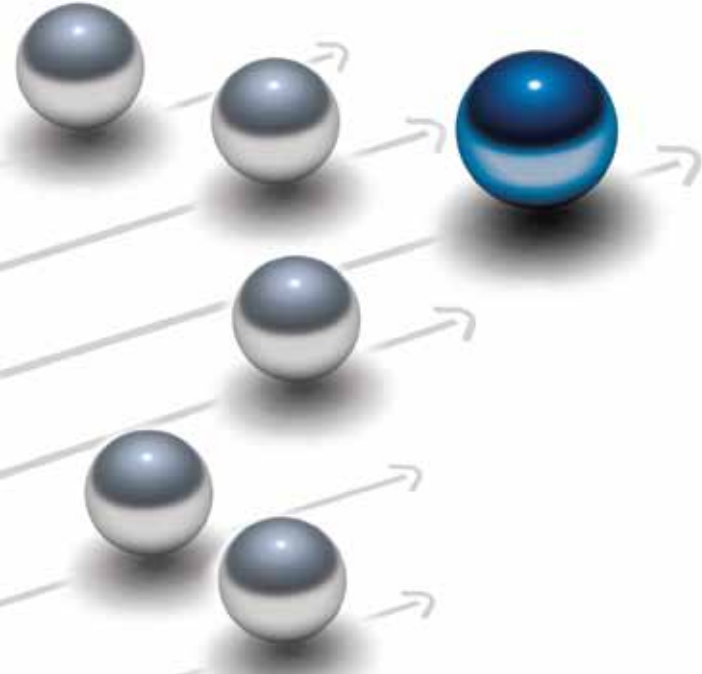


2011 Earnings Presentation

BRSA Bank Only



Macro Outlook

- > Turkey's GDP registered another super high growth in Q3 at 8.2%, 2011 & 2012 GDP growth is expected to exceed 8% & 3% respectively.
- > Thanks to strong fiscal discipline, annual budget deficit realized at 1.3% of GDP at TRY 17.4 bn, beating consensus of 1.7% of GDP.
- > Treasury Rollover ratio also reduced to 84.5%.
- > Inflation rate in YE11 delivered at 10.45%, above the target of 5.5%. Deferred effect of excessive depreciation in TRY reflected in Jan-12 (10.61%) as well.
- > CAD of USD 77.1 bn reported in 2011 YE, and expected to reduce to USD 60-65 bn in 2012.
- > CBRT implemented rate corridor policy where its funding cost varies between 5.75% to 12.5%.
- > CBRT intervened in FX markets to limit further depreciation of local currency to avoid inflationary pass through effects.
- > Headline CUR down 0.8 pp to 74.7% due to seasonal factors. The decline in the ratio signals soft landing.
- > The unemployment rate stood at 9.1% in November down from 11.0% last year. The expectations for 2011 and 2012 are 10.5% and 10.4%, respectively.
- > After hiking to 11.6% in early days of 2012, benchmark rate down to 9.2% levels.

Banking Sector Outlook

- > Loan volume of the industry up 29.9% YoY, FX adjusted growth is about 25% YoY.
- > TRY loans up 26.3% YoY vs FX loan up 13.9% YoY in USD terms.
- > Retail loans increased 28.5% YoY, constituting ~17% of GDP, which is still underpenetrated.
- > On funding front, deposits increased 12.7% YoY.
- > In the last quarter, CBRT cut repo funding and cost of funding increased.
- > Rates of loans and deposits up in the tight liquidity environment.
- > L/D ratio at around 100% .
- > With regards to the asset quality, gross NPL decreased 5.2% YoY, bringing the NPL ratio 100 bps down to 2.7% since the beginning of the year.

2012 Outlook

- > Growth rate in loans at moderate levels, while deposits to increase further.
- > Margins to be defended at close range.
- > Downward trend in inflation expected in H2 12, bringing the interest rates down.
- > Normalization of asset quality expected.
- > Profitability ratios, ROE and ROA, likely to decline.
- > Basel II to be effective fully in July.
- > Potential decoupling among Turkish banks.

2011 Highlights

High Efficiency, Strong Asset Quality and Sustainable Profitability

- > Net income increased **1.7%** YoY, reaching TRY 2,045 mn
- > Remarkably resilient ROE performance at **25.4%**
- > Assets increased **24.9%** YoY (ROA: **2.5%**)
- > Increasing presence in selected market segments; loan volume reaching TRY 56.2 bn; up **2.1%** QoQ and **26.9%** YoY
- > Significant increase in retail loans, up **31.5%** YoY
- > Strong deposit growth; up **20.9%** YoY amounting to TRY 66.2 bn
- > Solid demand deposit base; up **38.2%** YoY, the share of demand deposit in total up to 15.7%.
- > Contrary to the industry, NII growth at **8.8%** YoY
- > Stellar NIM performance; 110 bps NIM expansion during the 4Q to **5.6%** (2011 NIM **4.8%**)
- > Strong momentum for net fees and commissions income; up **38.5%** YoY
- > High performance in trading income; up **80.9%** YoY
- > Total operating revenues and net operating income up **13.5%** and **12.6%** YoY respectively, despite challenging environment
- > 90 bps improvement in asset quality (NPL: **2.9%**)
- > Cost of risk down to **40** bps
- > Efficient cost control with one of the lowest cost/income ratio at **34.5%**
- > CAR is at **14.3%**

2011 - Another Year of Proven Success

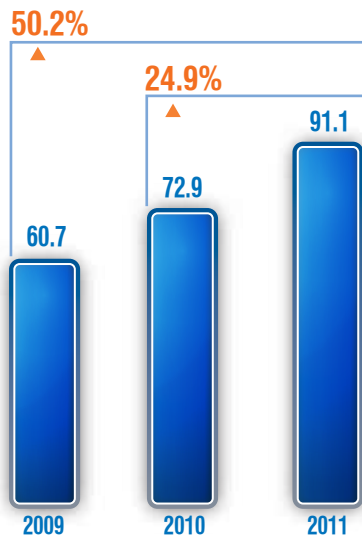
	Guidance February 2011	Disclosed Figures February 2012	
Balance Sheet Items			
Asset Growth	~20%	24.9%	✓
Loan Growth	~25%	26.9%	✓
Securities Growth	~10%	15.5%	✓
Deposit Growth	~17-18%	20.9%	✓
Income Statement Items			
Fee Income Growth	~15-18%	38.5%	✗
Opex Growth	~15%	15.4%	✓
Cost/Income Ratio	~35%	34.5%	✓
NIM Contraction	~45bps	-30bps	✓
Profitability Ratios			
Net Income Growth	flat	1.7%	✓
Return on Equity (RoE)	~24-25%	25.4%	✓
Asset Quality Ratios			
NPL Ratio	~3.2%	2.9%	✗
Cost of Risk (CoR)	~80bps	40bps	✗
Solvency Ratio			
Capital Adequacy Ratio (CAR)	~15%	14.3%	✓

Well-allocated asset structure to outperform

Asset Growth

YoY 24.9% QoQ 0.5%

Total Asset Growth (TRY billion)



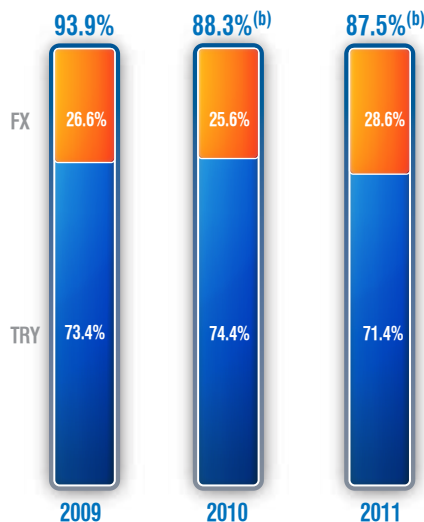
(a) Including interest accruals and excluding fund loans

(b) The impact of the abolition of interest payment in reserve requirements

IEA

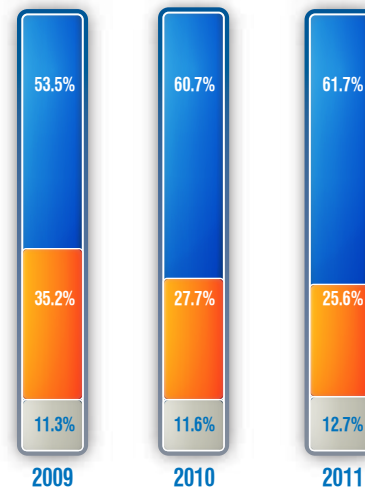
87.5%

Composition of IEAs^(a)



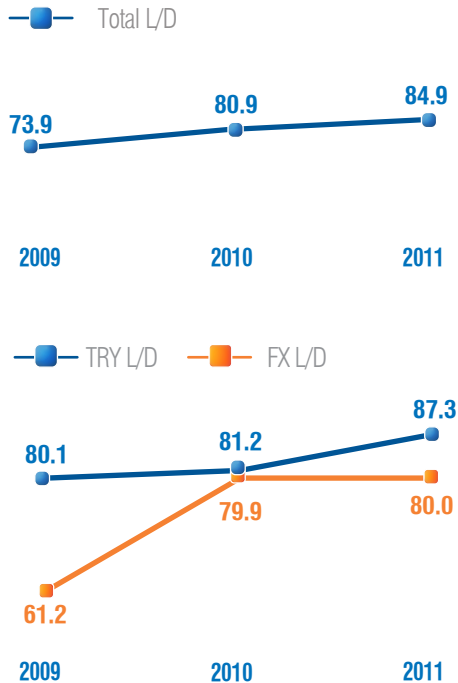
Asset Mix (%)

- Loans
- Securities
- Other Assets

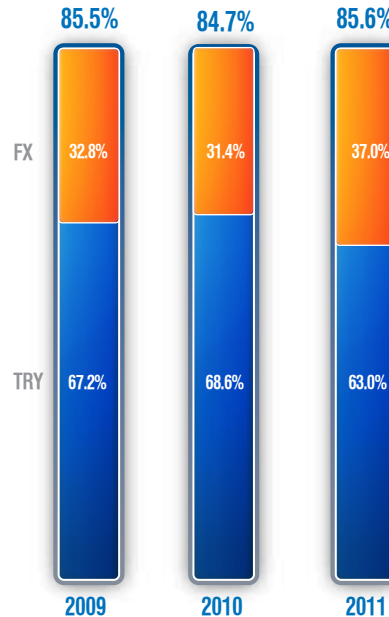


Low L/D ratio provides room for lending

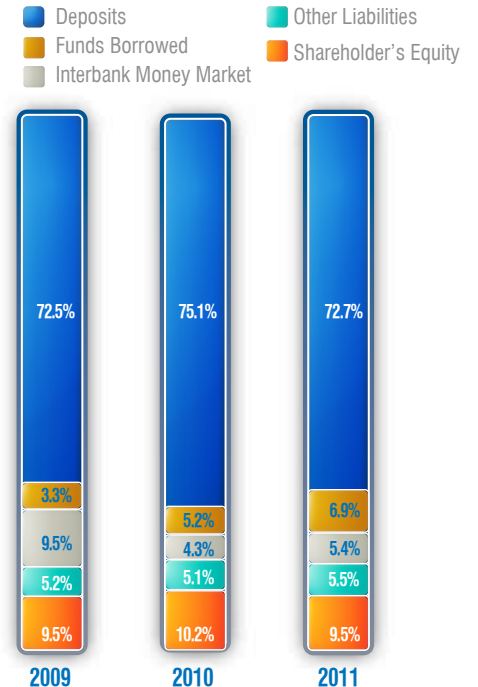
Loan to Deposit (%)



Composition of IBLs^(a)



Liabilities Mix (%)



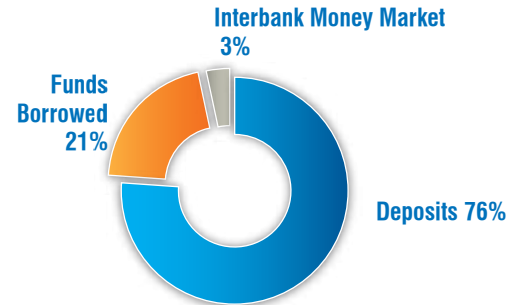
(a) Including interest accruals and excluding funds, excluding demand deposit, the share of IBL is 74% in 2011.

Comfortable on the FX funding front

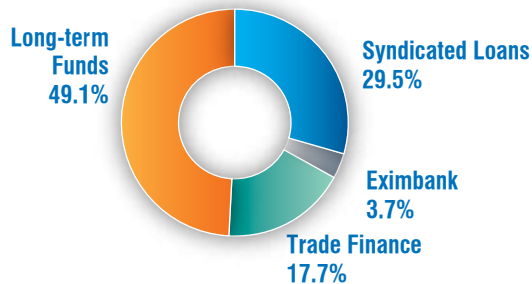
FX Liabilities / Total Liabilities



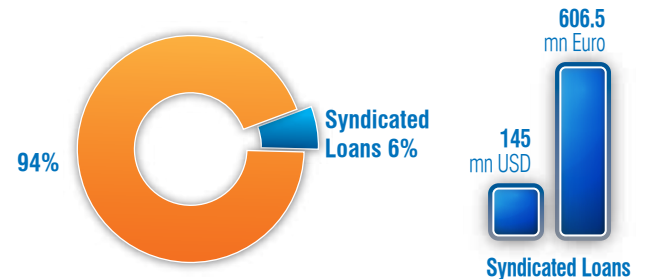
FX Liabilities



Funds Borrowed



Syndicated Loans / FX Liabilities^(a)



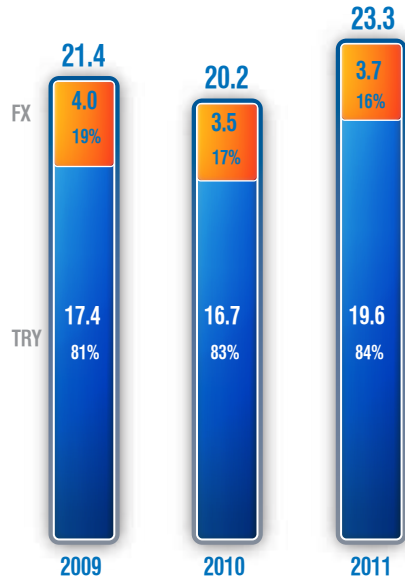
(a) Syndicated loan to roll over on July 18 2012

15.5% increase in securities portfolio

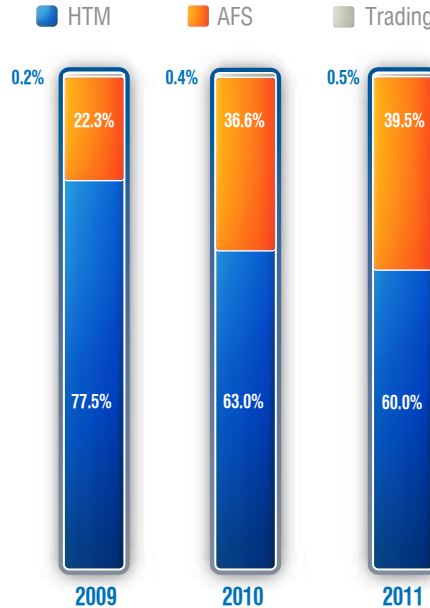
2012 redemption ~ TRY 4 bn

100% Turkish Treasury bonds

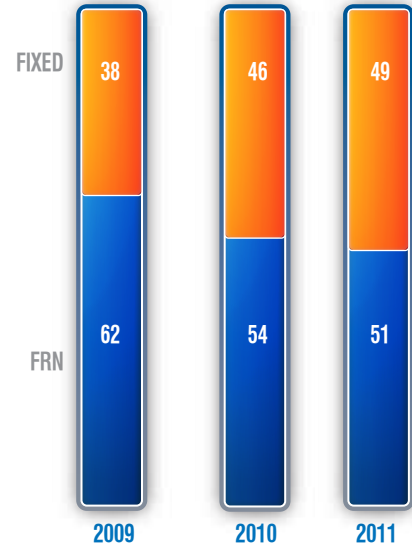
Total Securities Portfolio^(a) (TRY billion)



Total Securities Composition



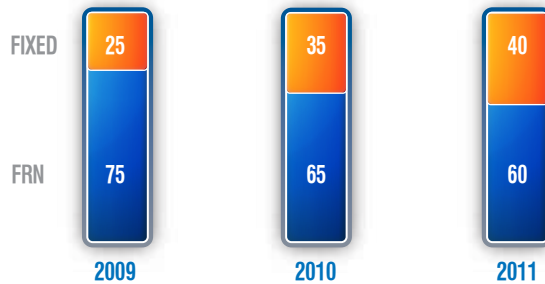
Interest Structure^(b) (%)



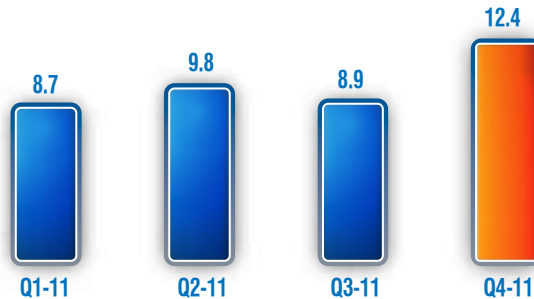
(a) FX indexed securities are booked as foreign currency (b) Excluding interest accruals.

Well diversified interest rate structure

TRY Securities Portfolio^(a) (%)

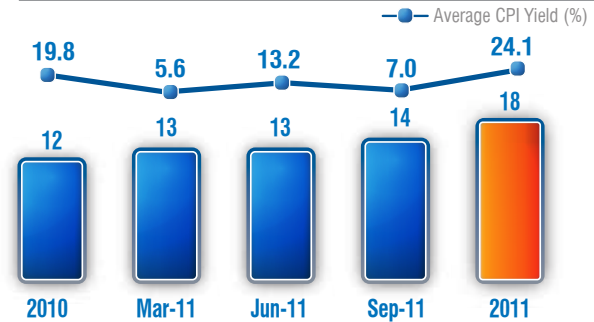


TRY Securities Yield (%)

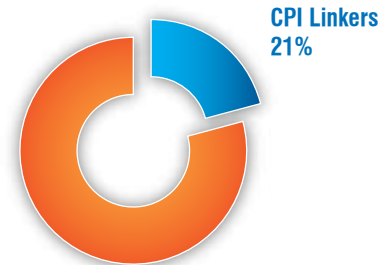


(a) Excluding interest accruals

CPI Linkers / Total Securities (%)



CPI Linkers / TRY Securities (%)



Further growth in targeted loan segments (TRY billion)^(a)

Total Loans

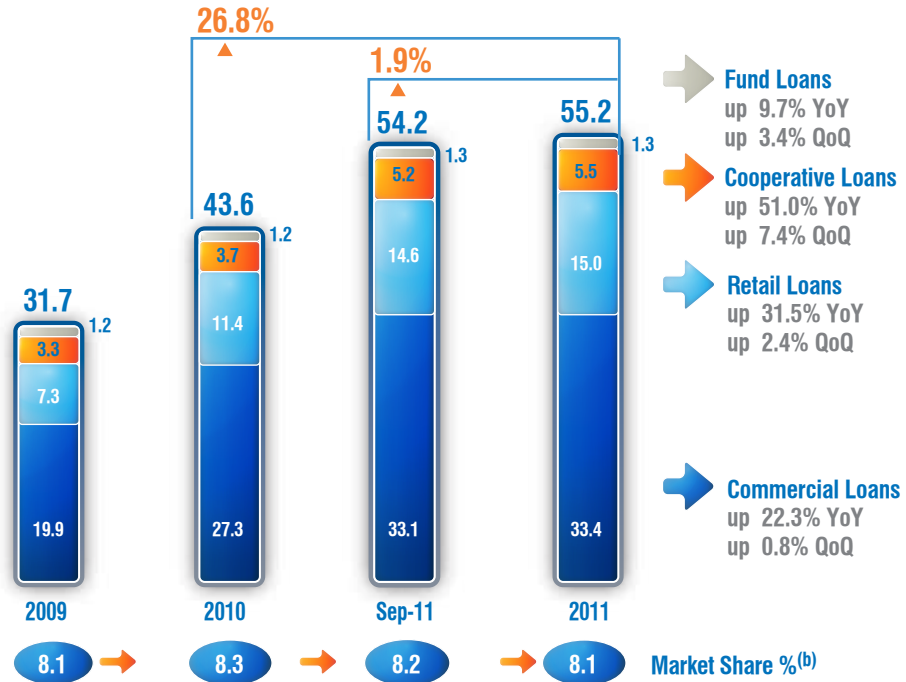
HALKBANK	B. Sector ^(b)
YoY	YoY
26.8%	29.9%
QoQ	QoQ
1.9 %	3.3%

TRY Loans

HALKBANK	B. Sector ^(b)
YoY	YoY
19.7%	26.3%
QoQ	QoQ
2.4%	3.8%

FX Loans

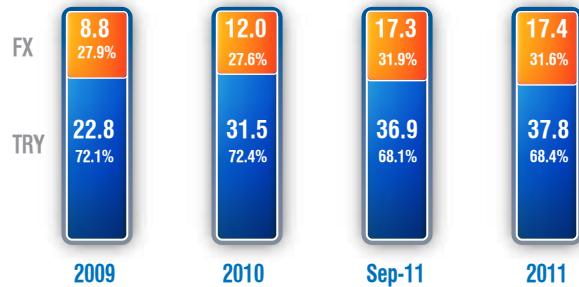
HALKBANK	B. Sector ^(b)
YoY	YoY
45.5%	39.4%
QoQ	QoQ
1.1%	2.1%
in USD terms	
YoY	YoY
18.9%	13.9%
QoQ	QoQ
-0.4%	0.6%



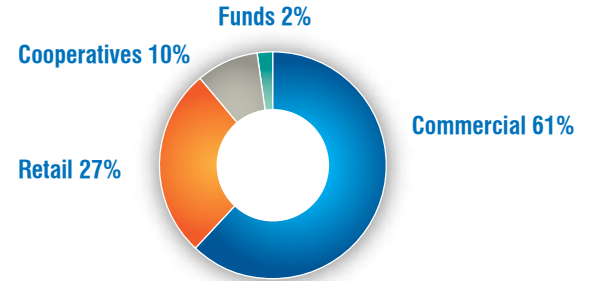
(a) Excluding interest accruals. (b) BRSA monthly data

Well balanced, high margin customer segmentation

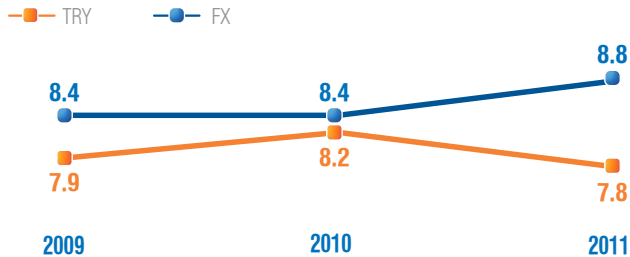
Loans by Currency (TRY billion)^(a)



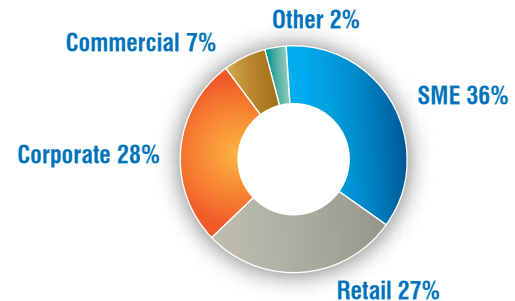
Loans by Types



Market Share (%)^(b)



Loans by Customer Segmentation



(a) Excluding interest accruals (b) BRSA monthly data

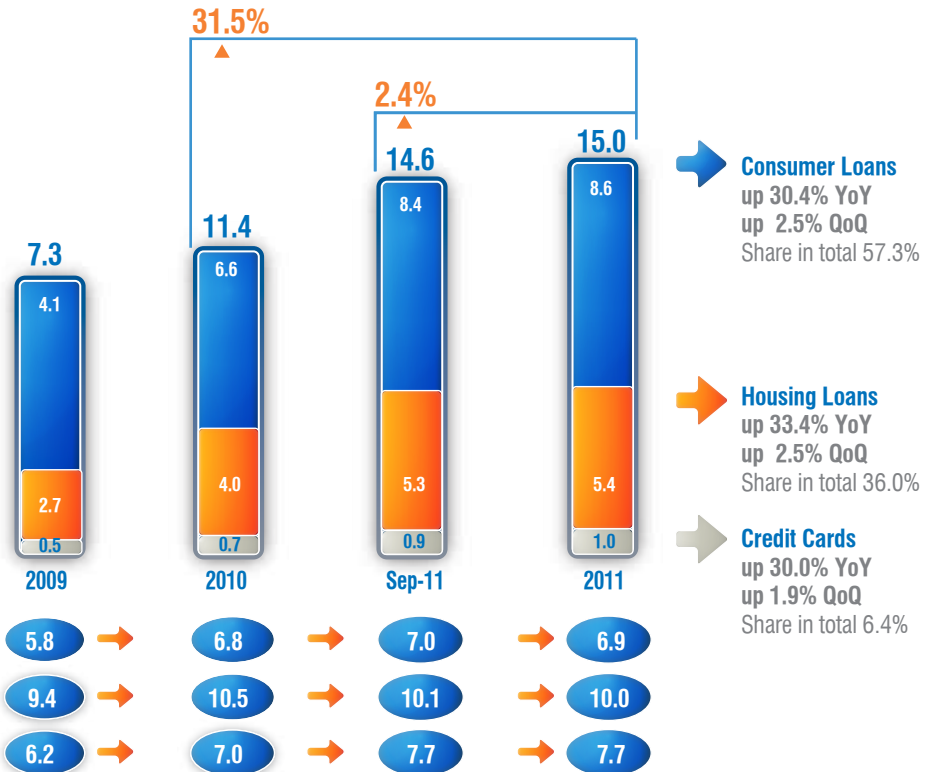
Retail growth in line with sector (TRY billion)^(a)

HALKBANK

YoY
31.5%
QoQ
2.4%

B. SECTOR^(b)

YoY
28.5%
QoQ
3.4%

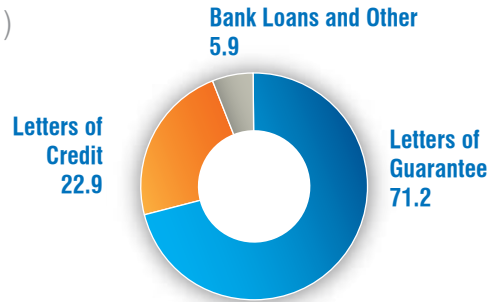


(a) Excluding interest accruals. (b) CBRT data as of 30.12.2011

Continuous market share gain in non-cash loans

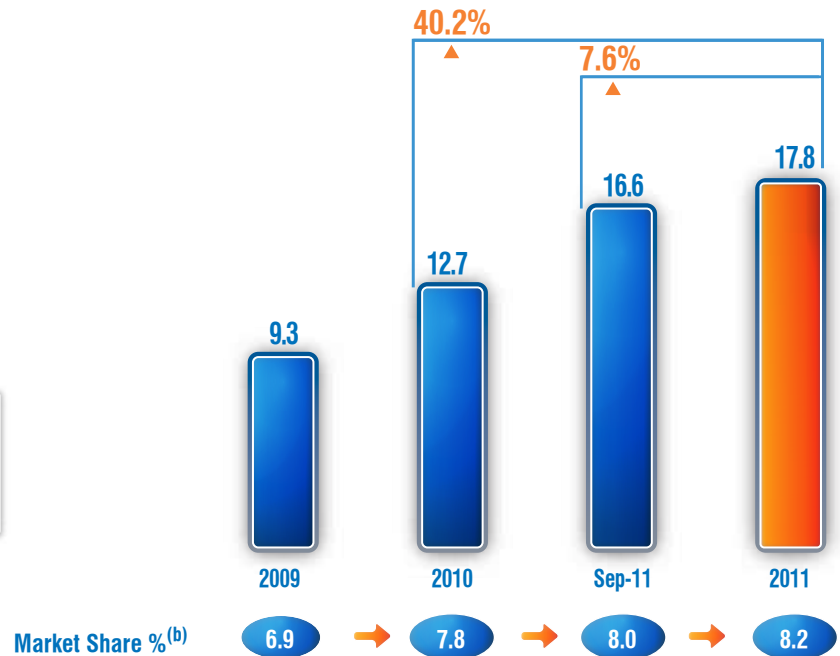
Breakdown of Non-cash Loans (%)^(a)

(2011)



In line with the increase in non-cash loans, market share in trade finance is up to 8.7%

Non-cash Loans (TRY billion)^(a)



(a) Guarantees, Warranties (b) BRSA monthly data

Well diversified loans by provinces

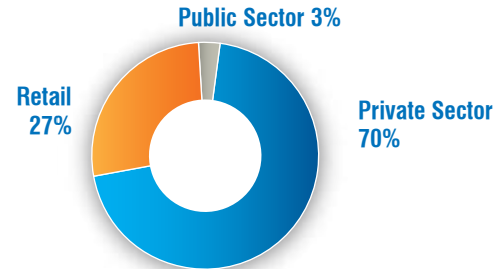
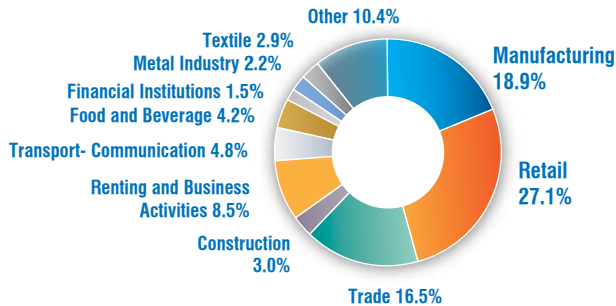
Loans by Provinces



Over 20% 10-20% 5-10% 1-5% 0.5-1% 0-0.5%

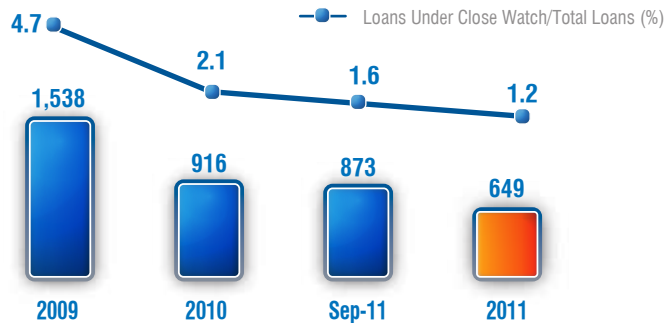
53% of the loans extended to the provinces excluding İstanbul, Ankara and İzmir.

Sectoral Breakdown of Loans (%)

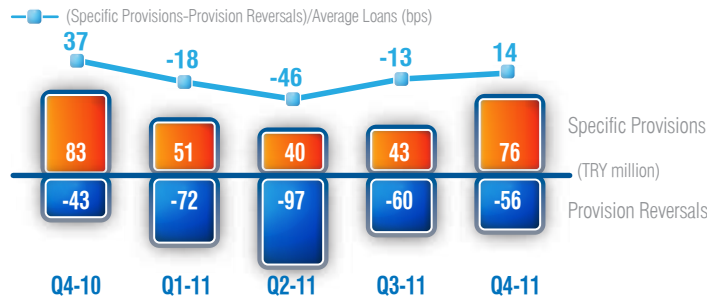


Downward trend in loans under close watch

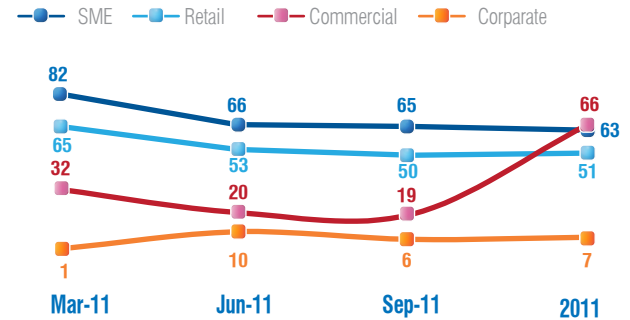
Loans under Close Watch (TRY million)



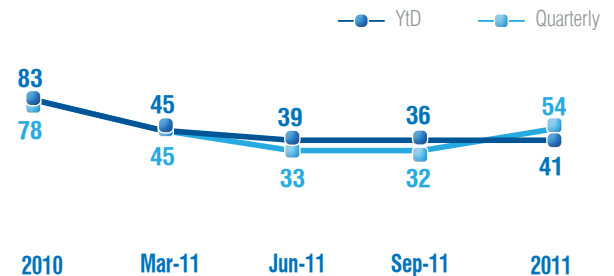
Net Cost of Risk



Cost of Risk (bps) ^(a)



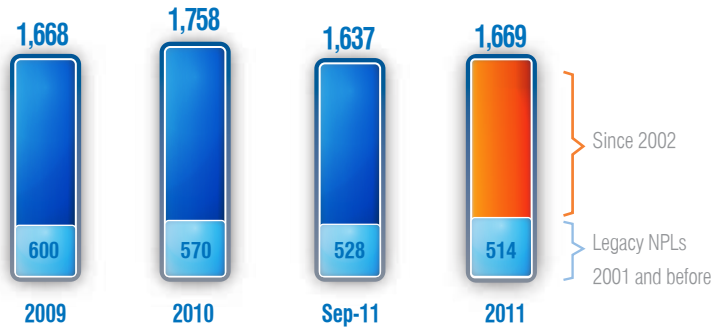
Cost of Risk (bps) ^(b)



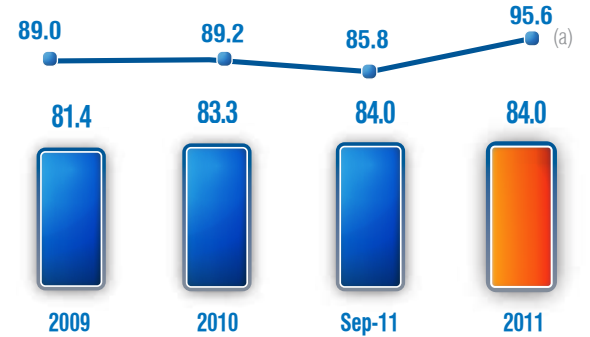
(a) Specific Provisions / Average Loans (b) Specific Provisions / Average Net Loans

Sound asset quality

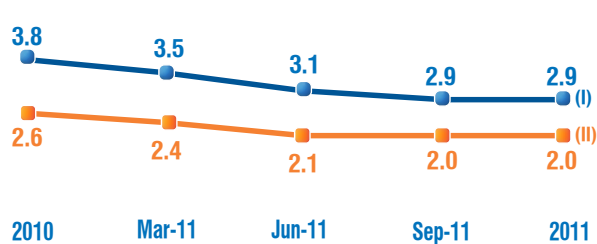
NPL Portfolio (TRY million)



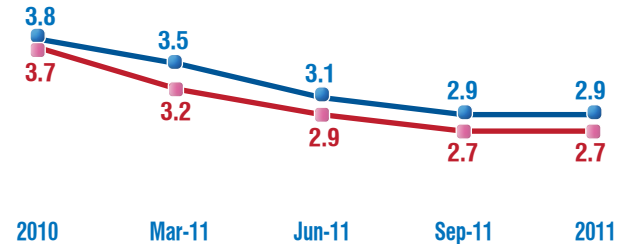
NPL Coverage (%)



NPL / Total Loans (%)



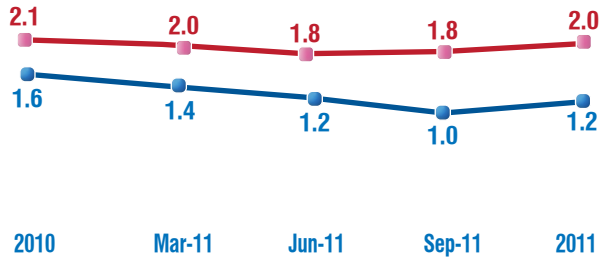
(I) Total NPL ratio (II) Excluding the legacy of year 2001 and before NPLs



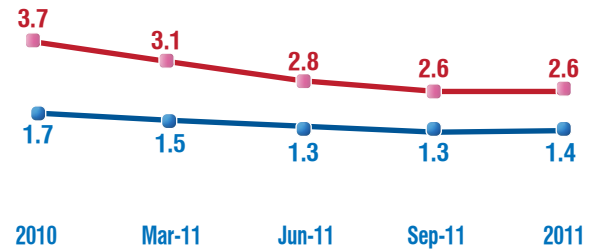
(a) Including discretionary provisions (b) BRSA monthly data

Lower NPL formation than the sector

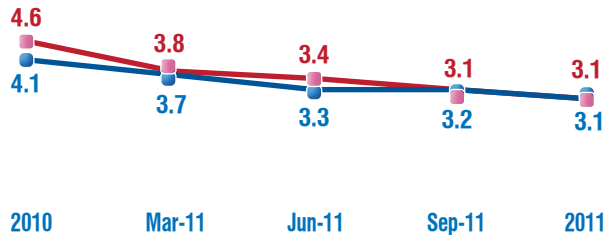
Corporate - Commercial (%)^(a)



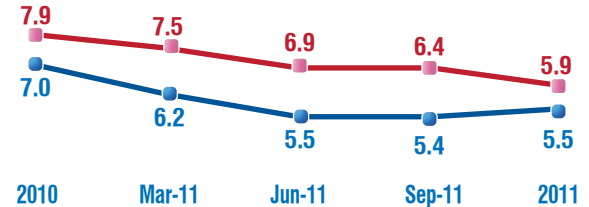
Consumer Loans (%)^(b)



SME Loans (%)^(a)



Credit Cards (%)^(b)



(a) BRSA monthly data, excluding legacy NPLs

(b) CBRT data as of 30.12.2011

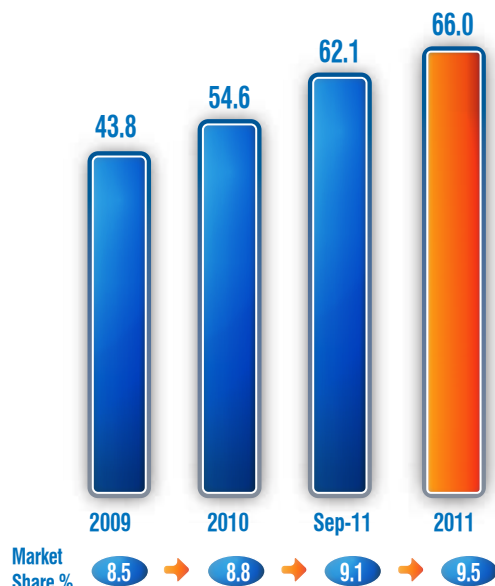
Widespread and sticky deposit base

	HALKBANK	B. Sector ^(b)
Total Dep. YoY	20.9%	12.7%
QoQ	6.3%	1.7%

	HALKBANK	B. Sector ^(b)
TRY Dep. YoY	11.5%	6.1%
QoQ	7.7%	0.6%

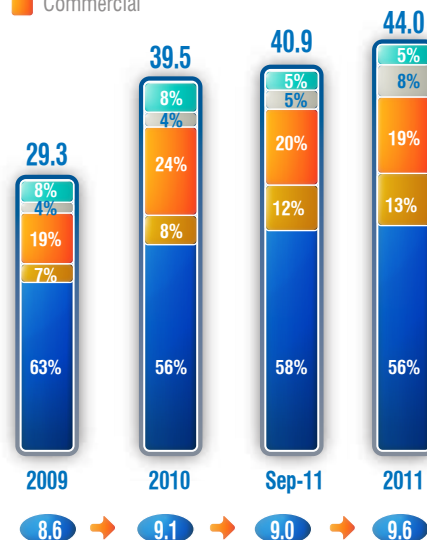
	HALKBANK	B. Sector ^(b)
FX Dep. YoY	45.5%	28.3%
QoQ	3.6%	4.0%
in USD YoY	18.9%	4.9%
terms QoQ	2.1%	2.4%

Total Deposits (TRY billion)^(a)



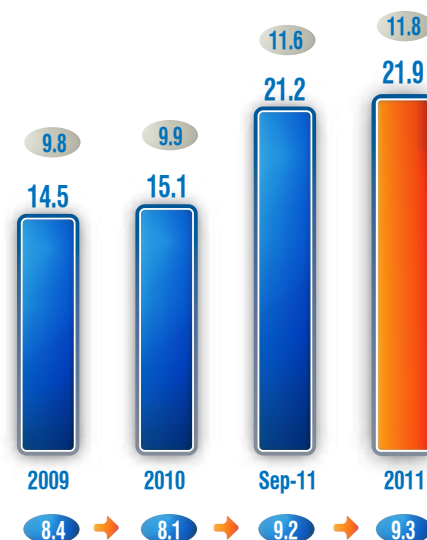
TRY Deposits (TRY billion)^(a)

■ Other Inst. Deposits ■ Public Sector
■ Interbank ■ Savings
■ Commercial



FX Deposits (TRY billion)^(a)

● USD bn

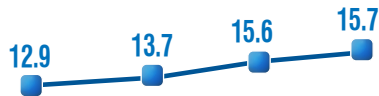


(a) Excluding Interest Accruals (b) BRSA monthly data

Increasing share of demand deposit

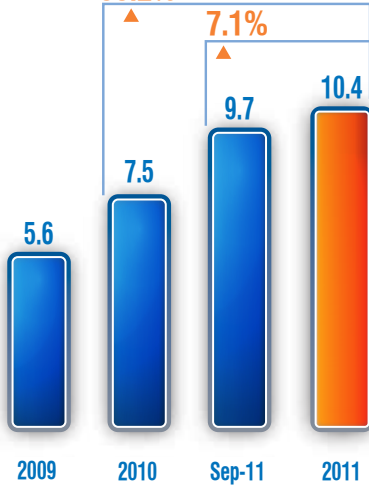
Demand Deposit (TRY billion)^(a)

— Demand Deposits/Total Deposits (%)



38.2%

7.1%



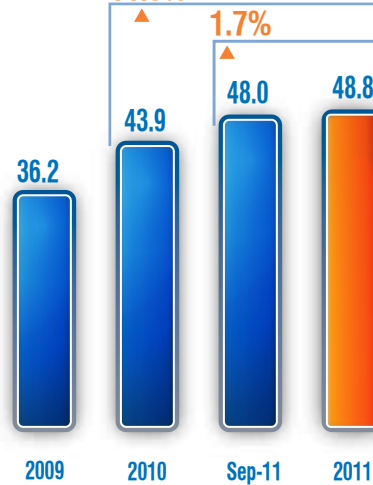
Time Deposits (TRY billion)^(a)

— Time Deposits/Total Deposits (%)



11.3%

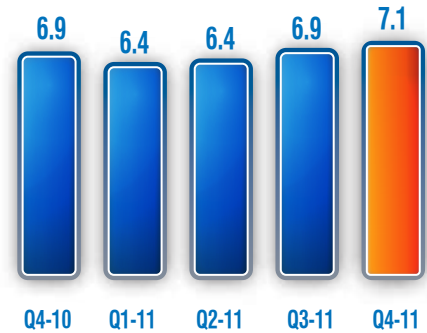
1.7%



Deposits by Currency (%)



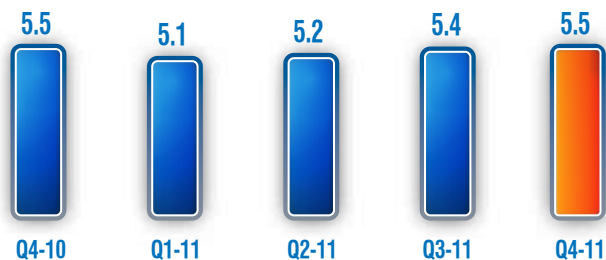
Cost of TRY Deposits (%)^(b)



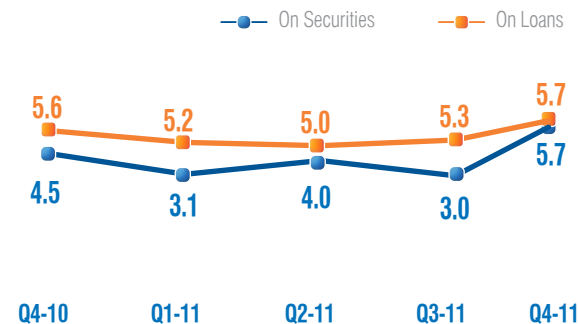
(a) Excluding Interest Accruals and Interbank Deposits (b) Time & Demand Blended

Cost-Yield-Spread^(a) - Quarterly

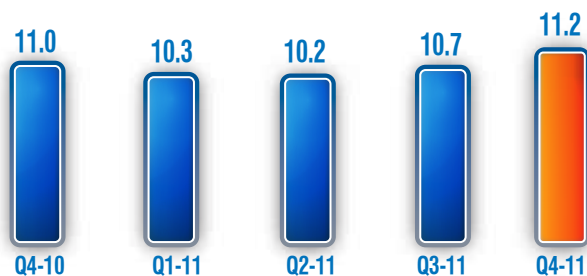
Cost of Deposits (%)



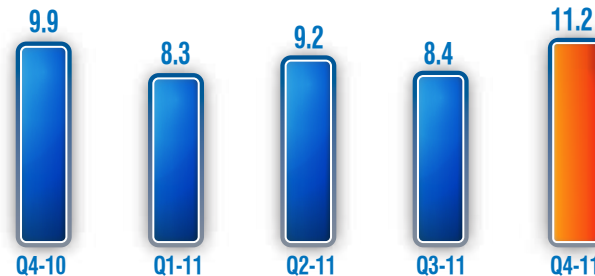
Spreads (%)



Yield on Loans (%)^(b)



Yield on Securities (%)

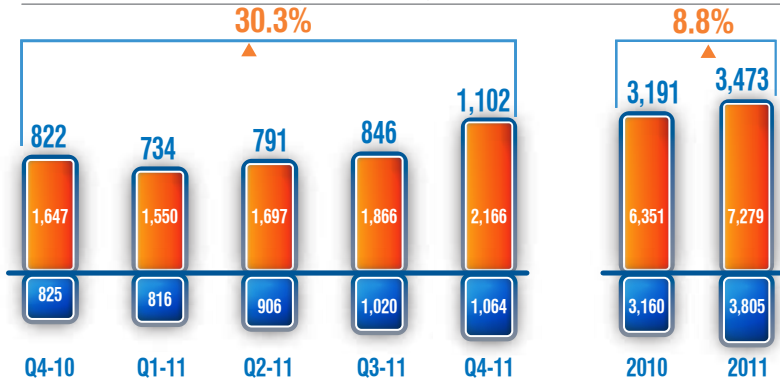


(a) TRY-FX blended (b) Excluding fund loans

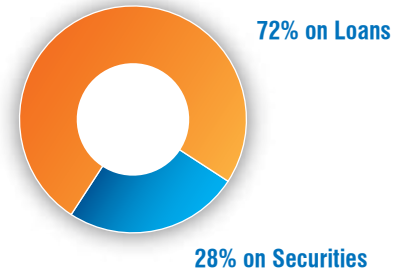
Unlike industry, NII up 8.8%

Net Interest Income (TRY million)

■ Interest Expenses
■ Interest Income

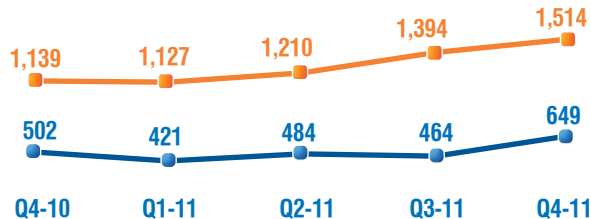


Breakdown of Interest Income

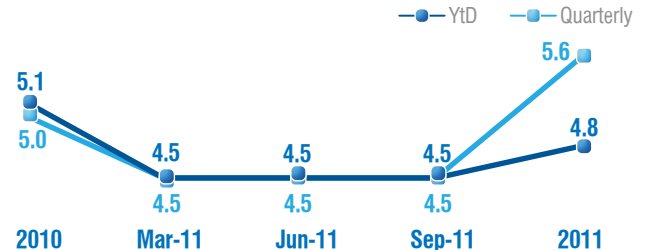


Interest Income (TRY million)

● On Securities ● On Loans

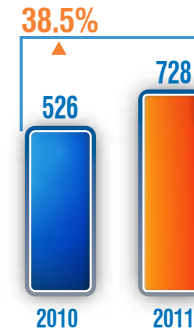
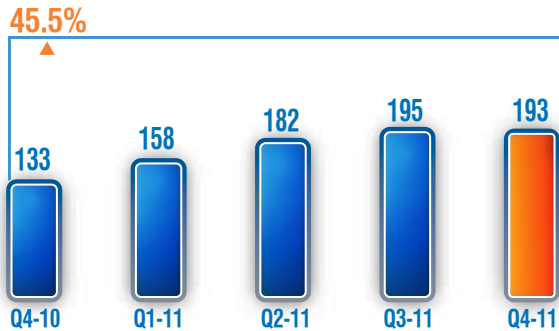


NIM (%)

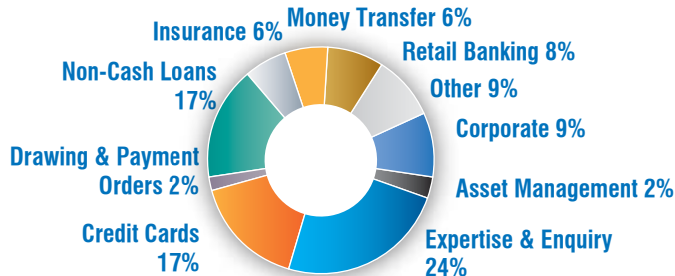


Unprecedented growth in net fees & commissions; 38.5%

Net Fees & Commissions Income (TRY million)



Breakdown of Fees & Commissions

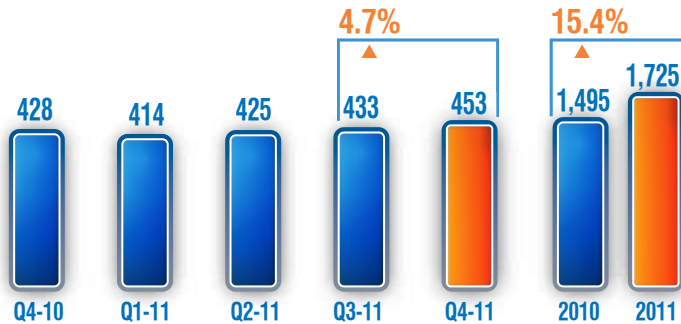


Net Fees & Commissions / Operating Revenues (%)

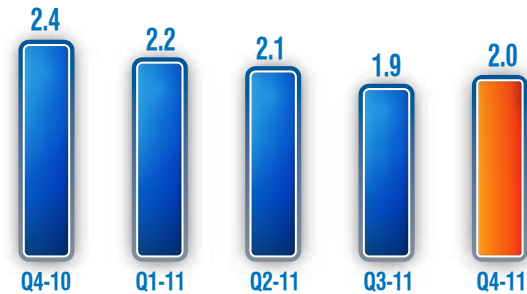


Cost/Income at 34.5% way below peers

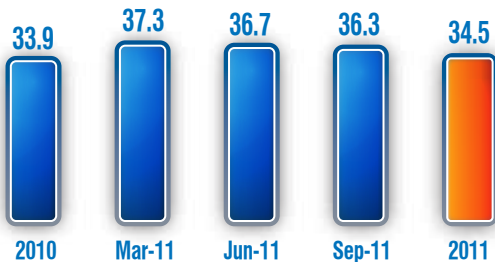
Operating Expenses (TRY million)



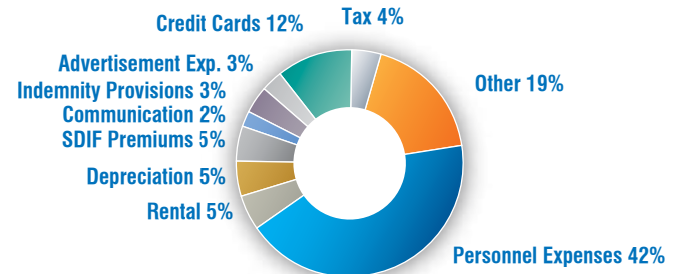
OPEX / Average Assets (%)



Cost/Income (%)

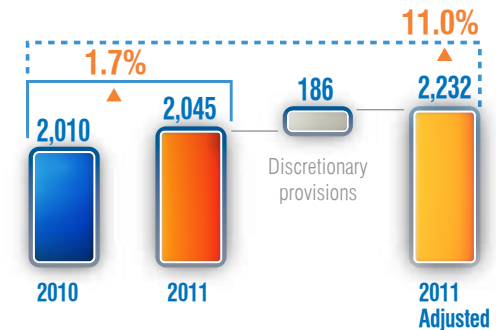
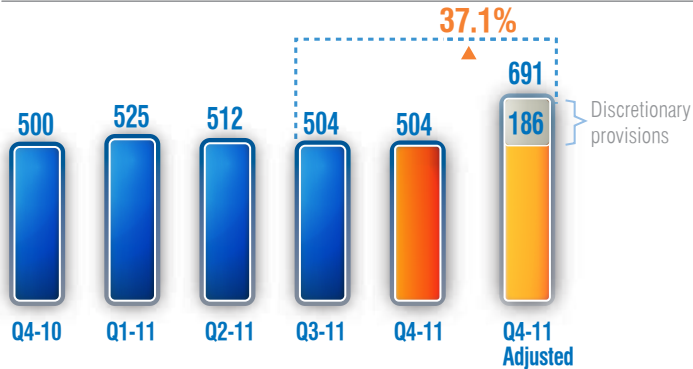


Breakdown of Operating Expenses

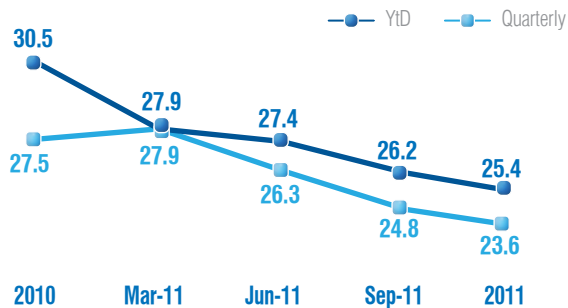


Net Income - Profitability Ratios

Net Income (TRY million)



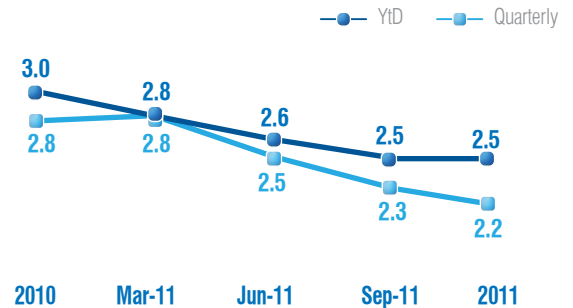
ROE (%)



Adj. RoE
2011 27.7%
4Q 32.4%

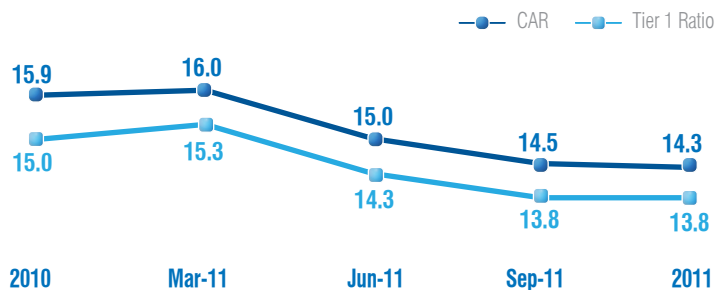
Adj. RoA
2011 2.7%
4Q 3.0%

ROA (%)

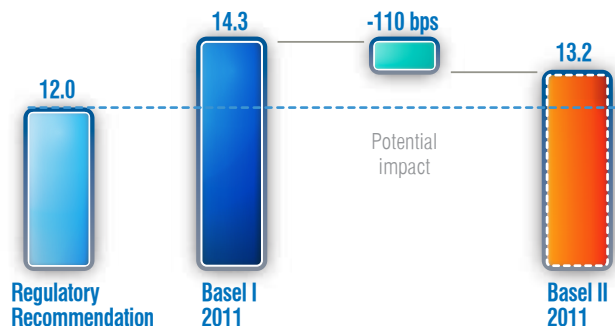


Solvency Ratios

Capital Ratios (%)



Basel II Effect (%)

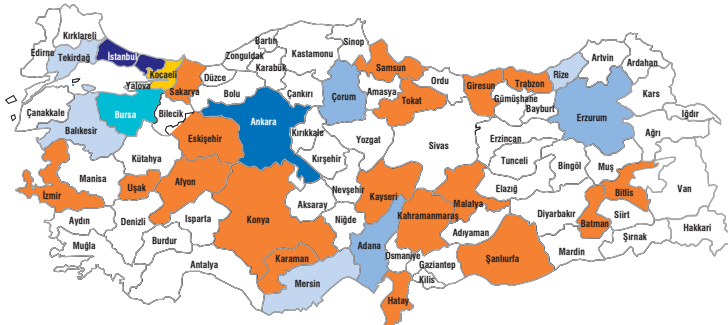


Details on Capital Ratios

(TRY mn)

	2010	2011
Tier I Capital	6,947	8,999
Tier II and Deductions	453	354
Total Regulatory Capital	7,400	9,353
Credit risk base amount	39,765	57,336
0%	24,492	25,905
20%	2,123	2,582
50%	15,248	20,714
100%	31,680	41,405
Over 100%	24	2,658
Market risk base amount	1,550	1,953
Operational risk base amount	5,121	6,119
RWAs (Including Value at Market Risk and Operational Risk)	46,436	65,408
Tier I Ratio	15.0%	13.8%
Total CAR	15.9%	14.3%

Branch Network – Human Resources



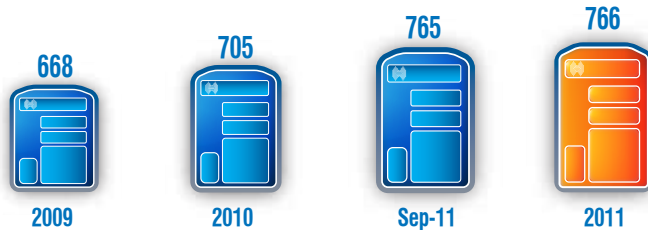
Opened Number of Branches by Province in 2011



> Branch network has been strengthened with 61 new branches opened in 2011. The total figure climbs up to 766.

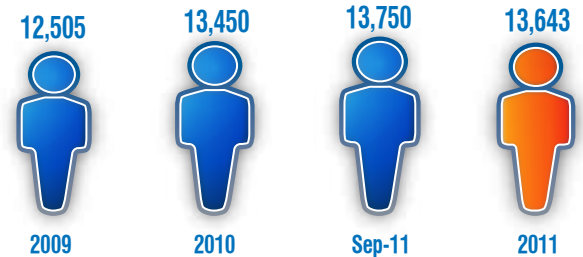
> With 412 new ATMs in a year, total ATM number increased up to 2,157.

Total Branches^(a)



(a) Including domestic branches and special transaction centers.

Headcount



Balance Sheet

In TRY million	2010	Sep-11	2011	QoQ Change %	YoY Change %
Cash and Balances Held with the Central Bank (a)	4,650	8,494	7,272	(14.4)	56.4
Banks & Money Market (b)	1,109	1,618	1,475	(8.9)	33.0
Securities (b)	20,207	22,469	23,346	3.9	15.5
Net Loans (b)	44,296	55,035	56,216	2.1	26.9
Gross NPL	1,758	1,637	1,669	2.0	(5.1)
NPL Net	293	262	267	1.9	(9.0)
Property and Equipment	963	881	1,039	17.9	7.8
Other Assets	1,717	2,217	1,775	(19.9)	3.4
Total Assets	72,942	90,714	91,124	0.5	24.9
Deposits (b)	54,782	62,314	66,247	6.3	20.9
Funds Borrowed (b)	3,824	6,001	6,291	4.8	64.5
Interbank Money Market (b)	3,155	8,754	4,905	(44.0)	55.4
Funds	1,295	1,278	1,345	5.2	3.9
Marketable Securities Issued	-	471	496	5.2	-
Other Liabilities	1,584	2,576	1,948	(24.4)	23.0
Provisions	857	1,021	1,252	22.7	46.1
Shareholders' Equity	7,445	8,299	8,640	4.1	16.1
Total Liabilities	72,942	90,714	91,124	0.5	24.9

(a) Reserve deposits monitored in balance with Central Bank.

(b) Including interest accruals.

Income Statement

In TRY million	2010	2011	YoY%	Q4-10	Q1-11	Q2-11	Q3-11	Q4-11	QoQ %
Interest Income	6,351	7,279	14.6	1,647	1,550	1,697	1,866	2,166	16.1
On Loans	4,256	5,246	23.3	1,139	1,127	1,210	1,394	1,514	8.6
On Securities	2,014	2,019	0.2	502	421	484	464	649	39.8
Interest Expense	3,160	3,805	20.4	825	816	906	1,020	1,064	4.3
On Deposits	2,772	3,172	14.4	739	708	744	822	898	9.2
Net Interest Income	3,191	3,473	8.8	822	734	791	846	1,102	30.3
Net Fees and Commissions	526	728	38.5	133	158	182	195	193	(1.2)
Net Trading Income	115	208	80.9	(49)	98	(2)	48	64	33.7
Other Operating Income	575	594	3.3	285	120	204	131	140	6.5
Reversal of Loan Loss Provisions	220	284	29.2	43	72	97	60	56	(6.8)
Total Operating Revenues	4,407	5,003	13.5	1,190	1,110	1,175	1,220	1,499	22.8
Operating Expenses	1,495	1,725	15.4	428	414	425	433	453	4.7
Net Operating Income	2,912	3,278	12.6	762	696	749	787	1,045	32.7
Provision for Loan Losses and Other Receivables	458	690	50.5	131	86	116	140	348	148.8
Loan Loss Provisions for Cash Loans	316	211	(33.3)	83	51	40	43	76	76.0
Profit/(Losses) from Associates	56	49	(13.2)	-	43	5	-	-	-
Income Before Taxes	2,509	2,637	5.1	631	653	639	648	697	7.6
Provision for Tax	499	592	18.6	131	128	127	144	193	34.0
Net Income	2,010	2,045	1.7	500	525	512	504	504	0.1

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