YE14 Consolidated Financial Results

02 February 2015



Strong 2014 Performance Endorsing Our Long Term Strategy

Committed to Targets:

- Change in asset mix
- Increase in share of higher yielding loans
- High asset quality and efficiency during growth
- Focus on potential fee & commission areas
- Effective NIM management
- Positive EPS Growth

Targets Delivered:

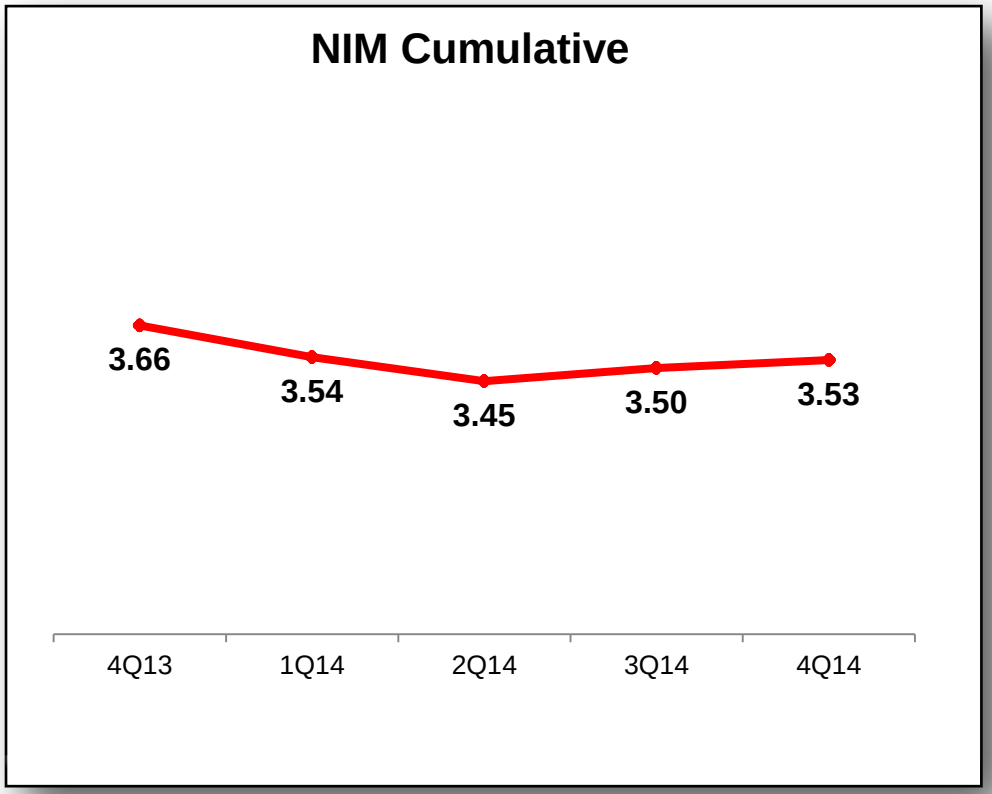
- Loans/assets increased to 62% from 60%
- Share of SMEs and GPLs increased to 50% from 45%
- NPL: 1.7%, Cost to Assets: 1.8%
- 9% growth on fee income
  - 47% increase on money transfer loans
  - 41% increase on non-cash loans
- Flattish NIM despite volatility
- 10% EPS growth

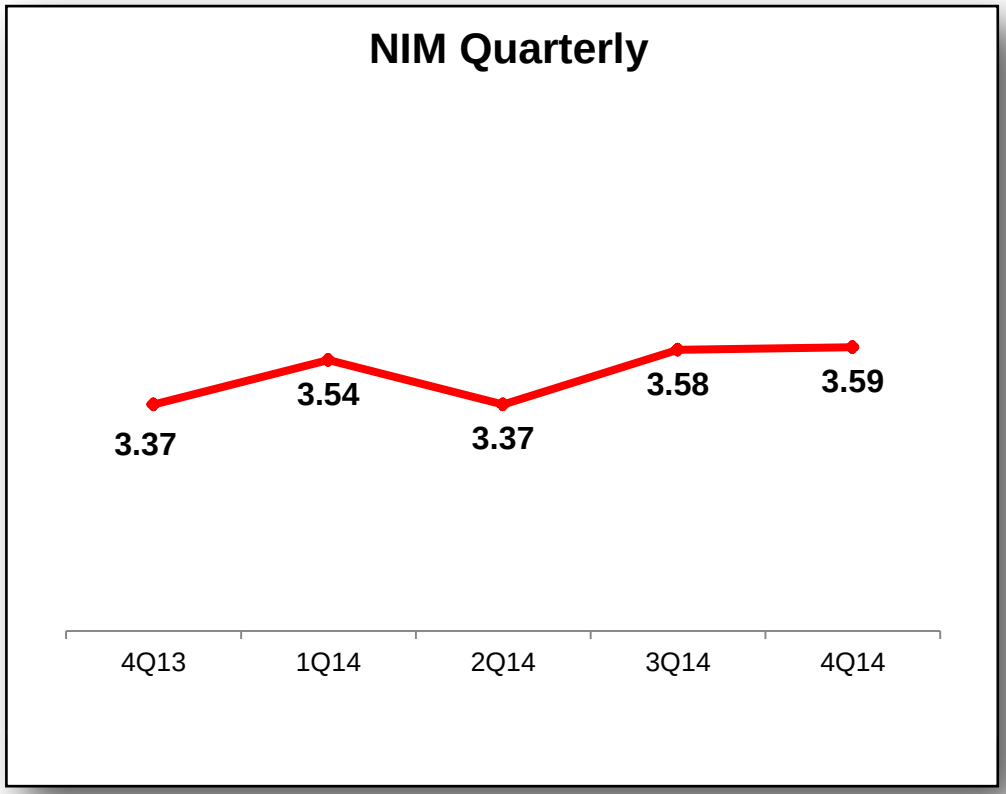
Solid Operational Results

(TL mio, ratios in %)	2013	1Q14	2Q14	3Q14	4Q14	2014	YoY (%)	QoQ (%)
Total Assets	195,482	200,236	208,803	214,942	218,697	218,697	11.9	1.7
Loans	118,010	118,369	126,912	133,794	136,131	136,131	15.4	1.7
Deposits	112,473	110,130	116,292	121,781	122,294	122,294	8.7	0.4
Net Profit	3,077	661	951	804	963	3,379	9.8	19.8
Net interest income	6,382	1,737	1,710	1,870	1,903	7,220	13.1	1.8
Net fee income	2,233	524	676	642	595	2,437	9.1	-7.3
ROAE	15.8	11.8	16.2	13.0	15.1	14.1	-1.7	2.1
ROAA	2.0	1.3	1.9	1.5	1.8	1.6	-0.4	0.3
NIM	3.66	3.54	3.37	3.58	3.59	3.53	-0.1	0.0
Cost of Risk	0.99	0.75	0.89	1.10	0.73	0.87	0.1	-0.4
Cost to Asset*	1.9	1.8	1.9	1.9	2.0	1.8	-0.1	0.0
CAR	14.7	14.5	14.7	14.4	14.9	14.9	0.2	0.5
Tier I	14.5	13.5	13.7	13.4	13.8	13.8	-0.7	0.4

*Adjusted for one-off items. In 2013, one–off items included Competition Board Penalty of TL129 mio.

Highest Quarterly NIM for 2014





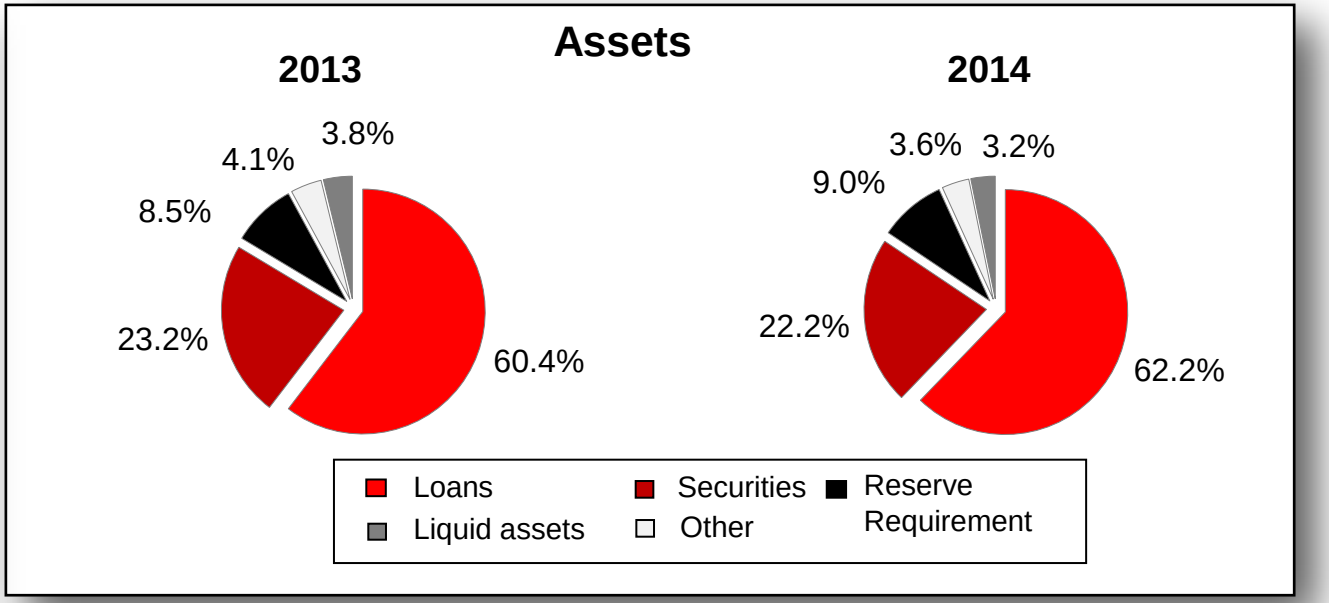
NIM Benefited From Core Spread Improvement

(%)	4Q13	1Q14	2Q14	3Q14	4Q14	△ in yield 3Q-4Q	△in NIM (bps) 3Q-4Q
TL Loans	9.60	10.35	10.69	10.45	10.76	0.31	+4
TL Deposits (blended)	6.27	6.94	7.97	7.13	7.13	0.00	+6
- TL Time Deposits	*7.78*	*8.43*	*9.70*	*8.71*	*8.64*	*-0.07*	
TL Loan-Deposit Spread	3.33	3.41	2.72	3.32	3.63	0.31	
FX Loans	4.36	4.68	4.49	4.44	4.30	-0.14	-
FX Deposits (blended)	1.88	2.03	1.79	1.58	1.52	-0.06	+3
- FX Time Deposits	*2.28*	*2.44*	*2.17*	*1.93*	*1.86*	*-0.07*	
FX Loan-Deposit Spread	2.48	2.65	2.70	2.86	2.78	-0.08	
Loan-Deposit NIM impact							**+13**
TL Securities	10.75	10.30	10.99	9.89	9.40	-0.51	-12
FX Securities	3.50	3.62	3.47	3.42	3.38	-0.04	+2
Securities NIM impact							**-10**
Repo and Others impact							-2
Net Interest Margin	**3.37**	**3.54**	**3.37**	**3.58**	**3.59**		**+1**

Asset Shift Continuing

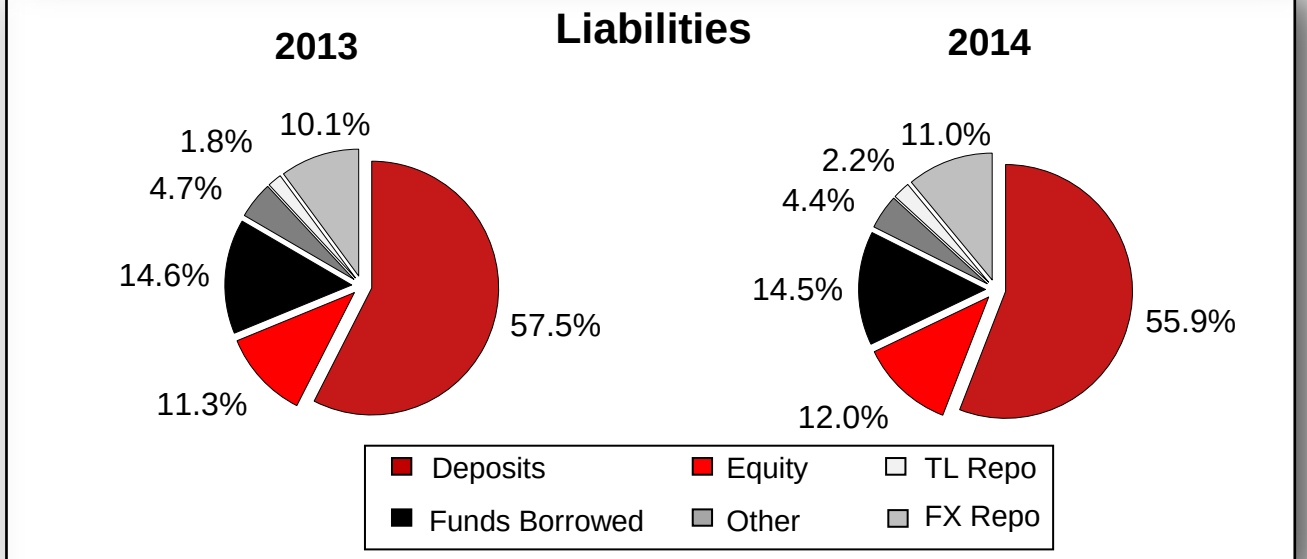
Increased Share of Loans

- Loans / Assets increased to 62.2% from 60.4% in 2013



Diversified Funding Mix

- TL loan growth fully funded by TL deposit growth
- Loans to Deposit ratio under control at 111%

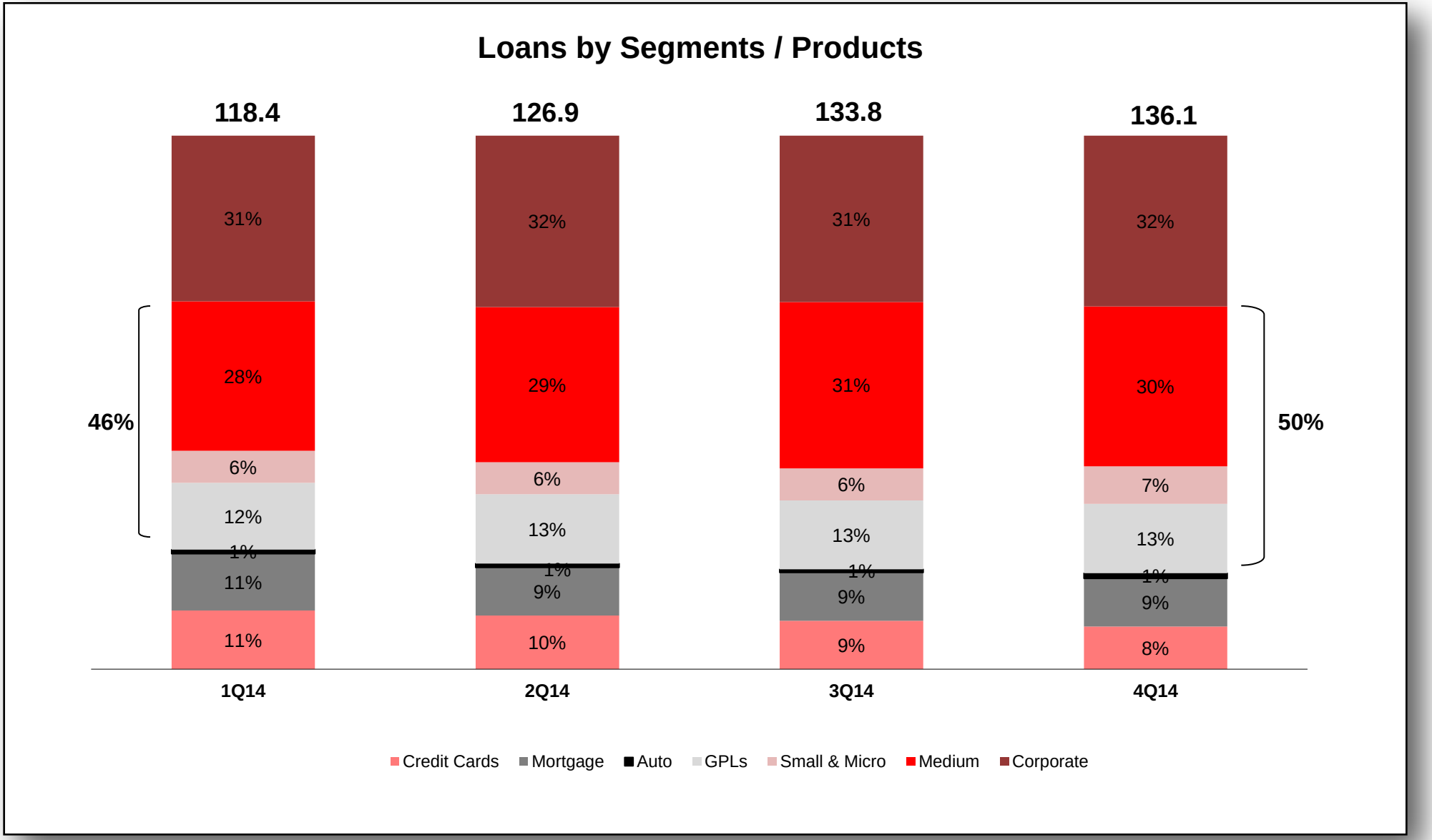


Strong Growth in Business Loans vs. Consumer Loans

(TL mio)	4Q13	1Q14	2Q14	3Q14	4Q14	YtD (%)	QoQ (%)
TL Loans	**71,908**	**73,167**	**78,226**	**81,402**	**81,631**	***14***	***0***
Corporate	6,532	6,665	7,482	7,346	7,724	***18***	***5***
SME	24,281	25,852	28,977	31,281	31,559	***30***	***1***
Medium	18,044	18,739	21,117	22,790	22,653	***26***	***(1)***
Small & Micro	6,237	7,113	7,860	8,491	8,906	***43***	***5***
Consumer	27,591	27,921	29,583	30,800	30,840	***12***	***0***
Credit Cards	13,504	12,729	12,184	11,975	11,508	***(15)***	***(4)***
(US$ mio)							
FX Loans	**21,274**	**20,818**	**22,670**	**22,797**	**23,094**	***9***	***1***
Corporate	14,176	13,841	15,144	14,974	15,508	***9***	***4***
Medium	7,098	6,977	7,526	7,824	7,586	***7***	***(3)***
Total Loans (TL mio)	**118,010**	**118,369**	**126,912**	**133,794**	**136,131**	**15**	**2**

FX indexed loans are shown under FX loans

Increase in Higher Margin Loans
(TL bio)

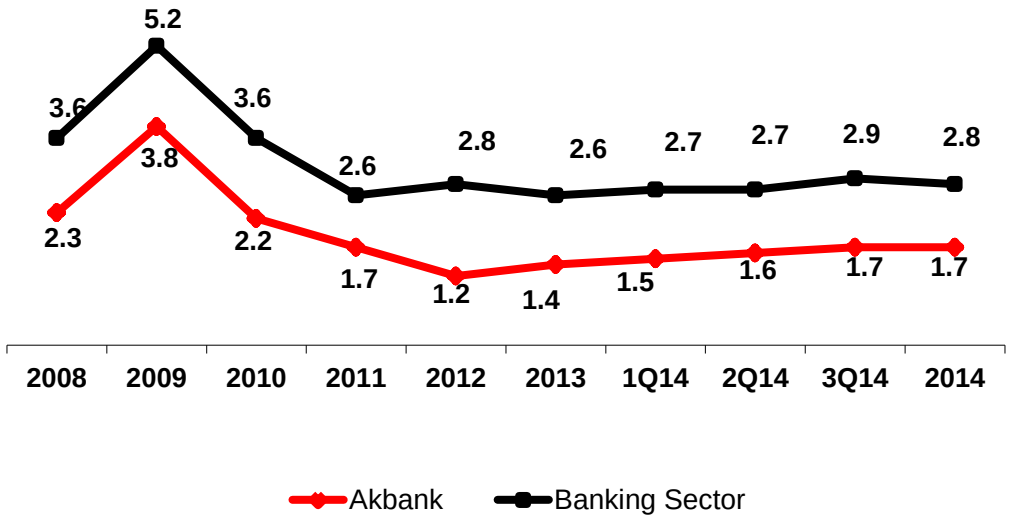


Lower NPL with Strongest Coverage

NPL Ratios by Segment (%)

	Akbank		Sector	
	2013	2014	2013	2014
Business	0.7	0.8	2.3	2.4
Consumer	1.5	2.1	2.0	2.4
Credit Cards	4.4	6.6	5.4	6.8
Total	1.4	1.7	2.6	2.8

Akbank vs. Sector NPL Ratio (%)

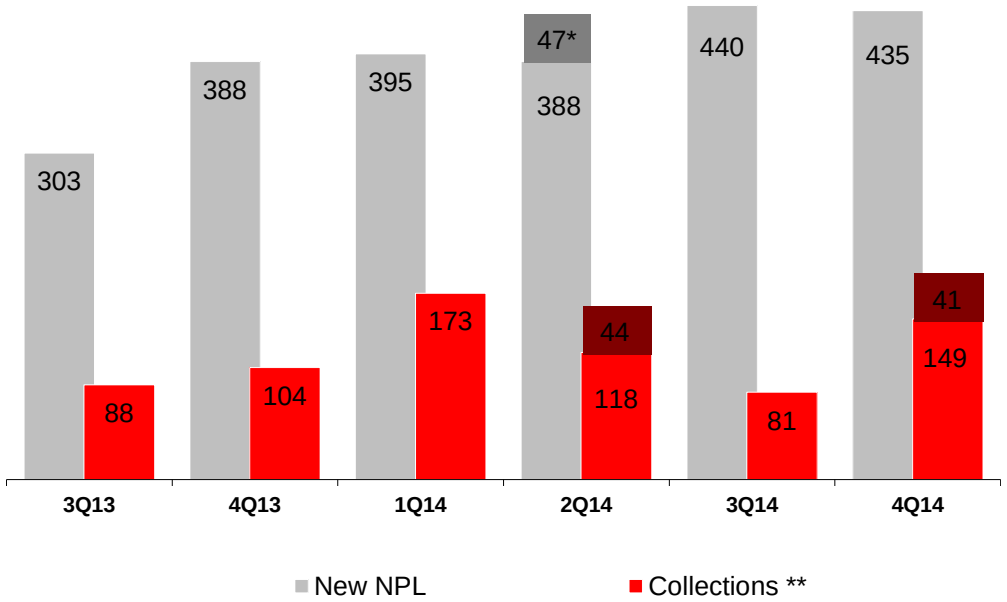


93%
Specific
184%
Total
Coverage Ratio

Impact of higher specific coverage on **ROE 90bps**

CoR Reverted to Budget Guidance as envisaged

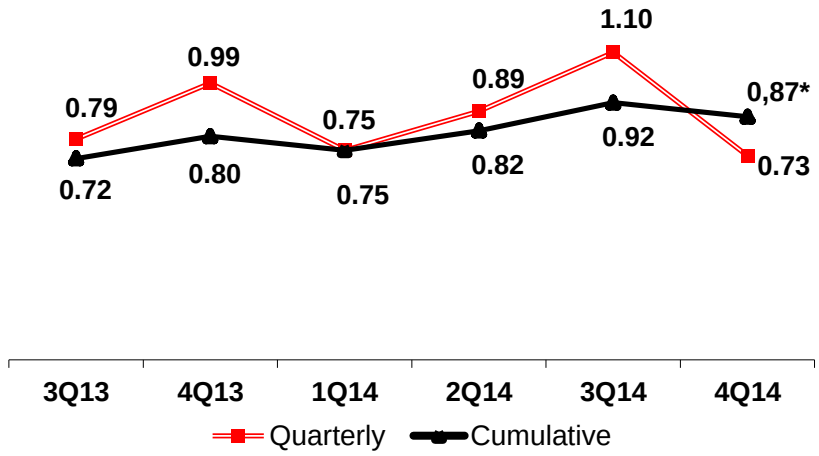
New NPL Provisions and Recoveries (TL mio)



** NPL provision resulting from isolated case*

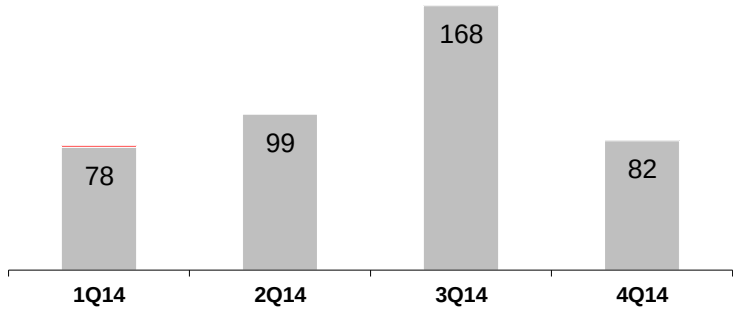
*** Collections include NPL Sales Proceeds of TL 41 mio in 4Q14, 44 mio in 2Q14*

Net Specific Cost of Risk (%)



* Cumulative CoR would be 0.93 in 4Q14 without NPL sales

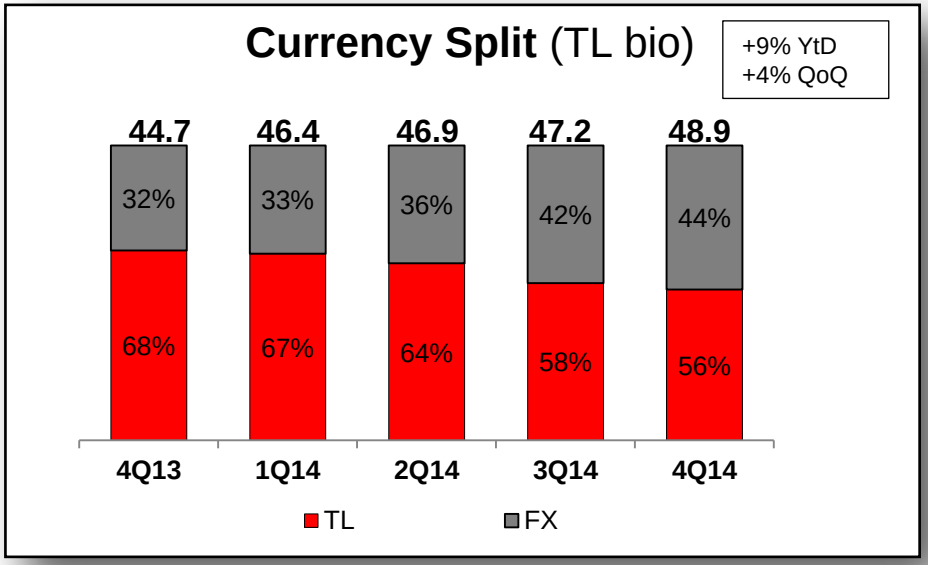
General Provisions (TL mio)

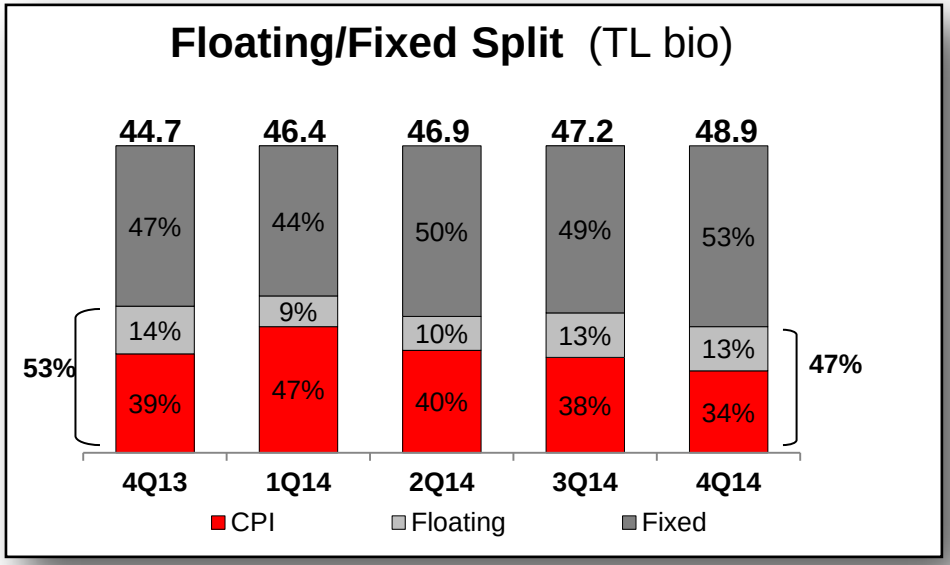


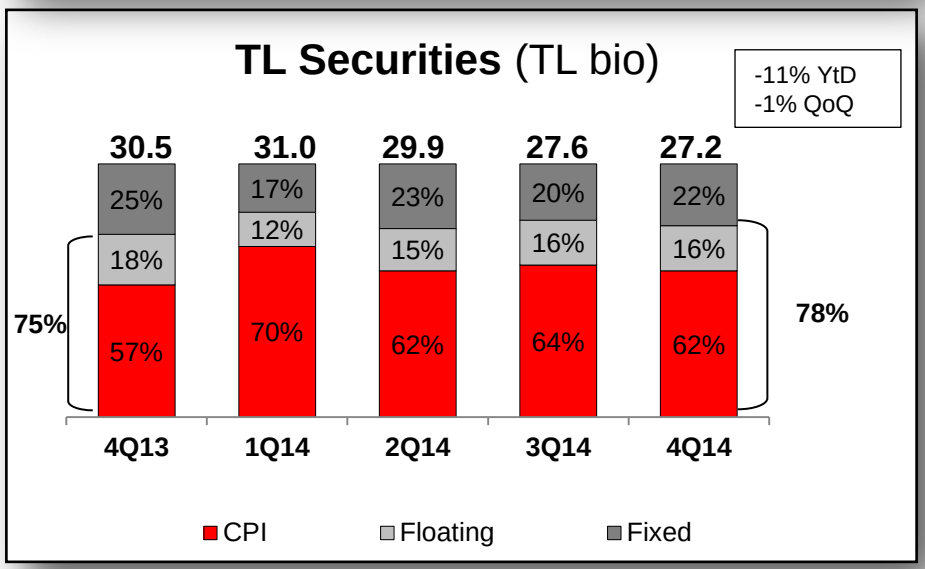
Improvement in **CoR** via strong recoveries

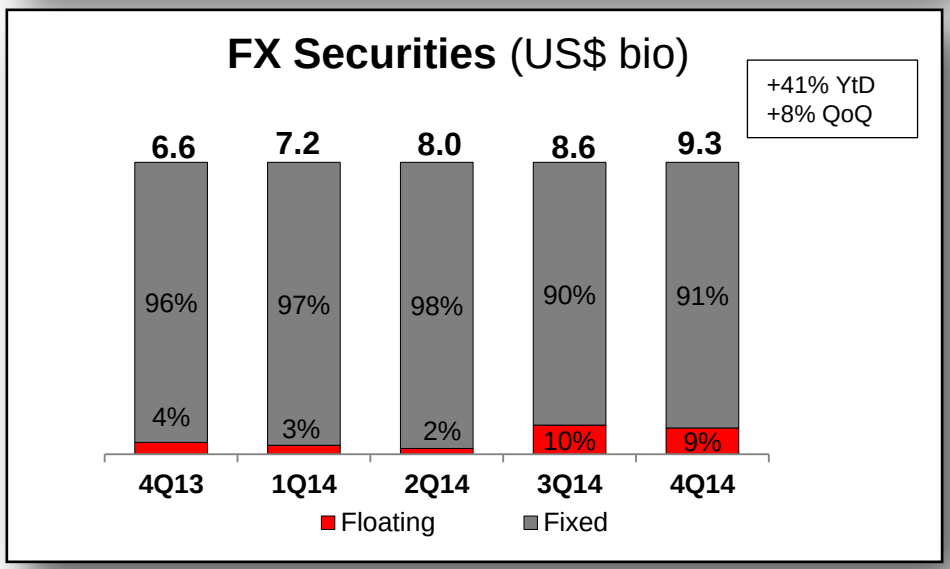
Impact of higher specific coverage on **CoR 35bps**

Timely Shift to FX Securities





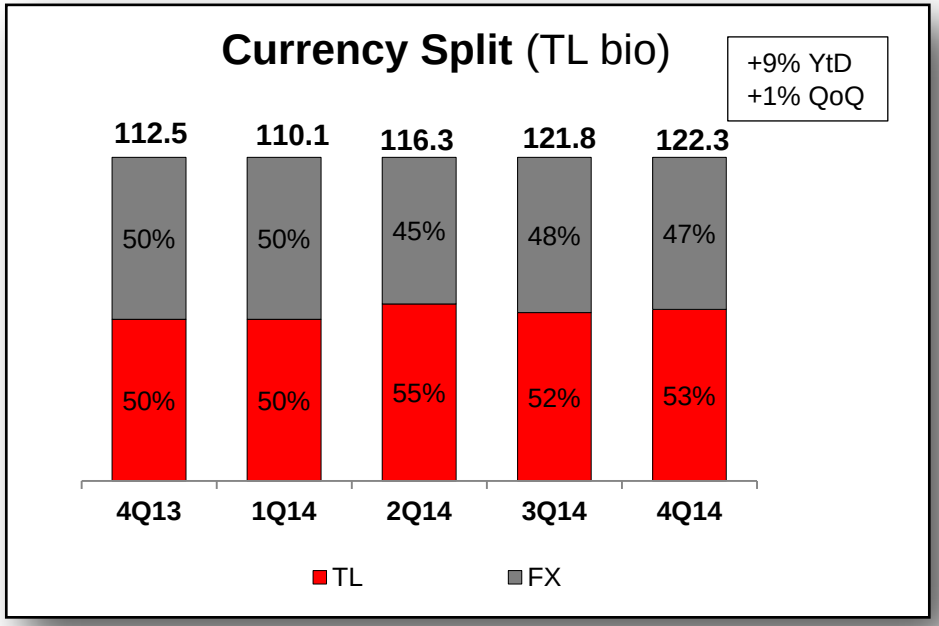


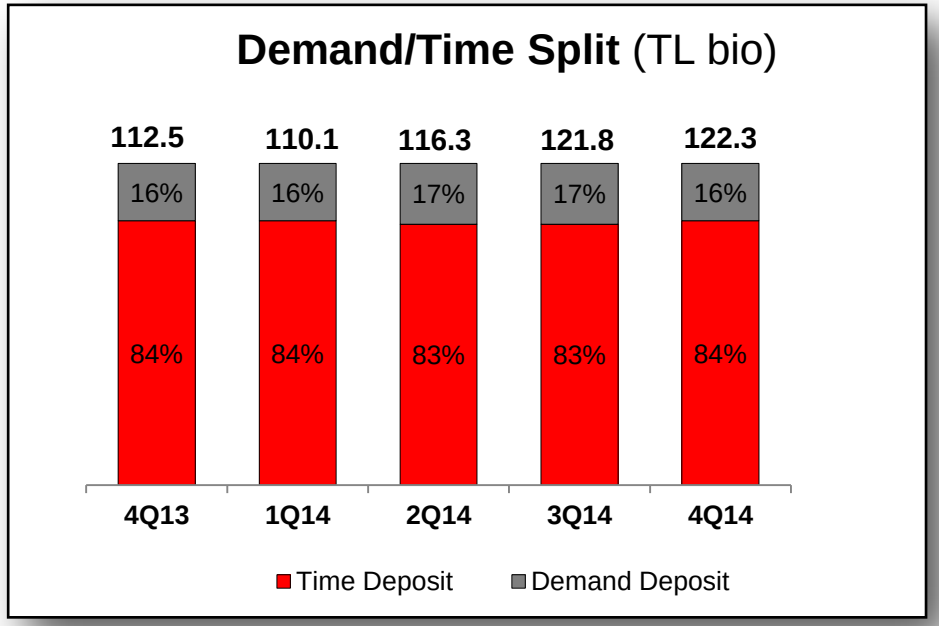


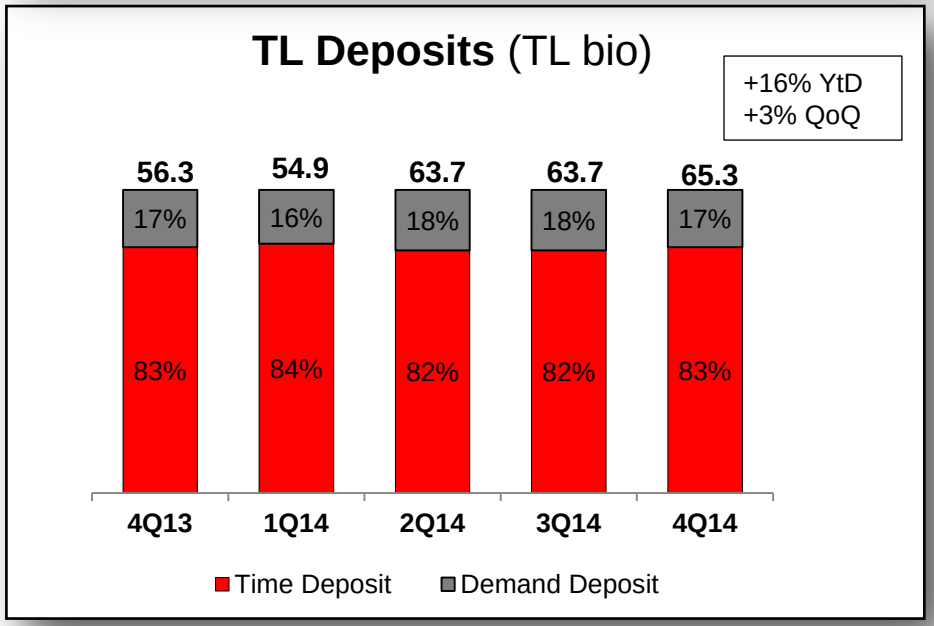
23% HtM, 77% AFS

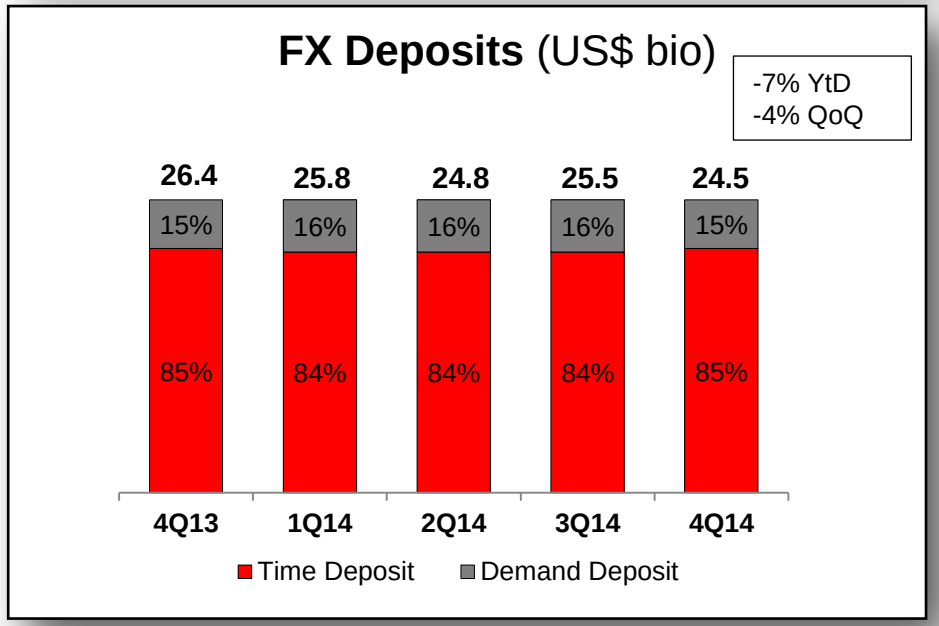
MtM Valuation in Equity net, **(-) TL 0.3 bio**

Strong TL Deposit Growth at 16%



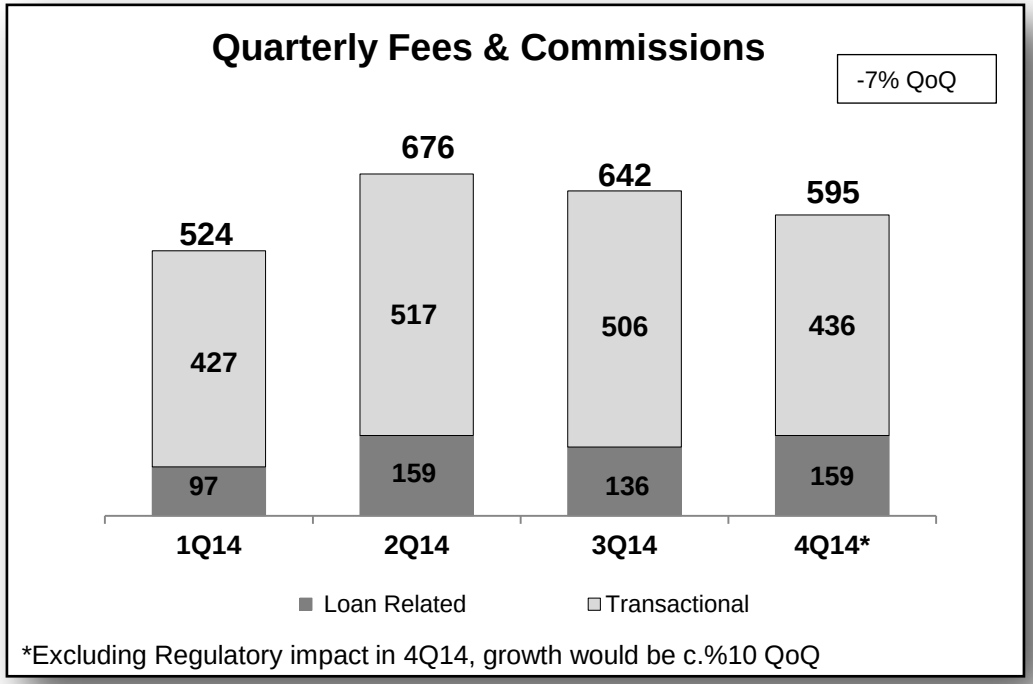


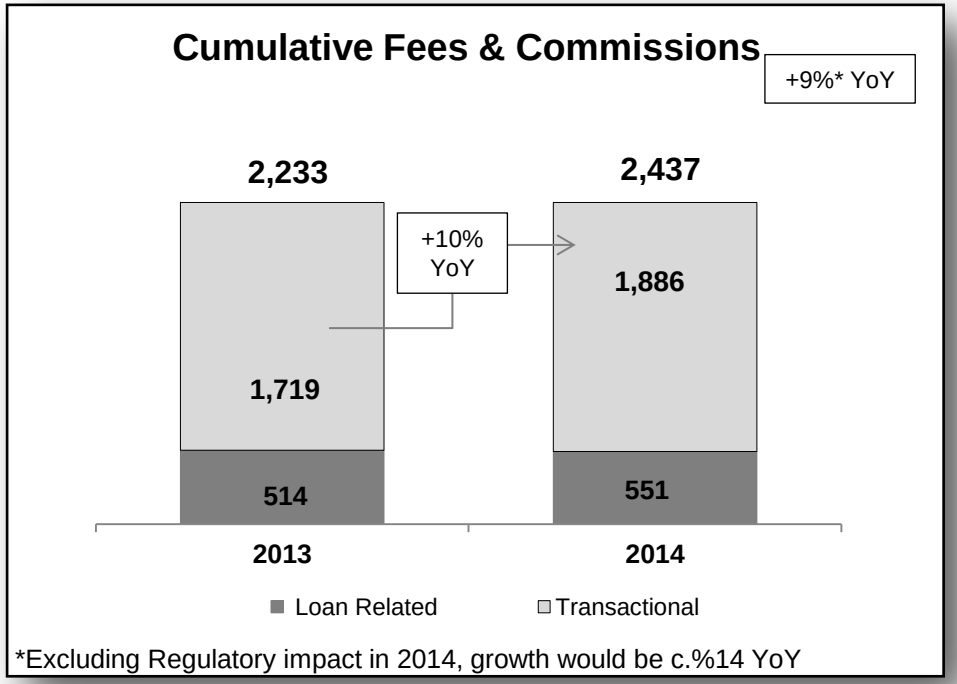




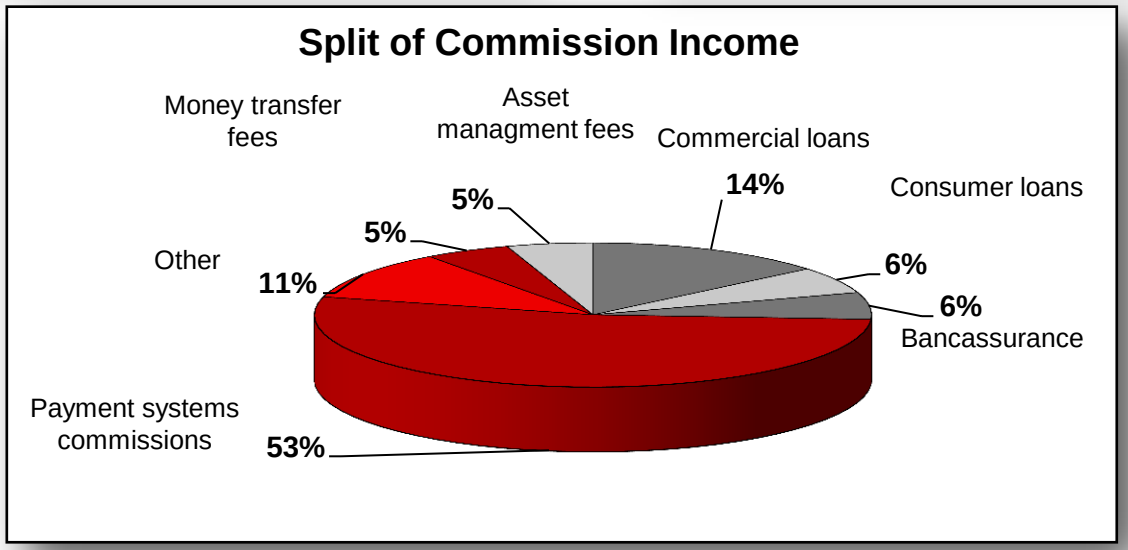
Annual Target Achieved despite Regulations

(TL mio)





+47% YoY increase in Money Transfer Fees

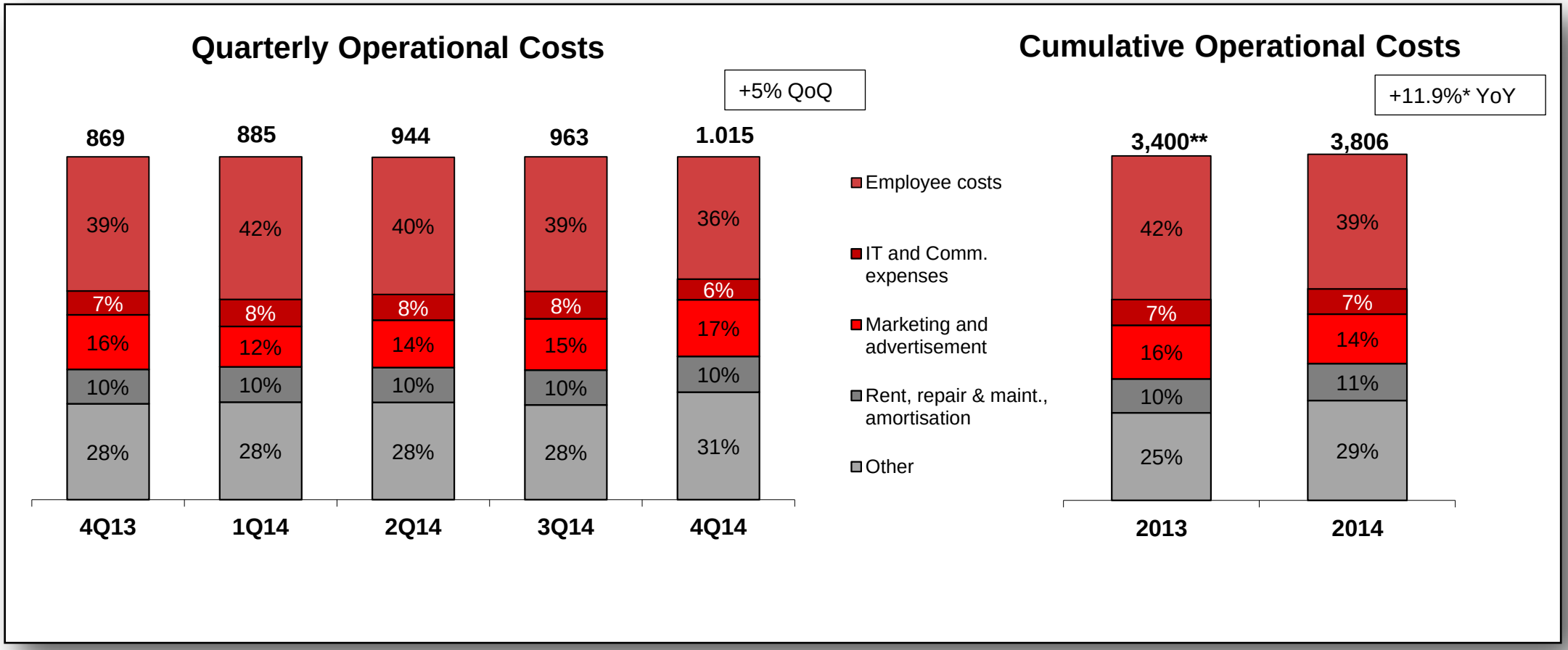


+41% YoY increase in Non-Cash Loan Fees

#1 in Bancassurance Commissions

Effective Cost Management Continued

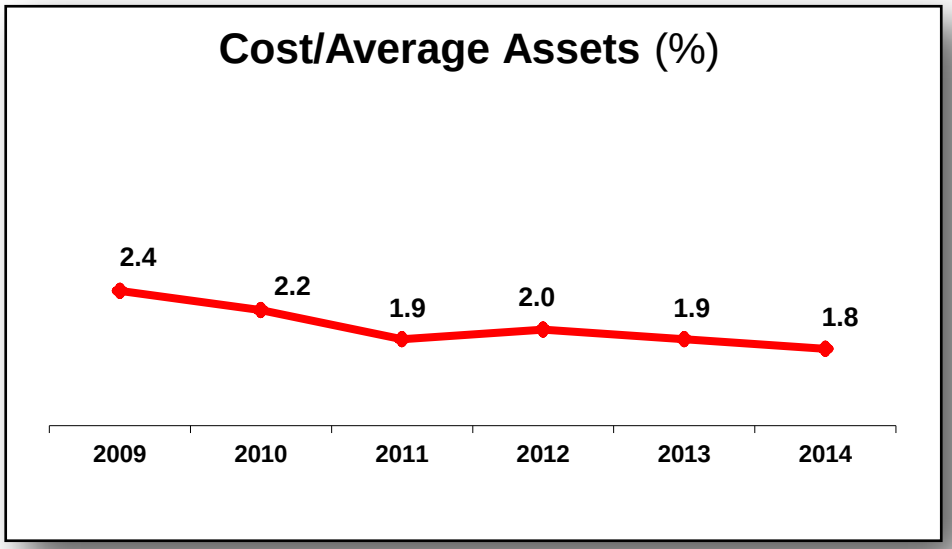
(TL mio)

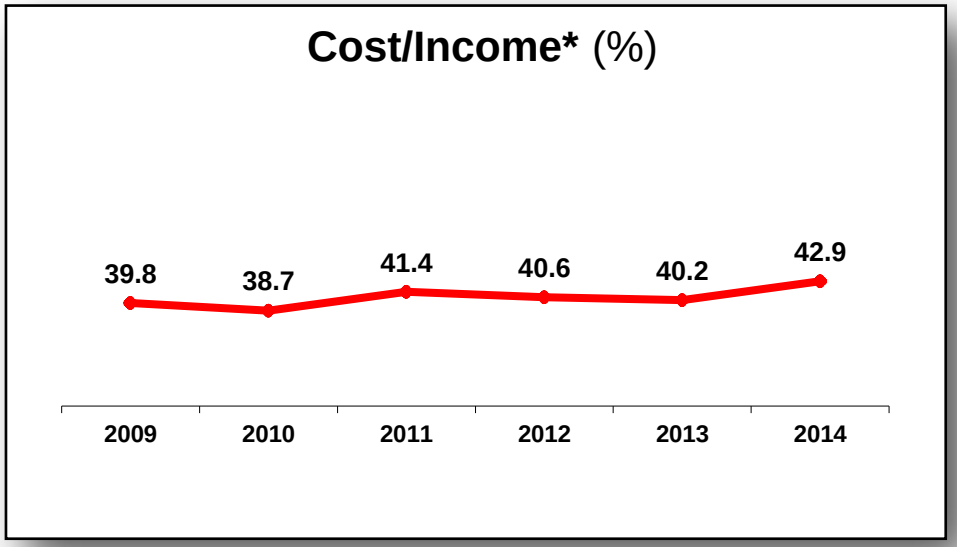


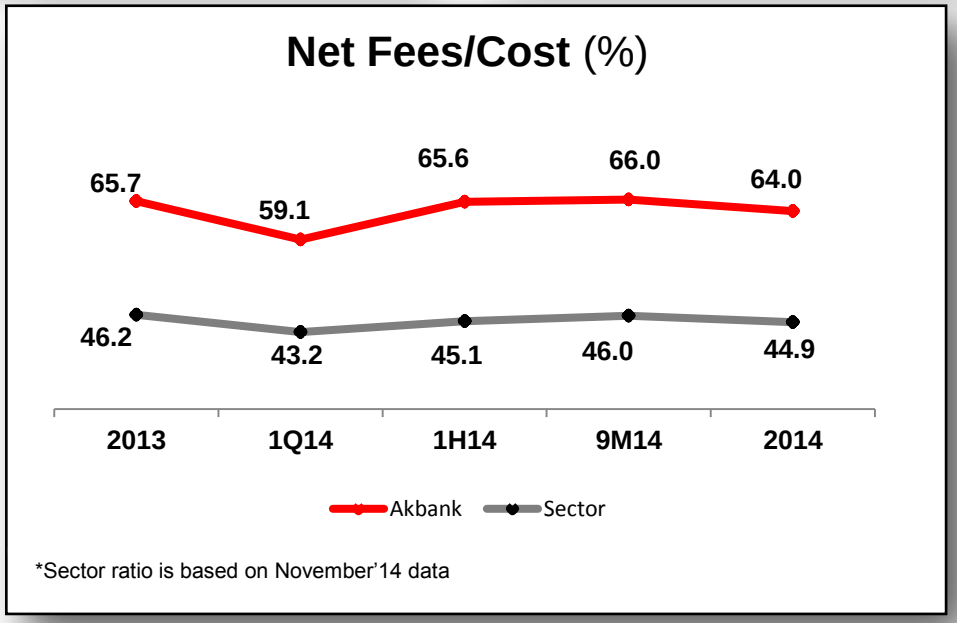
* Excluding Consumer Arbitration Board penalties of TL 109 mio opex growth would have been 8.7%

** Excluding Competition Board penalty of TL 129 mio in 2013

Continuously Best in Efficiency Through Lean Management







* One-off items excluded; TL 129 mio in 2013 and TL 109 mio in 2014

2014 Guidance Delivered Accross-the-board

Growth (%)	Guidance	2014	
Total Assets	~ 13	12	✓
Loans	~ 15	15	✓
Total Deposits	~ 12	9	~

	Guidance	2014	
ROA	1.5%	1.6%	✓
Leverage	~ 9x	8.4x	~
ROE	~ 14%	14.1%	✓
NIM	~ 3.6%	3.5%	✓
Net fees&com. growth	8-10%	9.1%	✓
Opex growth	8%	8.7%*	~
Fees / opex	68%	64%	✓
Cost/ income	43%	43%*	✓
Cost / assets	1.8%	1.8%	✓
NPL	1.7%	1.7%	✓
Cost of risk	90 bps	87 bps**	✓
Change in EPS	Positive	10%	✓

* Excluding Consumer Arbitration Board penalties of 109 mio TL

** Cumulative CoR would be 0.93 in 4Q14 without NPL sales

2015 Guidance

Growth (%)	
Total Assets	13-15
Loans	15-17
TL	15-17
FX ($ terms)	11-13
Total Deposits	15-17
TL	16-18
FX ($ terms)	9-11

ROA	~1.6%
Leverage	~ 8.8x
ROE	13-14%
NIM	~ 3.6%
Net fees&com. growth	5-7%
Opex growth	~10%
Cost/ income	~41%
Cost / assets	~1.7%
CAR	Min ~ 14%
LDR	Max 108%
NPL	~2.0%
Cost of risk	90 bps
EPS Growth	mid-teen

Annex

- Summary Financial Results
- Balance Sheet Highlights
- Income Statement Highlights
- Loans by Segment

Balance Sheet Highlights

Consolidated (TL mio)	2013	2014	Shares (%) 2013	Shares (%) 2014	Change (%)
Cash and Due from Banks	24,062	26,352	12.3	12.1	10
Securities	45,443	48,459	23.2	22.2	7
Loans	118,010	136,131	60.4	62.2	15
Other	7,967	7,754	4.1	3.5	(3)
Total Assets	**195,482**	**218,697**			**12**
Deposits	112,473	122,294	57.5	55.9	9
Funds Borrowed and Bonds Issued	28,627	31,810	14.6	14.5	11
Repo	23,231	28,851	11.9	13.2	24
- TL Repo	3,509	4,872	1.8	2.2	39
- FX Repo	19,722	23,979	10.1	11.0	22
Other	9,017	9,602	4.6	4.4	6
Equity	22,135	26,140	11.3	12.0	18
Total Liabilities and S/H Equity	**195,482**	**218,697**			**12**

Income Statement Highlights

Consolidated (TL mio)	2013	2014	Change (%)
Interest Income	11,892	14,691	24
Interest Expense	(5,510)	(7,470)	36
Net Interest Income	**6,382**	**7,220**	**13**
Trading Gain (Loss)	491	(76)	-
- Securities	657	721	10
- Other	(166)	(797)	-
Provision for Loan Losses, net of collections	(893)	(1,183)	32
Fees and Commissions (Net)	2,233	2,437	9
Operating Expense	(3,400)	(3,806)	12
Other Income	242	298	41
Other Provisions	(600)	(557)	(1)
Income Before one-off items and Tax	**4,463**	**4,333**	**(3)**
One-off items*	(399)	-	-
Income Before Tax	**4,064**	**4,333**	**7**
Tax	(987)	(955)	(3)
Net Income	**3,077**	**3,379**	**10**

*One-off items include Competition Board Penalty of TL129 mio and Free Provision of TL 270 mio as of 2013

Balance Sheet Highlights in USD

Consolidated (USD mio.*)	2013	2014	Shares (%) 2013	Shares (%) 2014
Cash and Due from Banks	11,295	11,325	12.3	12.1
Securities	21,331	20,826	23.2	22.2
Loans	55,393	58,503	60.4	62.2
Other	3,740	3,332	4.1	3.5
Total Assets	**91,758**	**93,986**		
Deposits	52,794	52,557	57.5	55.9
Funds Borrowed and Bonds Issued	13,437	13,670	14.6	14.5
Repo	10,904	12,399	11.9	13.2
- TL Repo	1,647	2,094	1.8	2.2
- FX Repo	9,257	10,305	10.1	11.0
Other	4,233	4,126	4.6	4.4
Equity	10,390	11,234	11.3	12.0
Total Liabilities and S/H Equity	**91,758**	**93,986**		

* Figures are converted with exchange rates effective at the respective balance sheet dates: 2013 – 2.1304; 2014 – 2.3269

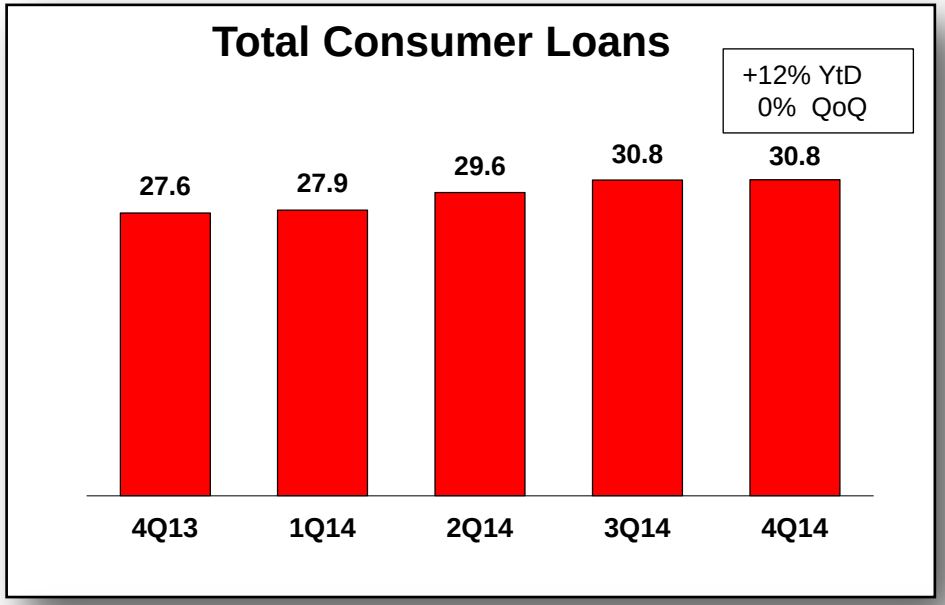
Income Statement Highlights in USD

Consolidated (USD mio *)	2013	2014
Interest Income	5,582	6,313
Interest Expense	(2,587)	(3,210)
Net Interest Income	**2,995**	**3,103**
Trading Gain (Loss), Net	230	(32)
- Securities	308	310
- Other	(78)	(342)
Provision for Loan Losses, net of collections	(419)	(508)
Fees and Commissions (Net)	1,048	1,047
Operating Expenses	(1,596)	(1,636)
Other Income	114	128
Other Provisions	(282)	(239)
Income Before one-off items and Tax	**2,095**	**1,862**
One-off items	(187)	-
Income Before Tax	**1,908**	**1,862**
Tax	(463)	(410)
Net Income	**1,444**	**1,452**

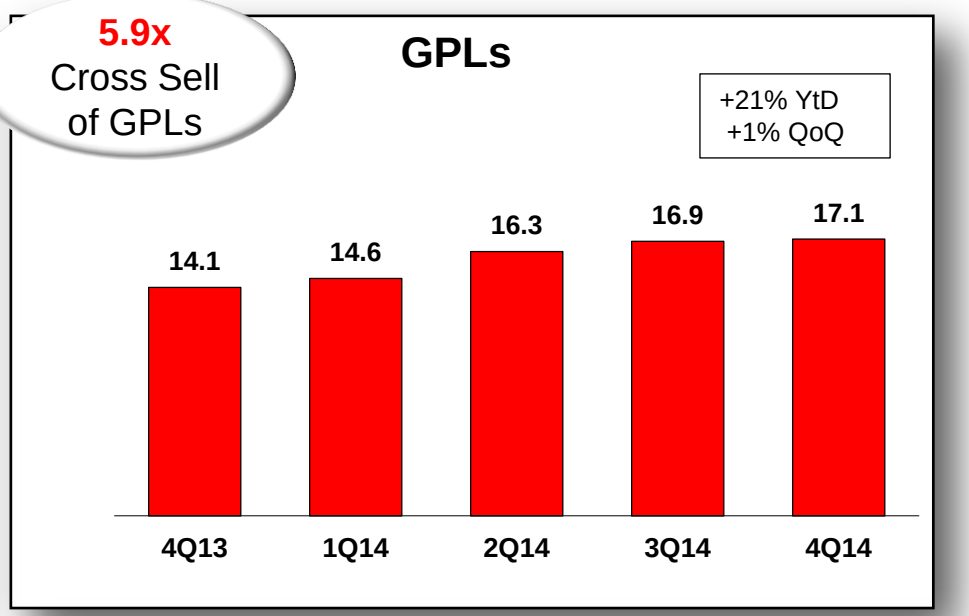
* Figures are converted with exchange rates effective at the respective balance sheet dates: 2013– 2.1304; 2014 – 2.3269

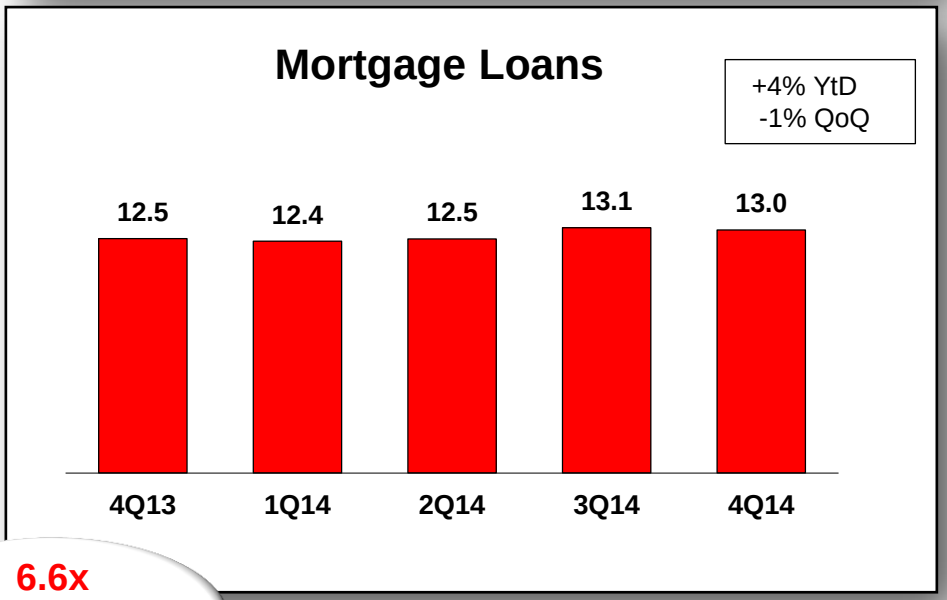
Consumer Loans – Emphasis on GPLs

(TL bio)

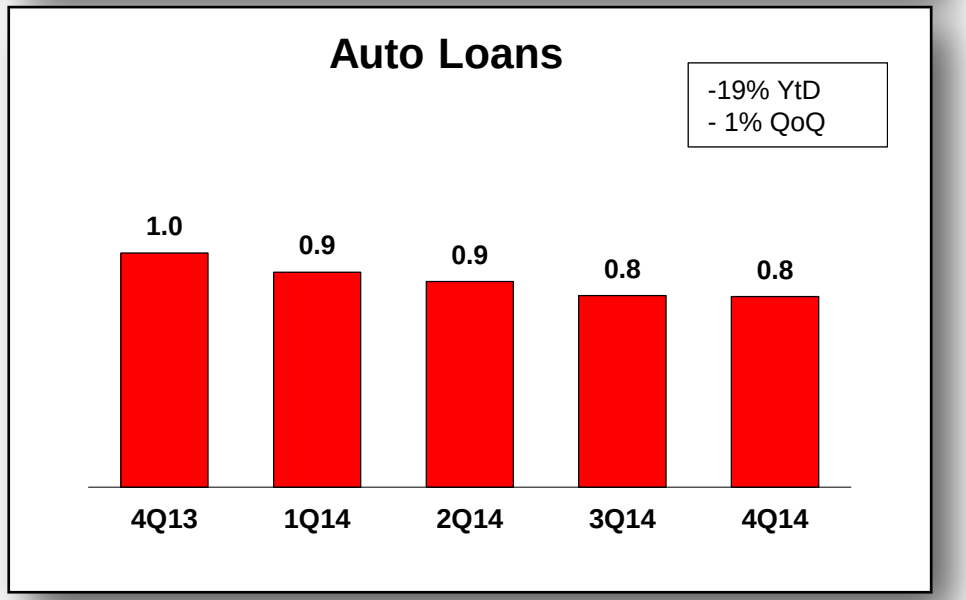


5.9x
Cross Sell
of GPLs



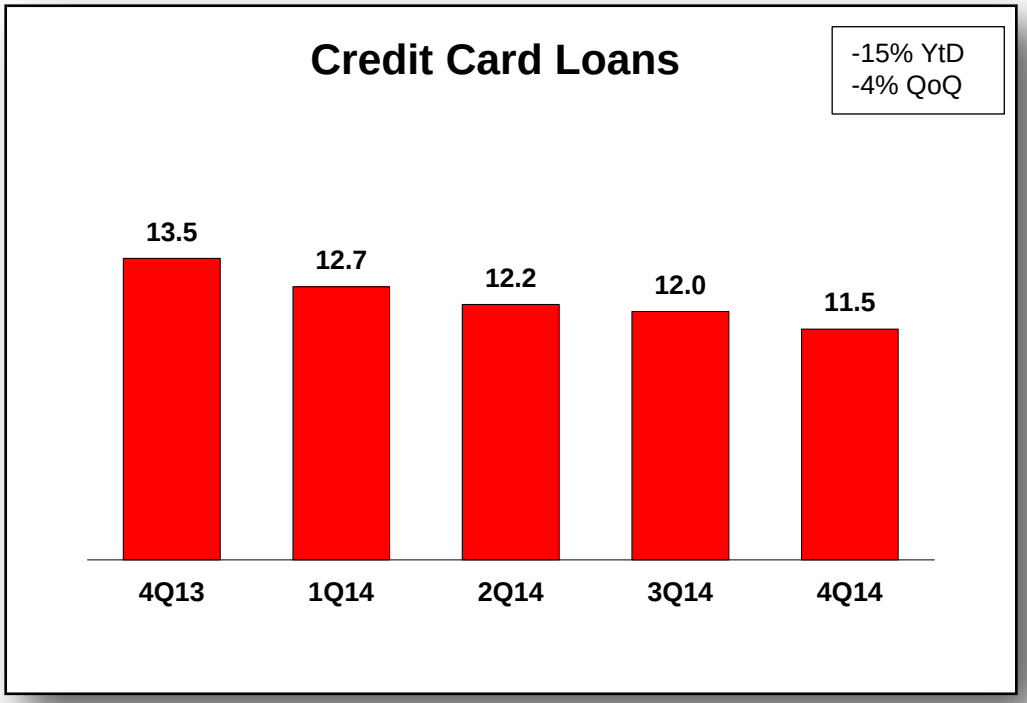


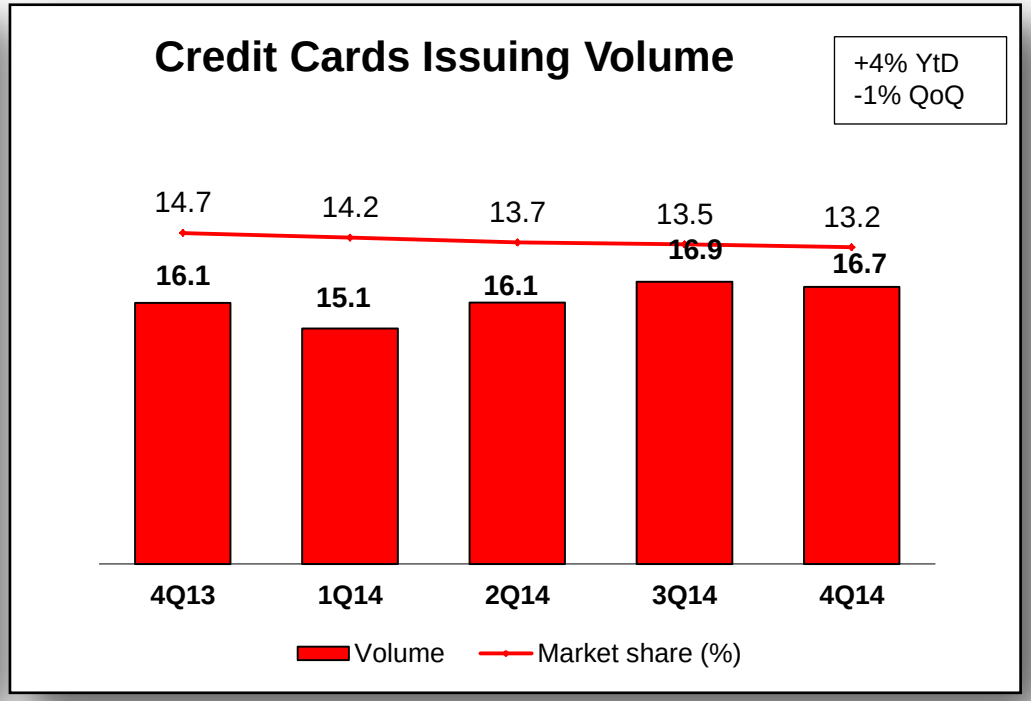
6.6x
Cross Sell
of Mortgage



Credit Cards – Continued Focus on Profit Optimization

(TL bio)



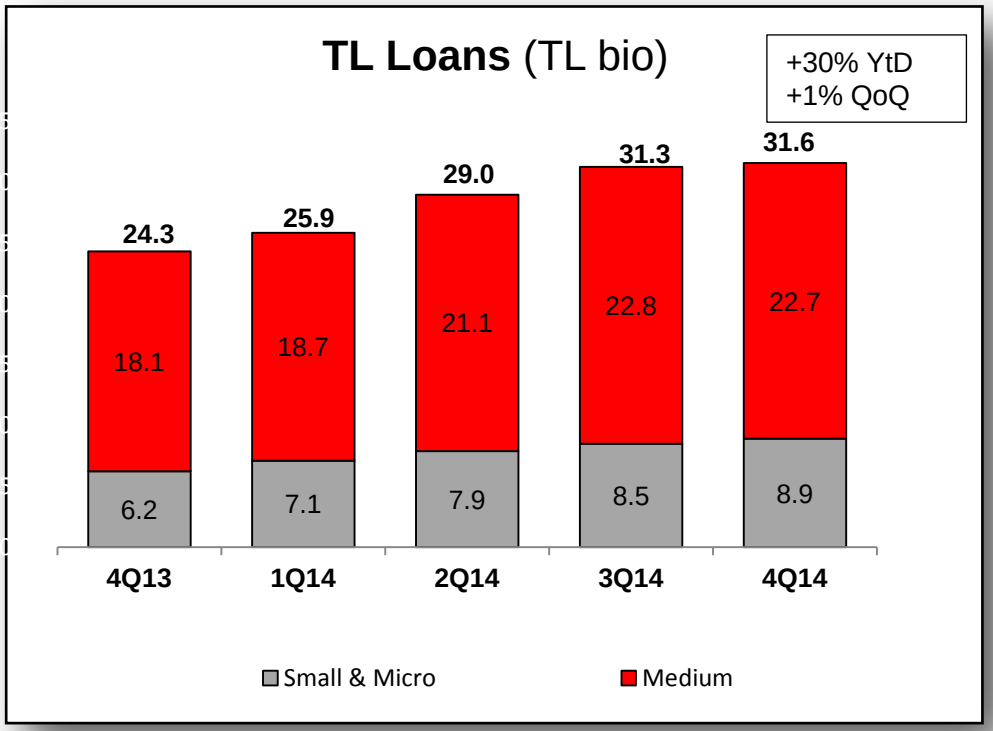


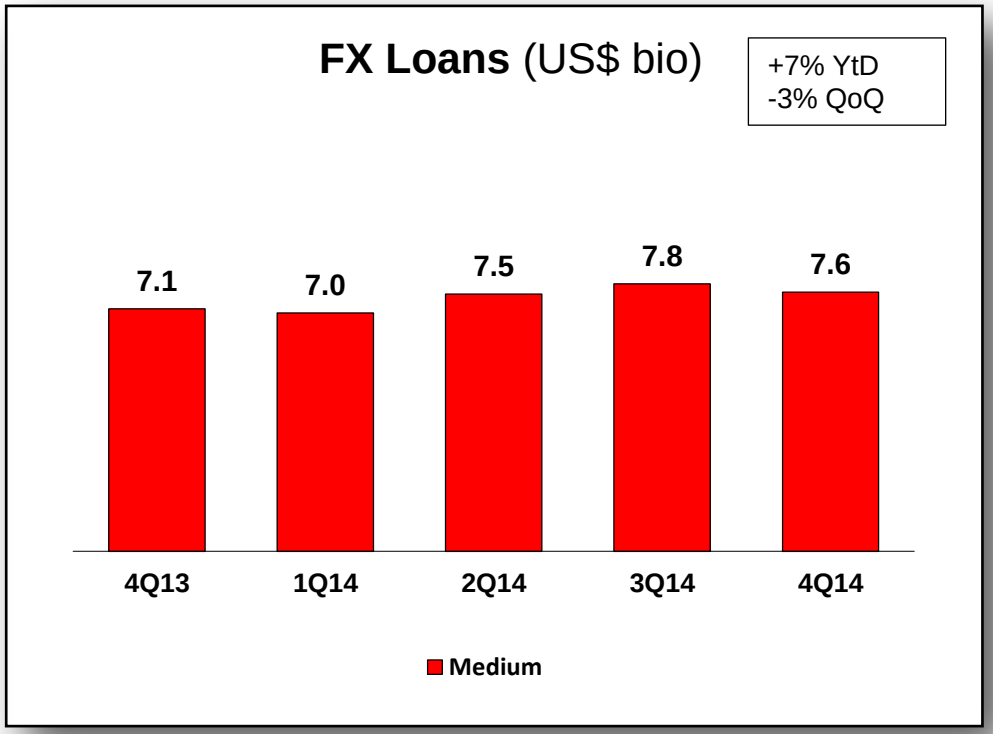
#1 in Payment Systems Commissions*

#1 in Issuing Volume per Card in the Peer Group

* According to 3Q14 data

Medium, Small and Micro Loans – Continued Momentum





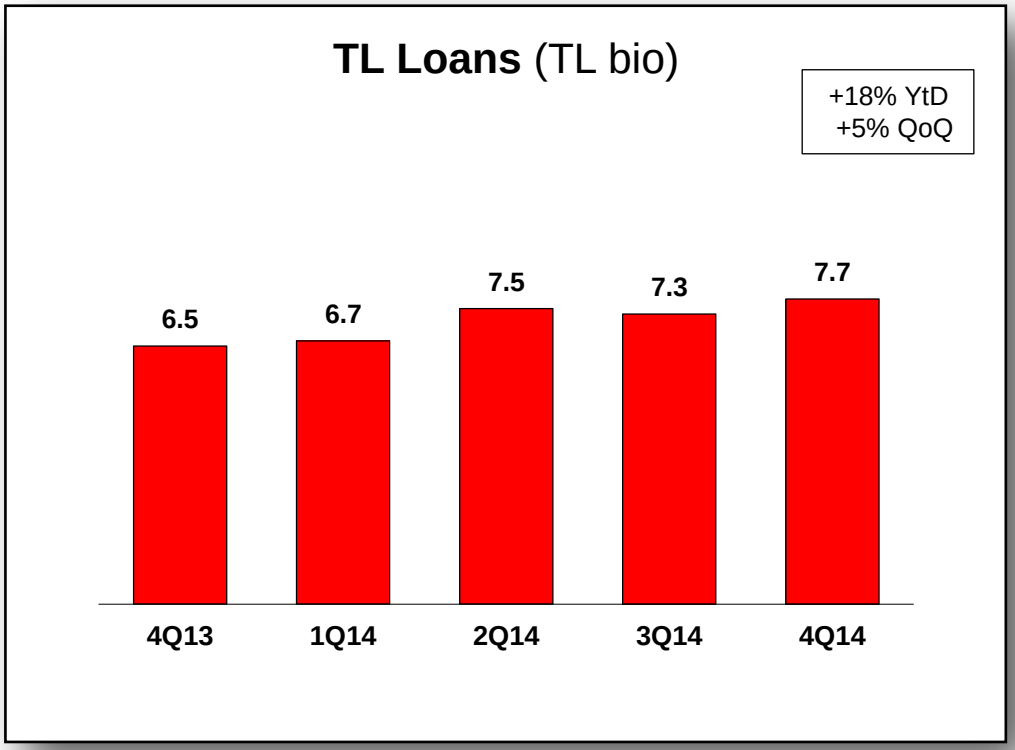
43% YtD, 5% QoQ
Growth in Small & Micro

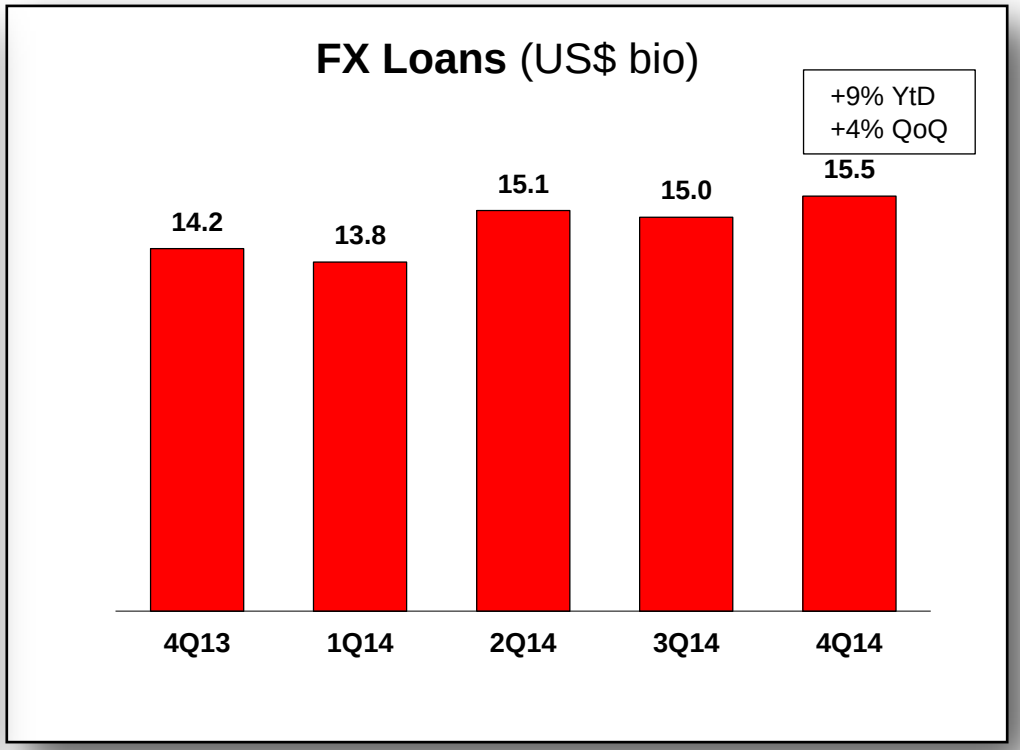
26% YtD
Growth in Medium

5.4x
Cross Sell in Medium Enterprise Loans

4.4x
Cross Sell in Small and Micro Loans

Corporate Loans





5.1x
Cross Sell in
Corporate Loans

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