



Türk Ekonomi Bankası A.Ş.

Earnings Presentation

September 30, 2009

Overview

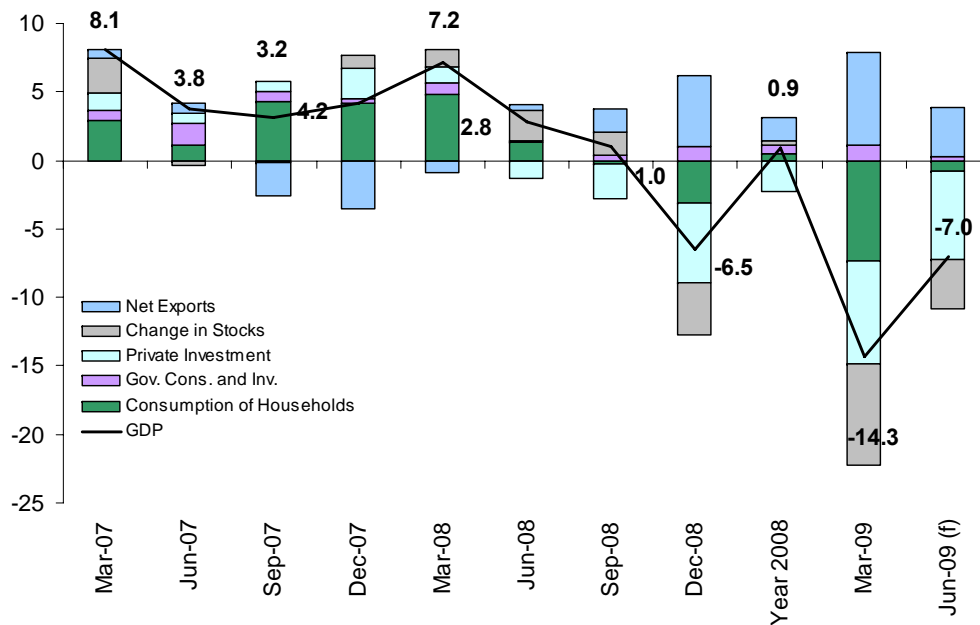
Makro Economic Environment and Banking Sector

2009 Macro Economic Developments

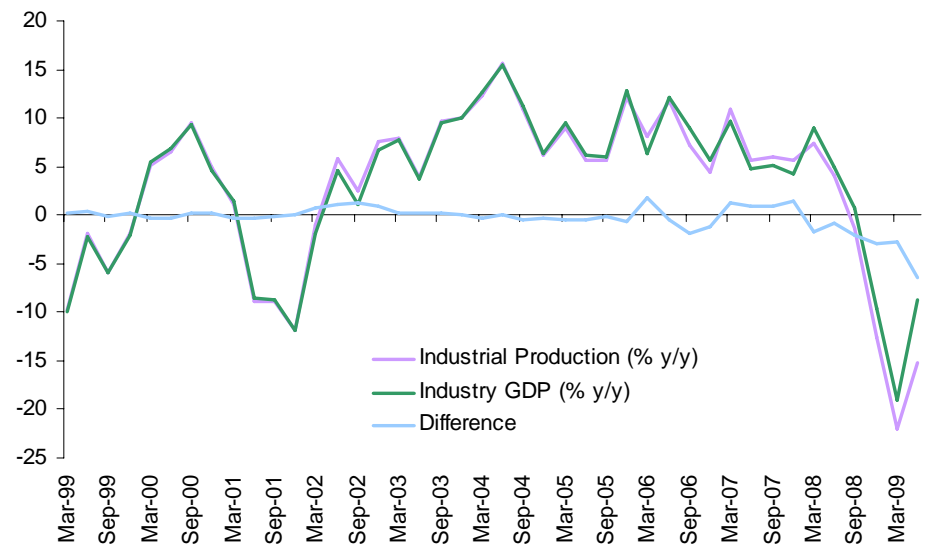
<p>1st quarter</p>	<p>GDP growth: 14.3 % contraction</p> <p>USD/TRY (eop): 1.6682 benchmark interest rate : %14.1</p> <p>In the first quarter of 2009 the contraction in the Turkish economy was very strong. Due to the decrease in demand and the falling oil and commodity prices in the world economy, the CPI inflation was 7.89 (y/y). The Central Bank suprised the markets with dramatic interest rate cuts, 450bps between December and March. Unemployment increased very rapidly and reached 15.5% in January.</p>
<p>2nd quarter</p>	<p>GDP growth: 7.0 % contraction</p> <p>Although some green shoots emerged, it was another quarter of serious contraction. The unemployment rate slightly improved due to seasonality and the industrial production increased a few points giving the impression that Feb 09 was the peak. Inflation came down to an all time low indicating a undershooting of target levels. Thus, the central bank continued to ease the policy rates by another 400 bps.</p> <p>USD/TRY (eop): 1.5742 benchmark interest rate : %11.9</p>
<p>3rd quarter</p>	<p>GDP growth: -4.1% (TEB estimate)</p> <p>We expect another quarter of contraction, although not as severe as the first half of the year. There are signs of improvement also visible in the form of competition in retail banking, the housing loans in particular. The central bank continued to ease the policy rates.</p> <p>USD/TRY (eop): 1.4770 benchmark interest rate : %8.67</p>

Macro Economic Developments

GDP Growth (% yoy)



Industrial Production vs GDP Growth (% y/y)

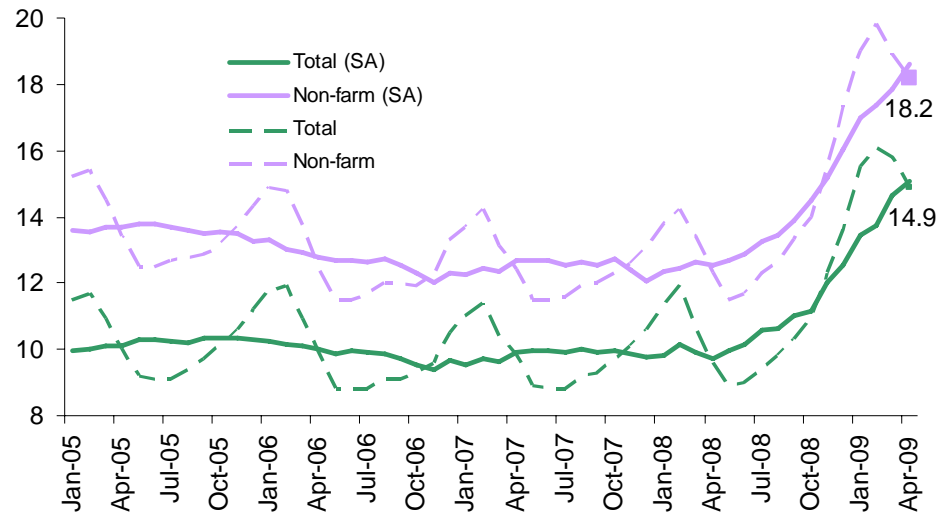


The slow-down that started in mid-2008 turned into a substantial contraction in the last quarter followed by a severe 14.3% and then 7% contraction, the former unseen since the WW2. We expect an overall 5.5 % contraction in 2009 followed by 3 % growth in 2010.

	Jan-09	Feb-09	Mar-09	Apr-09	May-09
Total industry	-21.3	-23.8	-20.8	-18.5	-17.4
Intermediate goods	-23.8	-24.4	-22.1	-20.0	-19.5
Durable consumer goods	-25.7	-25.5	-27.9	-15.4	-4.0
Undurable consumer goods	-10.2	-15.4	-8.6	-4.1	-8.0
Energy	-6.4	-11.0	-6.5	-6.9	-8.2
Capital goods	-45.1	-44.5	-42.0	-41.7	-35.8

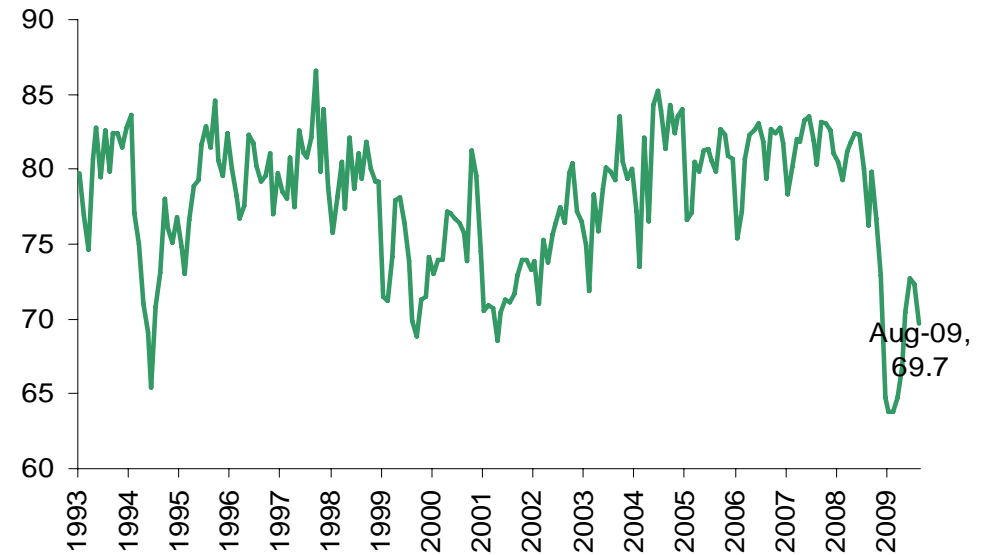
Macro Economic Developments

Unemployment (%)



Source: Turkstat; TEB.

Capacity Utilisation Rate (%)



Source: Turkstat; TurkeyDataMonitor.

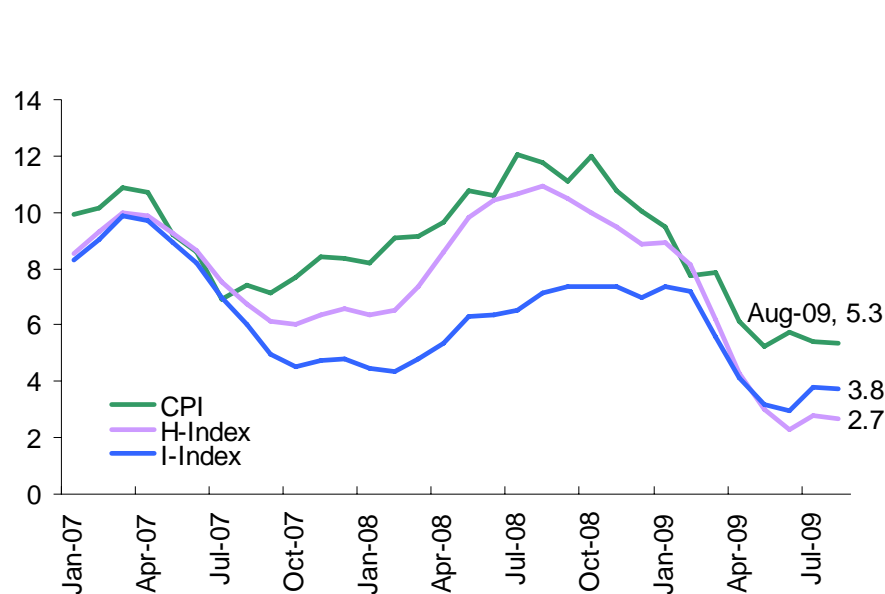
Unemployment rate continued its steep rise in 2009 placing Turkey in the 4th highest rank in the world. Although there is some improvement in capacity utilisation rate, the former carries a seasonality effect and the latter is partly due to a number of government incentives introduced in 2009.

Macro Economic Developments



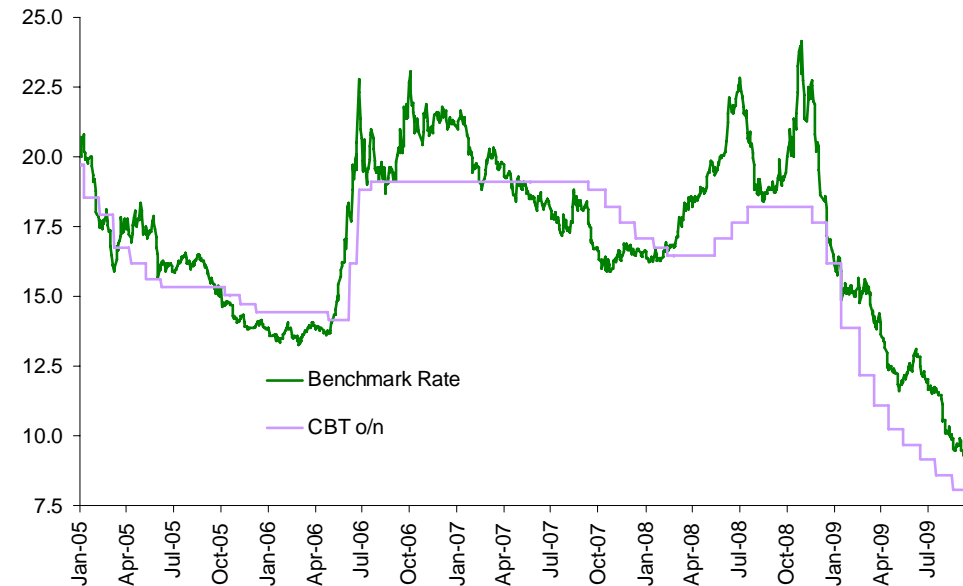
BNP PARIBAS JOINT VENTURE

CPI Inflation and Core Inflation (% y/y)



Source: Turkstat.

Benchmark Bond Yield vs. CBT Rates (Comp. Ann. %)

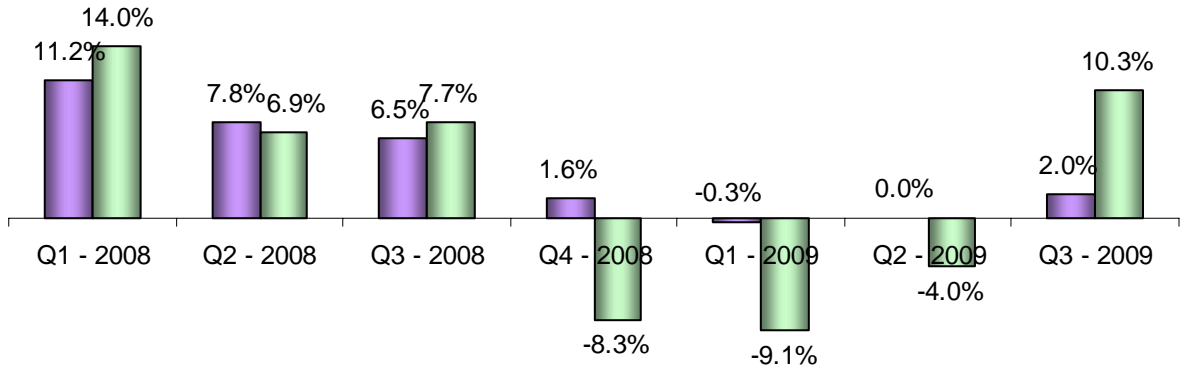


Source: CBT, ISE

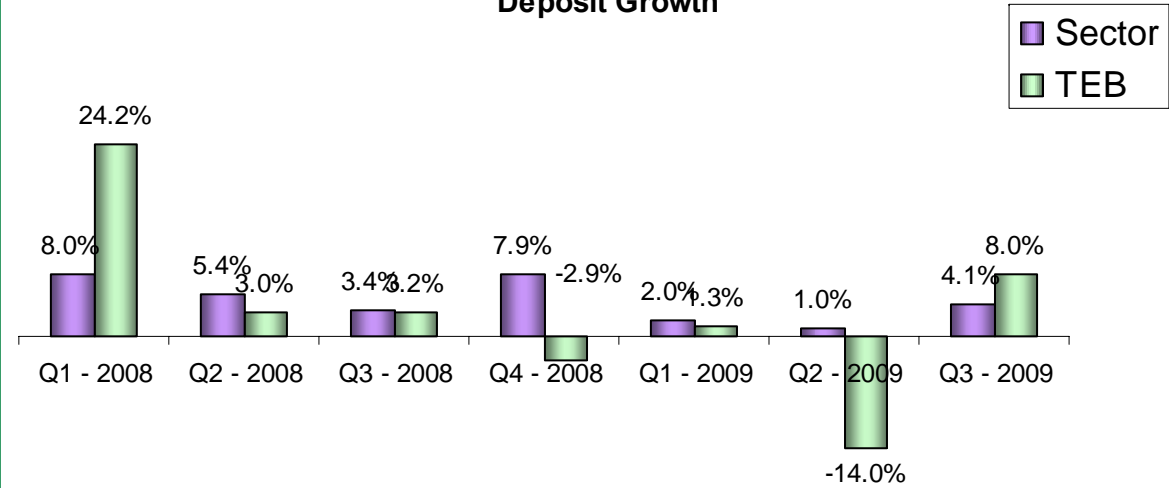
Continuing decline in core inflation has led the CB to lower its policy rates further down which resulted in a very dramatic rate cut of 10 points since Nov 2008. The CB is indicating some more cuts in 2009 and no increase in 2010 implying its firm belief in the lack of inflationary pressures in the economy. We are expecting 150 bps increase in 2010.

Developments In Banking Sector

Loan Growth



Deposit Growth



Source: BRSA, TEB Bank-Only BRSA Financials

2009 3Q

TEB's Performance – Financial Results

TEB Highlights of the 3rd Quarter

- Growth in loans and deposits, both way above sector averages,
- Asset quality below sector averages,
- Slight contraction in the interest margin almost totally compensated by the volume growth,
- Excess liquidity transferred to higher interest earning assets,
- Continuing profitability from management of securities portfolio,
- Positive results from cost cutting projects,
- Increasing share of fees and commission income due to investments in retail business,
- Very strong CAR to support growth in the following quarters,

TEB Consolidated Balance Sheet



BNP PARIBAS JOINT VENTURE

<i>TL Million</i>	<i>Share</i>	Reviewed 9/30/2009	Audited 12/31/2008	<i>Change</i>		<i>Share</i>	Reviewed 9/30/2009	Audited 12/31/2008	<i>Change</i>
Assets					Liabilities				
Cash & banks	15%	2,368	4,025	-41%	Deposits	63%	9,728	10,496	-7%
M.sec + repos	16%	2,451	2,071	18%	Repos	2%	323	202	60%
Loans + Trade rec.	64%	9,912	10,269	-3%	Funds Borrowed	14%	2,154	3,470	-38%
Other Assets	4%	576	582	-1%	Other Liab.	7%	1,015	926	10%
Non- IE Assets	1%	180	190	-5%	Total Liabilities	85%	13,220	15,094	-12%
Total Assets	100%	15,487	17,137	-10%	Subordinated Loans	3%	490	495	-1%
					<i>Sh. Equity</i>				
					Capital & Res.	10%	1,575	1,361	16%
					Income	1%	203	187	<i>n.m.</i>
					Total Sh. Equity	11%	1,777	1,548	15%
					Total Liab + Equity	100%	15,487	17,137	-10%

TEB Consolidated Income Statement



BNP PARIBAS JOINT VENTURE

<i>TL Million</i>	Reviewed 30/09/09	Reviewed 30/09/08	Change
Net Interest Income	676.0	650.2	4%
Marketable Securities Revaluation Differences	-12.0	-13.1	
Adjusted Net Interest Income	664.0	637.0	4%
FX Gains / (Losses)	130.6	21.6	
Derivatives Trading	-150.7	-29.5	
Securities Trading Income	63.4	-22.2	
Net Fees & Commissions Income	209.0	170.4	23%
Other Operating Income	23.6	75.5	-69%
Net Banking Income	939.9	852.8	10%
Loan Loss Provisions	-135.1	-79.3	70%
Net Operating Income	804.8	773.4	4%
Operating Expenses	-552.7	-565.2	-2%
Provision for Taxes on Income	-49.6	-41.6	19%
Net Income / (Loss)	202.5	166.6	22%

TEB Quarterly Income Statement

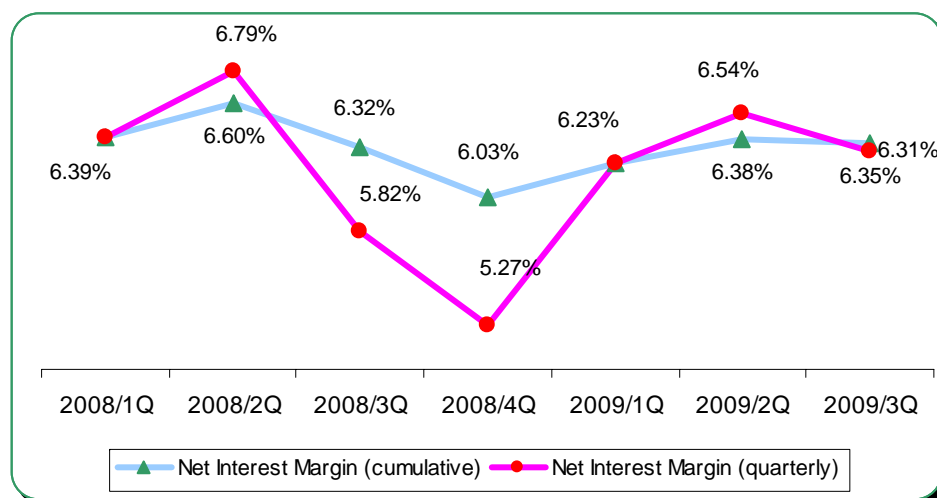


BNP PARIBAS JOINT VENTURE

<i>US\$ Million</i>	m TL Q1	m TL Q2	Q2-Q1 Change	m TL Q3	Q2-Q3 Change
Net Interest Income	221.8	223.6	0.8%	230.6	3.1%
Marketable Securities Revaluation Differences	-1.8	-0.4	-77.3%	-9.8	2327.2%
Adjusted Net Interest Income	220.0	223.2	1.5%	220.8	-1.1%
FX Gains / (Losses)	67.9	25.8	-61.9%	36.9	42.9%
Derivatives Trading	-63.9	-32.2	-49.6%	-54.6	69.3%
Securities Trading Income	26.1	21.2	-18.9%	16.2	-23.5%
Net Fees & Commissions Income	67.4	73.2	8.5%	68.4	-6.5%
Other Operating Income	8.7	7.8	-11.1%	7.0	-9.7%
Net Banking Income	326.2	318.9	-2.2%	294.7	-7.6%
Loan Loss Provisions	-44.9	-46.2	2.9%	-44.1	-4.5%
Net Operating Income	281.3	272.8	-3.0%	250.7	-8.1%
Operating Expenses	-186.1	-187.5	0.8%	-179.1	-4.4%
Provision for Taxes on Income	-16.9	-16.3	-3.0%	-16.4	0.2%
Net Income / (Loss)	78.4	69.0	-12.0%	55.1	-20.1%

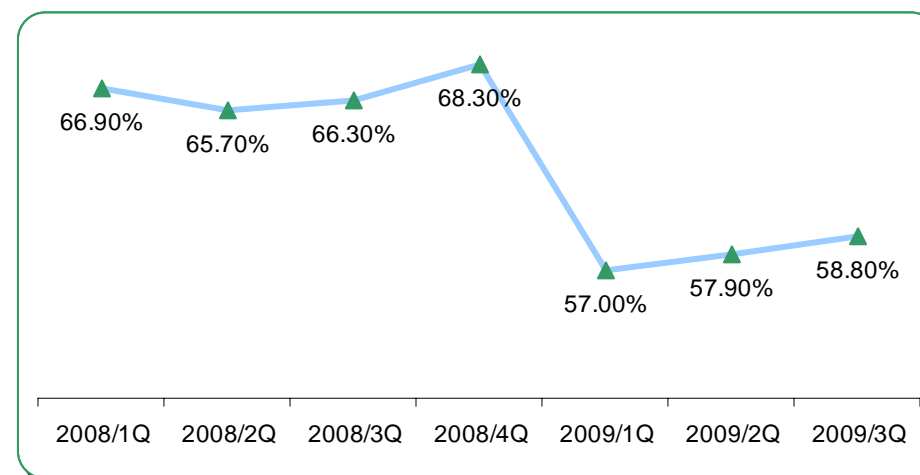
Improved NIM and Cost/Income Ratio

Net Interest Margin



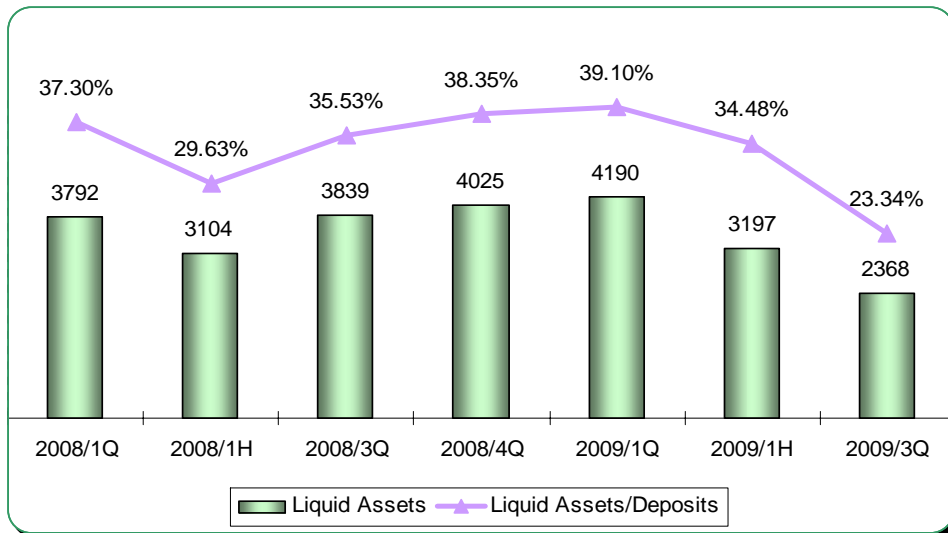
Net Interest Margin: (Net interest income+Net FX gains/losses+Derivative Gains)/ (Liquid Assets+Marketable Securities+Credits) (Bank-only)

Cost/Income Ratio

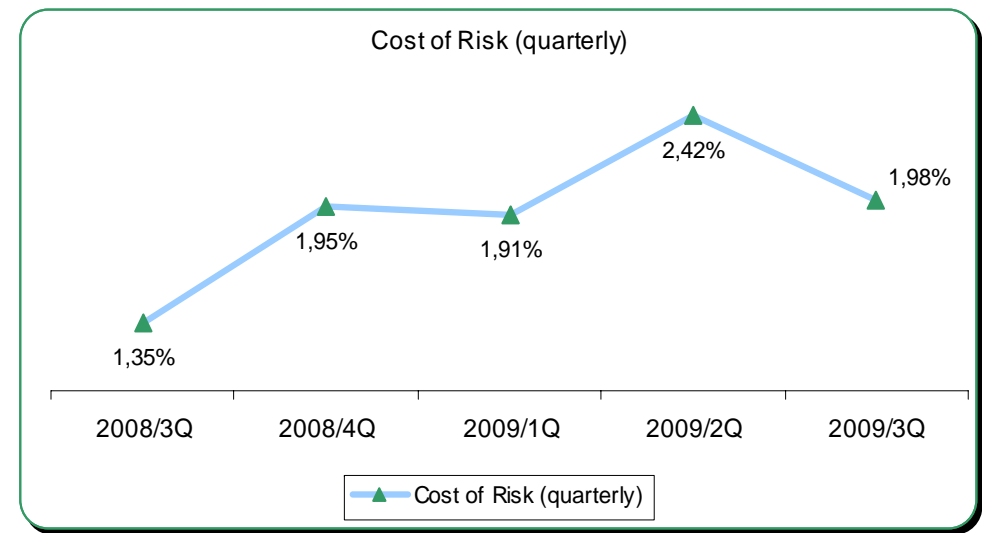


Cost/Income : Operating Expenses / Net Banking Income (Cumulative & consolidated)

Liquidity Ratio



Cost of Risk



Cost of Risk : loan loss provisions/ average loans for the period

Breakdown of Loans



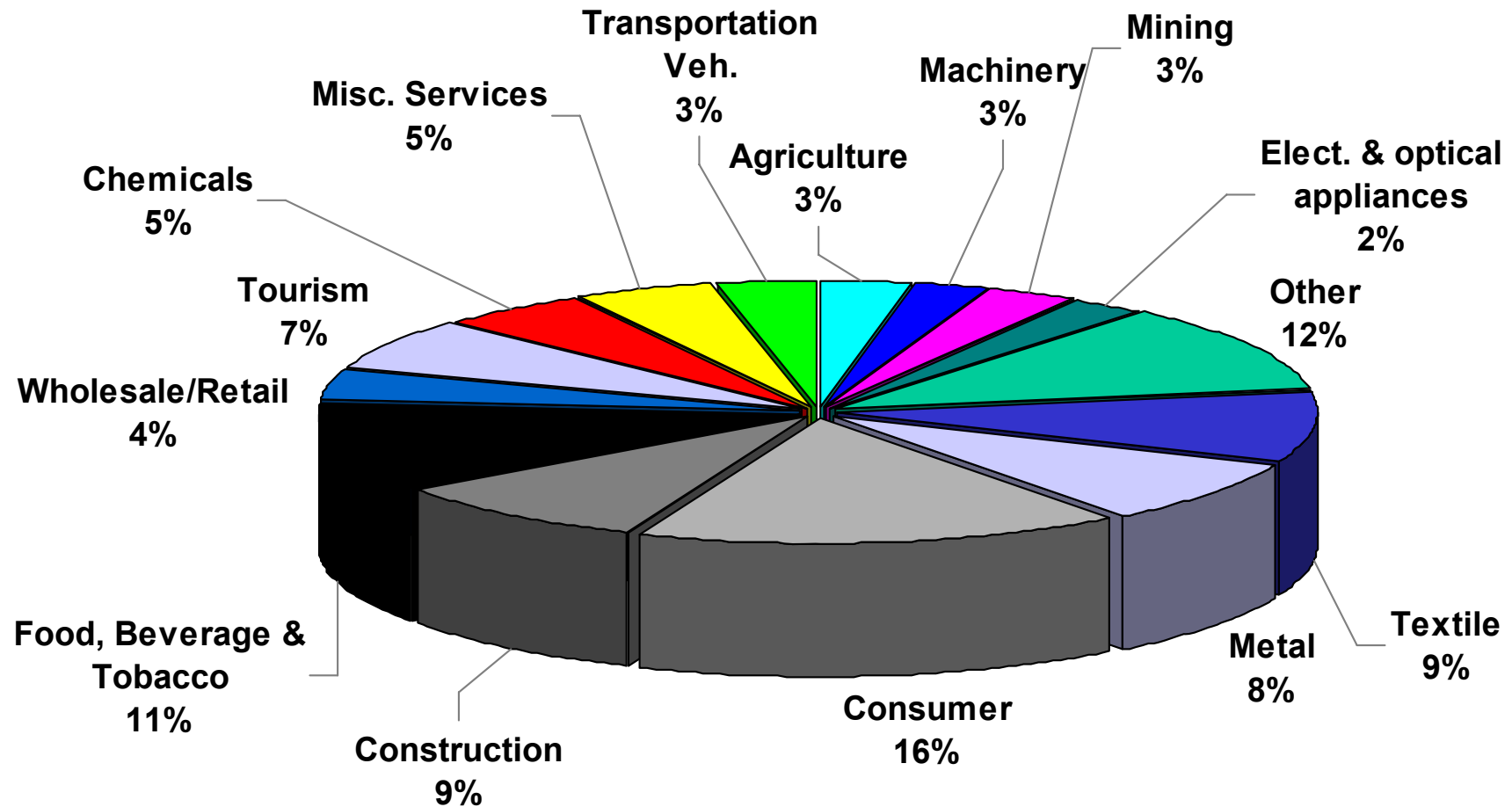
BNP PARIBAS JOINT VENTURE

Million TL	2009 3Q		2008		Δ Volume
Corporate	2,191.19	27.6%	2,135.46	25.4%	2.6%
Commercial	3,103.19	39.1%	3,442.98	40.9%	-9.9%
Big Commercial	1,521.85	19.2%	1,680.84	20.0%	-9.5%
Medium Comm.	1,581.34	19.9%	1,762.14	20.9%	-10.3%
Small Business	1,018.30	12.8%	1,056.59	12.6%	-3.6%
Retail	1,445.51	18.2%	1,475.99	17.5%	-2.1%
Private	14.79	0.2%	19.16	0.2%	-22.8%

Bank-Only Loan Portfolio

Loan Portfolio by Industry 30.09.2009

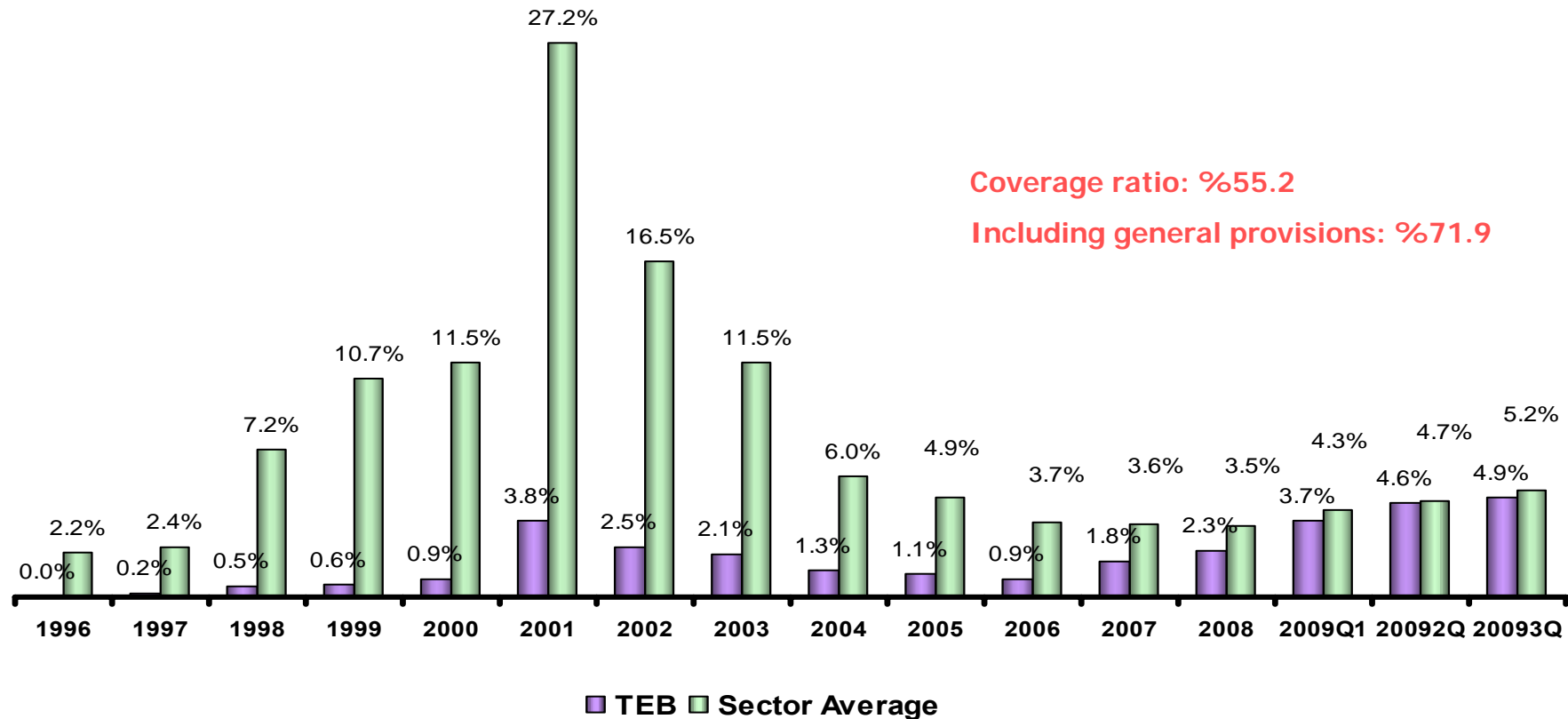
Well diversified loan portfolio



Source: TEB, BRSA Bank-Only Financials

Non Performing Loans

Non-Performing Loans as a % of Total Loans



Breakdown of Deposits



BNP PARIBAS JOINT VENTURE

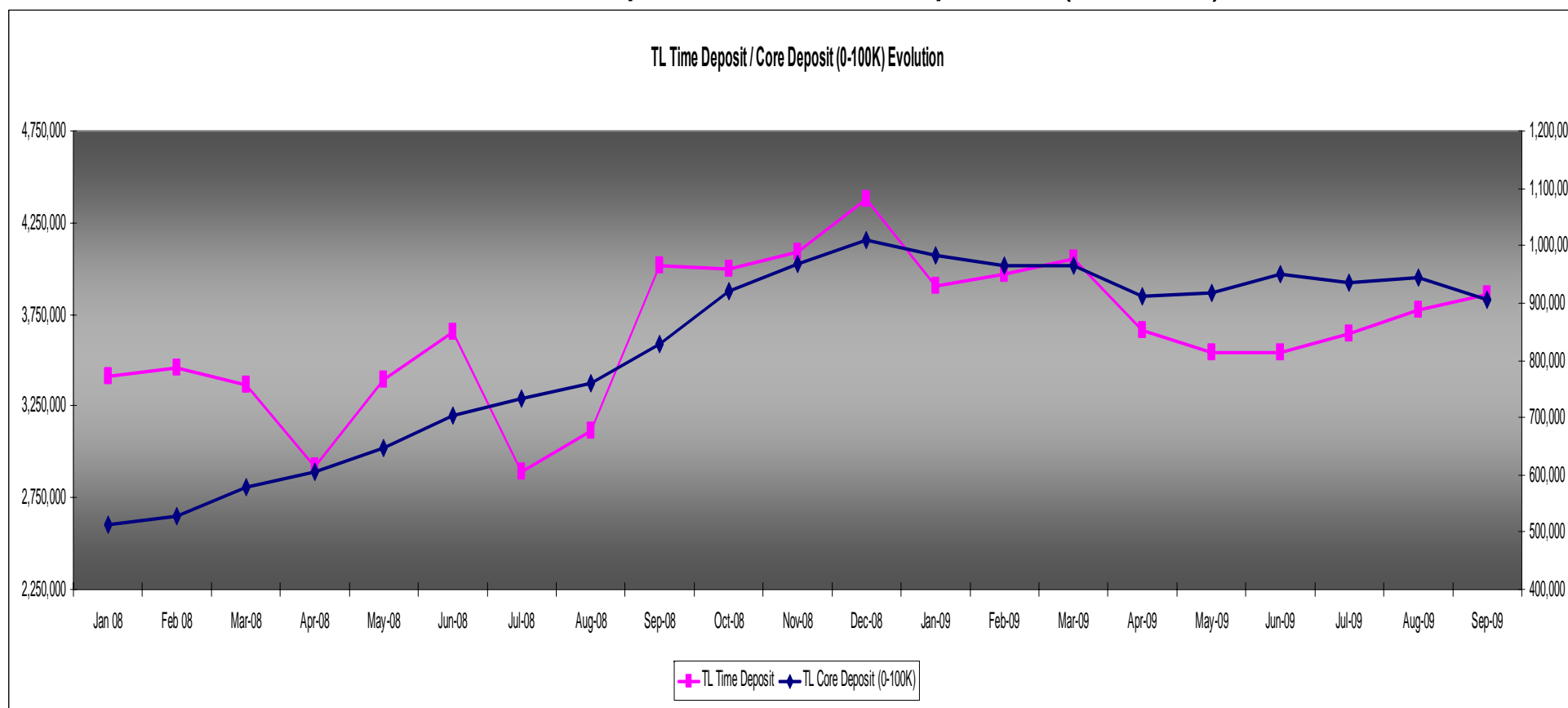
Million TL	2009 3Q		2008		Δ Volume
Corporate	1,871	21.4%	2,223	23.9%	-15.9%
Commercial	1,273	14.6%	1,177	12.7%	8.1%
Big Commercial	708	8.1%	644	6.9%	10.0%
Medium Comm.	565	6.5%	533	5.7%	5.9%
Small Business	718	8.2%	654	7.0%	9.7%
Retail	3,350	38.4%	3,292	35.4%	1.8%
Private	1,473	16.9%	1,950	21.0%	-24.5%

TEB HAS STEADILY INCREASED ITS CORE DEPOSIT BASE



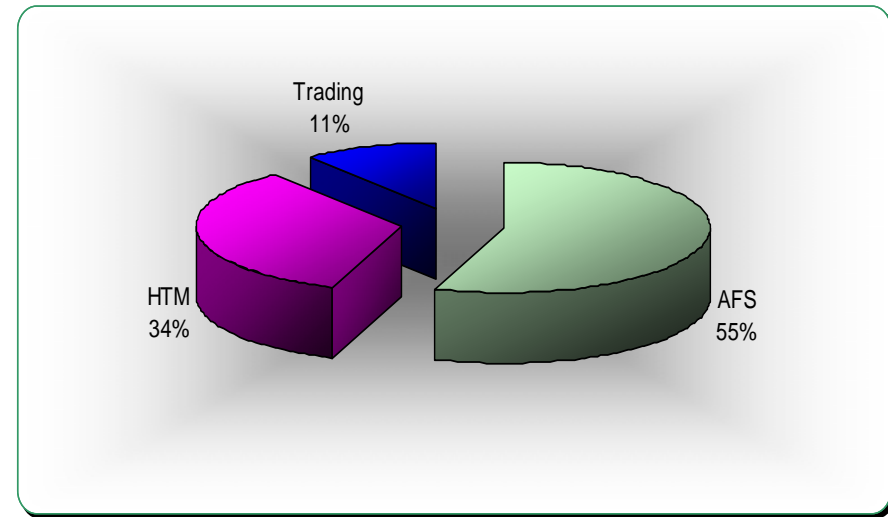
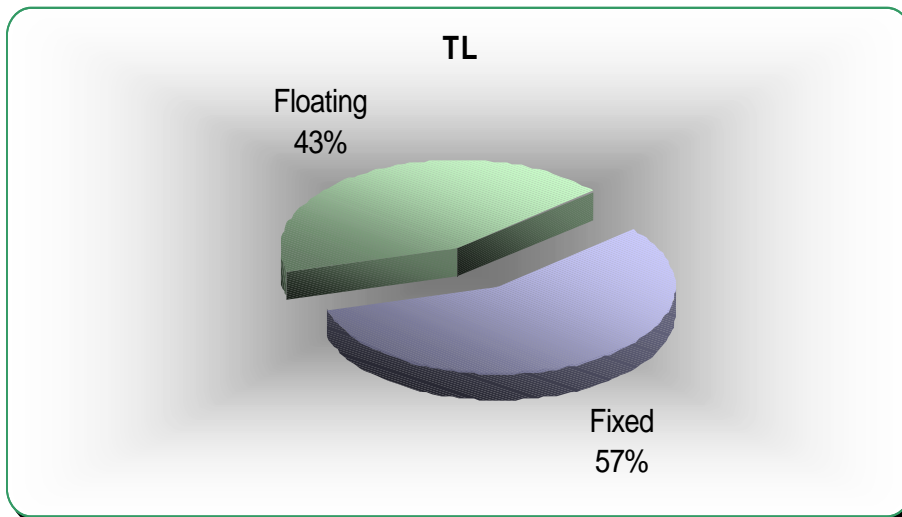
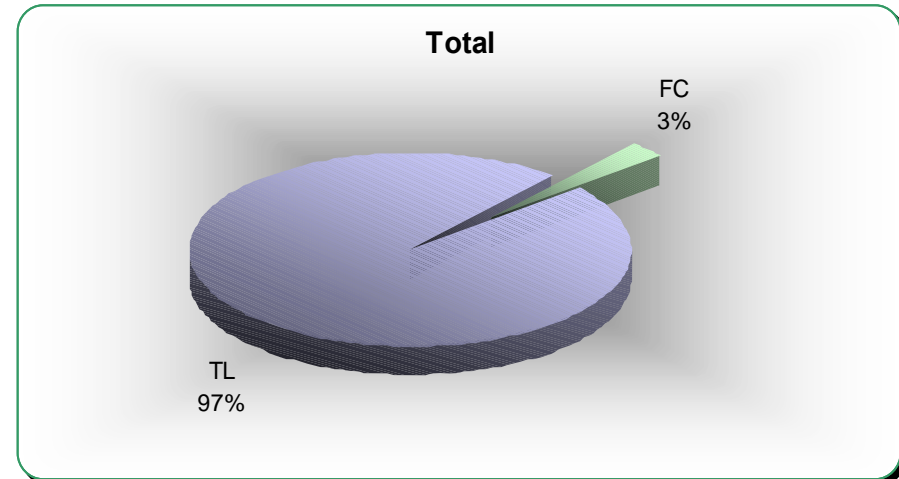
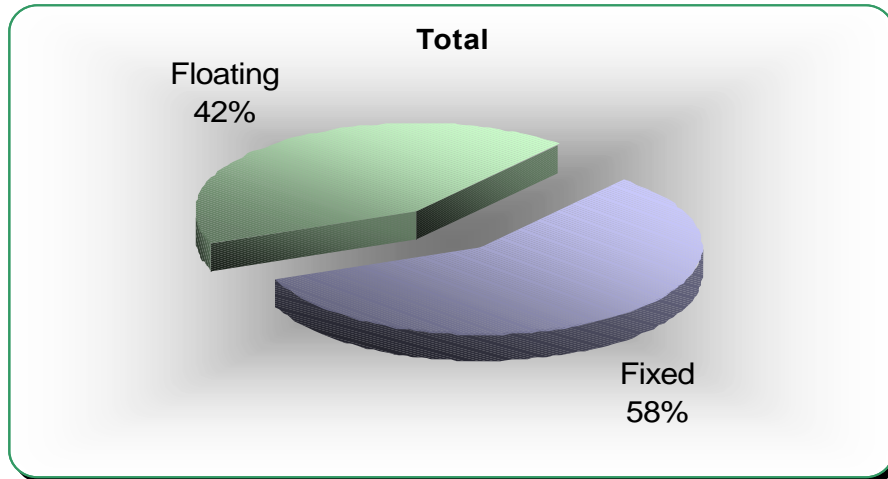
BNP PARIBAS JOINT VENTURE

Total Term Deposits / Core Deposits (0-100K)

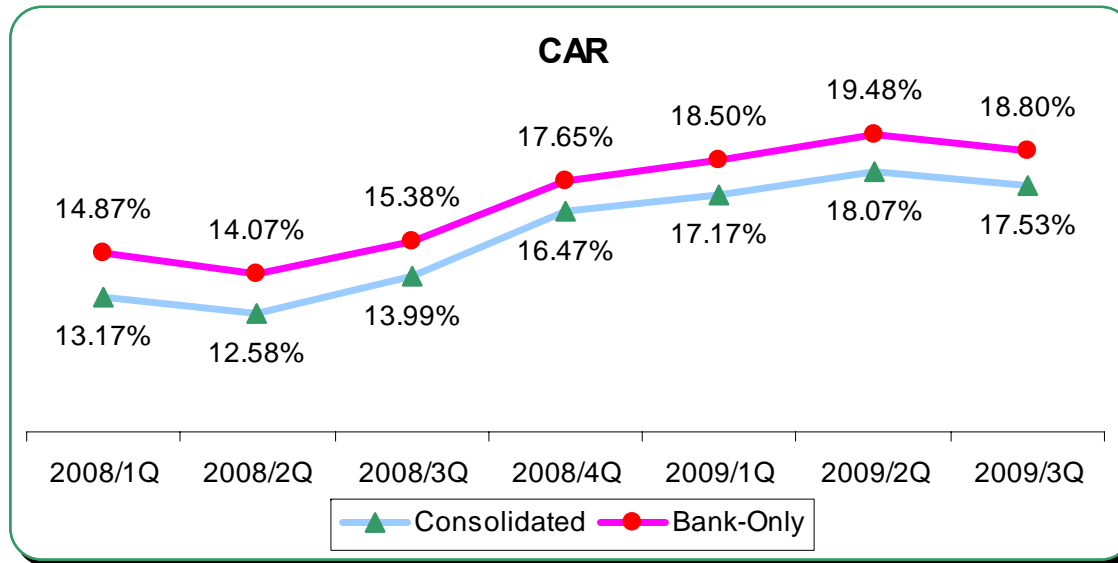


TL (1000 TL)	Jan 08	Feb 08	Mar 08	Apr 08	May 08	Jun 08	Jul 08	Aug 08	Sep 08	Oct 08	Nov 08	Dec 08	Jan 09	Feb 09	Mar 09	Apr 09	May 09	Jun 09	Jul 09	Aug 09	Sep 09	Change
TL Time Deposit	3,409,087	3,455,657	3,366,102	2,923,533	3,391,393	3,660,190	2,889,978	3,117,708	4,017,723	3,997,825	4,094,168	4,374,869	3,899,826	3,970,607	4,053,295	3,664,050	3,540,549	3,542,070	3,643,159	3,772,637	3,860,477	13%
0-100K Deposit	513,159	527,200	578,685	605,893	647,040	701,985	733,159	759,507	828,405	920,439	966,711	1,009,007	983,128	965,343	965,343	912,896	918,678	949,751	936,642	944,618	905,116	76%
Share	15.05%	15.26%	17.19%	20.72%	19.08%	19.23%	25.37%	24.36%	20.62%	23.02%	23.61%	23.06%	25.21%	24.31%	23.82%	24.91%	25.95%	26.81%	25.71%	25.04%	23.45%	

Marketable Securities



Capital Increases and CAR



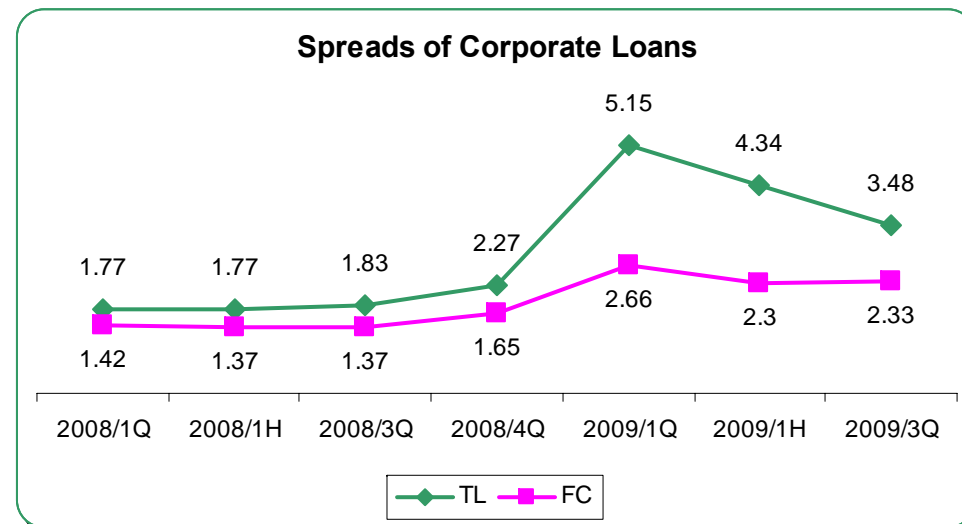
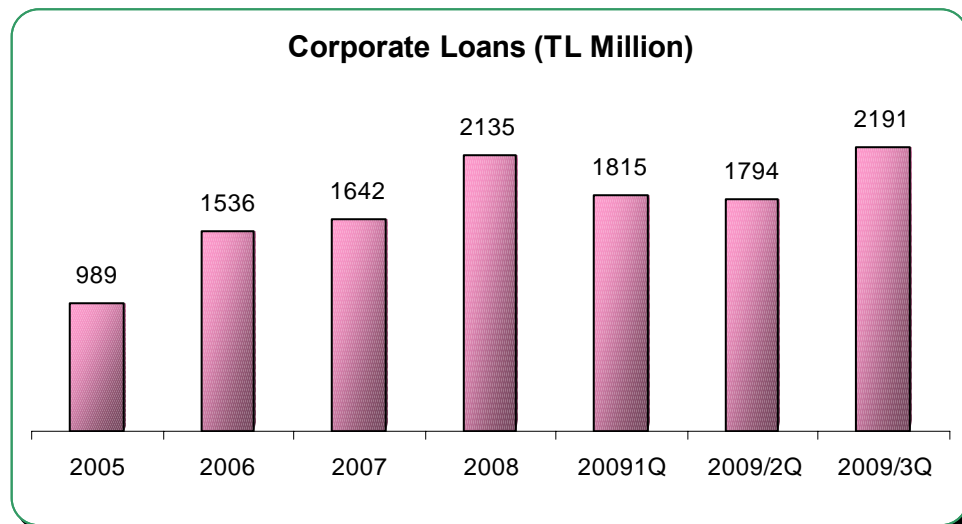
Capital Increases (Thousand TL)

Year	2005	2006	06/2007	11/2007	2008
Bonus Issue	-	-	23,500	445,000	-
%	-	-	30.71%	445%	-
Rights Issue	-	18,700	-	210,000	345,000
%	-	32.35%	-	210%	45.69%
Previous Paid-in Capital	57,800	57,800	76,500	100,000	755,000
Current Paid-in Capital	57,800	76,500	100,000	755,000	1,100,00.00

Business Lines- Corporate Banking



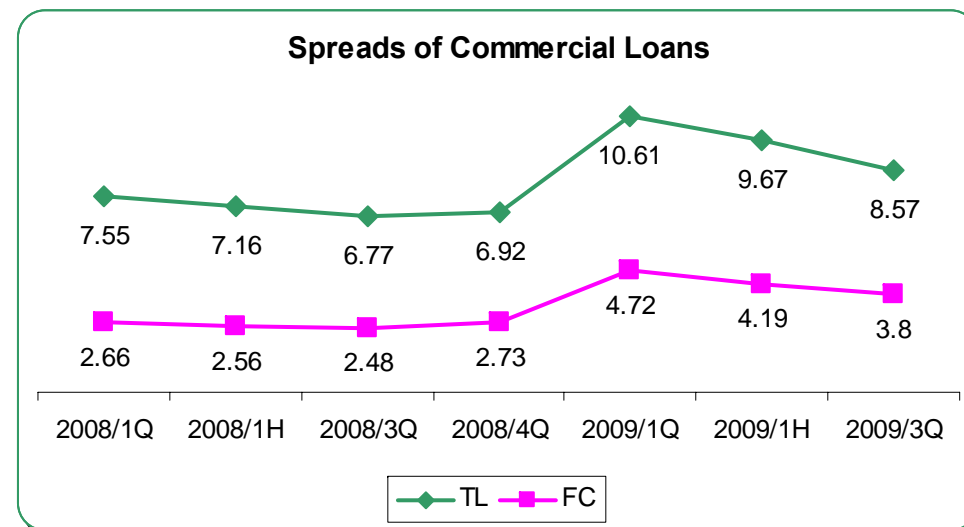
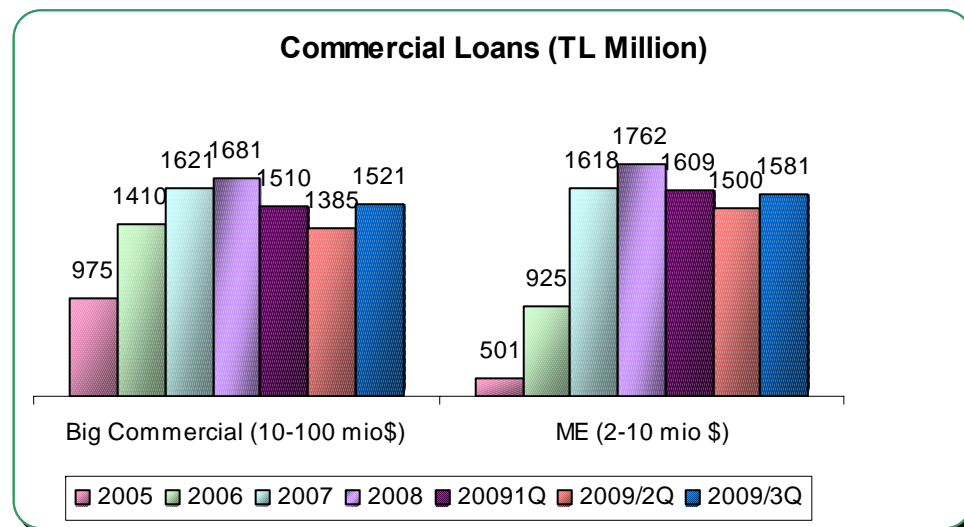
BNP PARIBAS JOINT VENTURE



- Contribution to results (as of 09 3Q):
 - 27.6 % of loans
 - 21.4 % of deposits
 - 13.2 % of customer contribution

- Cross-sell ratio : 5.57x
- NPL ratio : 0.32 %

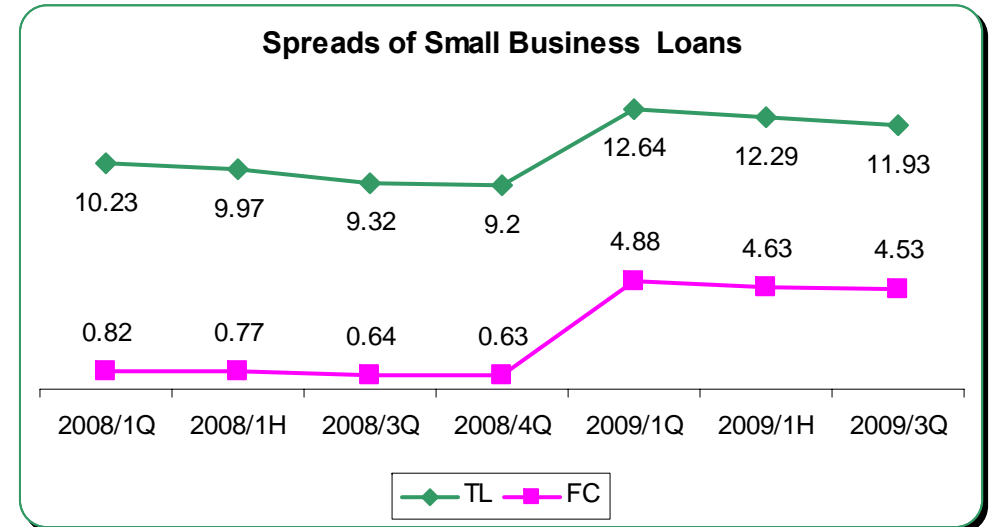
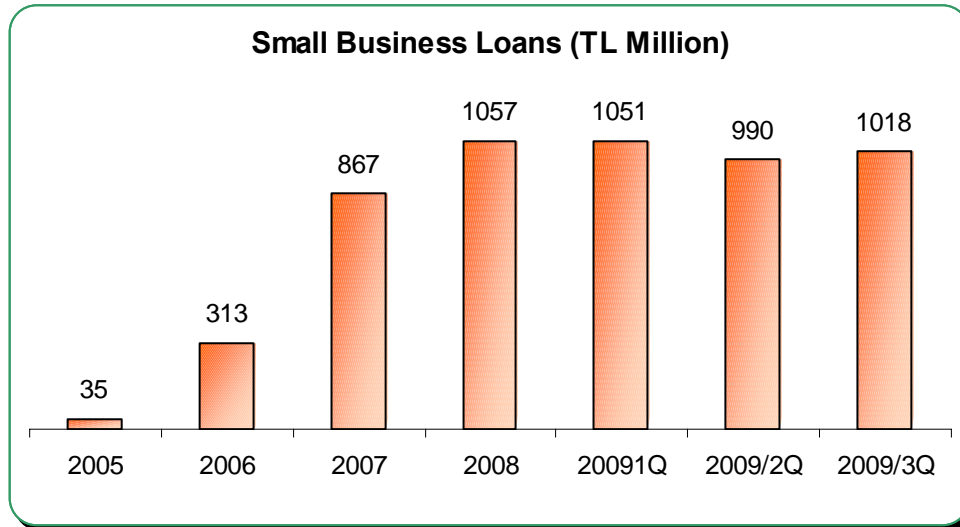
Business Lines- Commercial Banking



- Contribution to results (as of 093Q) :
 - 49.1 % of loans
 - 14.6 % of deposits
 - 41.5 % of customer contribution (17.5% +24.0%)

- Cross-sell ratio : 6.47x and 6.59x
- NPL ratio : 3.89 % and 6.72%

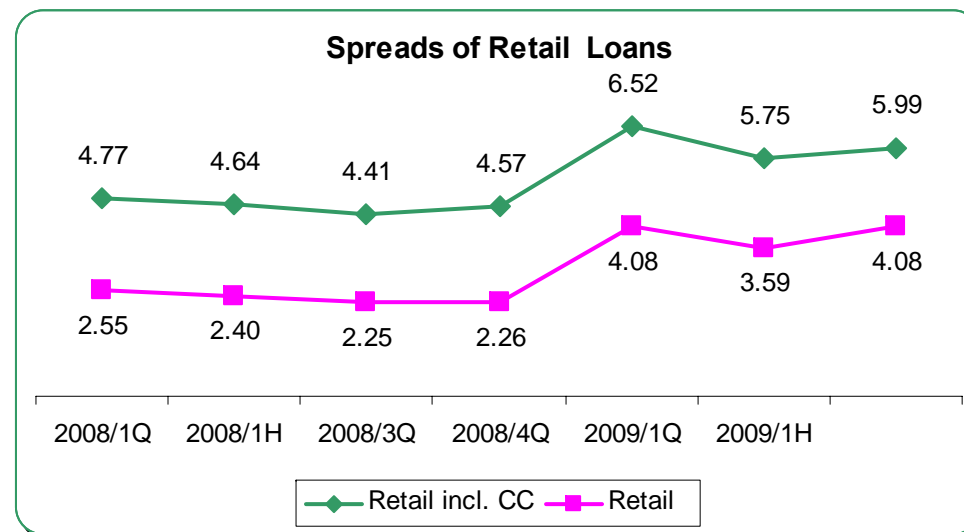
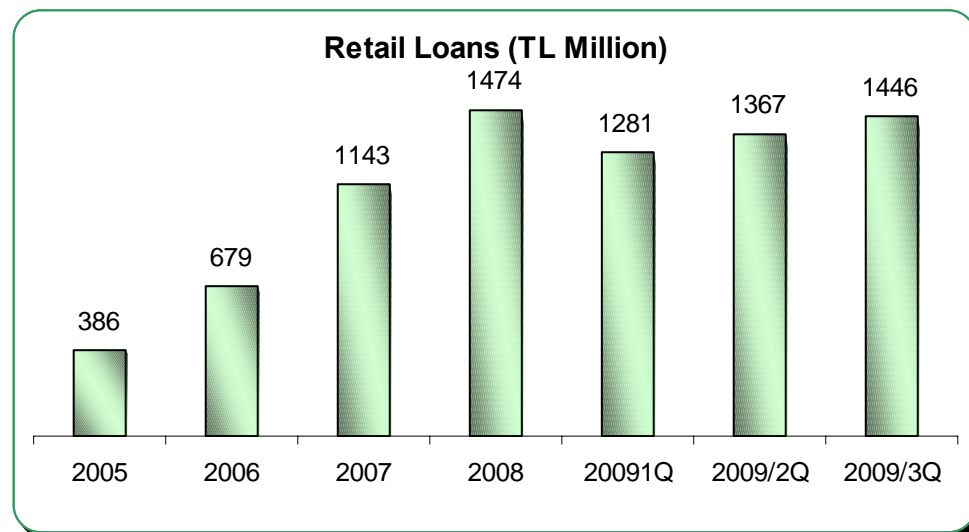
Business Lines- Small Business



- Contribution to results (as of 093Q):
 - 12.8 % of loans
 - 8.2% of deposits
 - 25.0 % of customer contribution

- Cross-sell ratio : 3.77x
- NPL ratio : 9.55 %

Business Lines- Retail Banking

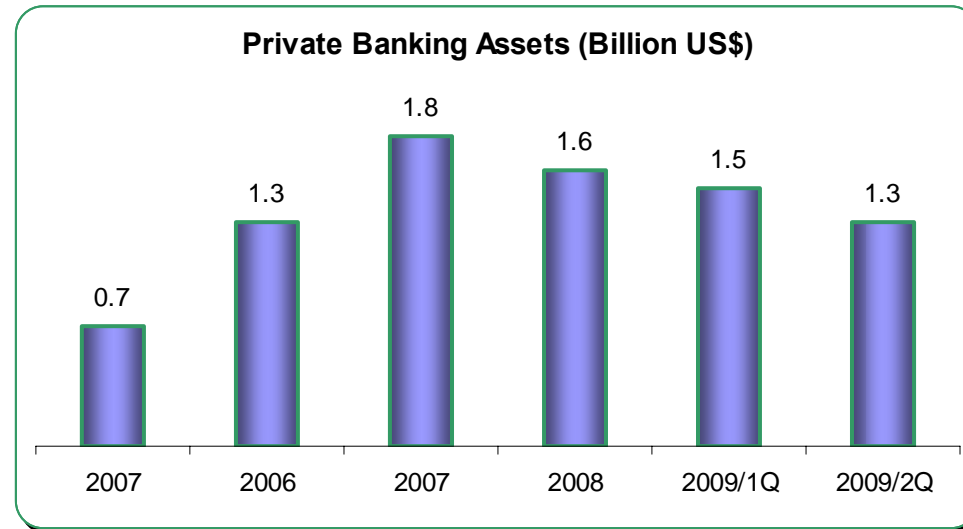


CC: Credit card loans

FC loans are negligible in amount

- Contribution to results (as of 09/3Q):
 - 18.2 % of loans
 - 38.4 % of deposits
 - 18.5 % of customer contribution

- Cross-sell ratio : 3.73x
- NPL ratio : 3.27 %

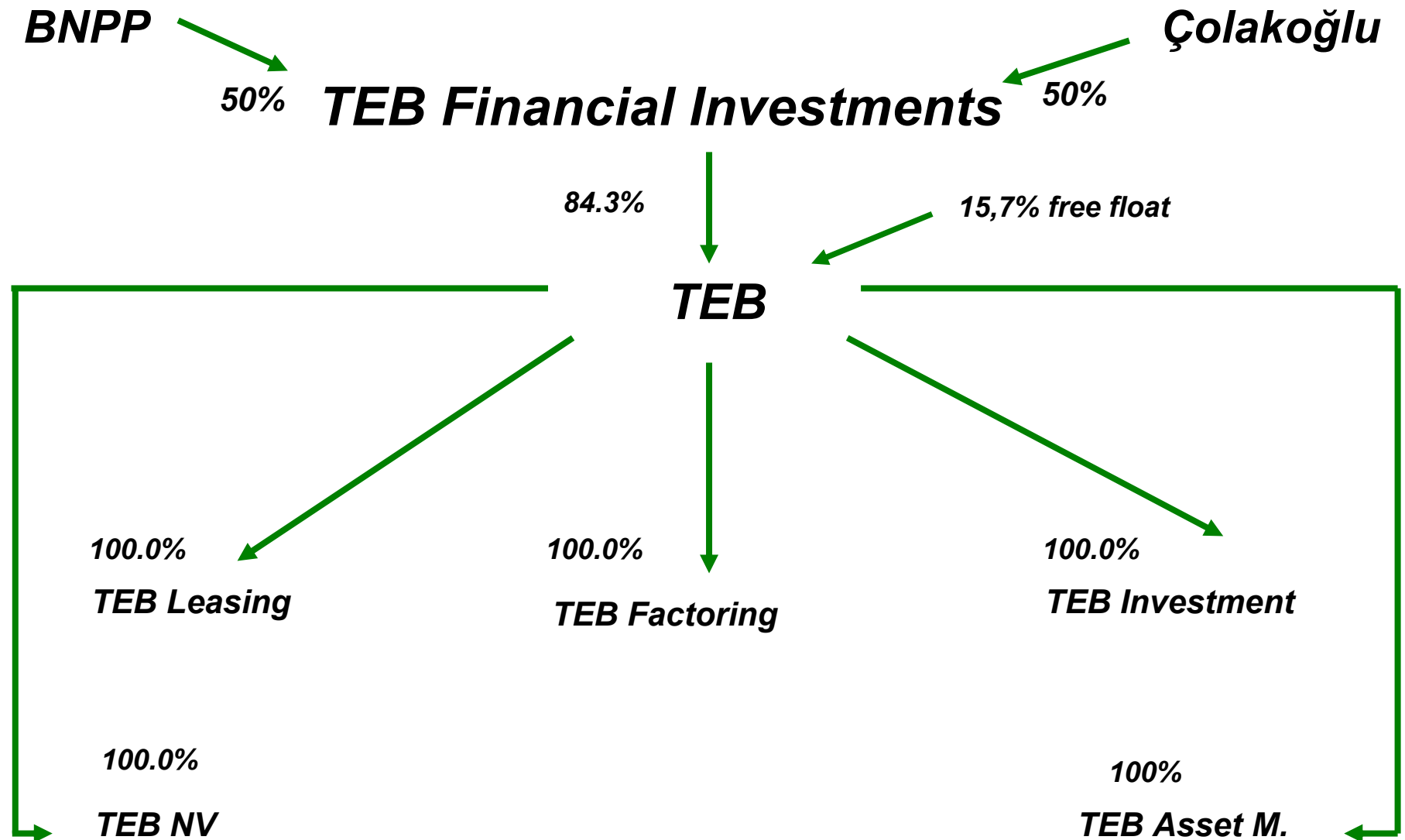


- Contribution to results (as of 09 3Q):
 - 0.2 % of loans
 - 16.9 % of deposits
 - 1.8 % of customer contribution
 - Cross-sell ratio : 4.3x
 - NPL ratio : -

Appendix

Shareholder Structure and Subsidiaries

TEB Financial Group of Companies*



**/ Ownership percentages used in Consolidation*

TEB Financial Group of Companies

TEB Investment: 7th largest brokerage and investment house of Turkey with 3.45% market share as of 2009/3Q.

TEB Asset Management: 4.28 % market share with EUR 607 mio of AUM as of 2009 3Q.

TEB Leasing: 3.0% market share, 10th largest leasing company in Turkey as of 2009/3Q.

TEB Factoring: 4rd largest factoring company in Turkey with a 7.2% market share in the sector as of 2009/2Q.

TEB NV: “Turkish specialist” in the EU market, total asset size is EUR 592 mio. as of 2009/3Q

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