



Yapı Kredi Investor Presentation

HSBC Third Annual Turkey Conference

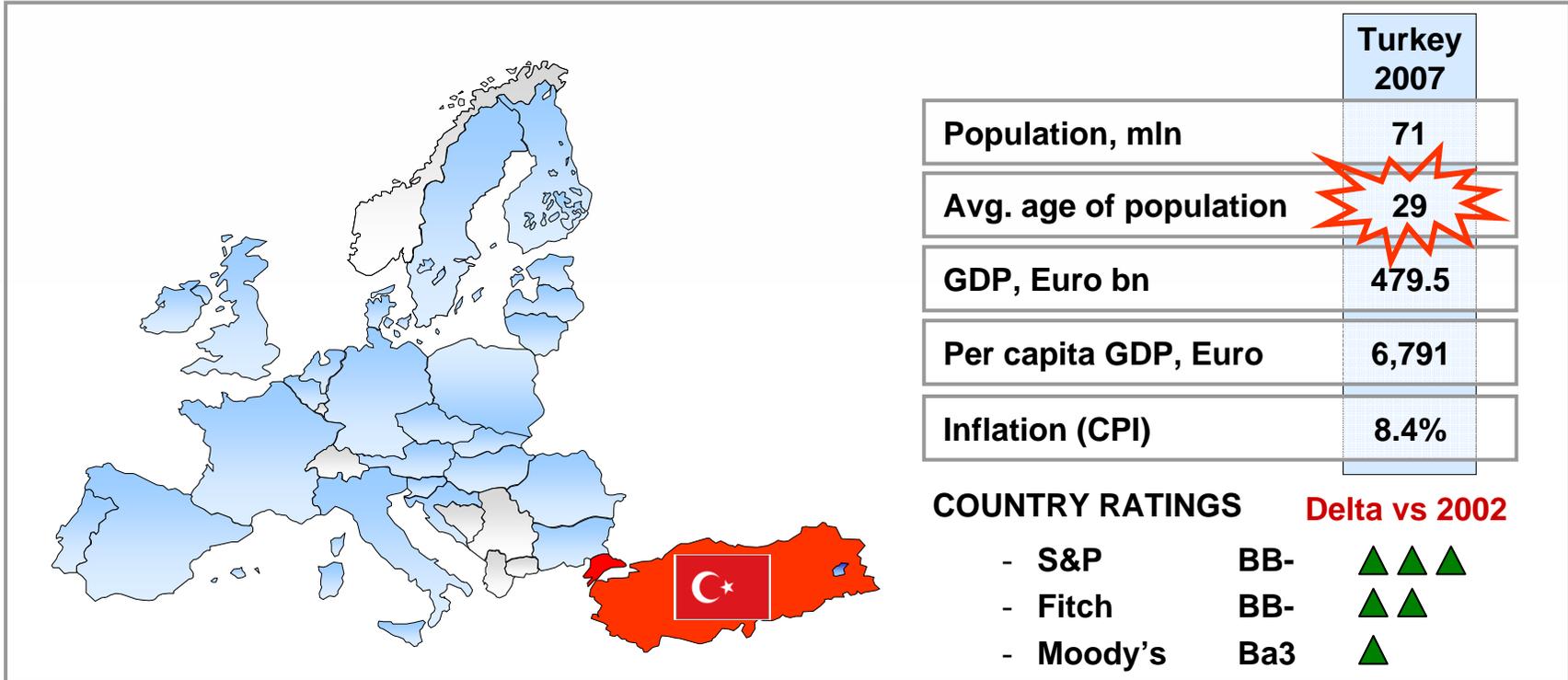
Istanbul, 17 - 18 April 2008



AGENDA

- **Current Macro and Sector Outlook**
- YKB's Competitive Positioning
- Strategic Guidelines
- 2007YE Results (BRSA Consolidated)
- Performance by Business Unit
- 2008 Guidance
- Annex

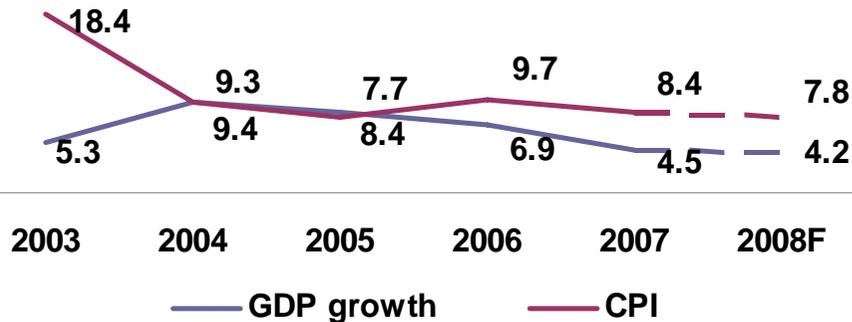
A young and fast growing country



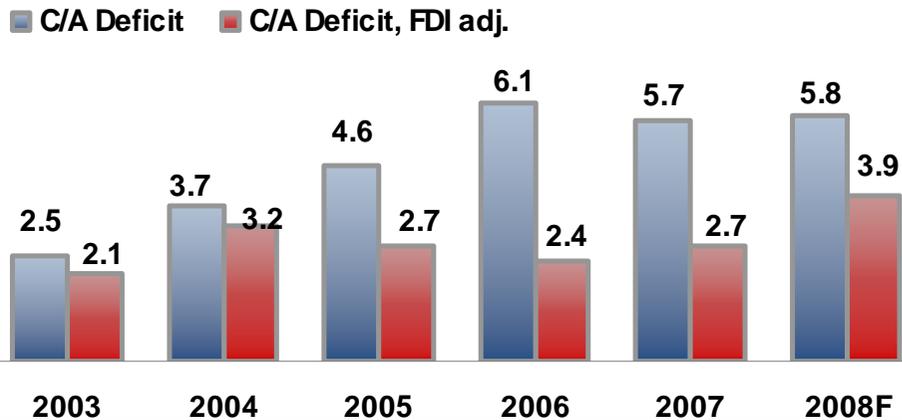
- One of the fastest growing markets, 17th largest economy in the world
- Large and young population, concentrated in top 10 cities (44%)
- Single party government since December 2002 with strong Parliamentary majority (two-third) enables government to react promptly
- EU and IMF key anchors for sustainable growth

Stable prospects in 2008, despite persisting fragilities in the global economy

GDP and CPI inflation y/y growth (%)



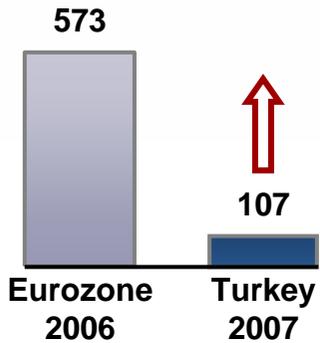
Current Account Deficit (as % of GDP)



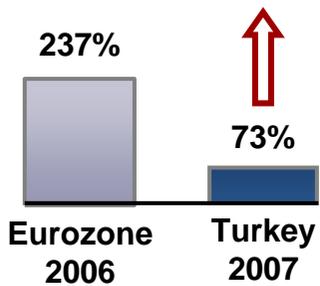
- Uncertainties in global and local political environment led to a slowdown in the economy
- Macro environment to remain stable in 2008, though GDP is expected to slow down a bit further to 4.2%.
- Disinflationary trend expected to continue, albeit slowly, due to high energy and commodity prices
- Current account deficit expected to remain high, along with economic growth and high international commodity prices. FDI still expected to help finance the deficit
- Recent domestic political developments hindering full realization of growth potential

Underpenetrated banking sector, an opportunity for fast growth

Branches Per Million Inhabitants

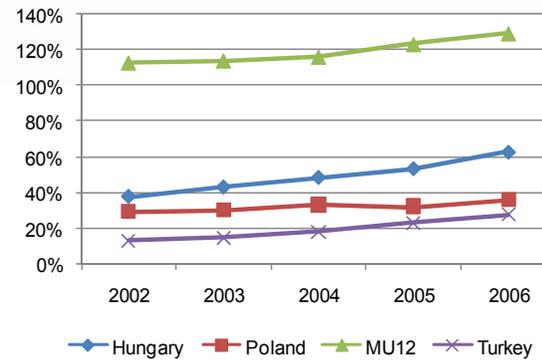


(Loans+Deposits)/GDP

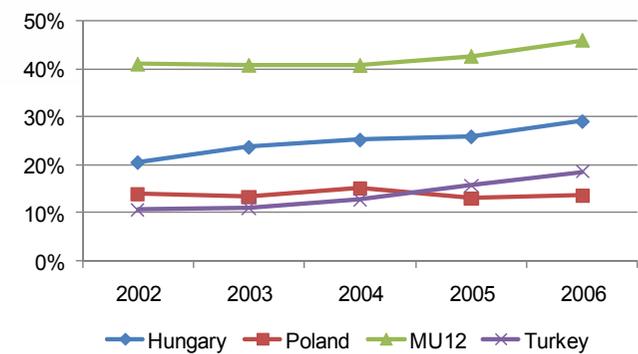


Underpenetrated Banking Sector in Terms of Both Individual Banking Products and Commercial Lending

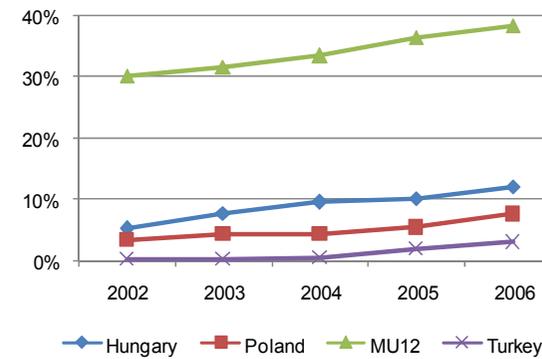
Total Loans⁽¹⁾ /GDP



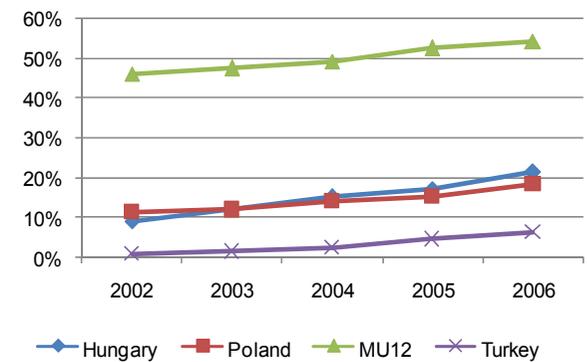
Loans to non-financial companies /GDP



Housing Loans / GDP



Loans to Households⁽²⁾/GDP



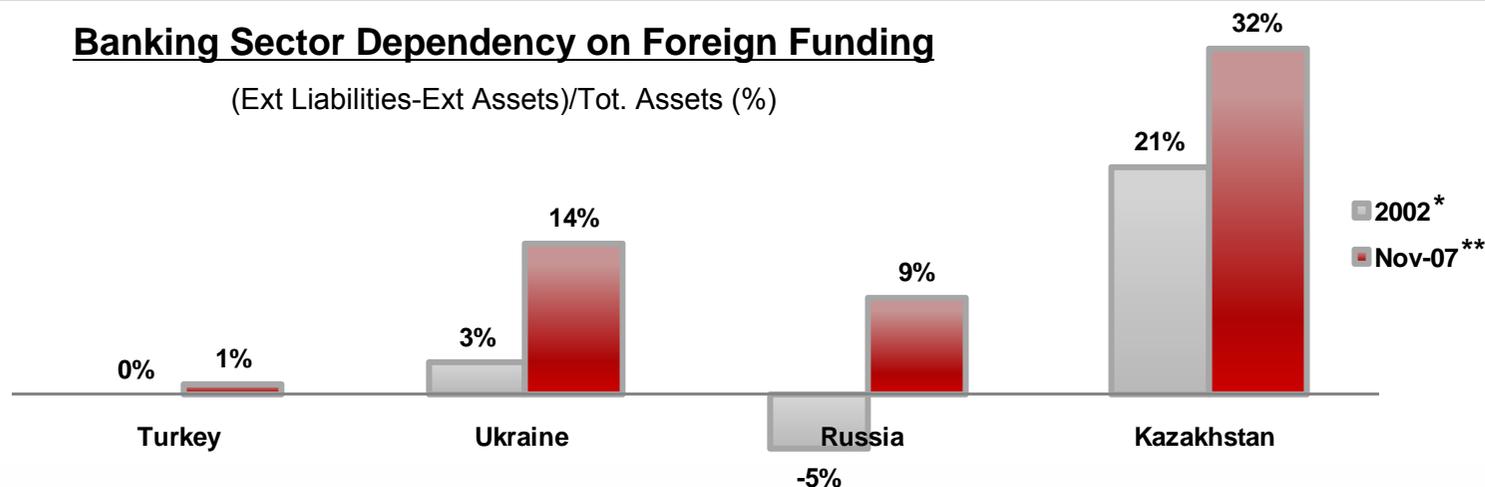
(1) Excluding lending to credit institutions
 (2) Excluding credit cards

Positive sector outlook and expectations continue

- Turkish banking sector has so far been resilient against the volatility in global financial markets, proving that the sector's health has improved in the last 5 years
- Strong sector outlook & positive expectations to continue, with inherent strength/resilience to shocks
 - No exposure to mortgage derivative products
 - Stronger capital base of the banking system
 - Balanced position in terms of FX risk and limited dependency on international borrowing (LDR<100%)
 - No major change in terms of access to external funding with some increase in cost of borrowing
 - No sign of deterioration in credit quality in 2007 with some slight increase recently in consumer loan NPLs
- Healthy growth rates in the first quarter of 2008 support positive outlook for the banking sector in 2008
- However, with recent increases in interest rates on consumer loans, some slowdown in growth rates in the period ahead could be expected

Banking Sector Dependency on Foreign Funding

(Ext Liabilities-Ext Assets)/Tot. Assets (%)



* For Ukraine and Kazakhstan 2003

** For Russia Sept. 07 and Turkey Oct. 07

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Yapı Kredi at a glance

FINANCIAL HIGHLIGHTS

(BRSA Consolidated Figures in YTL, 31 Dec 2007)

Total Assets (bln)	56.7
Performing Loans (bln)	28.7
Deposits (bln)	33.7
AUM (bln)	6.8
No. of Credit Cards (mln)	6.7
No. of Active Customers (mln)⁽¹⁾	5.6
No. of Branches⁽²⁾	738
No. of ATMs	1,930
No. of Employees⁽³⁾	16,779
Paid-in Capital (mln)	3,427

Unique competitive advantages

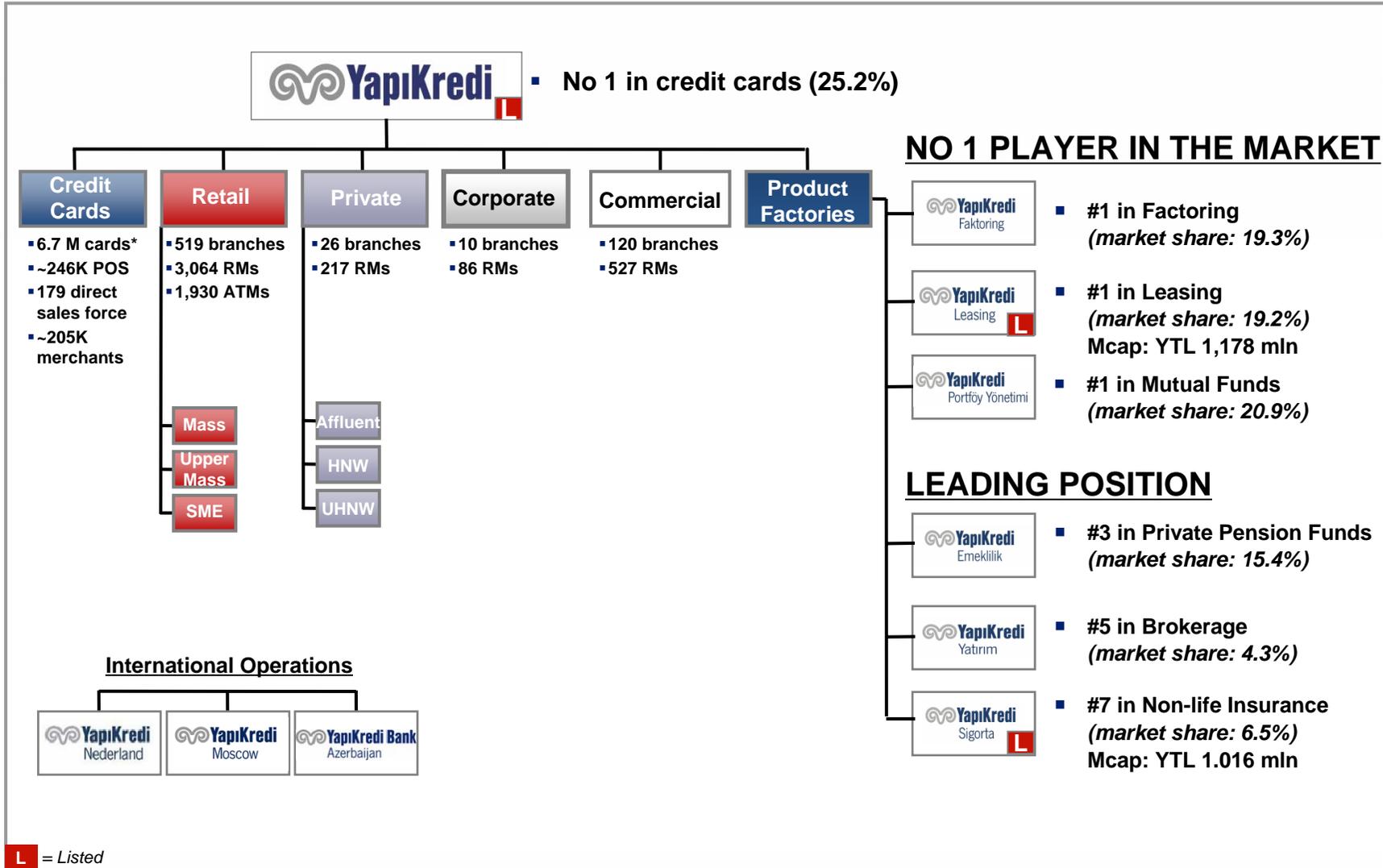
- LARGE NETWORK & LEADING BRAND
- LEADERSHIP IN KEY SEGMENTS/PRODUCTS
- SEGMENT FOCUSED ORGANISATION ALREADY IN PLACE
- HIGH SOLID RISK PROFILE
- QUALITY REVENUE GENERATION...
- ... WITH LARGE CUSTOMER BASE NOT YET FULLY EXPLORED
- FOCUS ON EFFICIENCY AND CUSTOMER SERVICE
- STRONG SHAREHOLDERS

(1) Bank-only

(2) Bank: 676 including 1 off-shore branch in Bahrain

(3) Bank: 14,249

Divisional structure, with business lines and product factories, implemented in 2007



Branch numbers by segment exclude 2 Free Zone branches
 Market shares as of 31 Dec 2007, market capitalisations as of 15 April 2008
 HNW= High Net Worth
 UHNW=Ultra High Net Worth
 * Including 1.1 mln virtual cards

Leadership in key segments/products on the back of a strengthened franchise, large network and leading brand

POSITIONING – DEC '07

		Rank	Mkt. Sh. %	Key Competitors - %	
Yapı Kredi Fourth Largest Private Bank by Assets	TOTAL	# of Branches	4	8.9	Ziraat 16, İş 12, Ak 9
		Deposits	5 ⁽⁵⁾	9.3	Ziraat 20 ⁽⁵⁾ , İş 14, Ak 12, Gar 11
		Loans	4 ⁽⁵⁾	10.4	Ak 14, Garanti 14, İş 13
		Assets	5 ⁽⁵⁾	9.0	İş 14, Ziraat 15 ⁽⁵⁾ , Ak 12, Garanti 12
	Retail	Consumer Loans ⁽¹⁾	7	6.2	Ziraat 14 ⁽⁵⁾ , Ak 13, İş 13, Gar 13
		Credit Cards ⁽²⁾	1	25.2	Garanti 22, Ak 15, İş 13
	AuM + Brokerage	Asset Management	1	20.9	İş 20, Garanti 14, Ak 13
		Brokerage ⁽³⁾	5	4.3	İş 6.3, Ak 5.1, Deniz 4.8, Finans 5.0
	Corporate	Cash Loans ⁽⁴⁾	4	9.8	Ak 14, İş 12, Gar 13
		Non Cash Loans	1	16.1	Garanti 14, İş 8.8
		Leasing	1	19.2	Garanti 18.6, Finans 8.6
		Factoring	1	19.3	Garanti 13, Fiba 8, TEB 8
	Insurance	Life	5	7.0	Anadolu 24, Başak 15, Avivasa 11
		Pension	3	15.4	Avivasa 25, Anadolu 21
		Non-Life	7	6.5	Anadolu 12, AxaOyak 12, KoçAllianz 9

(1) Excluding credit card loans
 (2) Outstanding balance market share
 (3) Equity trading volumes
 (4) Cash Loans excluding credit card outstanding and consumer loans
 (5) As of 30 September 07

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Strategy focused on ensuring accelerated growth, profitability and efficiency

Key Objectives

- Leadership in the higher return on capital and growth segments/businesses
- Strong investment in network development and customer satisfaction
- Efficient cost/income, most effective sales force and outstanding risk management



Key Strategic Guidelines

FOCUS ON 5 MAIN BUSINESS TARGETS:

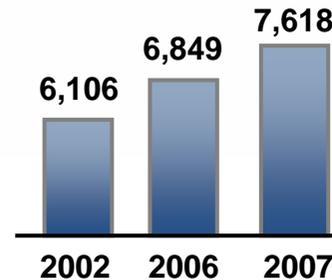
- Expand branch network significantly
- Reinforce leadership in Credit Cards
- Growth in SME Banking on the back of underpenetrated SME market
- Bring individuals segment towards higher profitability
 - reactivating dormant/low activity client base
 - increasing penetration through cross selling
 - expanding consumer lending mainly through development of the mortgage market
- Strong focus on cost & efficiency

Accelerated branch openings expected to provide stronger value creation

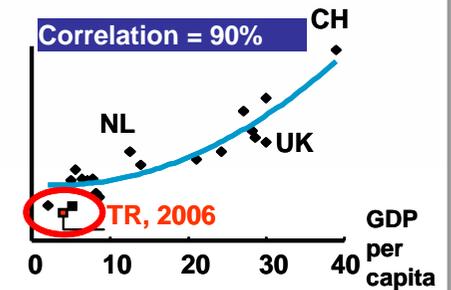
Number of branches is rapidly expanding....

...with room for further expansion: 769 new branches and 15,416 employees in '07

No of Branches in Turkey



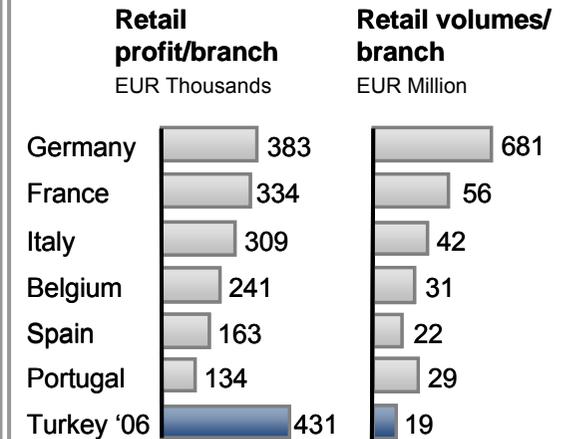
Branch Penetration



YAPI KREDI IS READY TO EXPLOIT THIS POTENTIAL

- Favorable market conditions in terms of branch profitability
- Strong capability and drive of YKB to reach break-even
- Accelerated branch openings of up to 350 branches in 3 years

Branch Profit and Volumes : BENCHMARKING



Focus on SME banking...Further room for profitability in individuals segment...

Profitable growth in SME banking with a differentiated approach in an underpenetrated market

- **Fast and Outstanding Service for SMEs**
 - **Dedicated service model with 1100 specialized micro and macro RMs**
 - **Simplified proprietary credit underwriting process**
 - **Bundled product offerings with insurance coverage, working capital and asset based financing options**
 - **Unique offering in the market** through disbursement of Grant Programs supplied by national & int.l institutions
- **Specialized consultancy services free of charge:** Basel II meetings, SME fairs, value creating online platform
 - **4,000 SMEs reached through Anatolia Meetings** in 2007, **110 customized loan agreements signed with Chambers of Commerce and Trade Associations**
- **Activation of low activity customer base** (Target to reach ~500K active customers by end-2009)

Further room for profitability in individuals segment

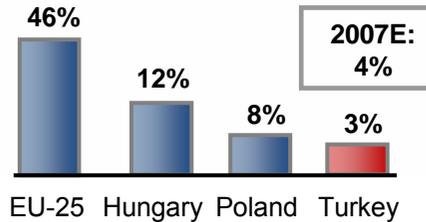
- **Expand customer base** through reactivation of dormant/low activity clients
- **Increase penetration through aggressive cross-selling** (current cross-sell ratio <1.5)
- **Expand consumer lending⁽²⁾ to achieve close to 10% natural market share** (6.8% as of 28 March)
- **Relaunch branch efficiency programs to reduce cost to serve**

(1) YKB's SME definition: Loans extended to companies with annual turnover less than 3 mln USD

(2) Lending to individuals (includes general purpose loans, auto loans, housing loans)

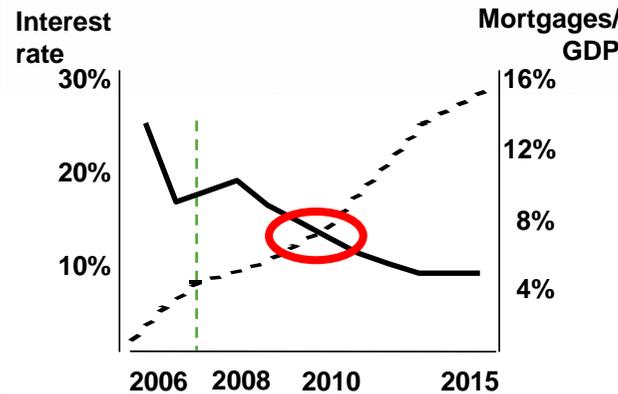
Focus on mortgages as another key driver

Potential Of Mortgage Market In Turkey



- 79% growth in 2006, 39% in 2007
- Home ownership ratio in Turkey: 68% (58% in Istanbul)
- Low existing quality of housing stock
 - ✓ 33% above 25 years old
 - ✓ 40% needs to be renewed

Mortgages Expected To Take Off With Interest Rate Reduction



Key Business Challenges for Banks Addressed by New Mortgage Regulation

- Introduction of variable rates and up to 2% pre-payment penalty
- Establishment of secondary market for the securitisation of mortgages
- Faster collection of collateral, shortened foreclosure process

YKB STRATEGY ON MORTGAGES

- Product and channel differentiation, leveraging also on state-of-the art CRM potential
- Efficient credit process, lean and fast response, cross-selling
- Focusing on origination, tailoring for securitization needs
- Introduction of innovative products and services (Buy together mortgage, turnkey mortgage)

Mortgage penetrations as of 2006. For Turkey, penetration calculated based on revised GDP figures

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Key achievements in 2007

2007YE Results (BRSA Consolidated)

- Completed **divisionalisation implementation** during 1H07; communication of the segment based results for the first time through 2007YE earnings release
- **Increased market presence** through regain of growth momentum especially from 1H07 onwards
- Designed and launched **accelerated branch network expansion plan** in July 2007, positive results YTD
- Commenced **growth initiatives in credit cards**: credit card brand re-positioning, brand sharing agreements and direct sales force expansion
- Reached **more transparent** and **simplified Group structure** through moving the financial subsidiaries under YKB (“KFS restructuring”)
- **Efficiency initiatives** in systems and processes to enhance branch productivity, reduce cost to serve and improve customer satisfaction

Key performance highlights

2007YE Results (BRSA Consolidated)

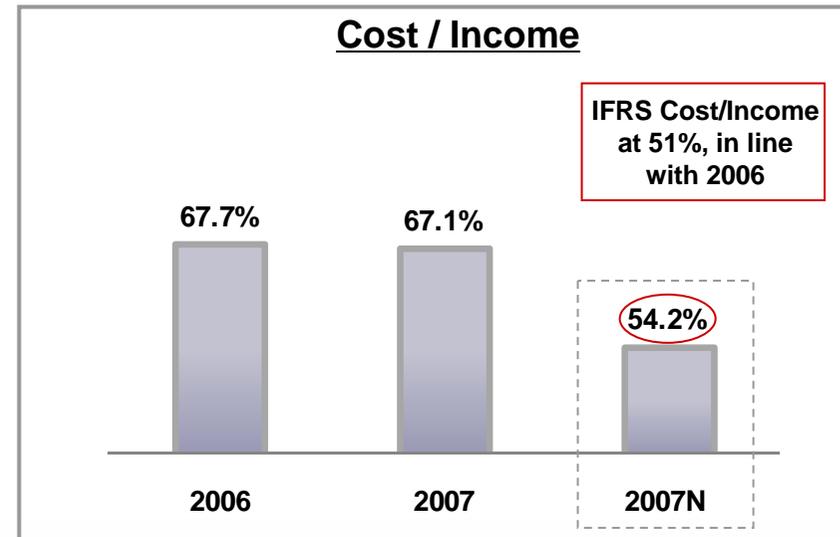
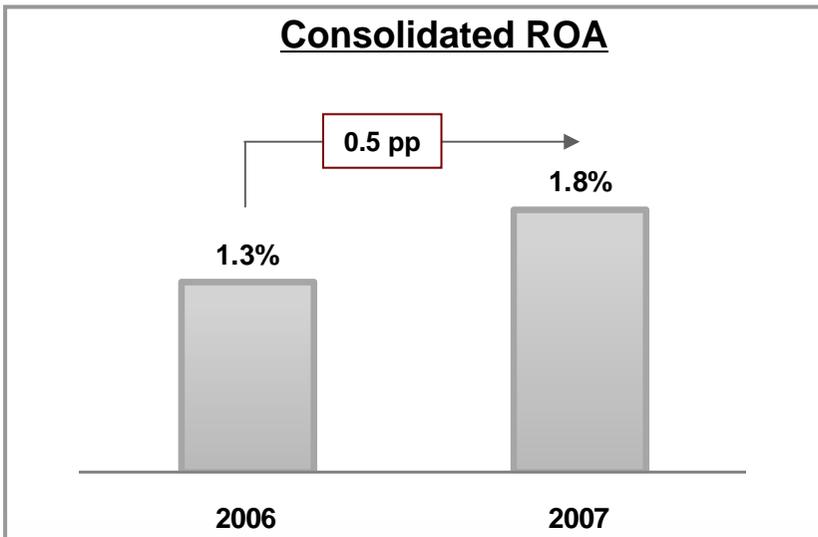
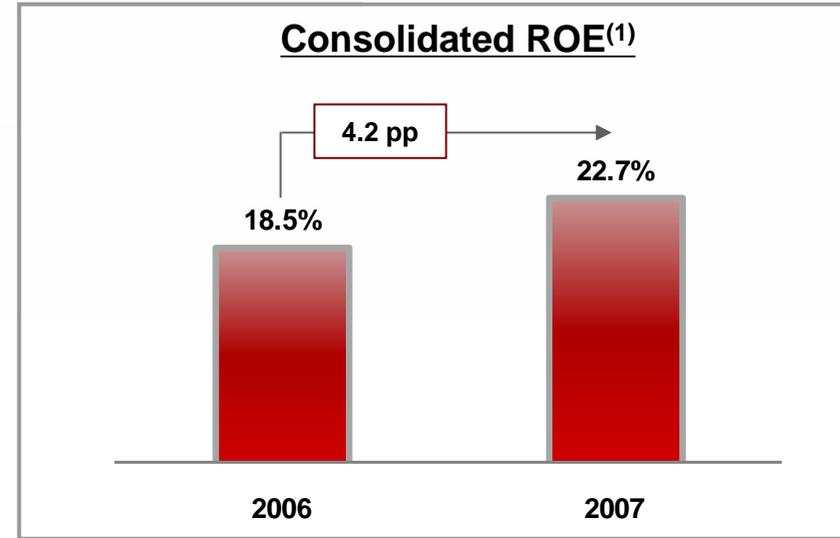
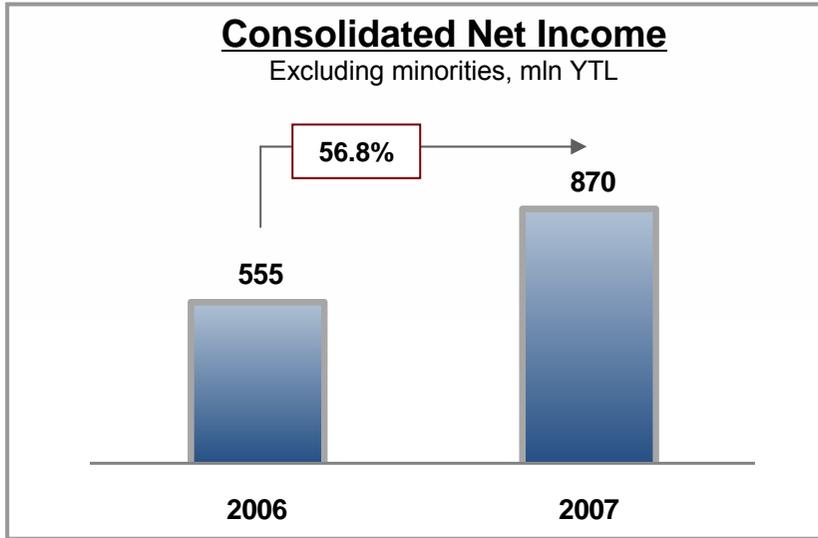
- **YTL 870 mln of consolidated net income and ROE of 22.7%** in a year of post-merger stabilisation and launch of accelerated growth plan
- **Healthy revenue growth of 23% YoY** (14% YoYN⁽¹⁾) driven by solid volumes in consumer and SME loans as well as robust fee growth (+14% YoY, +22% YoY at Bank level)
- **Leadership in credit cards, mutual funds, leasing and factoring**; No 3 in private pension funds
- **Positive market share gains** in both retail and SME segments especially in 4Q, led by general purpose loans (+38% QoQ, 95% YoY) and mortgages (+14% QoQ, 44% YoY)
- **Accelerated branch expansion in line with plan** (+82 retail branch openings in 07), + 1,009 recruitments in 2007 to support the accelerated plan
- **Costs mainly driven by growth initiatives** including recruitments for branch expansion; core cost/income at 54.2%⁽¹⁾⁽²⁾
- **NPL ratio down to 5.2%** (6% on a like-for-like basis taking into account write-offs) with 80% specific provisioning coverage

(1) Normalized to exclude the effects of loan write-off due to Superonline stake sale in 2Q and non core fixed asset sales in 3Q and 4Q

(2) Adjusted for NPL write-off expense in 4Q

Key performance indicators

2007YE Results (BRSA Consolidated)



(1) Calculations based on beginning of the year equity

2007N: Normalized to exclude the gross-up effects on revenues and costs of loan write-off due to Superonline stake sale in 2Q, non core fixed asset sales in 3Q and 4Q and NPL write-off expense in 4Q

Net profit growth at 57% YoY accompanied by launch of accelerated growth

2007YE Results (BRSA Consolidated)

<i>Income Statement, mln YTL</i>	2006	2007	% YOY
Total Revenues	4,031	4,955	22.9%
Net Interest Income	2,097	2,473	17.9%
Non-Interest Income	1,934	2,482	28.3%
o/w Fees&Comm.	1,381	1,577	14.2%
Operating Costs	(2,731)	(3,326)	21.8%
HR	(802)	(948)	18.2%
Core Non-HR	(904)	(1,004)	11.3%
Depreciation	(234)	(215)	(8.1%)
Other	(791)	(1,159)	46.2%
Operating Income	1,300	1,629	25.3%
Provisions	(360)	(420)	16.7%
Pre-tax Income	940	1,209	28.6%
Tax	(243)	(190)	(21.8%)
Net Income	697	1,019	46.2%
Minority Interest	(142)	(149)	4.9%
Consolidated Net Income	555	870	56.8%

- Revenue growth at 23% YoY, 14% YoY if normalized⁽¹⁾
- Core revenue growth driven by 18% YoY growth in net interest income and 14% YoY growth in fees and commissions
- Cost growth at 22% YoY, 9% YoY if normalized⁽¹⁾, mainly driven by investment in growth initiatives at Bank level

(1) To exclude the gross up effects on revenues and costs of one-offs including loan write-off due to Superonline stake sale in 2Q07 and non core fixed asset sales in 3Q07 and 4Q07

Improved balance sheet mix with heavier weight of core banking activities

2007YE Results (BRSA Consolidated)

<i>Balance Sheet, mln YTL</i>	2006	2007	% YoY	%QoQ
Total Assets	55,293	56,660	2.5%	4.3%
Loans	22,754	28,733	26.3%	13.1%
TL	15,207	19,408	27.6%	9.9%
FC	7,547	9,325	23.6%	20.3%
Securities	18,490	14,518	(21.5%)	(0.7%)
Deposits	32,576	33,707	3.5%	3.4%
TL	16,221	18,874	16.4%	2.8%
FC	16,355	14,833	(9.3%)	4.2%
Shareholders' Equity	4,107	5,004	21.8%	3.8%
AUM	6,145	6,825	11.1%	12.8%

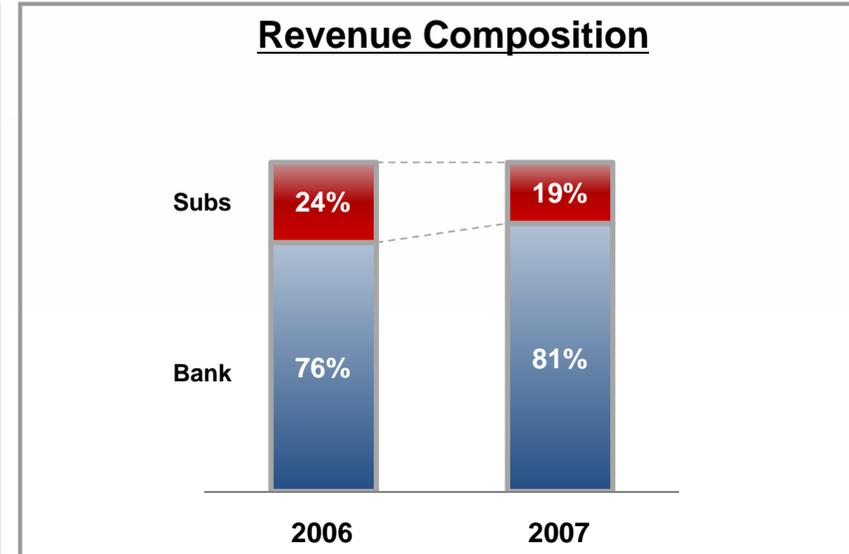
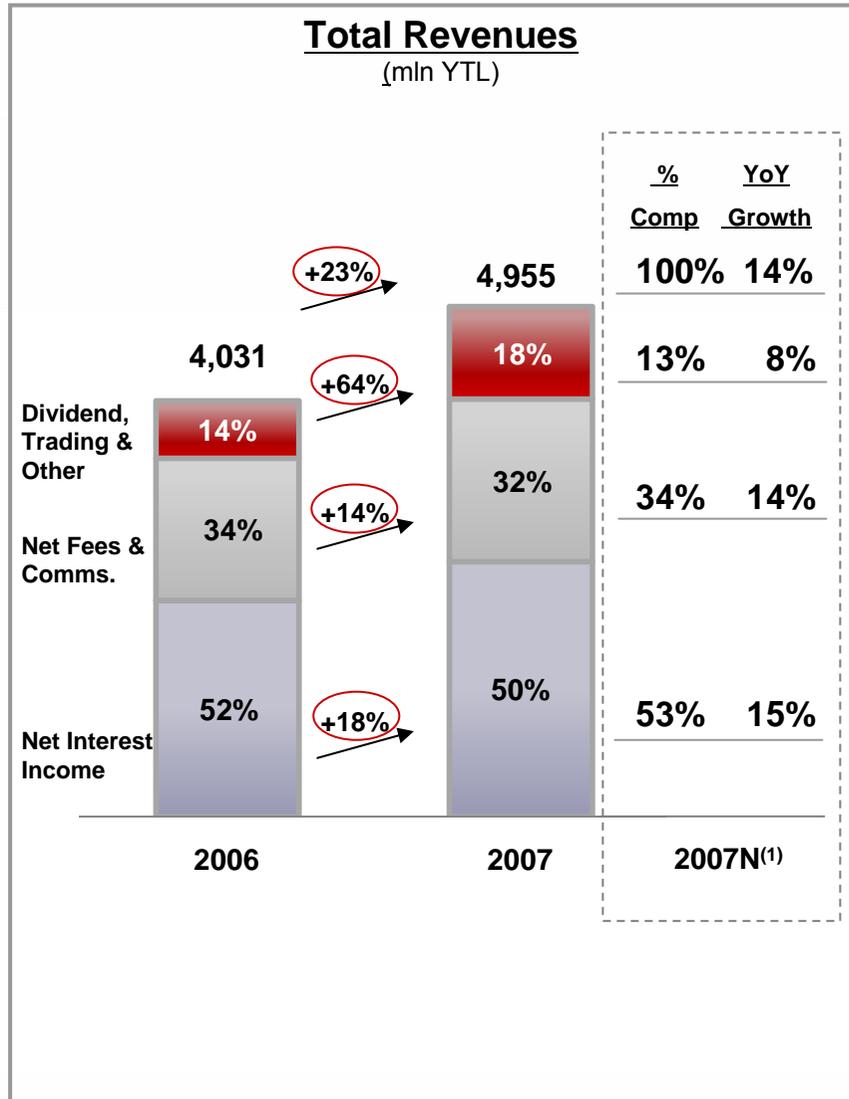
<i>Ratios</i>	2006	2007	ΔYoY	ΔQoQ
Loans / Assets	41.2%	50.7%	9.6 pp	4.0 pp
Securities / Assets	33.4%	25.6%	(7.8 pp)	(1.3 pp)
Loans / Deposits	69.8%	85.2%	15.4 pp	7.3 pp
Demand / Total Deposits	15.9%	16.8%	0.9 pp	0.6 pp
IEAs / Total Assets (Bank)	84.3%	90.3%	6 pp	(1.2 pp)
CAR	13.3%	12.8%	(0.5 pp)	(0.6 pp)
o/w Bank	12.3%	13.7%	1.4 pp	0.8 pp

- Loan growth at 13% in 4Q outperforming the sector by 5 pp and pulling up the YoY growth to market levels
- Deposit growth mainly driven by TL deposits, with higher weight of demand deposit over total at 17%
- Loans/Deposit ratio increasing by 15 pp at 85%
- AUM growth at 11% YoY, confirming leadership in the market
- IEAs increasing also due to non core fixed asset disposals

Note: Loan figures indicate performing loans

Revenue performance mainly driven by YKB's core banking activities; improved revenue mix with higher share of interest income and fees

2007YE Results (BRSA Consolidated)

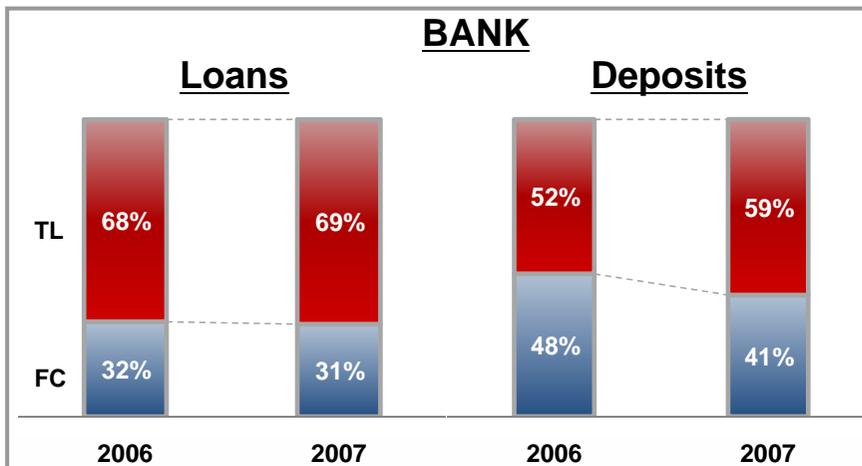
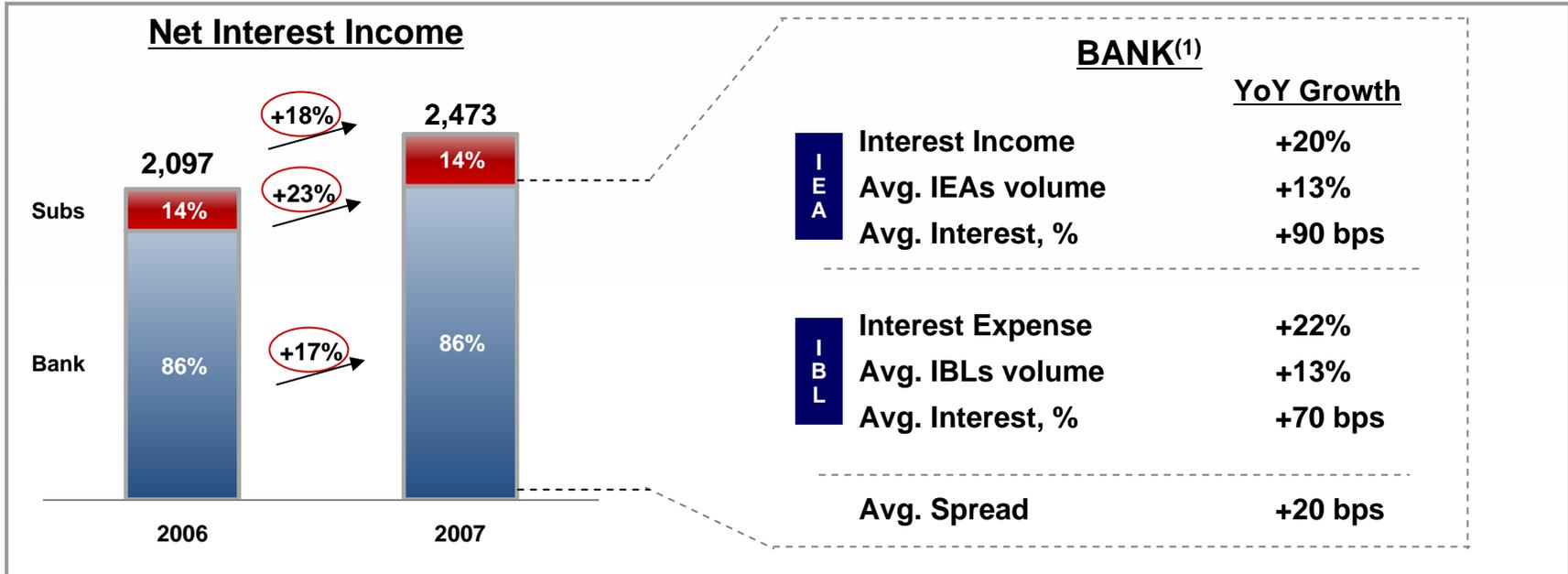


- Revenue growth mainly driven by NII (+18%) and Net fees and commissions (+14%)
- Improved revenue mix with higher share of NII (53%) and fees (34%) on a normalized basis
- YKB's contribution to total group revenues increasing to 81% (+5 pp YoY)

(1) To exclude the gross up effects on revenues and costs of one-offs including loan write-off due to Superonline stake sale in 2Q07 and non core fixed asset sales in 3Q07 and 4Q07

Net interest income performance sustained by volume growth and overall positive spread evolution in a declining interest rate environment

2007YE Results (BRSA Consolidated)

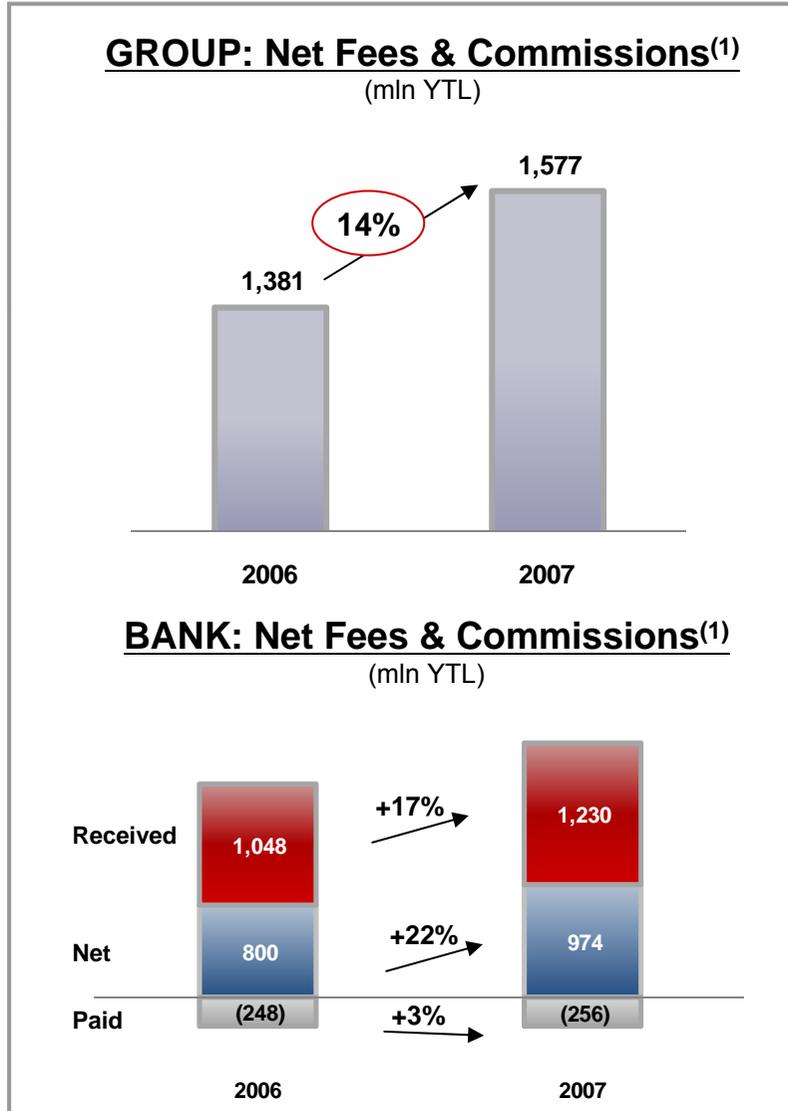


- Interest income (+20% YoY at Bank level) driven by volume growth, with a higher weight of loans over IEAs and of high margin consumer and SME loans
- Interest expense (+22% YoY at Bank level) driven by volume increase and higher share of TL deposits in total

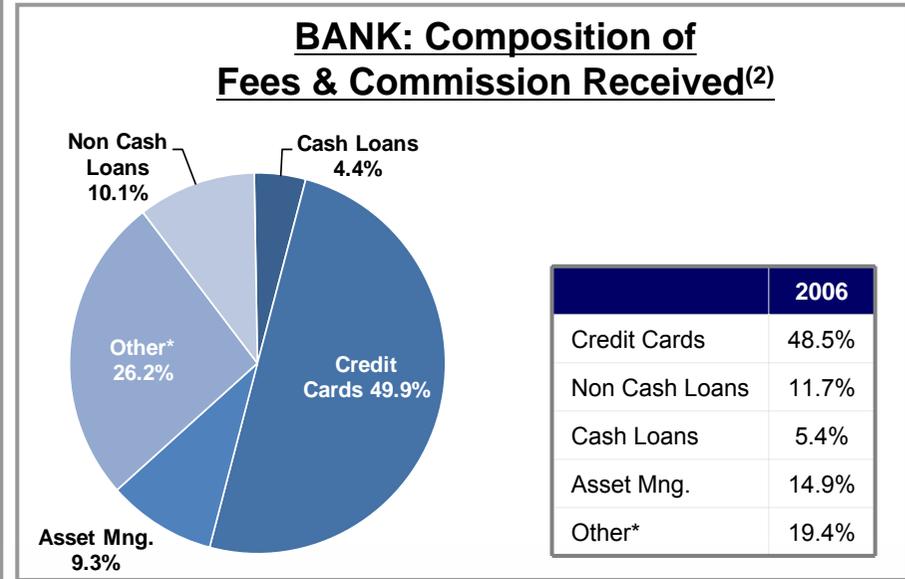
(1) Based on MIS data

Strong performance in fees & commissions mainly driven by YKB's leading position in credit cards, asset management and non cash loans

2007YE Results (BRSA Consolidated)



- +14% YoY at Group level
- Stronger performance at Bank level (+22% YoY), derived from continuous leadership in credit cards, asset management and non cash lending
- 50% of Bank fees & commissions income generated by credit cards, 15% by cash & non-cash lending and 9% by asset management



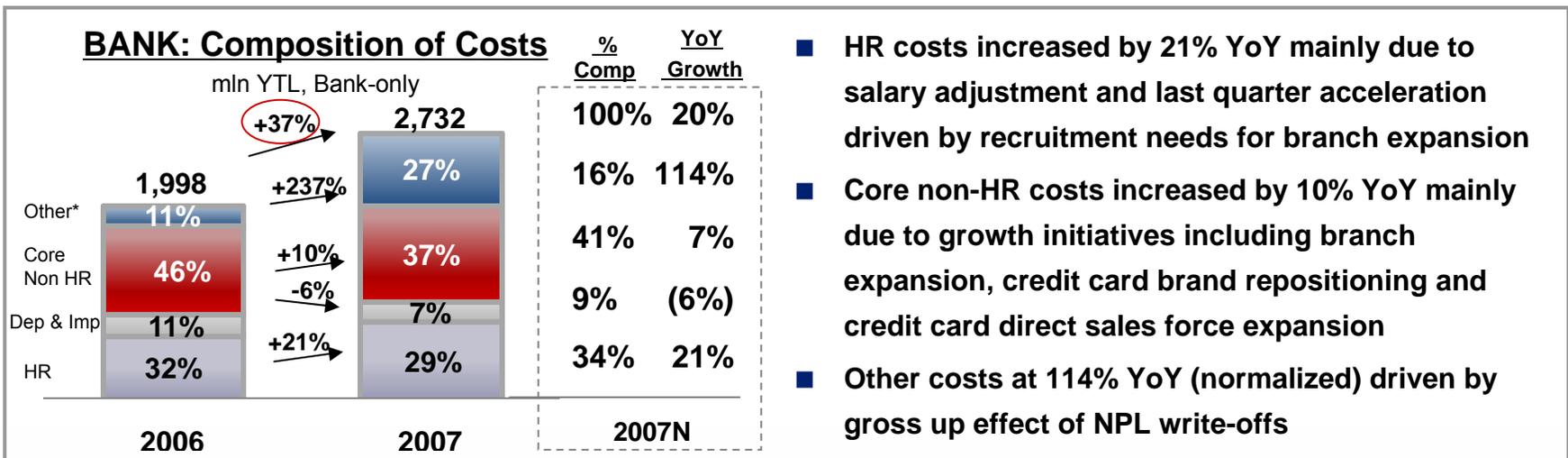
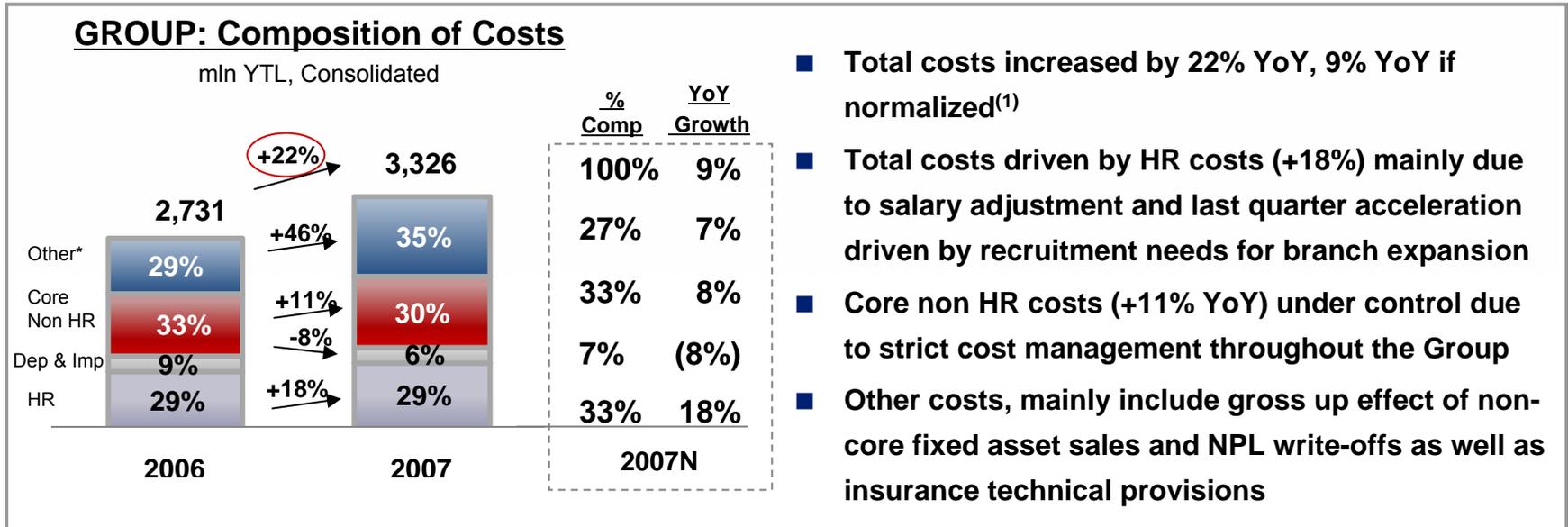
(1) As per new BRSA regulation which reclassifies cash loan fees under interest income

(2) Includes cash loan fees which, as per BRSA regulation is now reclassified under interest income

* Includes fees and comms. from banking transactions such as money transfers, background enquiry fees for loan applications, insurance etc.

Total costs at Group level mainly driven by the launch of accelerated growth at Bank level

2007YE Results (BRSA Consolidated)



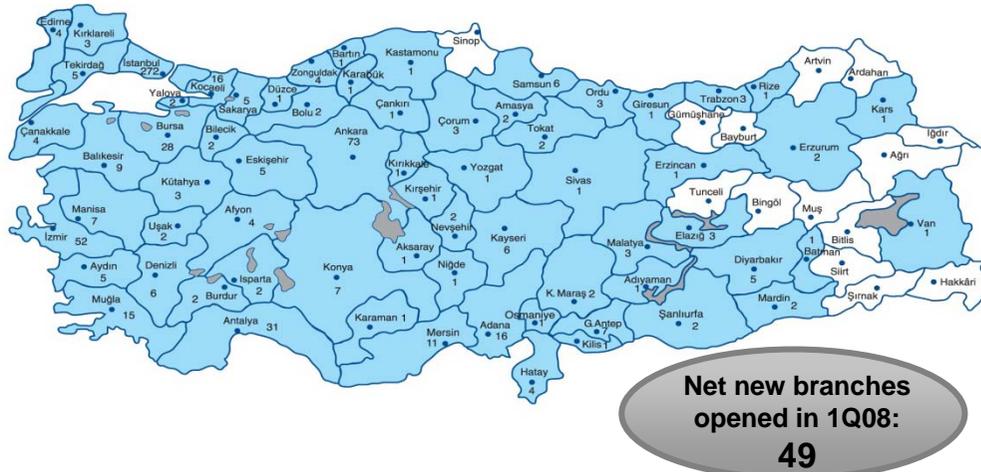
(*) Includes expenses on sales of assets, provision expense for pension fund and Worldcard, insurance technical provisions, gross up effect of NPL write-offs and other

(1) To exclude the gross up effects on revenues and costs of one-offs including loan write-off due to Superonline stake sale in 2Q07 and non core fixed asset sales in 3Q07 and 4Q07. 2006 figures also adjusted for minor write-offs

Accelerated branch expansion, launched in 2007, is on track with 82 retail openings (68 net increase)

2007YE Results (BRSA Consolidated)

YKB's Domestic Branch Network



2007 target ~ 80 branches

2008 target ~ 160 branches

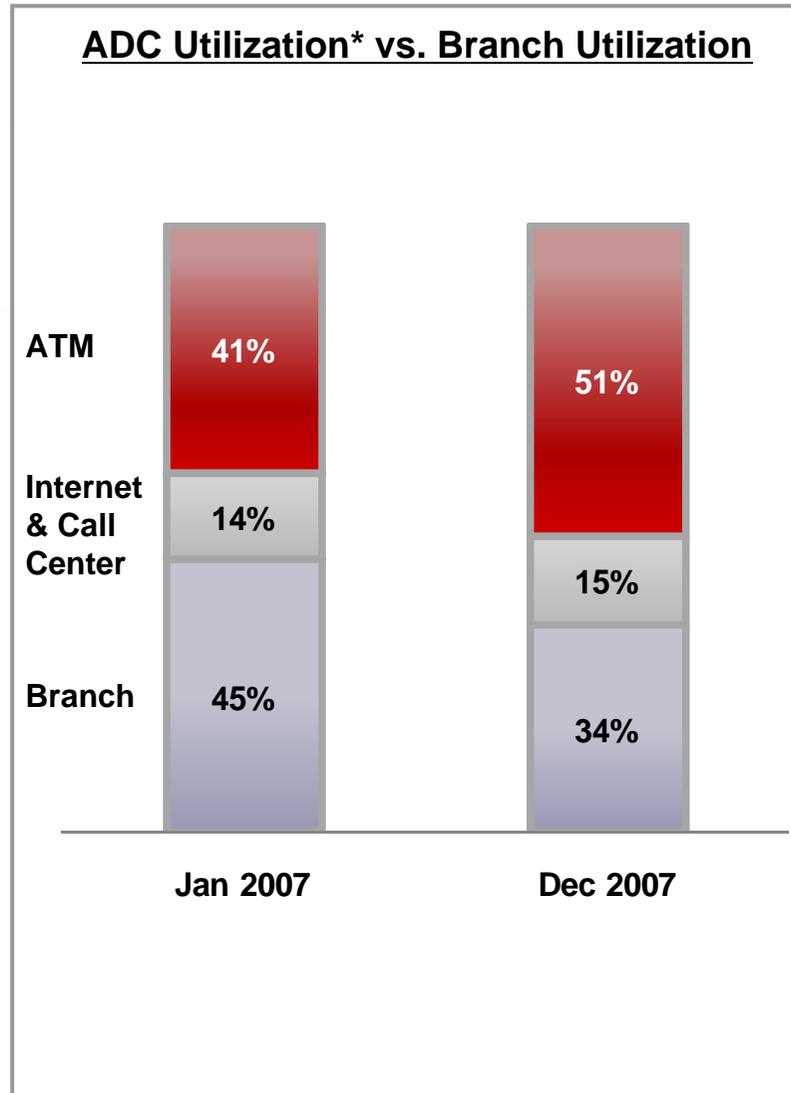
Total to reach by end-2009: ~1,000 branches

- 676 branches⁽¹⁾ in 68 cities as of 31 Dec 2007
- 11% market share in top 10 cities
- 63% of branch network concentrated in top 4 cities
- 82 branches opened in 2007 out of a target of 80
- Out of the new retail branches opened in 2007 and the first 2 months of 2008, only 6 were below revenue budget. All others in line with or above their revenue budgets
- 1,009 additional recruitments in 2007 to support the plan

⁽¹⁾ Including one off-shore branch in Bahrain

Relaunched branch efficiency programs to improve customer satisfaction and reduce cost to serve

2007YE Results (BRSA Consolidated)



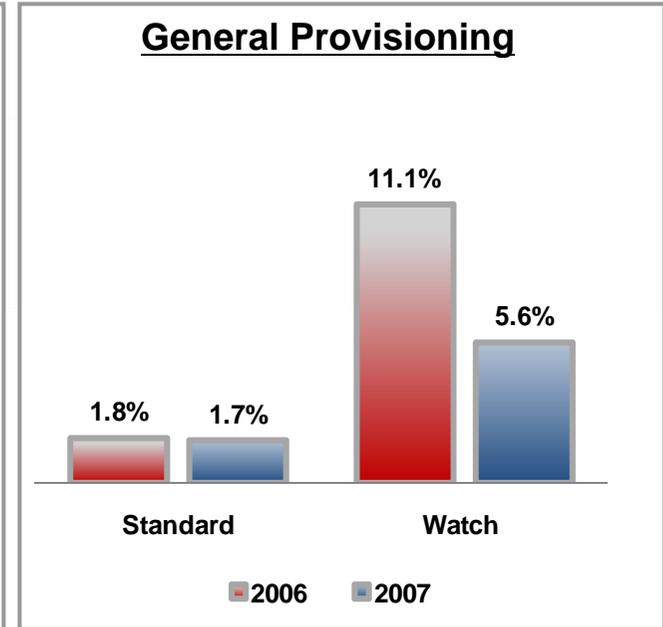
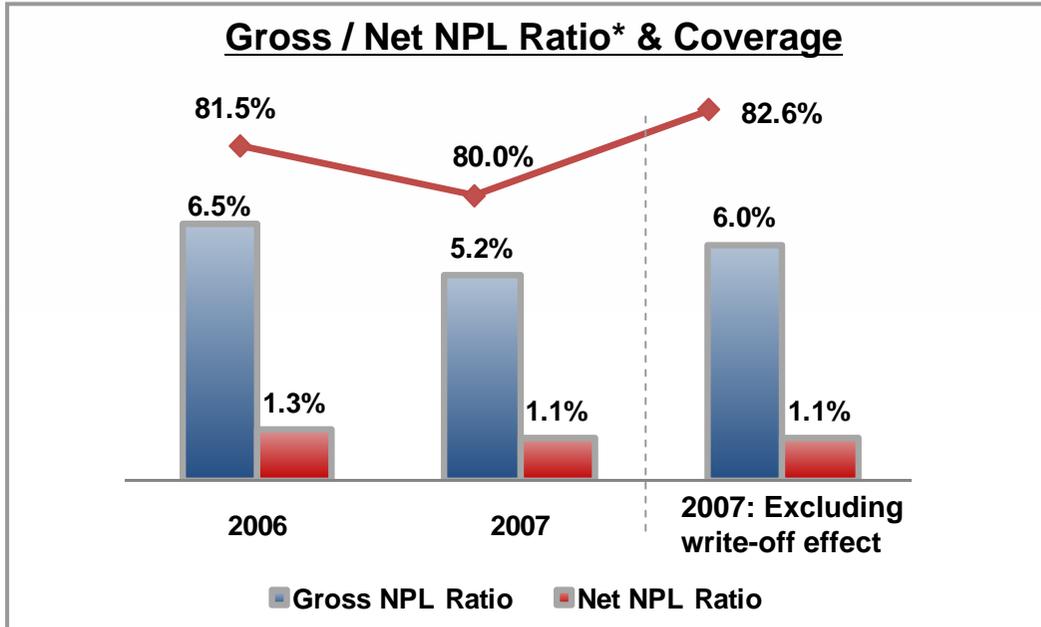
- Positive performance of transaction migration project in 2007
 - Share of branch utilization decreased from 45% in Jan 07 to 34% in Dec 07
 - Share of ADC utilization increased from 55% in Jan 07 to 66% in Dec 07

- Mainly as a result of installation of additional ~1,000 advanced ATMs to the network:
 - 134% increase in ATM usage for depositing cash
 - 67% increase in ATM usage for credit card payments
 - 40% increase in ATM usage for utility payments
 - 19% increase in ATM usage for withdrawing cash

* All migration transactions with no limits and all customer types

NPL ratio down to 5.2% (6% on a like for like basis, taking into account write-offs), confirming focus on asset quality

2007YE Results (BRSA Consolidated)



- Total write-off of 283 mln YTL in 2007, of which 180 mln YTL related to credit cards, mainly concentrated in 4Q07
- Sale of corporate & commercial NPL portfolio of 532 mln YTL
- Solid credit risk infrastructure, underwriting and monitoring tools with further improvement in progress. Launch of new scorecard for SMEs expected in June 08

* Includes total loans, factoring receivables and financial lease receivables

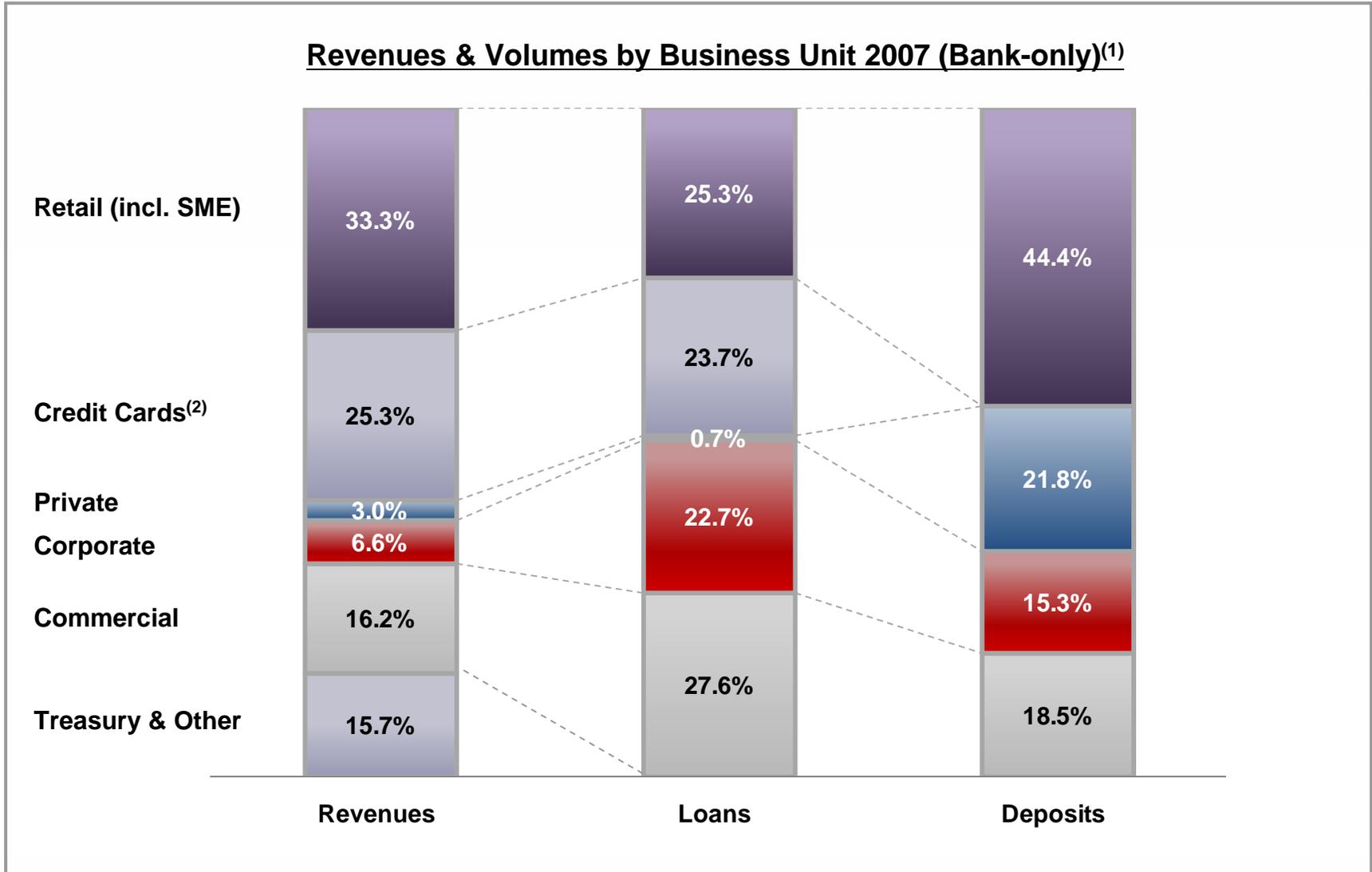
AGENDA

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Disclaimer: YKB completed its new service model based on a divisionalized structure in 1Q07. While segment based data (based on MIS) is being shared for the first time with this presentation based on 2007 results, YoY comparisons need to be considered as indicative due to lack of historical series on the same segment basis

Diversified revenue composition with retail focused loan portfolio and high quality deposit mix

Performance by BU



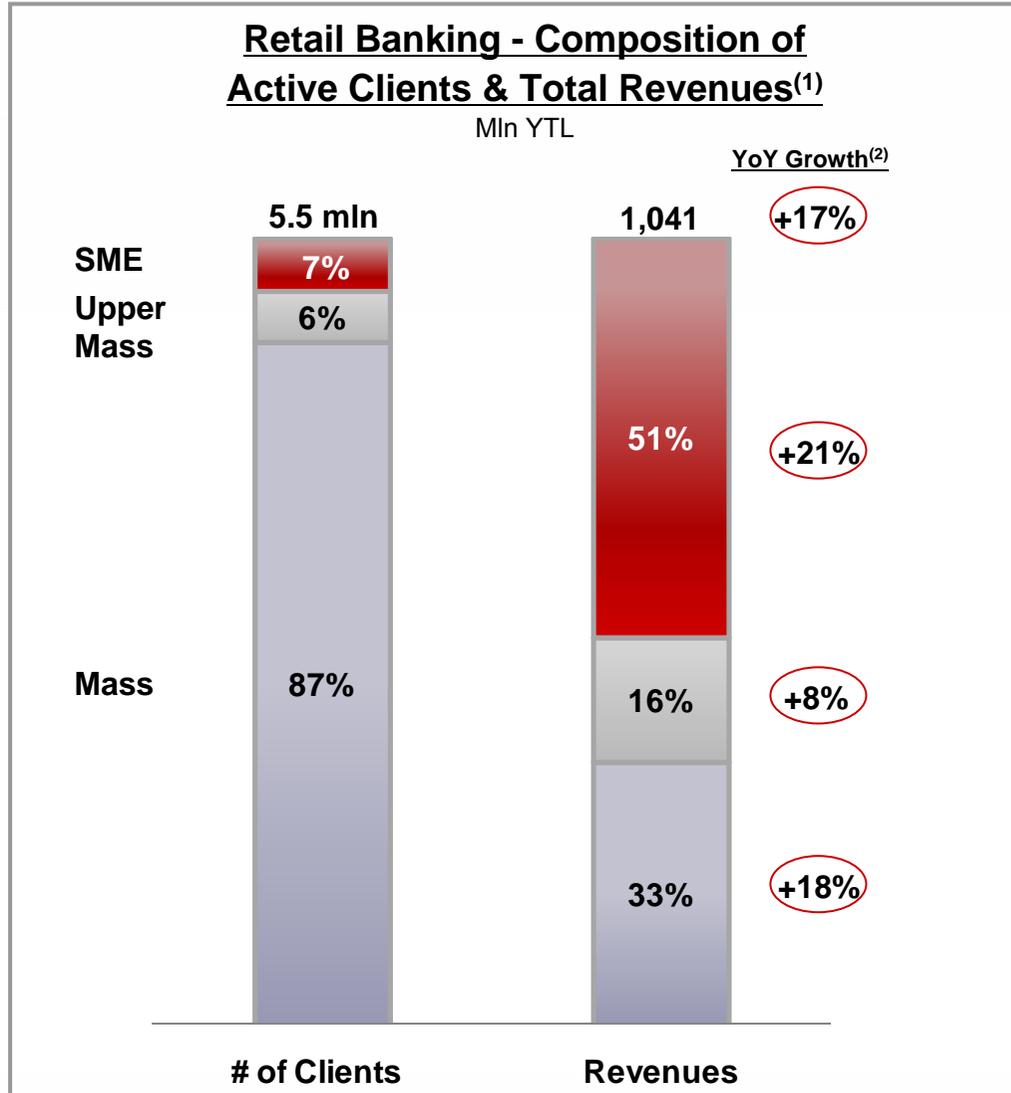
(1) Please refer to Annex for definitions of Business Units

(2) Net of World points expenses

Note: loan and deposit allocations based on December monthly averages (source: MIS data)

Retail banking is sub-segmented into mass, uppermass and SME segments

Performance by BU



- ~375 thousand active SME clients generating 51% of total Retail revenues
- Highest rate of growth on an annual basis driven by SME segment (+21% YoY)
- Mass segment contributes the highest number of active customers (~4.8 mln) generating 33% of total Retail revenues
- Mass sub-segment revenues at 18% YoY
- Uppermass sub-segment generates 16% of total Retail revenues through ~350 thousand active clients

(1) Please refer to Annex for definitions of Business Units
 (2) YoY estimated growth (Based on MIS data)

Retail banking driven by branch expansion and aggressive growth in consumer and SME lending

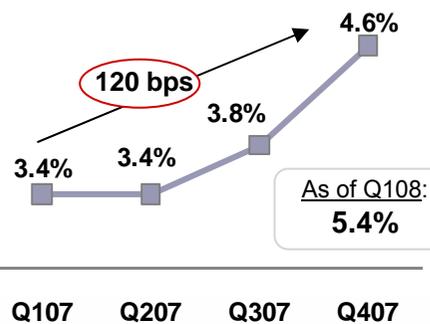
Performance by BU

Mln YTL	2007
Revenues	1,041
Loans	6,854
Deposits	13,857
AUM ⁽³⁾	3,275
% of Bank Demand Deposits	49.6%
TL % in Total Retail Loans	98.6%
Revenues / (Deposits + Loans)	5.6%

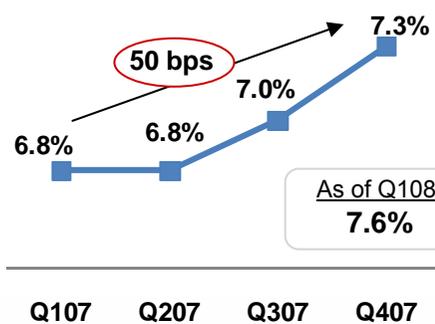
Business Highlights

- Retail banking revenues up by 17% YoY driven by regained commercial momentum (accelerated in 4Q) in consumer lending⁽¹⁾ as well as branch expansion (+82 retail branches in 2007)
- Growth above peers & market in housing loans and general purpose loans especially in 4Q
- General purpose loan growth mainly due to implementation of CARMA⁽²⁾ project through pre-approved limits for ~1.3 mln existing customers

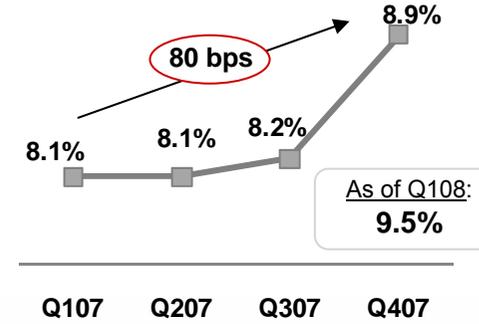
Gen. Purpose Loan Market Share⁽¹⁾



Housing Loan Market Share⁽¹⁾



Auto Loan Market Share⁽¹⁾



Note: all loan and deposit figures based on December monthly averages except for revenues/(deposits + loans). MIS data. Market shares based on BRSA bank-only figures

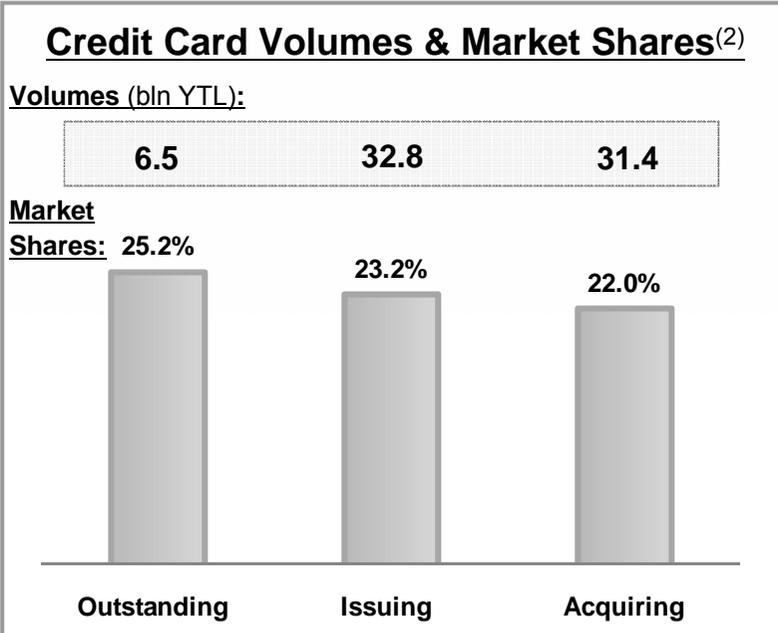
(1) Consumer lending includes loans that are granted to individuals only

(2) CARMA= Centralized Automated Risk Management Approach

(3) End of period

Leadership position in credit cards preserved with new key initiatives to maintain competitive advantage and ensure growth

Performance by BU



	2007
Revenues	960
Net Revenues	796
# of C. Cards ⁽¹⁾	6.7 mln
# of Merchants	~205 ths
# of POS	~246 ths
Revolving Ratio	29.8%
Activation %	83.3%

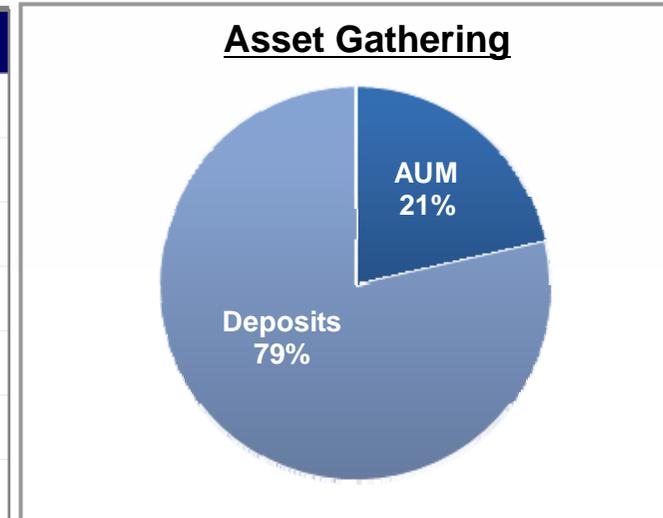
- Completed repositioning of “World” card: one card, one brand strategy:
 - Ends card inflation in wallets
 - Interactive, customized program architecture
- Direct Sales Force expansion on track (179 DSF 07YE, 450 DSF targeted 08YE)
- 2 new regional offices opened in 07 (Adana, Antalya)
- ~1 mln new credit cards extended to customers in 2007
- Strengthening presence in the sector through 3 new co-branding partnerships to exceed 10 mln World branded cards

(1) Including 1.1 mln virtual cards
 (2) Market shares based on bank-only figures

Private banking segment significantly contributing to Bank's total asset gathering

Performance by BU

MIn YTL	2007
Revenues	93
Loans	184
Deposits	6,816
AUM ⁽¹⁾	1,969
% of Bank Demand Deposits	5.6%
TL % in Total Private Loans	100%
Revenues / (Deposits + Loans)	1.3%



Business Highlights

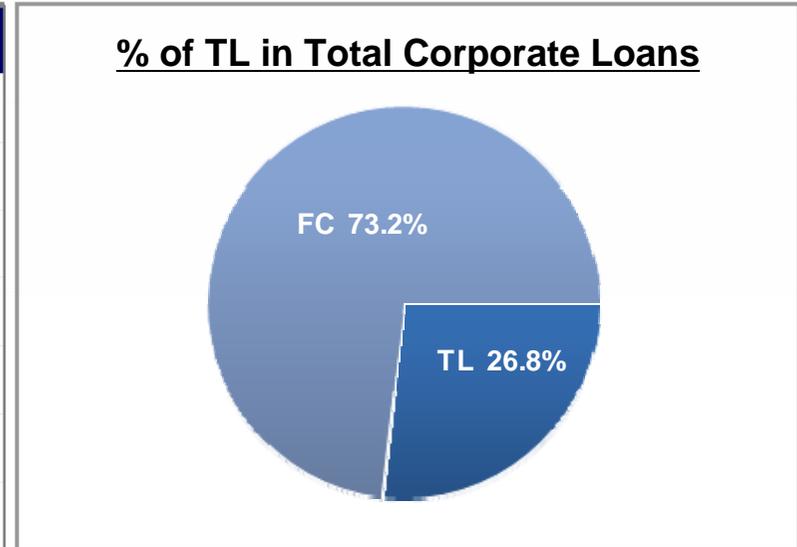
- Private banking revenue growth at 2% YoY driven by growth in asset gathering
- Deposit volume growth of 4% contributing 22% of Bank's total deposits in 2007
- 13 new private branches opened in 2007 (total no of private branches: 26)
- Introduction of discretionary portfolio management (DPM)
- Tailor made structured products already bringing substantial volumes in 2008

Note: all loan and deposit figures based on December monthly averages except for revenues/(deposits + loans).
MIS data
(1) End of period

Corporate banking mainly driven by volume growth, but with increasing focus on cash management and trade finance products

Performance by BU

Mln YTL	2007
Revenues	205
Loans	6,165
Deposits	4,769
AUM ⁽¹⁾	171
<i>% of Bank Demand Deposits</i>	15.3%
<i>TL % in Total Comm. Loans</i>	26.8%
<i>Revenues / (Deposits + Loans)</i>	2.0%



Business Highlights

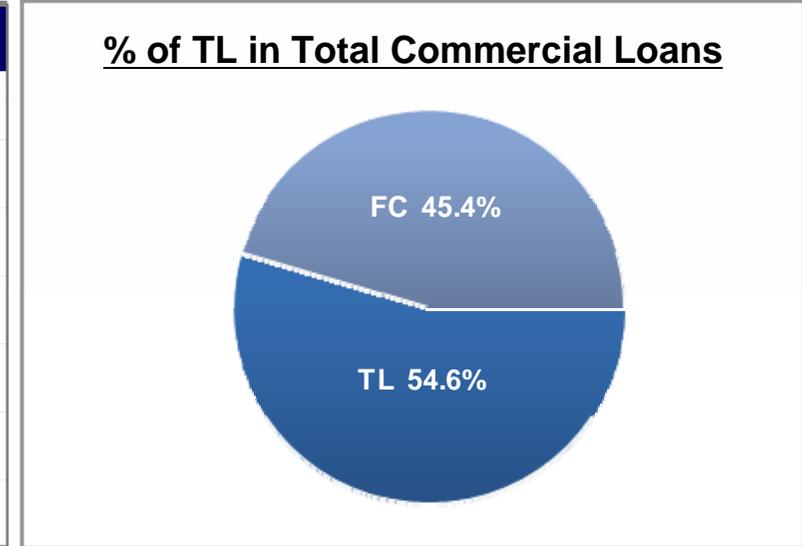
- Revenue growth at 9% YoY
- Focus on trade finance, project finance and acquisition finance as high margin areas
- Focus on cash management
- Leverage on leasing & factoring products

Note: all loan and deposit figures based on December monthly averages except for revenues/(deposits + loans).
 MIS data
 (1) End of period

Commercial banking revenues driven by healthy loan growth. Increasing focus on cash management, trade finance, leasing and factoring

Performance by BU

Mln YTL	2007
Revenues	508
Loans	7,504
Deposits	5,758
AUM ⁽¹⁾	300
<i>% of Bank Demand Deposits</i>	26.9%
<i>TL % in Total Comm. Loans</i>	54.6%
<i>Revenues / (Deposits + Loans)</i>	4.6%



Business Highlights

- Commercial banking revenues up 15% YoY driven by strong loan growth
- Focus on cash management and trade finance products
- Leverage on leasing & factoring products

Note: all loan and deposit figures based on December monthly averages except for revenues/(deposits + loans).
MIS data
(1) End of period

AGENDA

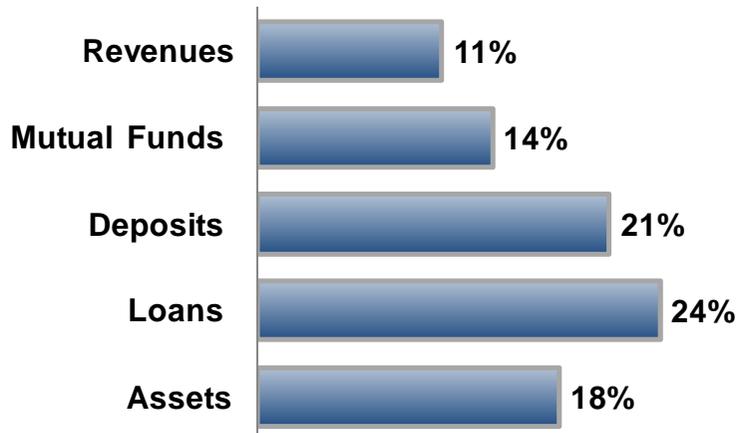
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Key Drivers of 2008 Performance

Key Macroeconomic Forecasts

	2007	2008
GDP Growth (%)	4.5	4.2
CPI Inflation (% eop)	8.4	7.8
O/N Rates (%)	15.75	14.75
YTL/USD (eop)	1.165	1.399
YTL/Euro (eop)	1.714	1.959

Key 2008 Sector Growth Forecasts



2008 YKB Performance Drivers

- Acceleration of loan volumes in excess of market, growth in line with the market in deposit volumes
- Asset mix with higher share of loans (>+5 ppts vs 07), lower share of securities (>-5 ppts vs 07)
- Above market growth in revenues (>15% YoY) due to:
 - retail banking revenues (>25%) driven by branch expansion (+160 branches) and aggressive growth in consumer and SME lending
 - reinforced leadership in credit cards also supported by brand re-positioning and direct sales force (DSF) expansion (~+275)
- Fee income growth (>20%) in excess of NII growth
- Costs mainly driven by accelerated growth initiatives, yet growing less than revenues; running costs to remain almost flat (~100 bps reduction in cost / income)
- NIM flat vs 2007
- Stable cost of risk
- Additional ~ 1,500 employees to support growth (branch expansion, credit card DSF expansion)
- Efficiency program release of ~500 head count

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BS Summary (BRSA Consolidated)

Annex

Mln YTL	2006	2007	% YoY
Cash & Banks	6,910	5,124	(25.8%)
Loans, net	23,082	29,088	26.0%
TL	15,519	19,755	27.3%
FC	7,563	9,334	23.4%
Securities	18,495	14,518	(21.5%)
Subsidiaries	180	71	(60.4%)
Fixed Assets	2,394	2,329	(2.7%)
Other	4,232	5,530	30.7%
Total Assets	55,293	56,660	2.5%
Deposits	32,576	33,707	3.5%
TL	16,221	18,874	16.4%
FC	16,355	14,833	(9.3%)
Funds Borrowed	4,882	5,186	6.2%
Repos & Interbank	3,999	2,478	(38.0%)
Sub.loan	1,559	1,773	13.7%
Shareholders Equity	4,107	5,004	21.8%
Other	8,170	8,512	4.2%
Total Liabilities	55,293	56,660	2.5%

Definitions of Business Units

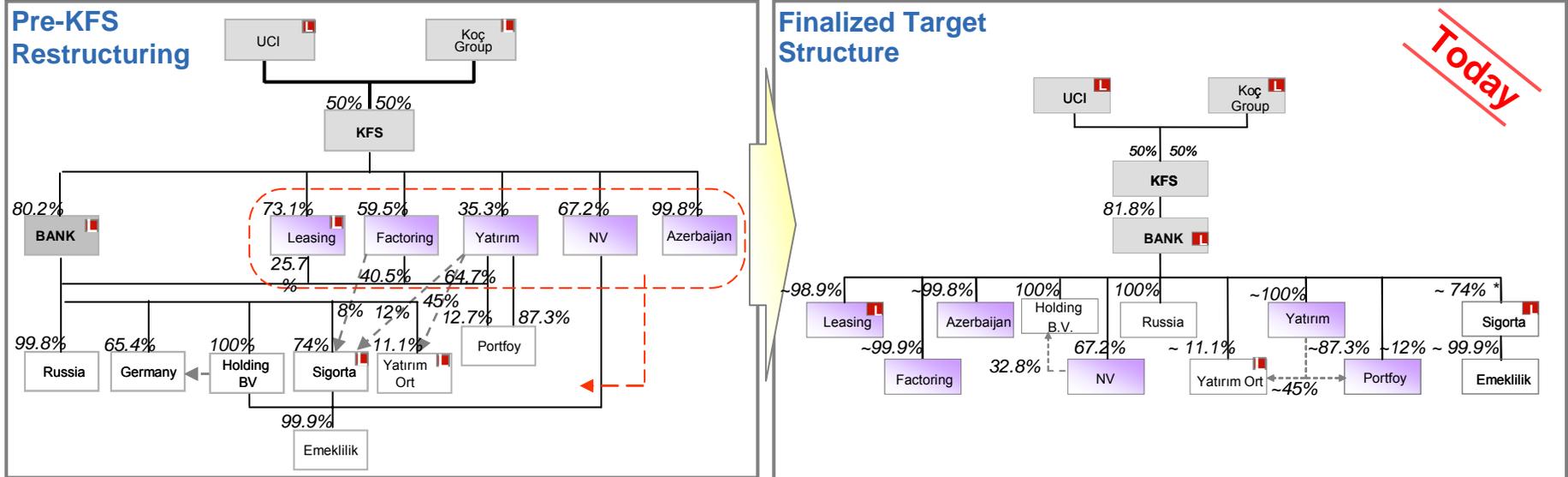
Annex

- **Retail:**
 - **SME:** Companies with turnover less than 3 mln USD
 - **Uppermass:** Individuals with assets between 10K -70K USD
 - **Mass:** Individuals with assets less than 10K USD
- **Commercial:** Companies with annual turnover between 3-50 mln USD
- **Corporate:** Companies with annual turnover above 50 mln USD
- **Private:**
 - **Ultra High Net Worth:** Individuals with assets above 500K USD
 - **High Net Worth:** Individuals with assets between 150K - 500K USD
 - **Affluent:** Individuals with assets between 70K – 150K USD

International Funding

- **Syndications:** 1.5 bln USD outstanding.
 - Sept 2008: USD 800 mln, Libor + 47.5 bps, 1 year. Refinance of maturing loan
 - Dec 2008: USD 700 mln, Libor + 62.5bps, 2 years. Refinance of maturing loan
- **Securitizations:** Largest issuance of 1.4 bln USD in Dec 2006 and March 2007.
(7-8 year, 6 tranches, LIBOR+18 bps - 35 bps). No maturing loan or payment in 2008.
- **Subloans:** €1,050 mln
 - €500 mln - YKB March 2006 (10NC5, Libor+2.00% p.a.)
 - €350 mln - Koçbank April 2006 (10NC5, Libor+2.25% p.a.)
 - €200 mln - YKB June 2007(10NC5, Libor+1.85% p.a.)
- **SACE Loan:** €100 mn March 2007 (5 years, all-in Euribor+1.20% p.a.) to support trade finance transactions

KFS Restructuring

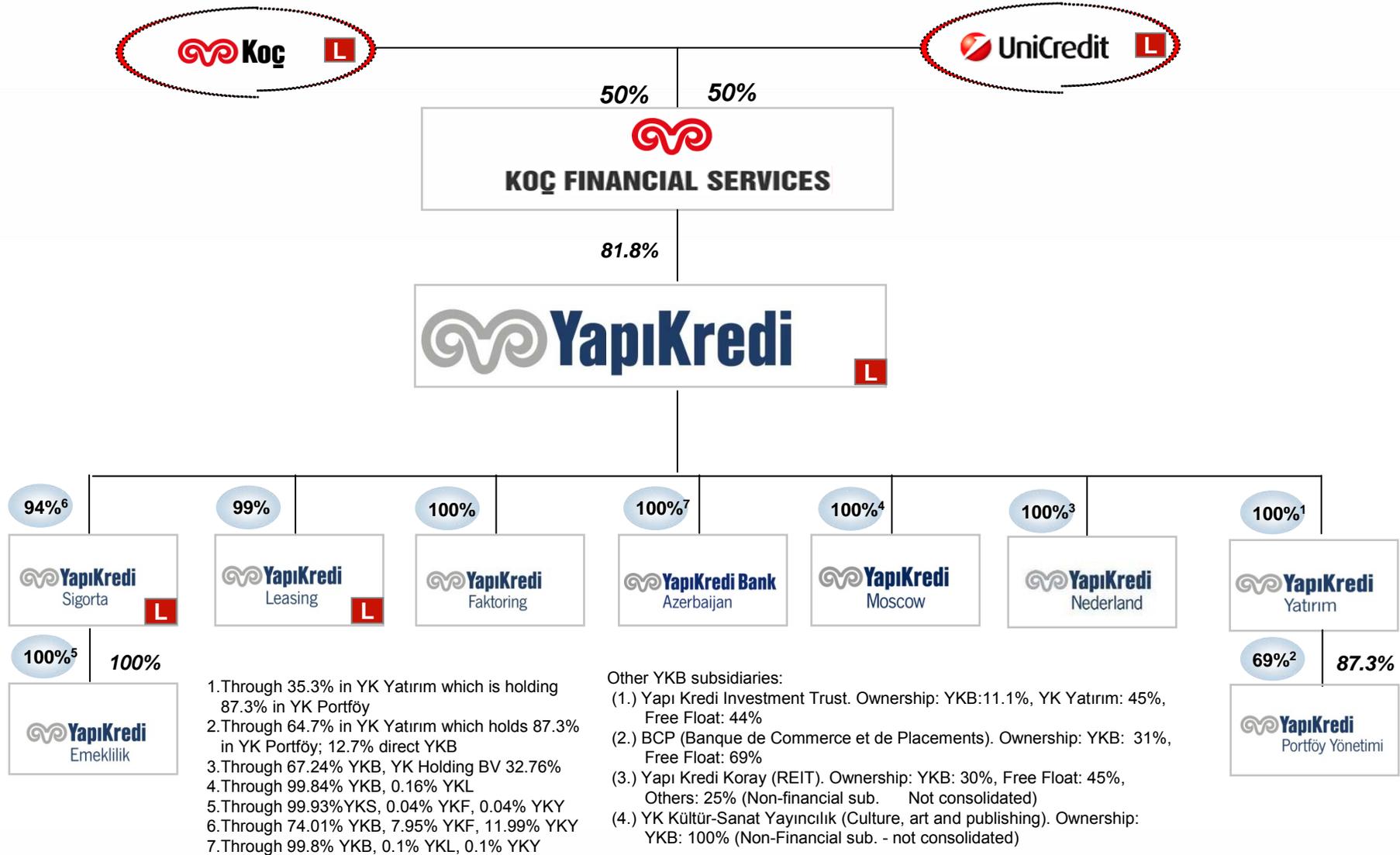


Impact of KFS Restructuring:

- **More transparency for the market** due to full consolidation of all subs under listed YKB
- **No more cross shareholding**- clearer chain of control; no duplication of functions
- **More efficient allocation of capital**

* YKB's total stake (direct and indirect) in YK Sigorta is 93.9% through 74.01% YKB, 7.95% YK Factoring & 11.99% YK Yatirim

The KFS Group comprises Yapı Kredi, its domestic product factories and international subsidiaries



L = Listed

= % ownership



For enquiries please contact:

Yapı Kredi Investor Relations

yapikredi_investorrelations@yapikredi.com.tr