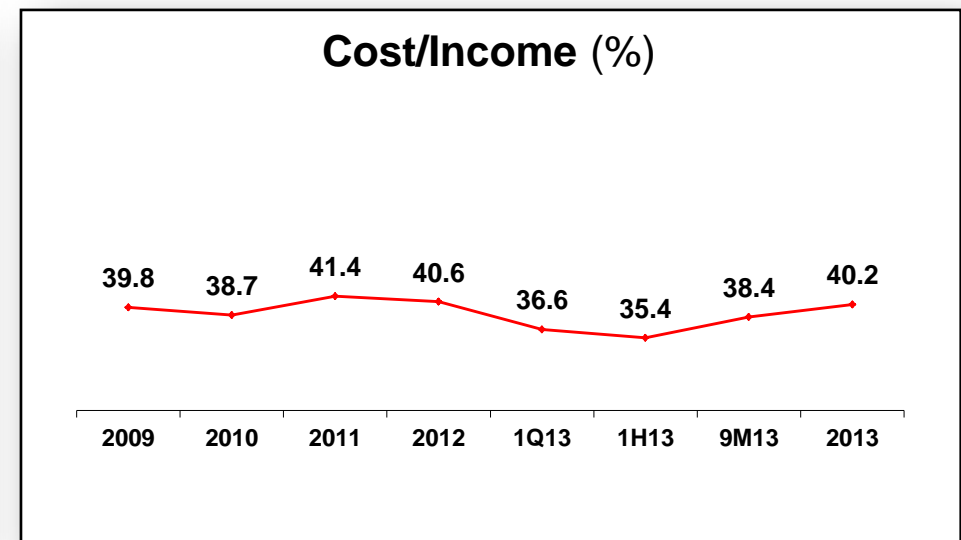
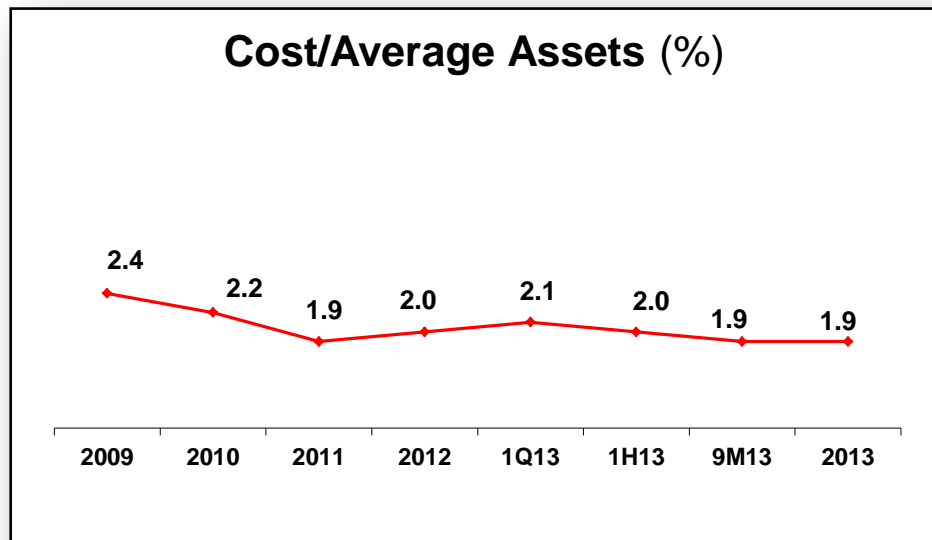
- # 1 in Bancassurance Commissions
- 27% increase in Bancassurance Commissions
- 26% increase in Money Transfer Fees

Decelerated Cost Growth with Increased Efficiency



*Excluding Competition Board penalty of TL129 mio.

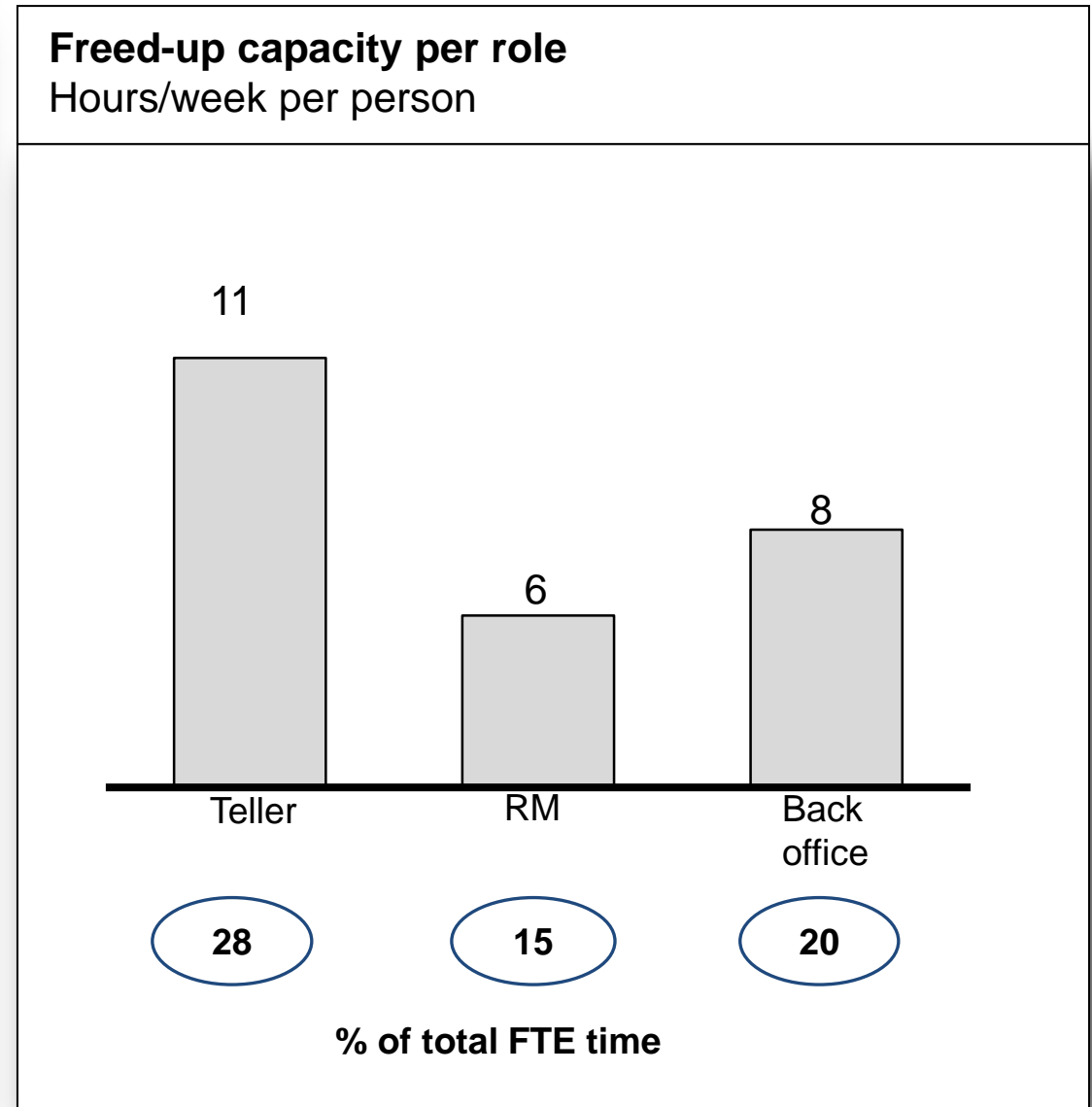
Continuously Best in Efficiency



*All ratios have been calculated excluding the Competition Board penalty of TL129 mio.

Further Cost Efficiency through Lean Project

Outcome	
	Change 2012-2013
Loans (%)	+ 28
Deposits (%)	+ 24
Number of Branches	+ 24
Number of Employees	- 43



Transparency and Clarity in Guidance

On-Track Performance

Earnings	2013 Guidance	2013 Actual
ROA	2.0%	2.0%
Leverage	~8x	~9x
ROE	~16%	~16*%
NIM	3.6%	3.6%
Net fees&com. growth	23%	24.8%
Opex growth*	14%	14.6%
Fees / opex	63%	66%
Cost/ income	41%	40%
Cost / assets	1.9%	1.9%
NPL	1.3%	1.4%
Cost of risk	70-80bps	80bps

*Excluding Competition Board penalty of TL129 mio and Free Provisions of TL 270 mio.

2014 Guidance

Growth

2014 (%)

Total Assets

16-18

Loans

18-20

TL

22-24

FX

10-12

Total Deposits

18-20

TL

22-24

FX

12-14

Earnings

2014

ROA

1.6%

Leverage

~9x

ROE

~14%

NIM

3.6%

Net fees&com. growth

15%

Opex growth

8%

Fees / opex

75%

Cost/ income

40%

Cost / assets

1.7%

NPL

1.7%

Cost of risk

90bps

EPS Growth

~10%

Downside Risks

- Interest Rate and Currency Volatility
- Lower Asset Quality
- Lower GDP Growth
- Higher NPL

Possible Implication of Downside Risks

- Loan Growth (10-12%)
- Lower ROE (~12%)
- Lower NIM (~3.3%)
- Higher CoR (~ 100 bps)
- EPS contraction (5-10%)

Balance Sheet Highlights

Consolidated (TL mio)			Shares (%)		Change (%)
	2012	2013	2012	2013	
Cash and Due from Banks	19,854	24,062	12.1	12.3	21
Securities	46,292	45,443	28.3	23.2	(2)
Loans	92,360	118,010	56.5	60.4	28
Other	4,972	7,967	3.1	4.1	60
Total Assets	163,478	195,482			20
Deposits	90,688	112,473	55.5	57.5	24
Funds Borrowed and Bonds Issued	22,212	28,627	13.6	14.6	29
Repo	20,121	23,231	12.3	11.9	15
- TL Repo	8,861	3,509	5.4	1.8	(60)
- FX Repo	11,260	19,722	6.9	10.1	75
Other	7,980	9,017	4.9	4.6	13
Equity	22,476	22,135	13.7	11.3	(2)
Total Liabilities and S/H Equity	163,478	195,482			20

Income Statement Highlights

Consolidated (TL mio)	2012	2013	Change (%)
Interest Income	11,649	11,892	2
Interest Expense	(6,292)	(5,510)	(12)
Net Interest Income	5,358	6,382	19
Trading Gain (Loss)	403	491	22
- Securities	1,265	657	(48)
- Other	(862)	(166)	(81)
Provision for Loan Losses, net of collections	(493)	(893)	81
Net Interest Income after Trading Gain/Loss & NPL Prov.	5,268	6,038	15
Fees and Commissions (Net)	1,789	2,233	25
Operating Expense	(2,968)	(3,400)	15
Other Income	252	212	(16)
Other Provisions	(464)	(562)	21
Income Before one-off items and Tax	3,877	4,463	15
One-off items*	-	(399)	-
Income Before Tax	3,877	4,064	5
Tax	(872)	(987)	13
Net Income	3,005	3,077	2

* Includes Competition Board Expense of TL129mio and Free Provisions of TL 270 mio

Balance Sheet Highlights in USD

Consolidated (USD mio.*)			Shares (%)	
	2012	2013	2012	2013
Cash and Due from Banks	11,169	11,295	12.1	12.3
Securities	26,042	21,331	28.3	23.2
Loans	51,958	55,393	56.5	60.4
Other	2,797	3,740	3.1	4.1
Total Assets	91,966	91,758		
Deposits	51,017	52,794	55.5	57.5
Funds Borrowed and Bonds Issued	12,496	13,437	13.6	14.6
Repo	11,319	10,904	12.3	11.9
- TL Repo	4,985	1,647	5.4	1.8
- FX Repo	6,334	9,257	6.9	10.1
Other	4,489	4,233	4.9	4.6
Equity	12,644	10,390	13.7	11.3
Total Liabilities and S/H Equity	91,966	91,758		

* Figures are converted with exchange rates effective at the respective balance sheet dates: 2012 – 1.7776; 2013 – 2.1304

Income Statement Highlights in USD

Consolidated (USD mio *)	2012	2013
Interest Income	6,553	5,582
Interest Expense	(3,539)	(2,587)
Net Interest Income	3,014	2,995
Trading Gain (Loss), Net	227	230
- Securities	712	308
- Other	(485)	(78)
Provision for Loan Losses, net of collections	(277)	(419)
Net Interest Income after Trading Gain/Loss & NPL Prov.	2,964	2,834
Fees and Commissions (Net)	1,006	1,048
Operating Expenses	(1,670)	(1,596)
Other Income	142	100
Other Provisions	(261)	(263)
Income Before one-off items and Tax	2,181	2,095
One-off items	-	(187)
Income Before Tax	2,181	1,907
Tax	(490)	(463)
Net Income	1,691	1,444

* Figures are converted with exchange rates effective at the respective balance sheet dates: 2012– 1.7776; 2013 – 2.1304

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