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Banks

Turkey
Credit Analysis

Kuveyt Turk Katilim Bankasi A.S

Ratings

Foreign Currency	
Long-Term IDR	BB
Short-Term IDR	B
Local Currency	
Long-Term IDR	BBB-
Short-Term IDR	F3
National	
Long-Term Rating	AAA(tur)
Individual Rating	D
Support Rating	3
Sovereign Risk	
Foreign-Currency Long-Term IDR	BB-
Local-Currency Long-Term IDR	BB
Country Ceiling	BB

Outlooks

Local-Currency Long-Term IDR	Stable
National Long-Term Rating	Stable

Watches

Foreign-Currency Long-Term IDR	Positive
Sovereign Foreign-Currency Long-Term IDR	Positive
Sovereign Local-Currency Long-Term IDR	Positive

Financial Data

Kuveyt Turk Katilim Bankasi A.S.

	30 Jun 09	31 Dec 08
Total assets (USDm)	4,055.8	3,748.9
Total assets (TRYm)	6,198.9	5,718.7
Total equity (TRYm)	774.2	688.7
Operating profit (TRYm)	113.9	120.7
Published net income (TRYm)	90.9	90.9
Comprehensive income (TRYm)	90.9	90.9
Operating ROAA (%)	3.85	2.52
Operating ROAE (%)	31.40	22.08
Internal capital generation (%)	22.27	12.20
Eligible capital/ Regulatory weighted risks	15.49	15.12
Tier 1 ratio (%)	15.08	15.20

Analysts

Turda Ozmen
+90 212 279 1065
turda.ozmen@fitchratings.com

Levent Topcu
+90 212 279 1065
levent.topcu@fitchratings.com

Rating Rationale

- Kuveyt Turk Katilim Bankasi A.S' (Kuveyt Turk) IDRs, Support and National Long-Term Ratings reflect the support it can expect to receive from its majority shareholder, Kuwait Finance House (KFH, 'A+'/Stable/'F1'; Individual 'C/D'/Rating Watch Negative), in case of need. The Individual Rating reflects Kuveyt Turk's exposure to rising credit risks and limited — albeit improving — franchise. These are offset by good profitability, adequate capitalisation and stable funding.
- Kuveyt Turk's operating profitability has held up well in H109 under a contracting economy. However, sustaining these levels may be challenging in an environment under compressed margins with limited growth.
- The bank aims to increase its retail lending and to decrease size concentration in its overall portfolio along with diversifying sector composition. The weakening credit environment starting from H208 and concentration levels in the loan portfolio led to asset quality deterioration over the 12 months to end-H109 while reserve coverage of impaired loans remains weak.
- Kuveyt Turk's liquidity relies on its diversified and, to date, stable deposit base. Capitalisation has been supported by two cash capital injections since 2007 and retained earnings, keeping the Tier 1 and total capital adequacy ratios (CAR) consistently at around 15%.

Support

- Kuveyt Turk's primary source of support, were it to run into difficulties, would be its principal shareholder, KFH. Fitch Ratings believes that the parent has a high propensity to provide support, but its ability to do so may be constrained by Turkey's 'BB' Country Ceiling; hence, the Support Rating is limited to '3', reflecting moderate support.

Key Rating Drivers

- The Rating Watch Positive (RWP) placement on Kuveyt Turk's Foreign-Currency Long-Term IDR reflects the RWP on Turkey's sovereign rating. Its Local-Currency Long-Term IDR, currently two notches above the Turkish sovereign's Local-Currency Long-Term IDR, is not constrained. An upgrade of the Individual Rating will depend on an improvement in KFH's Individual Rating.
- Upside to the Individual Rating is limited whereas downside would arise from major asset quality deterioration coupled with markedly weakened profitability and capitalisation.

Profile

Kuveyt Turk was incorporated in 1989 and is 62%-owned by KFH. It engages in interest-free banking, primarily involving corporate and commercial lending. The bank also targets retail customers. Kuveyt Turk ranks third of Turkey's four participation banks in terms of funds collected, with a 22% market share within that segment at end-2008. The bank was the 19th-largest by unconsolidated assets among the 49 banks in Turkey with a 0.81% market share as of end-H109.

- The third-largest participation bank in Turkey, 62%-owned by KFH
- Largely corporate lending oriented, albeit with growing focus on retail banking
- Plans to grow organically

Profile

Kuveyt Turk was incorporated in 1989 and is 62%-owned by KFH. Initially founded as special finance houses in Turkey, all interest-free institutions are under the supervision of the Banking Regulation and Supervision Agency (BRSA). Since the enactment of the current banks act in November 2005, they have been called participation banks. Kuveyt Turk engages in interest-free banking, primarily comprising corporate and commercial lending. The bank also targets retail banking segments such as mortgage-related businesses and financing for small businesses, although these amount to less than 20% of the loan portfolio.

KFH is the second-largest bank in Kuwait and operates under the purview of that country's central bank. It is a major consumer durables lender and has a large retail deposit base. Importantly, KFH is 43%-owned by Kuwaiti government agencies. Apart from Kuveyt Turk's majority ownership by KFH, the remainder of the shares is jointly owned by Turkish and Kuwaiti public institutions along with a supranational multilateral development bank (Islamic Development Bank, rated 'AAA/F1+').

Kuveyt Turk ranks third among the four participation banks in Turkey by funds collected, with a 22% market share at end-2008. The bank was the 19th largest by unconsolidated assets among the 49 banks in Turkey with a 0.81% market share as of end-H109. It controlled 0.97% of deposits and 1.13% of loans in the system. The bank opened 26 new branches in 2008 to bring the total to 113 at year-end.

Table 1: Shareholding Structure

	(%)
Kuwait Finance House (KFH)	62.2
Directorate of Vakif Foundations –Turkey	18.7
Public Institution for Social Security – Kuwait	9.0
Islamic Development Bank	9.0
Others	1.1
Total	**100.0**

Source: Kuveyt Turk

New branches are planned for 2010 as well. The parent holding company's strategies include setting up an insurance company in Turkey, and Kuveyt Turk intends to participate in this investment with a share of less than 10%.

Interest-Free Banking

Banks engaging in interest-free banking offer profit-and-loss-sharing (P/L-sharing) and current accounts to clients. Current accounts are similar to demand deposits in conventional banks. Depositors in P/L-sharing accounts agree in advance to share any profit or loss with the bank (typically 80%/20%). Neither return on P/L deposits nor principal is guaranteed. Profits and losses on financing are attributed to the pool of P/L accounts. The participation bank may absorb a larger proportion of the loss on the investment to maintain its deposit relationship and market share.

Commercial/Corporate Banking

Kuveyt Turk categorises customers with yearly turnover above TRY3m (USD2m) and credit limits higher than USD200,000 as commercial and corporate customers. This segment has historically made up the lion's share of the loan portfolio with 71% of lending being in this segment in 2008, contributing 74% of earnings by business line. Services include project financing, P/L-sharing agreements, leasing and letters of credit and guarantees. There were 12,773 corporate/commercial customers at end-2008 (2007: 10,247).

Retail Banking

Since 2003, the bank has emphasised retail banking, whose growth has been driven by housing loans (11.5% of total lending) and small business lending (10.5% of the total). Management expects retail banking loans will in the medium term reach 50% of total loans (29% as of end-2008), although their pace of growth has decelerated recently. In addition, Kuveyt Turk offers credit cards and private banking.

The company has an agreement with all participation banks to share ATMs. Kuveyt Turk also has a partnership with Ortak Nokta, an ATM-sharing system established by 13 commercial banks. The most important retail products launched recently include:

- gold-based participation account;
- SalePlus Card, a retail credit card; and
- an account designed for small business clients.

International Banking

Kuveyt Turk has an offshore branch in Bahrain and a representative office in Kazakhstan. In September 2009, the bank was granted permission to convert its representative office in Germany into a financial services branch, thus introducing interest-free banking to that country.

Strategy

Kuveyt Turk plans to continue expanding its local branch network well into 2010 to compete with its peers and this will be ramped up in 2011 and beyond. Assuming they achieve targeted efficiency and productivity levels by then, new branches will be expected to be profitable. The bank also plans to complement its local franchise by developing business in international markets. The priorities are investing in technology, human resources and organisational capabilities for improved efficiency. While corporate and commercial banking have historically been the backbone of Kuveyt Turk's business, retail banking will also enhance its core business status and play an increasingly significant role in its growth. Kuveyt Turk's relationships with international markets (the Gulf region, in particular) will continue to be an important aspect of the bank's business generation and funding.

Presentation of Accounts

Unless otherwise stated, all references in this report are to the bank's financial statements prepared in accordance with IFRS.

Performance

- Strategy in place for improved performance over the medium term
- The short term seems challenging given the lower growth and margin compression
- Efficiency to deteriorate before recovering

Fitch has recently placed Turkey's ratings on Rating Watch Positive. This action reflected the view that notwithstanding a sharp recession and deterioration in its public finances, Turkey has proved relatively resilient to the global financial crisis. Turkey's GDP contracted by 6.5% in Q408 yoy and growth for the year was 0.9% in 2008 while contraction in Q109 and Q209 equalled a high 14.3% and 7% yoy, respectively. Fitch forecasts a 6% contraction in 2009 and 4% growth in 2010. Unemployment rose to 12.8% in July 2009. Although inflation is down to single digits (5.08% end-October 2009) and the current account deficit is narrowing (about 3% of GDP at end-June 2009), the challenging global and domestic economic and financial conditions threaten to aggravate asset quality problems for the financial sector. Nevertheless, the Turkish banking system is moderate in size and is well-capitalised. The loans/deposits ratio was a modest 83% at end-H109, easing pressures on funding at a time when funding is scarce globally.

Revenues

Net financing income improved by an annualised 33% in H109 over 2008 against c.10% growth in gross loans and leases during the period. The net financing margin benefited from declining funding costs ahead of the financing income and lower credit impairment charges. The overall net margin recovered back close to its 2007 levels; however, prospects for further margin improvements will depend on higher loan growth and an improvement in the credit environment, neither of which is imminent. Following strong growth in 2008, net fees and commissions were down slightly in H109, as some TRY16.5m of fees and commission income from corporate loans were deferred to subsequent periods under a change of the accounting guidelines of the regulator. They still contributed 23% to operating revenues in H109 (2008: 29%), reflecting a stable source of income, although they may be subject to further downward pressure depending on future business volumes.

Kuveyt Turk's operating profitability indicators have recovered in H109 after a relative deterioration in 2008. However, sustaining these levels may be challenging in a lower real interest rate environment with limited growth. The larger share of FX-based assets (in corporate loans) may put a break on margins; therefore, management focus on gradually increasing retail loans may help to address this.

Table 2: Peer Comparison

(Long-Term IDR/Individual Rating)	Kuveyt Turk[a] ('BB'/'D')			Bank Asya[a] ('B'/'D')			Albaraka[a] ('BB-'/'D')		
(%)	H109	2008	2007	H109	2008	2007	H109	2008	2007
Total assets (TRYm)	6,198	5,718	3,860	9,818	8,099	6,284	5,602	4,750	3,664
Asset growth	8.40	48.15	30.78	21.22	29.88	47.41	16.98	29.62	47.78
Loan growth	4.22	40.01	28.62	11.35	38.35	50.92	5.36	32.74	40.18
Loan/deposit	89.23	101.78	100.84	100.16	109.61	97.77	82.25	94.30	93.74
Loan yield	13.80	13.24	12.25	18.21	17.98	19.28	16.73	17.21	15.30
Cost of funding	7.38	7.63	6.94	10.15	10.29	9.29	8.35	8.58	8.31
Net income from earning assets/earning assets (avg.)	5.50	4.70	5.71	7.90	7.77	9.50	5.84	7.09	6.05
Share of net fees & comm. in total operating income	23.00	29.00	19.00	23.60	26.00	20.32	19.66	14.45	13.15
Cost/income	40.41	44.61	54.89	49.20	50.40	43.05	45.70	38.92	48.40
Cost/average assets	3.57	4.04	4.20	5.91	5.90	5.62	3.40	3.28	3.58
Credit impairment charges/ pre-impairment operating profit	26.81	49.72	29.46	38.40	31.80	35.65	36.50	21.01	10.19
Credit impairment charges/ gross loans (avg.)	1.97	3.32	1.30	3.04	2.35	3.26	2.00	1.41	0.50
Operating profit/average assets	3.85	2.52	2.43	3.76	4.00	4.41	2.61	4.07	3.43
Operating profit/average equity	31.40	22.08	24.56	22.60	24.40	29.09	20.88	29.35	27.13

[a] 2007 and 2008 figures based on audited data under IFRS guidelines, H109 figures for Bank Asya and Kuveyt Turk based on auditors' limited review under IFRS, for Albaraka Turk based on audited limited review under BRSA guidelines
Source: Bank data adapted by Fitch

Operating Expenses

Operating efficiency has been improving in recent years helped by higher business generation and cost controls. The focus on branch expansion, however, has left little room for further improvements as the new branches will not turn a profit for approximately a year. The share of personnel costs in total non-interest expenses (57%) declined slightly in H109. However, this will continue to be the main cost driver until the bank reaches a critical size, enabling it to achieve greater efficiency, which may be expected in the medium term. In the meantime, Kuveyt Turk's ability to perform favourably against its peers depends on sustained core profitability with an enhanced focus on stable fee-generating businesses, which may lead to a deterioration in efficiency in the short term before improvement.

Loan Impairment

Provisioning regulations require 100% provisioning for loans funded by equity, while impairment charges against loans funded by P/L-sharing accounts are split according to the agreed profit/loss proportion. Off-balance-sheet loans are fully funded by equity once they become cash loans (upon non-performance). In Fitch's spreads, "Impairment Charge for Financing" shows total impairment charges both for loans funded by P/L-sharing accounts and by equity. Driven by the weakening credit environment and asset quality starting from H208, loan impairment charges deteriorated significantly to a high 49.7% of pre-impairment operating profit in 2008, then recovering to below 30% in H109. This indicator has historically been volatile due to the dynamic nature of the bank's impairments and therefore may be subject to potential spikes (see also *Loan Loss Experience and Reserves* below).

Prospects

Kuveyt Turk has responded to the difficult operating environment by maintaining a strategic focus on network expansion and gradual growth of its retail-oriented business. While participation banks have been expanding faster than commercial banks and their share of total sector assets, loans and deposits has been steadily rising, their future growth performance is likely to remain well below that in the past. Kuveyt Turk's growth is likely to reflect this trend, resulting in margin compression and a challenged operating income base. At this juncture, an expanded branch network and continued focus on improving service and product offerings may improve prospects for sustained operating income. The bank's performance during the economic downturn in H109 held up well and its funding base, underpinned by its stable deposit base, is a source of strength. Sustaining operating performance and capital generation will be critical to ensure the bank remains sound as business remains vulnerable to overall economic performance.

- Relatively long-term financing, with some sector concentration
- Challenging environment negatively affected asset quality

Risk Management

The audit and risk committee is responsible for all types of risk and consists of four non-executive members of the board of directors. Regional credit committees, consisting of an area manager, related branch manager and financial analysis supervisor, have lending authority up to USD750,000. The general management credit committee's lending authority is up to 1% of equity, and the main credit committee (consisting of two board members and a general manager) can approve loans between 1% and 10% of equity, above which the approval authorisation remains with the board. The bank has a separate department to monitor loan collateral so that loan placement and performance-tracking functions are segregated.

Credit Risk

The increase in gross lending remained limited in H109, well below the strong growth in 2008, whose first half was characterised by a relatively healthy business environment. In 2008, the bank saw a rise of 39% in its cash loans while non-cash off-balance-sheet loans almost doubled to reach TRY3.5bn (2007: TRY1.8bn), driven by sectors (on a cash and non-cash combined basis) such as construction, manufacturing and textiles to increase its credit risk profile. Off-balance-sheet loans are subject to 100% risk weighting in calculating the capital charges for credit risk. Construction made up the highest share of total loans (including off-balance-sheet loans) with a 39.3% share in 2008 (H109: 29.7%) followed by textiles (12.1%, H109: 8.8%) and metal machinery (2008: 9.7%), reflecting the need to diversify further into other sectors. Management states that the current target sectors are retailers, food and beverages and chemicals, which have displayed relatively stronger business performance in the recent challenging economic environment.

Consumer loans accounted for 16% of cash loans at end-2008, small business loans 10.5% and credit cards 2.6%, making the retail loan share slightly above that of the previous year (27%) but still significantly below the bank's target 50% share. FX-based loans have a considerable share of the total cash loan portfolio as they make up the majority of corporate/commercial lending, although their share is set to diminish as retail loans increase. 74% of total loans are secured by collateral and 70% of the collateral is real estate (maximum loan equal to 75% of appraised value).

The bank's 20 largest cash and non-cash loans equalled 17% of total exposures at end-2008, up from 7% at end-2007. This increase was due to the increased concentration in off-balance sheet non-cash loans: the share of the top 20 in the respective balance has increased to 30% from 10% in 2007, while the size concentration in the cash portfolio decreased slightly.

The bank also owns a company involved in construction projects, mainly consisting of time-share houses (through its Korfez Tatil subsidiary). Investment properties totalled TRY67.6m at end-H109 and largely consisted of a building (valued at TRY18.3m) financed by KFH. Rental income from the building is transferred to KFH and there is no depreciation charge for Kuveyt Turk.

Loan Loss Experience and Reserves

The increase in gross impaired receivables greatly outpaced loan growth in H109, whereas net impaired loans after write-offs as a percentage of gross financing increased by only 7.8%, resulting in the non-performing loan (NPL) ratio being largely maintained, at 6.7% at the period end compared to 6.5% at end-2008. The weakening credit environment from H208 and concentration of larger loans in the portfolio caused major asset quality deterioration. Coverage of impaired loans declined to a weak 47.3% in H109 after improving to 73.6% in 2008 (2006: 70%). Management states coverage will be increased in line with the aging of overdue receivables and additional provisioning by the end of 2009. The bank provides full coverage for impaired receivables, funded from the bank's own resources, and the collateral values are accounted for when provisioning on the P/L-sharing accounts.

Kuveyt Turk's NPLs are mainly large, and the 20 largest loans in arrears increased to approximately 39% of total impaired loans in 2008 (2007: 28%). The bank also had foreclosed assets awaiting sale of TRY6.1m at end-H109, compared with TRL6.4m at end-2008. When added to NPLs, impaired assets totalled 6.8% of loans and foreclosed property as of end-H109. In Fitch's view, increased coverage for impaired receivables would provide a cushion in a volatile operating environment.

Table 3: Asset Quality Trends

	Kuveyt Turk			Bank Asya			Albaraka Turk		
(%)	H109	2008	2007	H109	2008	2007	H109	2008	2007
Impaired Loans(NPLs)/ Gross Loans	6.7	6.5	4.5	6.5	5.9	5.0	4.1	2.9	1.5
Reserves for Impaired Loans/ Impaired Loans	47	74	63	84	81	96	85	96	131
Loan Impairment Charges/ Average Gross Loans	2.0	3.3	1.3	3.0	2.4	3.3	2.0	1.4	0.5
Loan Growth	4.2	40.0	28.6	11.4	38.4	50.9	5.4	32.7	40.2

[a] 2007 and 2008 figures based on audited data under IFRS guidelines, H109 figures for Bank Asya and Kuveyt Turk based on auditors' limited review under IFRS, for Albaraka Turk based on auditors limited review under BRSA guidelines
Source: Bank data adapted by Fitch

Market Risk

The bank's principal market risks are liquidity risk, repricing risk and foreign-currency risk. It monitors liquidity and FX risk through its asset and liability committee, which prepares periodic reports on cash flows, maturity structure, anticipated lending and problem assets. In principle, the bank is not subject to interest-rate risk, since the amounts paid to P/L-sharing accounts are actually based on the return that the bank generates from loans. In practice, though, the bank is subject to a certain level of repricing risk, as it could prefer to assume a larger share of loan impairment charges in its equity to provide higher returns to the depositors, especially in times of stress. Given its longer-term financing portfolio, the bank has a common structural maturity mismatch, on average, 30% of total lending matures within three months, providing an opportunity to manage the lending rates in view of the market changes. The considerable amount of loans (47%) and deposits (including deposits from banks (43%)) that are foreign currency-indexed, makes the bank's business sensitive to foreign currency movements. At end-H109, Kuveyt Turk had an on- and off-balance-sheet combined net long FX position totalling 3% of equity.

Operational Risk

Kuveyt Turk includes operational risk in its calculation of regulatory capital adequacy since end-H107 as per regulations, using the basic indicator approach. The risk management department under its independent structure is responsible for the operational risk management framework and reports directly to the chief risk officer and board of directors. The bank has a disaster recovery centre in Izmir.

- Capital supported with cash injections and retained earnings
- Liquidity relying on diversified and stable deposit base

Funding and Capital

Funding

Kuveyt Turk is primarily funded by current and P/L-sharing accounts, which represented 18.2% and 73%, respectively, of non-equity funding as of H109. Approximately 45% of these funds are denominated in foreign currency compared to above 50% in previous years, as depositors moved towards local-currency deposits and savings. Almost all customer deposits mature within six months, as the bank's average maturity of deposits was 93 days in H109. The customer deposit base is diversified and the top 20 depositors represented 8% of the total at end-2008. Savings deposits covered by the Saving Deposits Insurance Fund (SDIF) constituted 45% of total savings deposits at end-H109 (corresponding to 34% coverage of total customer deposits). Related-party deposits are very small, accounting for less than 1% of the total. The bank's wholesale funding is made up of a one-year USD115m syndicated loan taken out in February 2009 and long-term foreign-currency bank borrowings constituting 8.5% of non-equity funding as of H109.

Liquidity

To manage liquidity risk, the bank monitors large deposits on a regular basis to assess cash flow needs. Kuveyt Turk views liquid assets as cash, bank deposits with maturities under one month and deposits with the central bank. Other sources of liquidity include monthly cash flows from loan and lease repayments. As is typical of the participation banks, the bank operates with higher loan-to-customer-deposit ratios compared to conventional Turkish banks, as a higher percentage of assets is directed towards lending. That said, this ratio was at a low 89% at end-H109 after hovering around 100% in the previous three years, as the bank's new lending activity decelerated. At end-H109, 33% of loan assets matured within three months, compared with 71% of funding, so they may cover 39% of the funding maturing in the same period. Liquidity ultimately relies on core deposit base, which has been stable to date, and the support it could expect to receive from its parent.

Capital

While the overall growth in risk-weighted assets over the past two years and the inclusion of operational risk in the CAR calculation starting from H107 have had major effects, Tier 1 and total capital ratios remain around 15%, helped by cash capital injections and strong retained earnings. Following the postponement of an initial public offering, management injected further cash capital in May 2008. Accordingly, the paid-in capital was increased by a total of TRY240m, through the TRY200m cash injection and TRY40m from retained earnings, bringing the total paid-in capital to TRY500m. Depending on the growth for the rest of the year, management expects the CAR to remain at around 14%. Given the bank's focus on continuing to open branches and its heightened risk profile, higher capital levels may be needed as an additional buffer.

Kuveyt Turk Katilim Bankasi A.S

Income Statement

	30 Jun 2009			31 Dec 2008		31 Dec 2007		31 Dec 2006		31 Dec 2005	
	6 Months - Interim USDm Original	6 Months - Interim TRYth Original	As % of Earning Assets	Year End TRYth Original	As % of Earning Assets	Year End TRYth Original	As % of Earning Assets	Year End TRYth Original	As % of Earning Assets	Year End TRYth Original	As % of Earning Assets
1. Financing Income on Loans	191.6	292,875.0	11.97	475,679.0	9.08	326,111.0	9.07	252,289.0	9.17	173,275.0	8.14
2. Other Financing Income	14.5	22,116.0	0.90	32,427.0	0.62	70,821.0	1.97	45,361.0	1.65	31,333.0	1.47
3. Dividend Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Gross Financing and Dividend Income	**206.1**	**314,991.0**	**12.87**	**508,106.0**	**9.70**	**396,932.0**	**11.04**	**297,650.0**	**10.81**	**204,608.0**	**9.62**
5. Funding Expense on Customer Deposits	107.9	164,956.0	6.74	270,399.0	5.16	185,417.0	5.16	165,060.0	6.00	111,927.0	5.26
6. Preferred Dividends Paid & Declared	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Other Funding Expense	8.1	12,337.0	0.50	30,234.0	0.58	30,284.0	0.84	-20,621.0	-0.75	284.0	0.01
8. Total Funding Expense	**116.0**	**177,293.0**	**7.24**	**300,633.0**	**5.74**	**215,701.0**	**6.00**	**144,439.0**	**5.25**	**112,211.0**	**5.27**
9. Net Financing Income	**90.1**	**137,698.0**	**5.63**	**207,473.0**	**3.96**	**181,231.0**	**5.04**	**153,211.0**	**5.57**	**92,397.0**	**4.34**
10. Net Gains (Losses) on Trading and Derivatives	20.2	30,949.0	1.26	49,719.0	0.95	7,851.0	0.22	1,991.0	0.07	9,223.0	0.43
11. Net Gains (Losses) on Other Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Net Gains (Losses) on Assets at FV through Income Statement	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
13. Net Insurance Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
14. Net Fees and Commissions	39.2	59,943.0	2.45	125,689.0	2.40	49,224.0	1.37	30,240.0	1.10	24,478.0	1.15
15. Other Operating Income	21.3	32,568.0	1.33	50,572.0	0.97	22,010.0	0.61	9,492.0	0.34	15,969.0	0.75
16. Total Non-Financing Operating Income	**80.8**	**123,460.0**	**5.04**	**225,980.0**	**4.31**	**79,085.0**	**2.20**	**41,723.0**	**1.52**	**49,670.0**	**2.33**
17. Personnel Expenses	39.2	59,925.0	2.45	111,555.0	2.13	83,848.0	2.33	64,272.0	2.34	51,958.0	2.44
18. Other Operating Expenses	29.8	45,621.0	1.86	81,822.0	1.56	59,038.0	1.64	50,724.0	1.84	47,113.0	2.21
19. Total Non-Financing Expenses	**69.1**	**105,546.0**	**4.31**	**193,377.0**	**3.69**	**142,886.0**	**3.97**	**114,996.0**	**4.18**	**99,071.0**	**4.66**
20. Equity-accounted Profit/ Loss - Operating	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
21. Pre-Impairment Operating Profit	**101.8**	**155,612.0**	**6.36**	**240,076.0**	**4.58**	**117,430.0**	**3.26**	**79,938.0**	**2.90**	**42,996.0**	**2.02**
22. Loan Impairment Charge	27.3	41,718.0	1.70	119,369.0	2.28	34,598.0	0.96	38,039.0	1.38	19,861.0	0.93
23. Securities and Other Credit Impairment Charges	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
24. Operating Profit	**74.5**	**113,894.0**	**4.65**	**120,707.0**	**2.30**	**82,832.0**	**2.30**	**41,899.0**	**1.52**	**23,135.0**	**1.09**
25. Equity-accounted Profit/ Loss - Non-operating	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
26. Non-recurring Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
27. Non-recurring Expense	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
28. Change in Fair Value of Own Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
29. Other Non-operating Income and Expenses	n.a.	n.a.	-	n.a.	-	-1,516.0	-0.04	-619.0	-0.02	-5,795.0	-0.27
30. Pre-tax Profit	**74.5**	**113,894.0**	**4.65**	**116,482.0**	**2.22**	**87,393.0**	**2.43**	**41,280.0**	**1.50**	**17,340.0**	**0.82**
31. Tax expense	15.0	22,908.0	0.94	25,505.0	0.49	18,839.0	0.52	-286.0	-0.01	-717.0	-0.03
32. Profit/Loss from Discontinued Operations	n.a.	n.a.	-	291.0	0.01	-1,476.0	-0.04	-1,609.0	-0.06	n.a.	-
33. Net Income	**59.5**	**90,986.0**	**3.72**	**90,977.0**	**1.74**	**68,554.0**	**1.91**	**41,566.0**	**1.51**	**18,057.0**	**0.85**
34. Change in Value of AFS Investments	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
35. Revaluation of Fixed Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
36. Currency Translation Differences	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
37. Remaining OCI Gains/(losses)	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
38. Fitch Comprehensive Income	**59.5**	**90,986.0**	**3.72**	**90,977.0**	**1.74**	**68,554.0**	**1.91**	**41,566.0**	**1.51**	**18,057.0**	**0.85**
39. Memo: Profit Allocation to Non-controlling Interests	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
40. Memo: Net Income after Allocation to Non-controlling Interests	59.5	90,986.0	3.72	90,977.0	1.74	68,554.0	1.91	41,566.0	1.51	18,057.0	0.85
41. Memo: Dividends Relating to the Period	3.6	5,500.0	0.22	6,990.0	0.13	2,528.0	0.07	147.0	0.01	149.0	0.01
Exchange rate		USD1 = TRY1.52840		USD1 = TRY1.52545		USD1 = TRY1.16210		USD1 = TRY1.40900		USD1 = TRY1.34505	

Kuveyt Turk Katilim Bankasi A.S
Balance Sheet

	30 Jun 2009			31 Dec 2008		31 Dec 2007		31 Dec 2006		31 Dec 2005	
	6 Months - Interim USDm Original	6 Months - Interim TRYth Original	As % of Assets Original	Year End TRYth Original	As % of Assets Original	Year End TRYth Original	As % of Assets Original	Year End TRYth Original	As % of Assets Original	Year End TRYth Original	As % of Assets Original
Assets											
A. Loans											
1. Residential Mortgage Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Other Mortgage Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Other Consumer/ Retail Loans	557.4	852,000.0	13.74	1,023,320.0	17.89	351,389.0	9.10	n.a.	-	n.a.	-
4. Corporate & Commercial Loans	2,301.6	3,517,735.0	56.75	3,169,513.0	55.42	2,643,327.0	68.48	n.a.	-	n.a.	-
5. Other Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	2,328,345.0	78.89	1,725,545.0	73.06
6. Less: Reserves for Impaired Loans/ NPLs	90.5	138,324.0	2.23	199,805.0	3.49	86,131.0	2.23	87,830.0	2.98	58,558.0	2.48
7. Net Loans	**2,768.5**	**4,231,411.0**	**68.26**	**3,993,028.0**	**69.82**	**2,908,585.0**	**75.35**	**2,240,515.0**	**75.91**	**1,666,987.0**	**70.59**
8. Gross Loans	**2,859.0**	**4,369,735.0**	**70.49**	**4,192,833.0**	**73.32**	**2,994,716.0**	**77.58**	**2,328,345.0**	**78.89**	**1,725,545.0**	**73.06**
9. Memo: Impaired Loans included above	191.5	292,649.0	4.72	271,475.0	4.75	135,936.0	3.52	126,057.0	4.27	112,552.0	4.77
10. Memo: Loans at Fair Value included above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
B. Other Earning Assets											
1. Loans and Advances to Banks	347.7	531,476.0	8.57	1,149,721.0	20.10	611,598.0	15.84	475,830.0	16.12	408,754.0	17.31
2. Trading Securities and at FV through Income	0.1	115.0	0.00	64.0	0.00	133.0	0.00	0.0	0.00	n.a.	-
3. Derivatives	2.3	3,560.0	0.06	13,933.0	0.24	3,978.0	0.10	63.0	0.00	25.0	0.00
4. Available for Sale Securities	1.6	2,385.0	0.04	1,389.0	0.02	577.0	0.01	1,012.0	0.03	14,682.0	0.62
5. Held to Maturity Securities	5.0	7,663.0	0.12	7,583.0	0.13	5,852.0	0.15	n.a.	-	n.a.	-
6. At-equity Investments in Associates	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Other Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Total Securities	**9.0**	**13,723.0**	**0.22**	**22,969.0**	**0.40**	**10,540.0**	**0.27**	**1,075.0**	**0.04**	**14,707.0**	**0.62**
9. Memo: Government Securities included Above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Investments in Property	46.9	71,715.0	1.16	67,586.0	1.18	59,389.0	1.54	35,107.0	1.19	36,980.0	1.57
11. Insurance Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Other Earning Assets	4.0	6,127.0	0.10	6,410.0	0.11	6,673.0	0.17	0.0	0.00	0.0	0.00
13. Total Earning Assets	**3,176.2**	**4,854,452.0**	**78.31**	**5,239,714.0**	**91.62**	**3,596,785.0**	**93.18**	**2,752,527.0**	**93.26**	**2,127,428.0**	**90.08**
C. Non-Earning Assets											
1. Cash and Due From Banks	554.6	847,714.0	13.68	251,296.0	4.39	157,152.0	4.07	86,139.0	2.92	125,507.0	5.31
2. Memo: Mandatory Reserves included above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Foreclosed Real Estate	4.0	6,127.0	0.10	6,410.0	0.11	6,673.0	0.17	n.a.	-	n.a.	-
4. Fixed Assets	56.9	87,023.0	1.40	84,150.0	1.47	69,742.0	1.81	71,970.0	2.44	64,578.0	2.73
5. Goodwill	n.a.	n.a.	-	n.a.	-	n.a.	-	1,724.0	0.06	1,970.0	0.08
6. Other Intangibles	3.5	5,418.0	0.09	2,847.0	0.05	1,591.0	0.04	n.a.	-	n.a.	-
7. Current Tax Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Deferred Tax Assets	7.4	11,336.0	0.18	14,596.0	0.26	7,886.0	0.20	18,909.0	0.64	18,909.0	0.80
9. Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Other Assets	253.1	386,827.0	6.24	119,685.0	2.09	20,186.0	0.52	20,165.0	0.68	23,273.0	0.99
11. Total Assets	**4,055.8**	**6,198,897.0**	**100.00**	**5,718,698.0**	**100.00**	**3,860,015.0**	**100.00**	**2,951,434.0**	**100.00**	**2,361,665.0**	**100.00**
Liabilities and Equity											
D. Bearing Liabilities											
1. Customer Deposits - Current	n.a.	n.a.	-	n.a.	-	n.a.	-	2,375,761.0	80.50	1,920,611.0	81.32
2. Customer Deposits - Savings	638.8	976,327.0	15.75	877,146.0	15.34	668,690.0	17.32	n.a.	-	n.a.	-
3. Customer Deposits - Term	2,565.2	3,920,634.0	63.25	3,242,314.0	56.70	2,300,980.0	59.61	n.a.	-	n.a.	-
4. Total Customer Deposits	**3,204.0**	**4,896,961.0**	**79.00**	**4,119,460.0**	**72.03**	**2,969,670.0**	**76.93**	**2,375,761.0**	**80.50**	**1,920,611.0**	**81.32**
5. Deposits from Banks	181.5	277,417.0	4.48	494,248.0	8.64	172,862.0	4.48	277,143.0	9.39	196,506.0	8.32
6. Other Deposits and Short-term Borrowings	115.0	175,720.0	2.83	301,300.0	5.27	n.a.	-	n.a.	-	n.a.	-
7. Total Deposits, Money Market and Short-term Funding	**3,500.5**	**5,350,098.0**	**86.31**	**4,915,008.0**	**85.95**	**3,142,532.0**	**81.41**	**2,652,904.0**	**89.89**	**2,117,117.0**	**89.65**
8. Senior Debt Maturing after 1 Year	3.4	5,232.0	0.08	25,406.0	0.44	260,456.0	6.75	n.a.	-	n.a.	-
9. Subordinated Borrowing	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Other Funding	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
11. Total Long Term Funding	**3.4**	**5,232.0**	**0.08**	**25,406.0**	**0.44**	**260,456.0**	**6.75**	**n.a.**	**-**	**n.a.**	**-**
12. Derivatives	3.3	5,055.0	0.08	25,664.0	0.45	6,647.0	0.17	487.0	0.02	60.0	0.00
13. Trading Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
14. Total Funding	**3,507.2**	**5,360,385.0**	**86.47**	**4,966,078.0**	**86.84**	**3,409,635.0**	**88.33**	**2,653,391.0**	**89.90**	**2,117,177.0**	**89.65**
E. Non Bearing Liabilities											
1. Fair Value Portion of Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Credit impairment reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Reserves for Pensions and Other	3.9	5,951.0	0.10	6,319.0	0.11	3,226.0	0.08	2,537.0	0.09	1,893.0	0.08
4. Current Tax Liabilities	8.1	12,333.0	0.20	11,487.0	0.20	7,816.0	0.20	n.a.	-	n.a.	-
5. Deferred Tax Liabilities	n.a.	n.a.	-	n.a.	-	11,023.0	0.29	n.a.	-	286.0	0.01
6. Other Deferred Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Insurance Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Other Liabilities	30.1	46,042.0	0.74	46,114.0	0.81	23,893.0	0.62	25,384.0	0.86	11,997.0	0.51
10. Total Liabilities	**3,549.3**	**5,424,711.0**	**87.51**	**5,029,998.0**	**87.96**	**3,455,593.0**	**89.52**	**2,681,312.0**	**90.85**	**2,131,353.0**	**90.25**
F. Hybrid Capital											
1. Pref. Shares and Hybrid Capital accounted for as Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
G. Equity											
1. Common Equity	203.6	311,173.0	5.02	311,173.0	5.44	161,810.0	4.19	264,028.0	8.95	225,727.0	9.56
2. Non-controlling Interest	123.5	188,827.0	3.05	188,827.0	3.30	98,190.0	2.54	n.a.	-	n.a.	-
3. Securities Revaluation Reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Foreign Exchange Revaluation Reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Fixed Asset Revaluations and Other Accumulated OCI	179.4	274,186.0	4.42	188,700.0	3.30	144,422.0	3.74	6,094.0	0.21	4,585.0	0.19
6. Total Equity	**506.5**	**774,186.0**	**12.49**	**688,700.0**	**12.04**	**404,422.0**	**10.48**	**270,122.0**	**9.15**	**230,312.0**	**9.75**
7. Total Liabilities and Equity	**4,055.8**	**6,198,897.0**	**100.00**	**5,718,698.0**	**100.00**	**3,860,015.0**	**100.00**	**2,951,434.0**	**100.00**	**2,361,665.0**	**100.00**
8. Memo: Fitch Core Capital	506.5	774,186.0	12.49	688,700.0	12.04	404,422.0	10.48	268,398.0	9.09	228,342.0	9.67
9. Memo: Fitch Eligible Capital	506.5	774,186.0	12.49	688,700.0	12.04	404,422.0	10.48	268,398.0	9.09	228,342.0	9.67
Exchange rate	USD1 = TRY1.52840			USD1 = TRY1.52545		USD1 = TRY1.16210		USD1 = TRY1.40900		USD1 = TRY1.34505	

Kuveyt Turk Katilim Bankasi A.S

Summary Analytics

	30 Jun 2009	31 Dec 2008	31 Dec 2007	31 Dec 2006	31 Dec 2005
	6 Months - Interim	Year End	Year End	Year End	Year End
	%	%	%	%	%
	Original	Original	Original	Original	Original
A. Financing Ratios					
1. Income on Loans/ Average Gross Loans	13.80	13.24	12.25	12.45	11.69
2. Funding Expense on Customer Deposits/ Average Customer Deposits	7.38	7.63	6.94	7.68	6.88
3. Financing Income/ Average Earning Assets	12.59	11.50	12.50	12.20	11.34
4. Funding Expense/ Average Bearing Liabilities	6.92	7.18	7.12	6.06	6.40
5. Net Financing Income/ Average Earning Assets	5.50	4.70	5.71	6.28	5.12
6. Net Fin. Inc Less Loan Impairment Charges/ Av. Earning Assets	3.83	1.99	4.62	4.72	4.02
B. Other Operating Profitability Ratios					
1. Non-Financing Income/ Gross Revenues	47.27	52.13	30.38	21.40	34.96
2. Non-Financing Expense/ Gross Revenues	40.41	44.61	54.89	58.99	69.74
3. Non-Financing Expense/ Average Assets	3.57	4.04	4.20	4.33	4.97
4. Pre-impairment Op. Profit/ Average Equity	42.90	43.92	34.82	31.95	3.83
5. Pre-impairment Op. Profit/ Average Total Assets	5.27	5.01	3.45	3.01	2.16
6. Loans and securities impairment charges/ Pre-impairment Op. Profit	26.81	49.72	29.46	47.59	46.19
7. Operating Profit/ Average Equity	31.40	22.08	24.56	16.75	2.06
8. Operating Profit/ Average Total Assets	3.85	2.52	2.43	1.58	1.16
9. Taxes/ Pre-tax Profit	20.11	21.90	21.56	-0.69	-4.13
C. Other Profitability Ratios					
1. Net Income/ Average Total Equity	25.08	16.65	20.33	16.61	1.61
2. Net Income/ Average Total Assets	3.08	1.90	2.01	1.56	0.91
3. Fitch Comprehensive Income/ Average Total Equity	25.08	16.65	20.33	16.61	1.61
4. Fitch Comprehensive Income/ Average Total Assets	3.08	1.90	2.01	1.56	0.91
5. Net Income/ Av. Total Assets plus Av. Managed Assets	n.a.	n.a.	n.a.	n.a.	n.a.
D. Capitalization					
1. Fitch Eligible Capital/ Regulatory Weighted Risks	15.49	15.12	15.13	n.a.	n.a.
2. Tangible Common Equity/ Tangible Assets	12.41	12.00	10.44	9.10	9.68
3. Tangible Common Equity/ Total Business Volume	7.73	7.17	6.74	6.73	8.42
4. Tier 1 Regulatory Capital Ratio	15.08	15.20	14.14	14.60	12.40
5. Total Regulatory Capital Ratio	15.25	15.63	14.72	15.01	13.27
6. Fitch Eligible Capital/ Tier 1 Regulatory Capital	105.13	99.41	101.85	n.a.	n.a.
7. Equity/ Total Assets	12.49	12.04	10.48	9.15	9.75
8. Cash Dividends Paid & Declared/ Net Income	6.04	7.68	3.69	0.35	0.83
9. Cash Dividend Paid & Declared/ Fitch Comprehensive Income	6.04	7.68	3.69	0.35	0.83
10. Net Income - Cash Dividends/ Total Equity	22.27	12.20	16.33	15.33	7.78
E. Loan Quality					
1. Growth of Total Assets	8.40	48.15	30.78	24.97	45.13
2. Growth of Gross Loans	4.22	40.01	28.62	34.93	39.38
3. Impaired Loans(NPLs)/ Gross Loans	6.70	6.47	4.54	5.41	6.52
4. Reserves for Impaired Loans/ Gross loans	3.17	4.77	2.88	3.77	3.39
5. Reserves for Impaired Loans/ Impaired Loans	47.27	73.60	63.36	69.67	52.03
6. Impaired Loans less Reserves for Imp Loans/ Equity	19.93	10.41	12.32	14.15	23.44
7. Loan Impairment Charges/ Average Gross Loans	1.97	3.32	1.30	1.88	1.34
8. Net Charge-offs/ Average Gross Loans	3.12	0.83	1.15	0.12	3.33
9. Impaired Loans + Foreclosed Assets/ Gross Loans + Foreclosed Assets	6.83	6.62	4.75	n.a.	n.a.
F. Funding					
1. Loans/ Customer Deposits	89.23	101.78	100.84	98.00	89.84
2 . Interbank Assets/ Interbank Liabilities	191.58	232.62	353.81	171.69	208.01

Kuveyt Turk Katilim Bankasi A.S
Reference Data

	30 Jun 2009			31 Dec 2008		31 Dec 2007		31 Dec 2006		31 Dec 2005	
	6 Months - Interim USDm Original	6 Months - Interim TRYth Original	As % of Assets Original	Year End TRYth Original	As % of Assets Original	Year End TRYth Original	As % of Assets Original	Year End TRYth Original	As % of Assets Original	Year End TRYth Original	As % of Assets Original
A. Off-Balance Sheet Items											
1. Managed Securitized Assets Reported Off-Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Other off-balance sheet exposure to securitizations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Guarantees	1,810.1	2,766,580.0	44.63	2,799,023.0	48.95	1,451,541.0	37.60	774,846.0	26.25	268,182.0	11.36
4. Acceptances and documentary credits reported off-balance sheet	25.6	39,187.0	0.63	30,532.0	0.53	13,088.0	0.34	n.a.	-	n.a.	-
5. Committed Credit Lines	221.9	339,087.0	5.47	363,745.0	6.36	305,154.0	7.91	260,379.0	8.82	82,310.0	3.49
6. Other Contingent Liabilities	396.3	605,692.0	9.77	655,231.0	11.46	346,571.0	8.98	n.a.	-	n.a.	-
7. Total Business Volume	**6,509.7**	**9,949,443.0**	**160.50**	**9,567,229.0**	**167.30**	**5,976,369.0**	**154.83**	**3,986,659.0**	**135.08**	**2,712,157.0**	**114.84**
8. Memo: Total Weighted Risks	3,270.7	4,998,990.0	80.64	4,555,841.0	79.67	2,672,367.0	69.23	n.a.	-	n.a.	-
B. Average Balance Sheet											
Average Loans	2,801.2	4,281,284.0	69.07	3,593,774.5	62.84	2,661,530.5	68.95	2,026,945.0	68.68	1,481,770.5	62.74
Average Earning Assets	3,302.2	5,047,083.0	81.42	4,418,249.5	77.26	3,174,656.0	82.24	2,439,977.5	82.67	1,803,593.5	76.37
Average Assets	3,898.7	5,958,797.5	96.13	4,789,356.5	83.75	3,405,724.5	88.23	2,656,549.5	90.01	1,994,464.5	84.45
Average Managed Assets (OBS)	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Average Bearing Liabilities	3,378.2	5,163,231.5	83.29	4,187,856.5	73.23	3,031,513.0	78.54	2,385,284.0	80.82	1,752,265.5	74.20
Average Common equity	203.6	311,173.0	5.02	236,491.5	4.14	212,919.0	5.52	244,877.5	8.30	1,123,760.0	47.58
Average Equity	478.6	731,443.0	11.80	546,561.0	9.56	337,272.0	8.74	250,217.0	8.48	1,121,356.5	47.48
Average Customer Deposits	2,949.6	4,508,210.5	72.73	3,544,565.0	61.98	2,672,715.5	69.24	2,148,186.0	72.78	1,626,577.0	68.87
C. Maturities											
Asset Maturities:	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans & Advances < 3 months	902.5	1,379,407.0	22.25	1,586,069.0	27.73	881,981.0	22.85	600,004.0	20.33	437,508.0	18.53
Loans & Advances 3 - 12 Months	1,041.0	1,590,993.0	25.67	1,392,867.0	24.36	1,080,890.0	28.00	850,432.0	28.81	613,662.0	25.98
Loans and Advances 1 - 5 Years	711.2	1,086,980.0	17.54	896,056.0	15.67	876,001.0	22.69	751,852.0	25.47	564,100.0	23.89
Loans & Advances > 5 years	105.6	161,475.0	2.60	118,036.0	2.06	69,713.0	1.81	38,227.0	1.30	51,717.0	2.19
Debt Securities < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Liability Maturities:											
Retail Deposits < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits < 3 Months	2,917.1	4,458,555.0	71.92	3,819,458.0	66.79	2,802,462.0	72.60	2,273,550.0	77.03	1,744,873.0	73.88
Other Deposits 3 - 12 Months	196.7	300,589.0	4.85	298,605.0	5.22	166,676.0	4.32	100,552.0	3.41	170,859.0	7.23
Other Deposits 1 - 5 Years	5.0	7,675.0	0.12	1,397.0	0.02	532.0	0.01	1,659.0	0.06	4,879.0	0.21
Other Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior debt Maturing < 1 year	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior debt Maturing > 1 year	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Total Senior Debt on Balance Sheet	3.4	5,232.0	0.08	25,406.0	0.44	260,456.0	6.75	n.a.	-	n.a.	-
Fair Value Portion of Senior Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt maturing < 1 year	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt maturing > 1 year	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Total Subordinated Debt on Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Fair Value Portion of Subordinated Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
D. Net Income Reconciliation											
1. Net Income	59.5	90,986.0	1.47	90,977.0	1.59	68,554.0	1.78	41,566.0	1.41	18,057.0	0.76
2. Add: Preferred Stock Dividend	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Published Net Income	**n.a.**	**n.a.**	**-**	**n.a.**	**-**	**n.a.**	**-**	**n.a.**	**-**	**n.a.**	**-**
E. Equity Reconciliation											
1. Equity	506.5	774,186.0	12.49	688,700.0	12.04	404,422.0	10.48	270,122.0	9.15	230,312.0	9.75
2. Add: Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Published Equity	**n.a.**	**n.a.**	**-**	**n.a.**	**-**	**n.a.**	**-**	**n.a.**	**-**	**n.a.**	**-**
Exchange Rate		USD1 = TRY1.52840		USD1 = TRY1.52545		USD1 = TRY1.16210		USD1 = TRY1.40900		USD1 = TRY1.34505	