“Strong Credit Culture”

Investor Presentation

TR GAAP Solo Figures 2008

Agenda

- **Performance review 2008**
- Risk and capital management
- Priorities and outlook for 2009
- Appendix

BANK ASYA

2008 – this was a year that was

Turbulent developments around us …

- Financial markets turmoil
  - Substantial losses at global banking industry
  - Dysfunctional funding markets
  - Large-scale insolvencies
- Start of global recession
  - Sharp downturn in the second half
  - Key trading partners of Turkey now in recession
- Political upheaval in Turkey
  - Constitutional court case to outlaw ruling party and prime minister

… were countered by prudent management …

- Bank Asya management focused even more on stability
  - Higher liquidity position
  - Reduced loan growth (especially in non-cash loans) to protect CAR
  - Strengthened loan portfolio review
- Bank Asya safeguards long-term profitability and customer franchise
  - Lending focused on relationship customers
  - Loan pricing adjusted upwards to reflect higher risk
  - Ongoing expansion of branch network

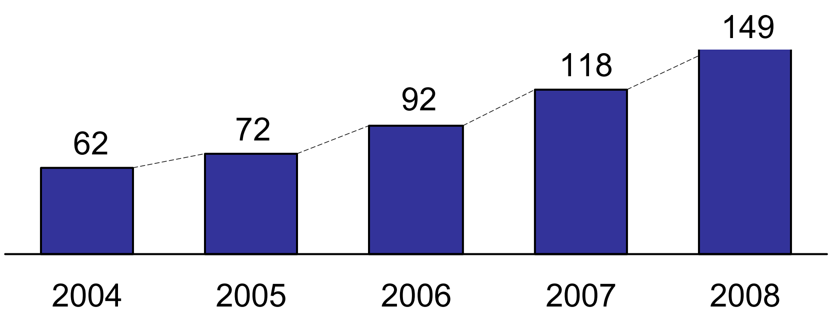
... and resulted in sound financial returns

- **11% growth of net income to TLY 247 m**
- **CAR ratio (all core tier I capital) strengthened by 350 bps to 13.4%**
- **NPL ratio kept stable around 5% throughout the year**

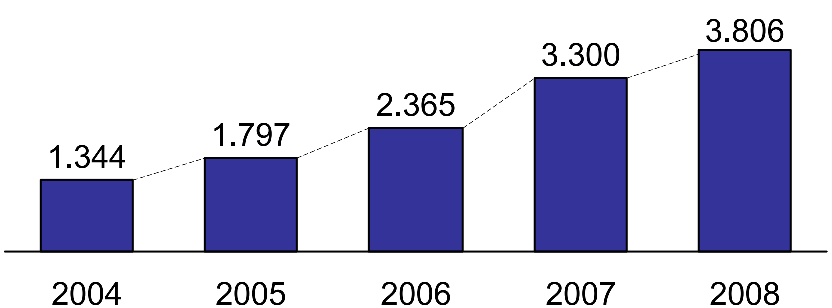
BANK ASYA

Bank Asya has continued the expansion of its distribution network at a sustainable pace

Number of branches

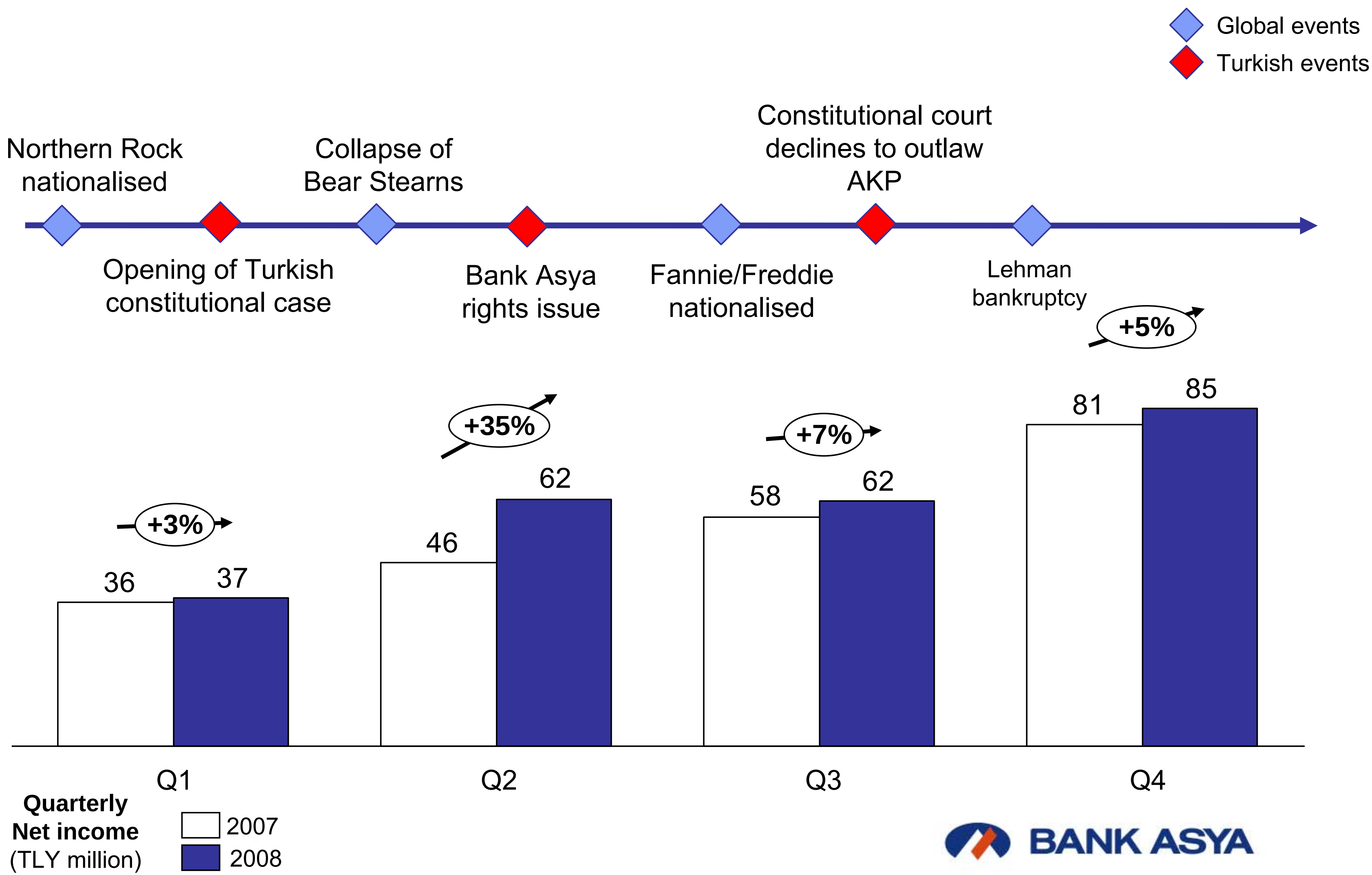


Number of personnel



BANK ASYA

Bank Asya has kept growing its profits throughout 2008 despite all odds

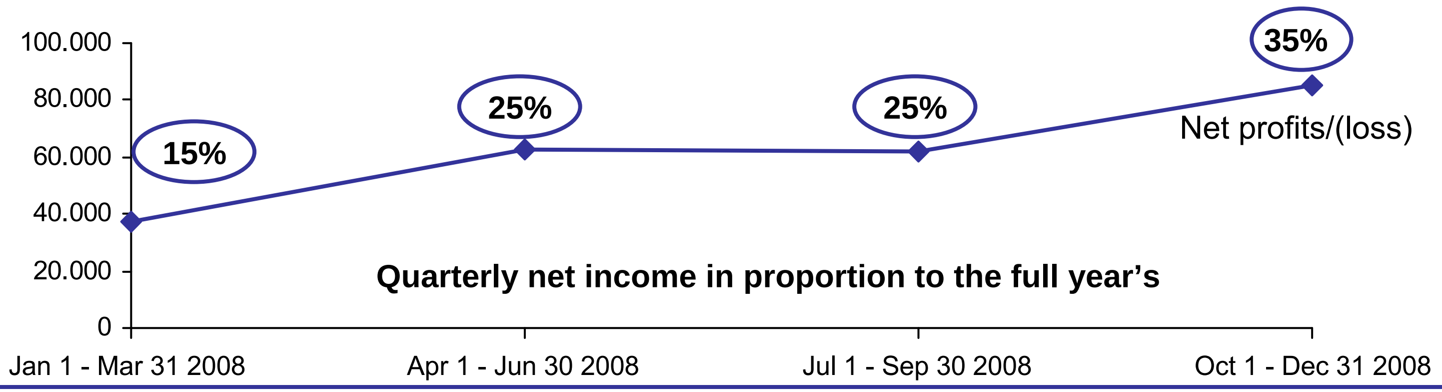


BANK ASYA

Income statement highlights

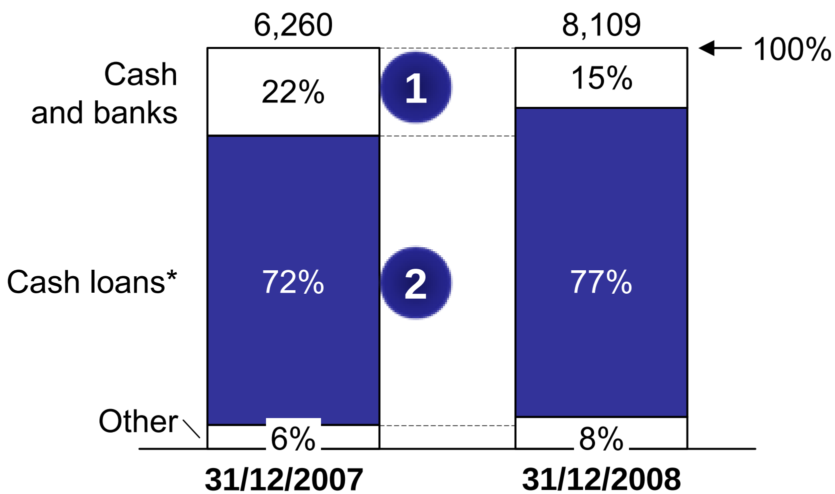
Selected financials, in TLY thousands

	Jan 1 - Mar 31 2008	Apr 1 - Jun 30 2008	Jul 1 - Sep 30 2008	Oct 1 - Dec 31 2008	Jan 1 - Dec 31 2007	Jan 1 - Dec 31 2008
Profit share income	240,077	250,995	265,879	311,295	805,275	1,068,206
Profit share expenses	118,413	136,021	147,278	165,104	388,117	566,816
Net profit share income	**121,664**	**114,934**	**118,601**	**146,191**	**417,158**	**501,390**
Net fees & commissions income	48,181	57,247	55,553	65,234	144,701	226,215
Net trading income	18,374	11,150	8,218	21,678	14,659	59,420
Other operating income	18,253	19,246	14,778	15,457	85,413	67,734
Dividend income	0	0	3,925	0	0	3,925
Total operating income	**206,472**	**202,577**	**201,075**	**248,560**	**661,931**	**858,684**
Provision for loan losses and other receivables	-61,867	-31,637	-22,709	-40,401	-123,058	-156,614
Other operating expenses	-94,031	-91,270	-103,441	-101,424	-265,972	-390,166
Income/(loss) before tax	**50,574**	**79,670**	**74,925**	**106,735**	**272,901**	**311,904**
Provision for taxes on income	-13,235	-17,410	-12,882	-21,848	-51,564	-65,375
Net income after tax	**37,339**	**62,260**	**62,043**	**84,887**	**221,337**	**246,529**

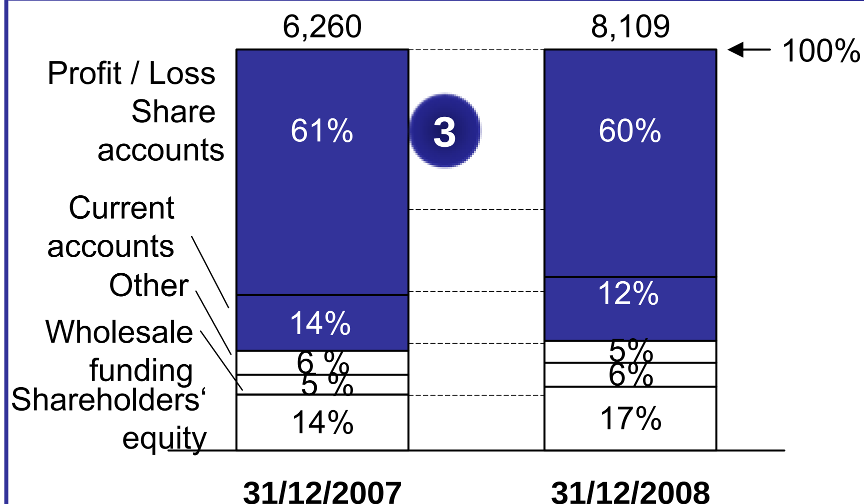


Our balance sheet composition has remained largely unchanged

Assets



Liabilities and shareholders' equity



* Incl. Leasing receivables

Major changes during the year

1. Sustainable liquidity holdings
2. Re-priced new loans from 1.8% per month to 2.5% per month (average maturity 140 (TLY), 230 (FC) days) – focus on existing clients
3. Focus on lengthening the maturity of profit share accounts (from an average of 62 (TLY),79 (FC) days at the end of 2007 to an average of 103 (TLY), 98 (FC) days at the end of 2008) & still increasing

What has not changed

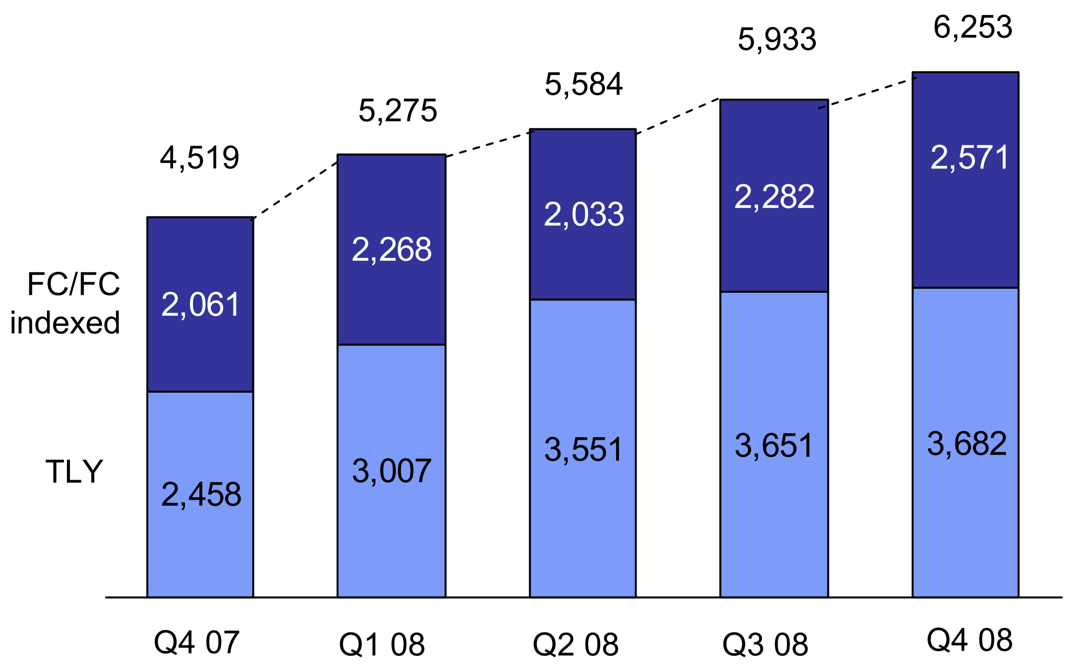
- No reliance on wholesale funding
- No trading assets or government securities holdings

BANK ASYA

We are reducing loan growth to reflect higher uncertainty (1/2)

in TLY millions

Cash loans



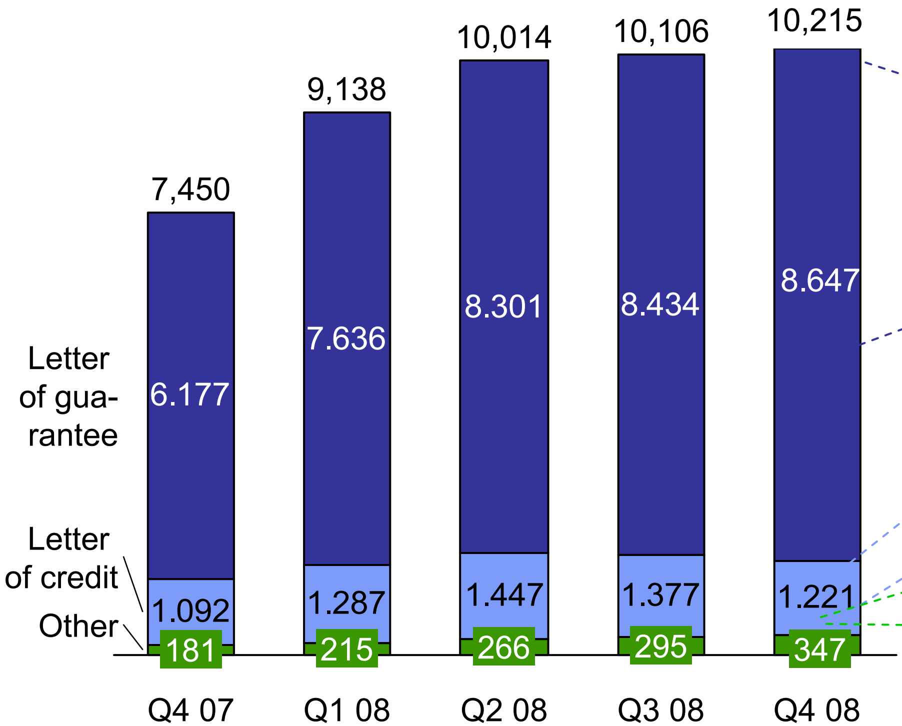
* Leasing Receivables included, Exl. NPL

BANK ASYA

We are reducing loan growth to reflect higher uncertainty (2/2)

in TLY millions

Non-cash loans



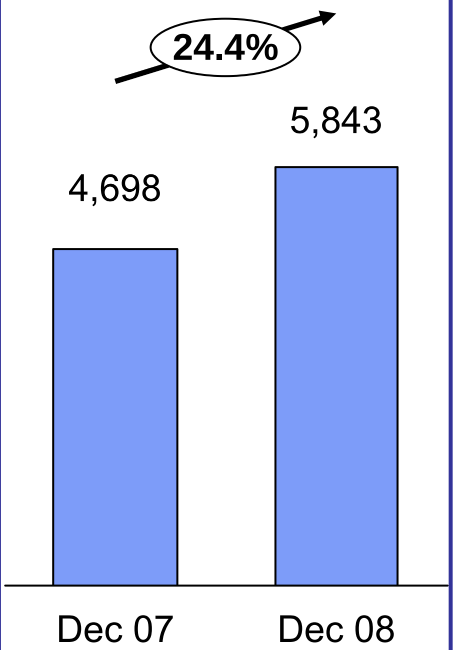
	Q4 07	Q4 08
TLY	3,823	4,594
FC	2,354	4,053

TLY	–	–
FC	1,092	1,221

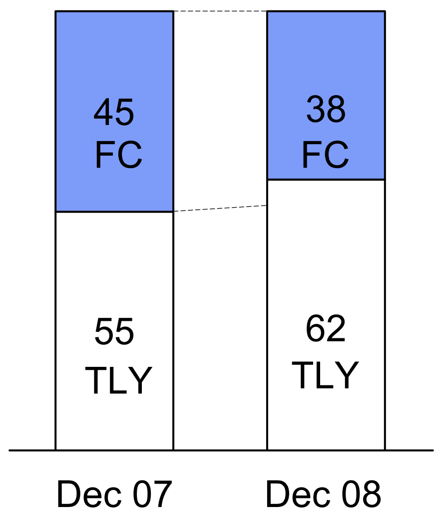
TLY	1	6
FC	180	341

At the same time, we keep growing our deposit base

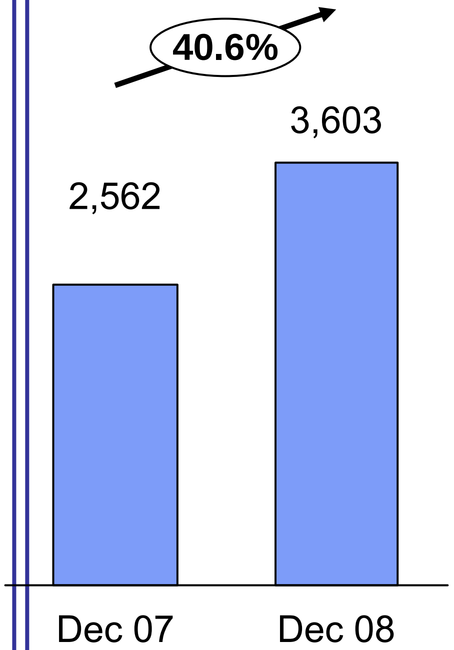
Total deposits
in TLY millions



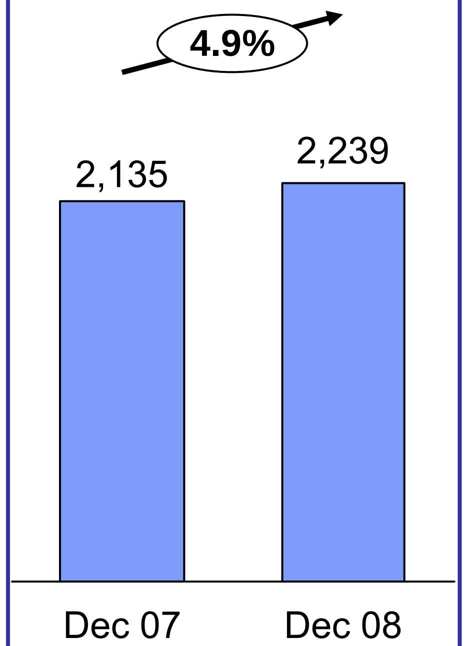
Total currency com-position of deposits
in %



TLY deposits
in TLY millions



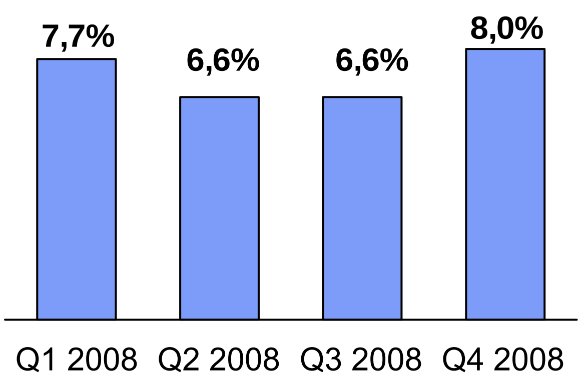
FC deposits
in TLY millions



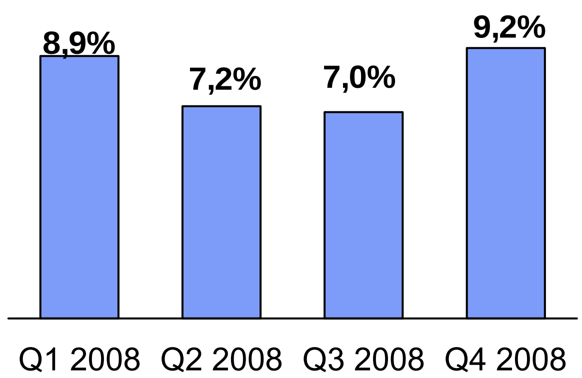
BANK ASYA

Net interest margin has stabilized

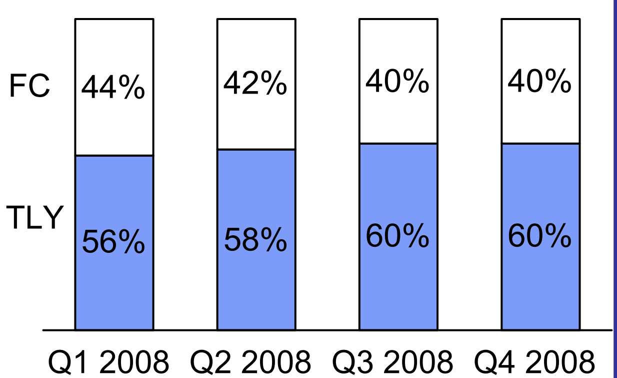
NIM



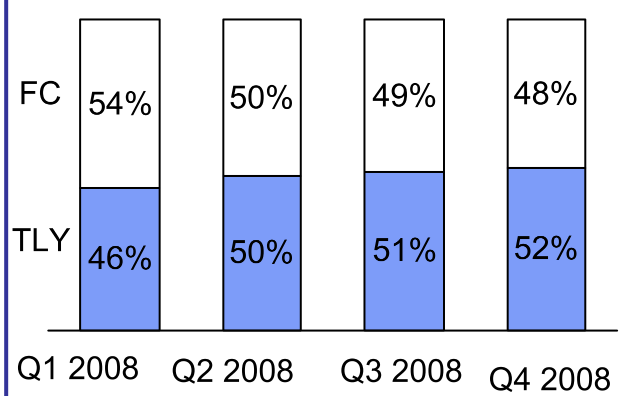
Adjusted NIM*



Composition of IEAs



IBL– Interest bearing liability



Effects

- + Re-pricing of new loans
- – Increased liquidity position
- – Longer duration of participation accounts

= **Stable develop-ment expected for 2009**

* Adjusted by Net Trading İncome

BANK ASYA

Selected financial ratios

	Dec 07	Mar 08	Jun 08	Sep 08	Dec 08
Cash Loans to Deposits	96	101	97	107	107
Deposits to Assets	75	74	74	73	72
Cash loans to Assets	72	75	71	78	77
Shareholders' Equity to Assets	14	13	16	17	17
CAR (Tier–I)	14,9	9,9	12,9	13,0	13,4
Cost-to-income	40	46	45	47	45
Free Capital	10	8	12	12	12
ROAA	4,3	3,9	3,8	3,5	3,4
ROEE	31	29	28	26	23

Capital increase through a rights issue, strengtened capitalization but decreased ratios such as ROA and ROE

BANK ASYA

Agenda

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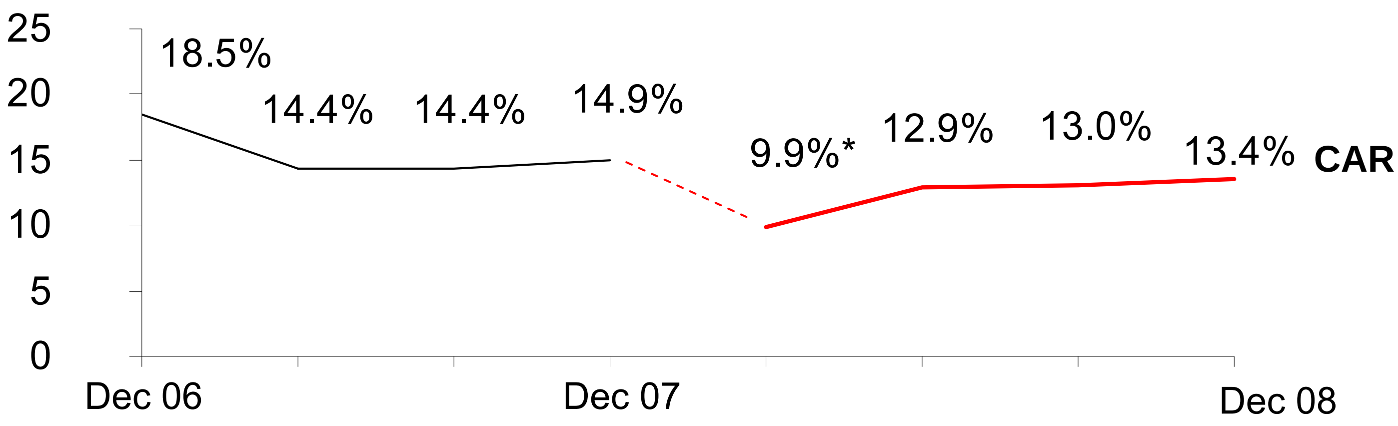
- Appendix

Sustained profitability and reduced loan growth result in further improvements of capital ratios

	Dec 07 %	Mar 08 %	Jun 08 %	Sep 08 %	Dec 08 %
RWA & Market Risk	5,620	9,264	9,882	10,380	10,702
Capital Base	836	916	1,278	1,344	1,434
CAR	14,9	9,9*	12,9	13,0	13,4



* Due to new regulations

Bank Asya well in excess of BRSA and Basel II capital requirements

CAR ratio requirement	8.0%
BRSA recommendation	12.0%
Bank Asya	**13.4%**

- All capital is core tier I
- CAR is increasing
- No need for capital raising in the foreseeable future
- Growth supported by organic capital generation
- No investment in Zero-Risk-Weighted Government Bonds

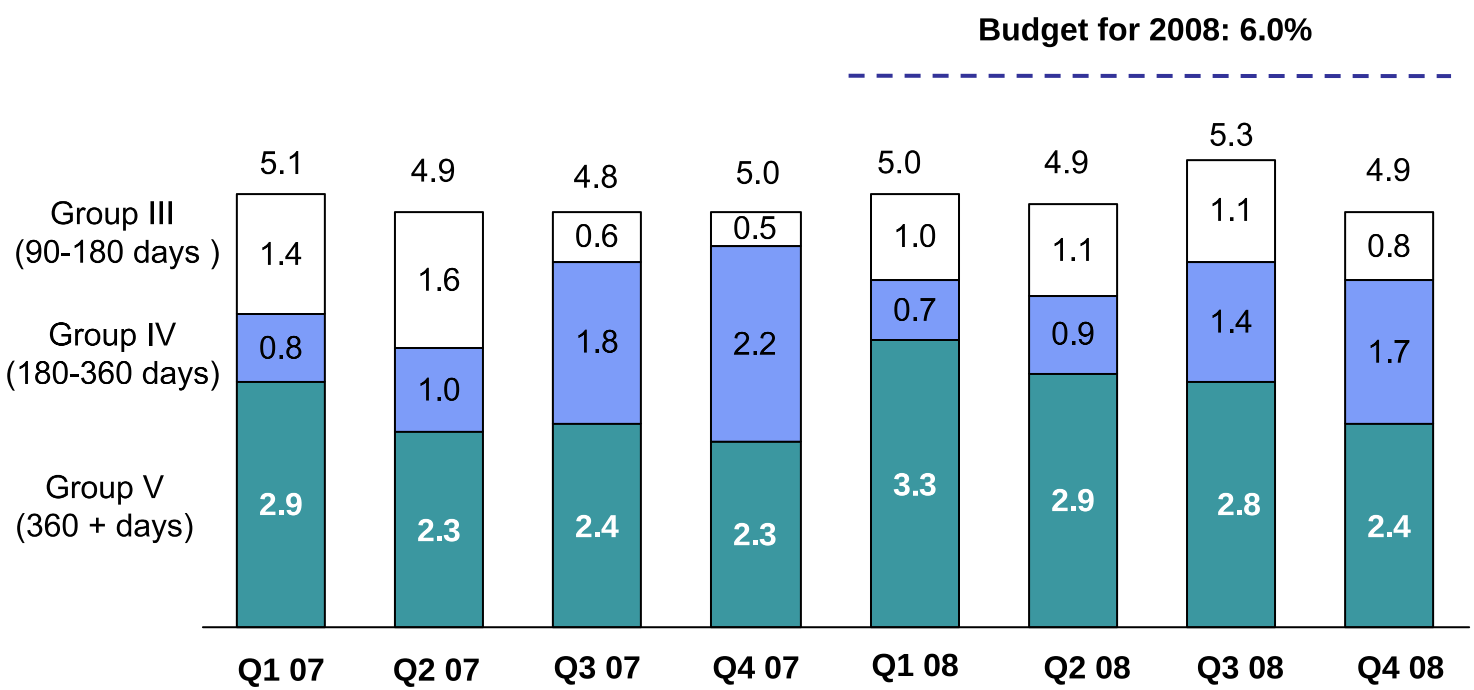
No more capital increase in the foreseeable future

Bank Asya is building-up capital

BANK ASYA

Loan quality is broadly stable and non-performing loans remain below budget

NPL ratio in percent (%)

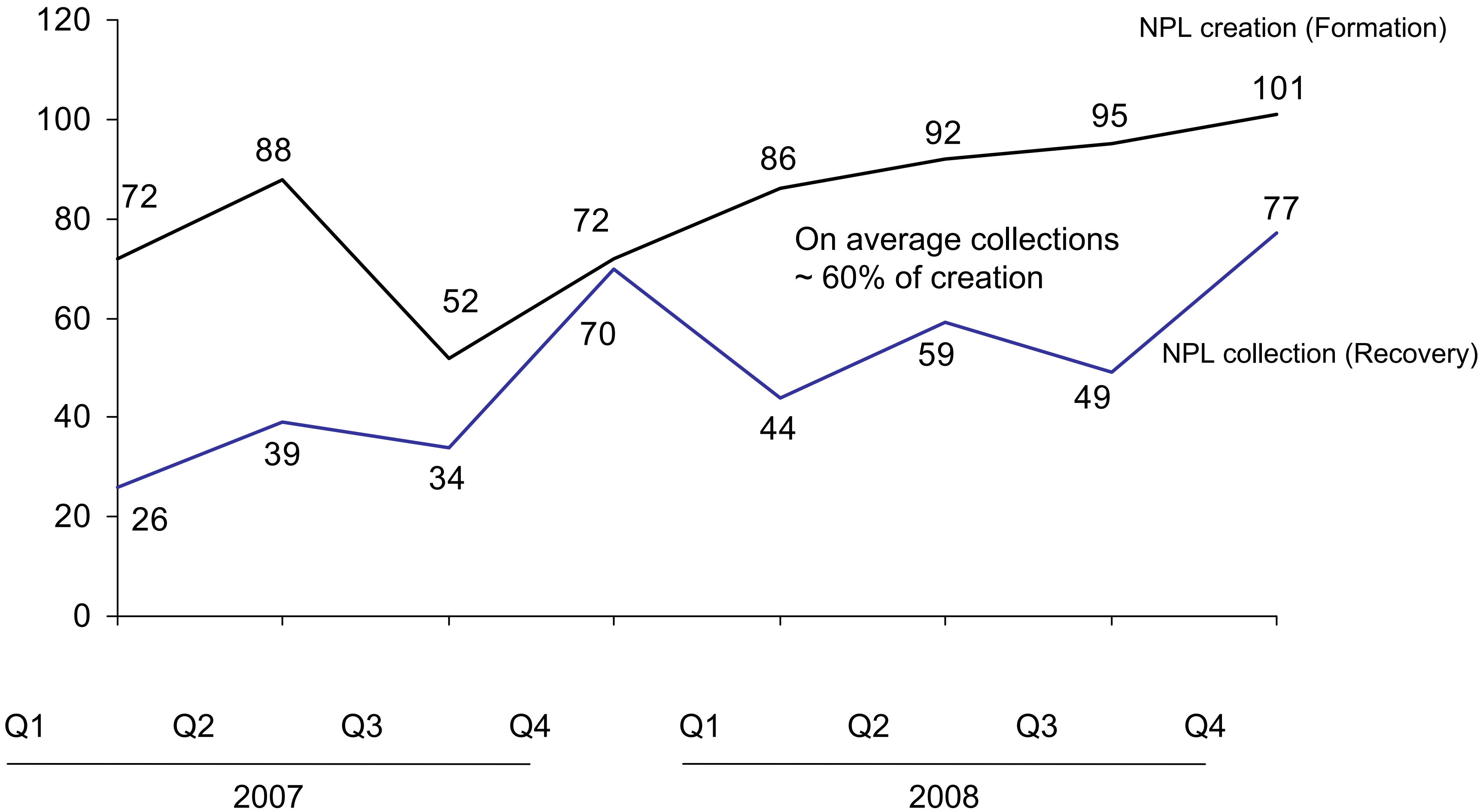


	Q1 07	Q2 07	Q3 07	Q4 07	Q1 08	Q2 08	Q3 08	Q4 08
Provisining ratio	67.7%	60.4%	67.9%	61.4%	66.8	60.6%	60.2%	60.4%

BANK ASYA

We continue to collect a good proportion of non-performing loans

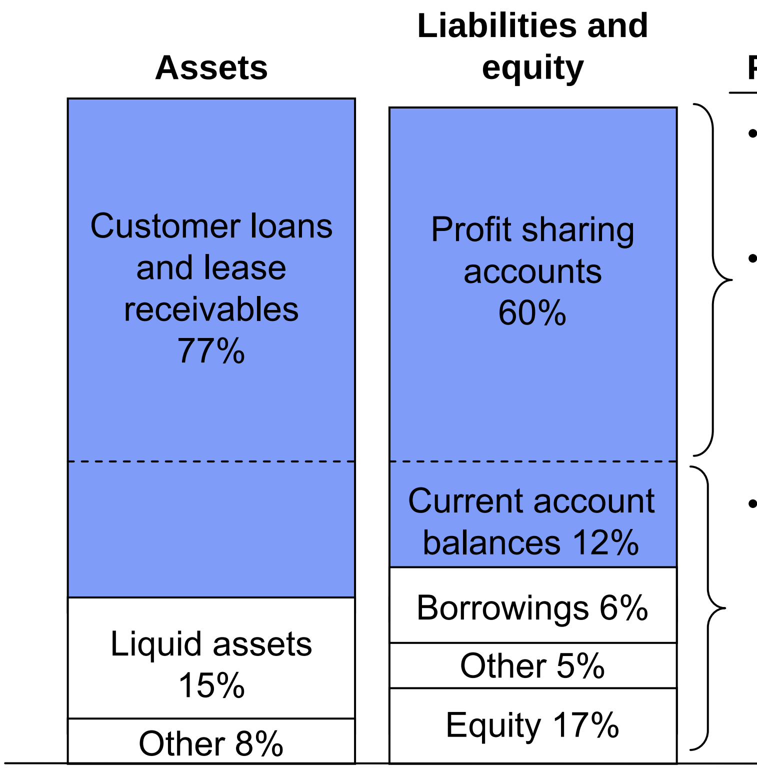
(TLY Million)



BANK ASYA

Participation accounts share a substantial part of loan losses, reducing Asya's credit risk exposure (1/2)

Bank Asya balance sheet structure as of end 2008



Profit and loss sharing

- Clear segregation of loan pools which are matched to funding pools
- TLY and FX loan pools linked to profit sharing accounts in TLY and FX – customers share between 80%*and 90%* in loan income and loan losses

- TLY and FX loan pools linked to other funding sources – custo-mers do not receive profit share on their current accounts, all income as well as all loan losses accrue to bank

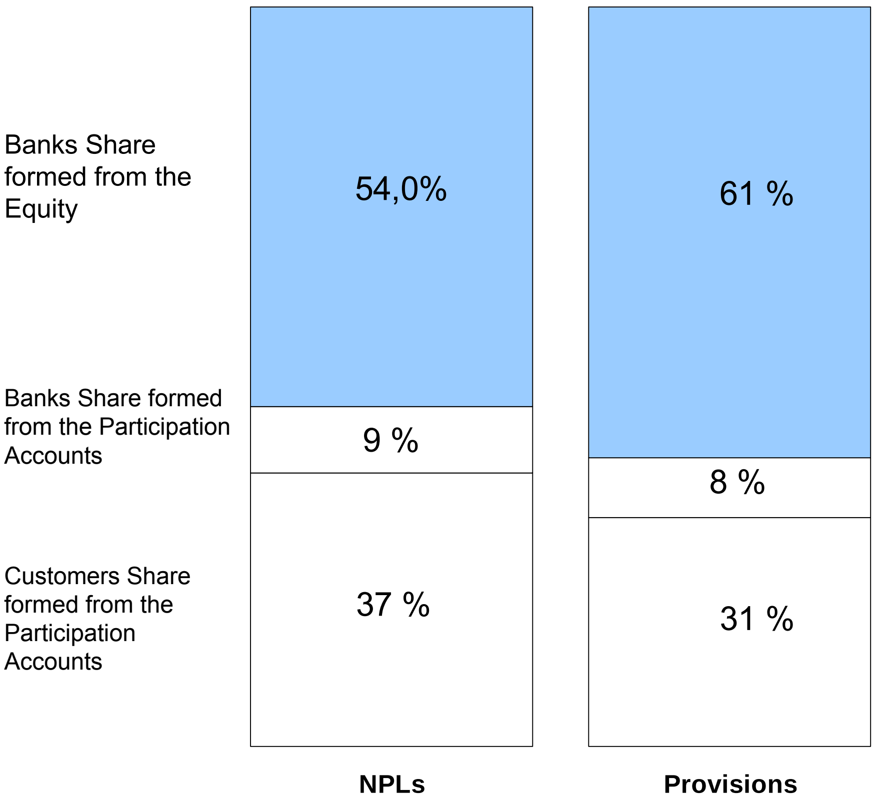
P & L effect

- Although 80 * -90 * % of income and loan losses accrue to customers, they fully flow through Bank Asya's P&L. Profit share expense is reduced by the share of loan losses accruing to customers

* Depending on maturity of deposits, currently 80% for 1 month, 83% for 3 months, 85% for 6 months and 90% for 12+ months deposits

Participation accounts share a substantial part of loan losses, reducing Bank Asya's credit risk exposure (2/2)

2008YE Composition



Comments

- Despite low risk exposure to shareholders, Bank Asya has a very professional risk management with prudent, well-informed underwriting, constant portfolio monitoring and good collection mechanisms
- On loans linked to participation accounts, we follow the BRSA's guidelines for calculating provisions, taking account of available collateral. On loans fully accruing to shareholders, we take a more conservative approach and build 100% provisions for non-performing loans
- Our experience is that nearly all customers will resume payments at some point – we have had four write-offs in our entire history. The fact that we rarely write off a loan leads to an NPL balance that looks higher than for other Turkish banks – it is not an indicator of lower quality
- Cash Loans General banking provisions* are also shared with depositors if the loan linked to participation accounts
- Having an Loan Loss Provision is not engineering in our bank but a natural result of the profit/loss participation.

* Defined by the regulator as 1% of all cash loans and 0.2% of all letters of credit/guarantee

Profit/loss sharing (e.g.)

Bank Asya (loan funded from profit sharing accounts)	Commercial bank	
An SME customer takes out a TL 1 million loan at 24% profit share/interest p.a.		
• From TL 240,000 income on the loan, 85% (204,000) go to depositors and 46,000 to Bank Asya	• Bank funds the loan from deposits and wholesale funding at an average 18% = TL 60,000 net interest income	Asya earns 24% less
The customer defaults on the loan after one year – only 60% of the amount outstanding can be recovered by the bank		
• Depositors share 85% of the 400,000 loss – Bank Asya gets 15% x (240,000 - 400,000) = a 24,000 loss	• The bank still has 60,000 net interest income but also a 400,000 loan loss = a 340,000 loss	Asya loses 93% less
• Fixed rate instalments, monthly payments	• Often bullet loans, quarterly interest-only repayments	Better risk profile

BANK ASYA

Agenda

- Performance review 2008
- Risk and capital management
- **Priorities and outlook for 2009**
- Appendix

While our loan portfolio is not immune to the global slowdown, there are structural mitigates

Challenges

- Key export markets in recession
- Decreasing GDP globally
- Increasing risk factors

Expectations for 2009

- Decreased İnternational Trade
- Glommy global markets
- 6% NPL ratio

Mitigates

- Majority of loans are funded from participation accounts where loan losses will be shared with account holders – on average 50/50 split of loan losses between account holders and bank
- Bank Asya's ability and willingness to support customers with a good reputation & track record
- Lending customers have substantial deposit balances and all loans are collateralized
- Steep fall in input prices (raw materials) helps our clients

BANK ASYA

Our expectations for 2009

Macro assumptions

- Turkish GDP growth 0%
- Inflation 5%
- Unemployment rate13,5%
- TL/USD: 1,51

Management priorities

- Closely managing existing loan portfolio
- New lending to core customers at adequate prices
- Distribution expansion with alternative distribution channels
- About 20% growth in deposits and loans
- Stable number of staff

Financial targets 2009

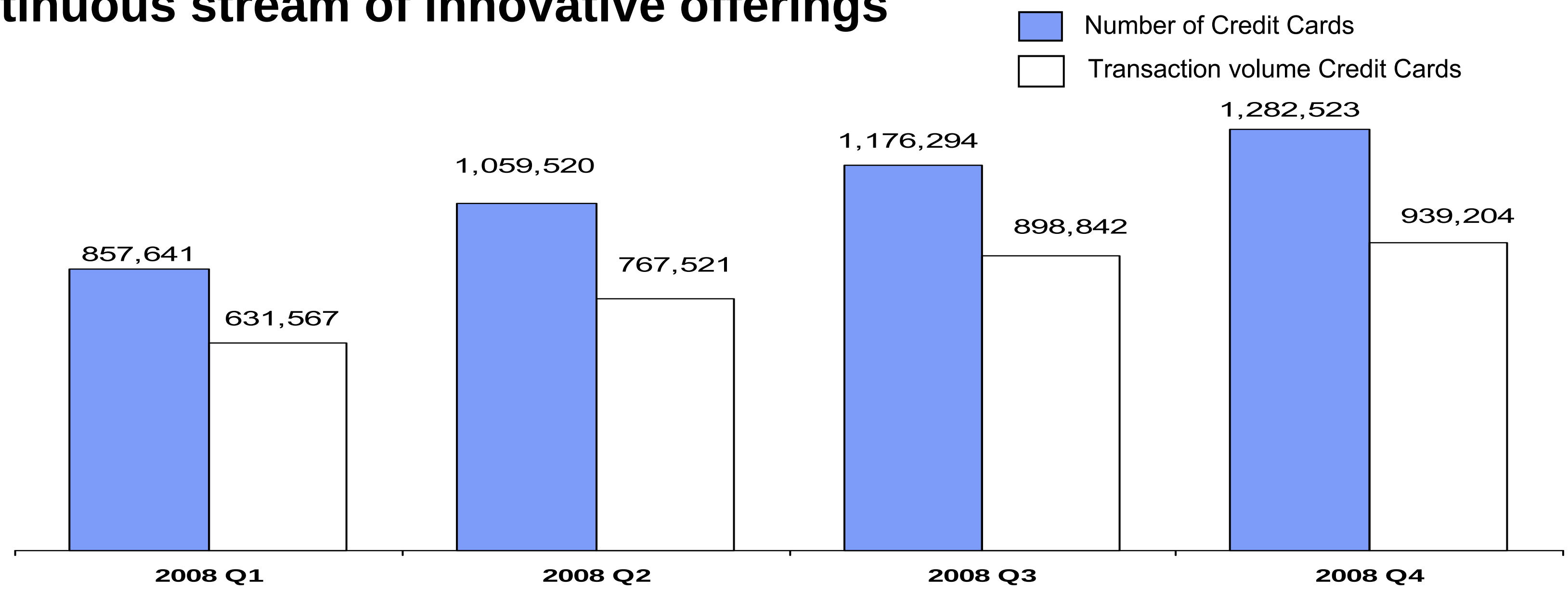
- Net income of at least TL 260 million
- Cost-income-ratio of around 45%
- NPL :6%
- Deposit Growth: 20%
- Loan Growth : 20%
- Non-Cash Loan Growth : -10%
- CAR further increases to 15%

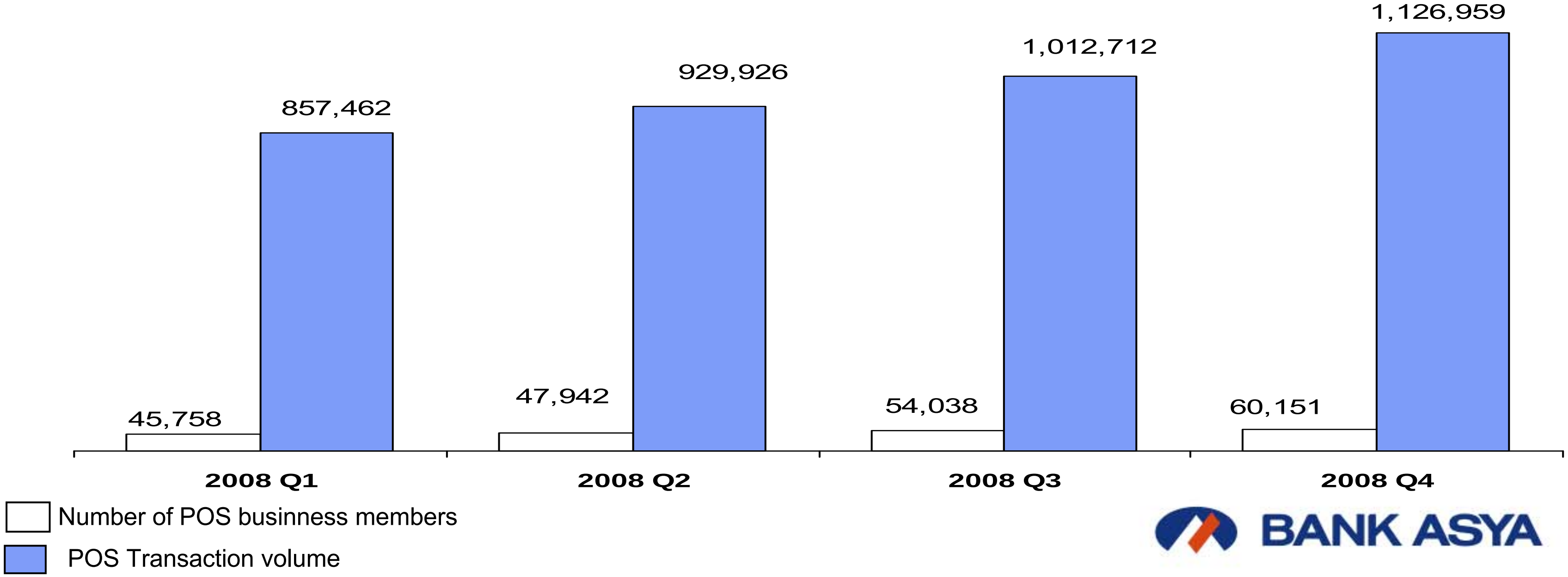
BANK ASYA

Agenda

- Performance review 2008
- Risk and capital management
- Priorities and outlook for 2009
- **Appendix**

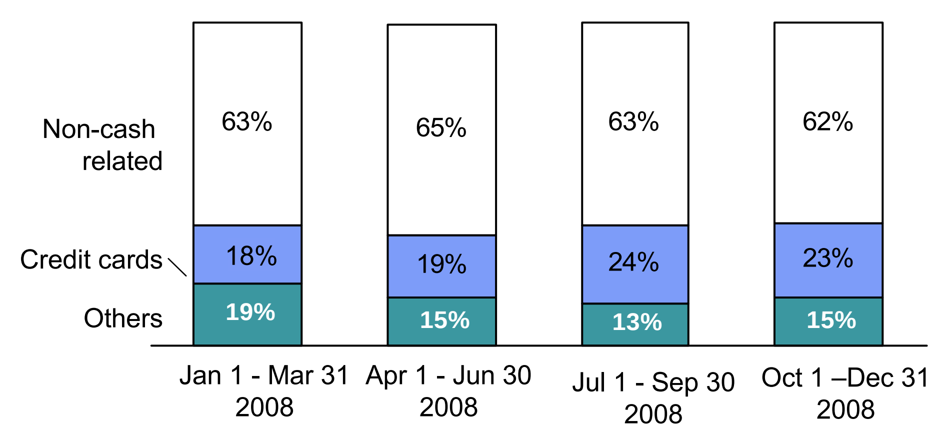
Continuous stream of innovative offerings



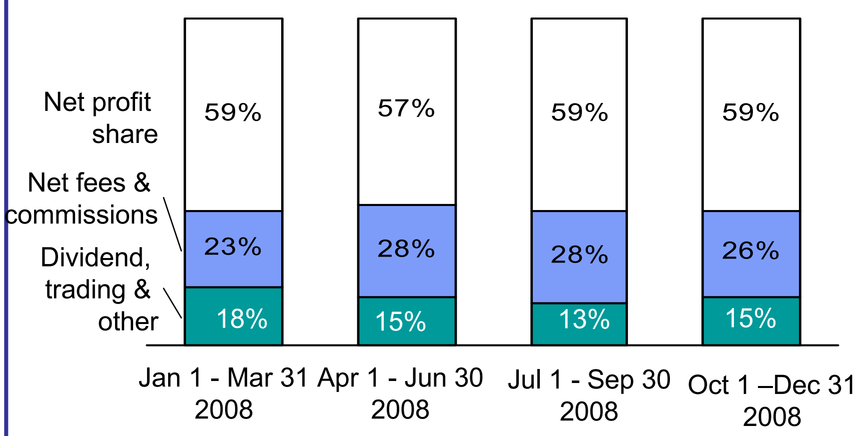


BANK ASYA

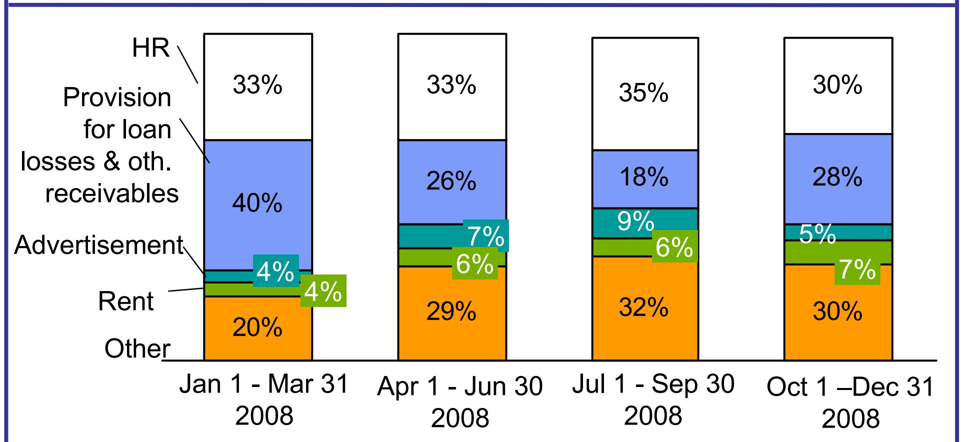
Breakdown of fees & commissions



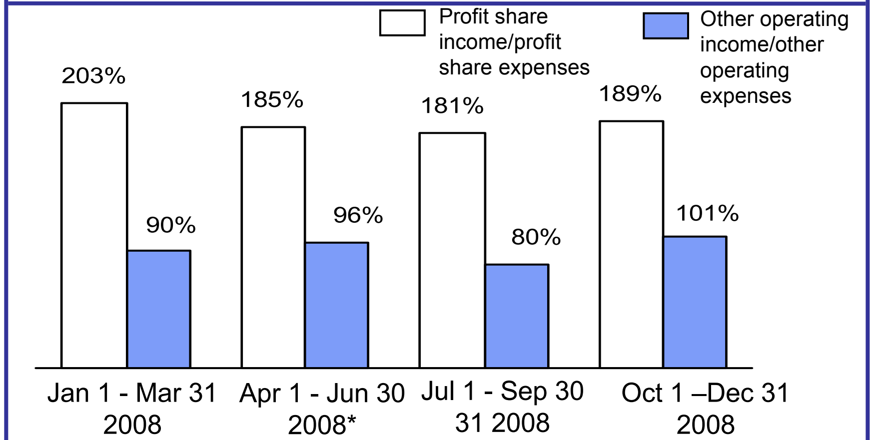
Breakdown of revenues



Breakdown of expenses

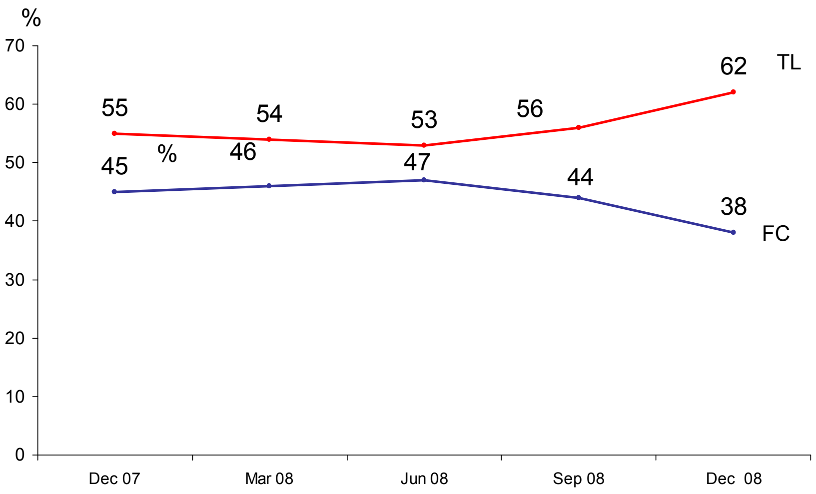


Income ratios

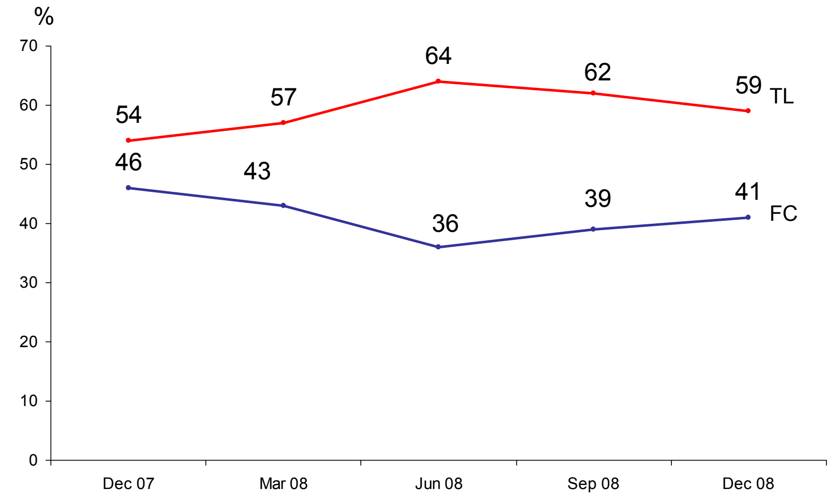


BANK ASYA

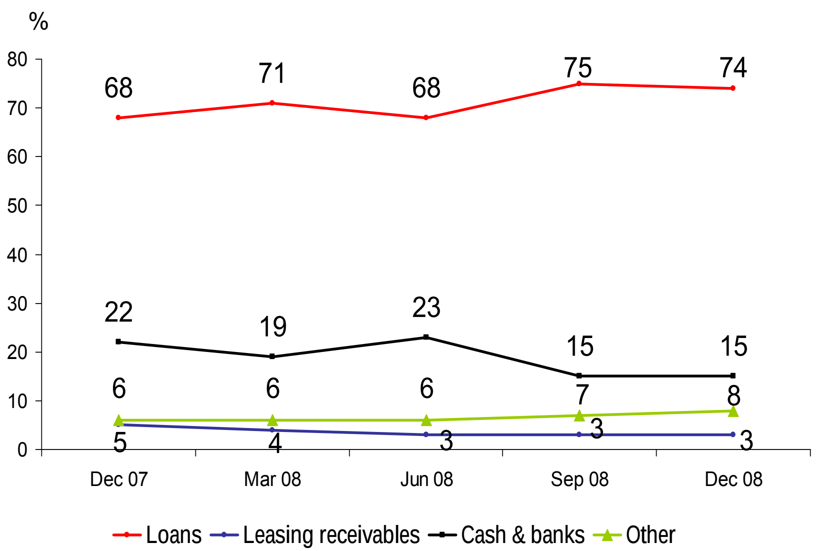
Total currency composition of deposits



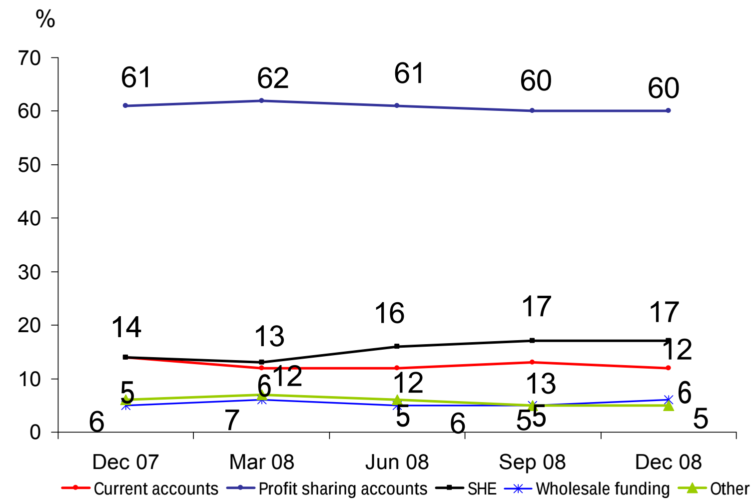
Total currency composition of loans



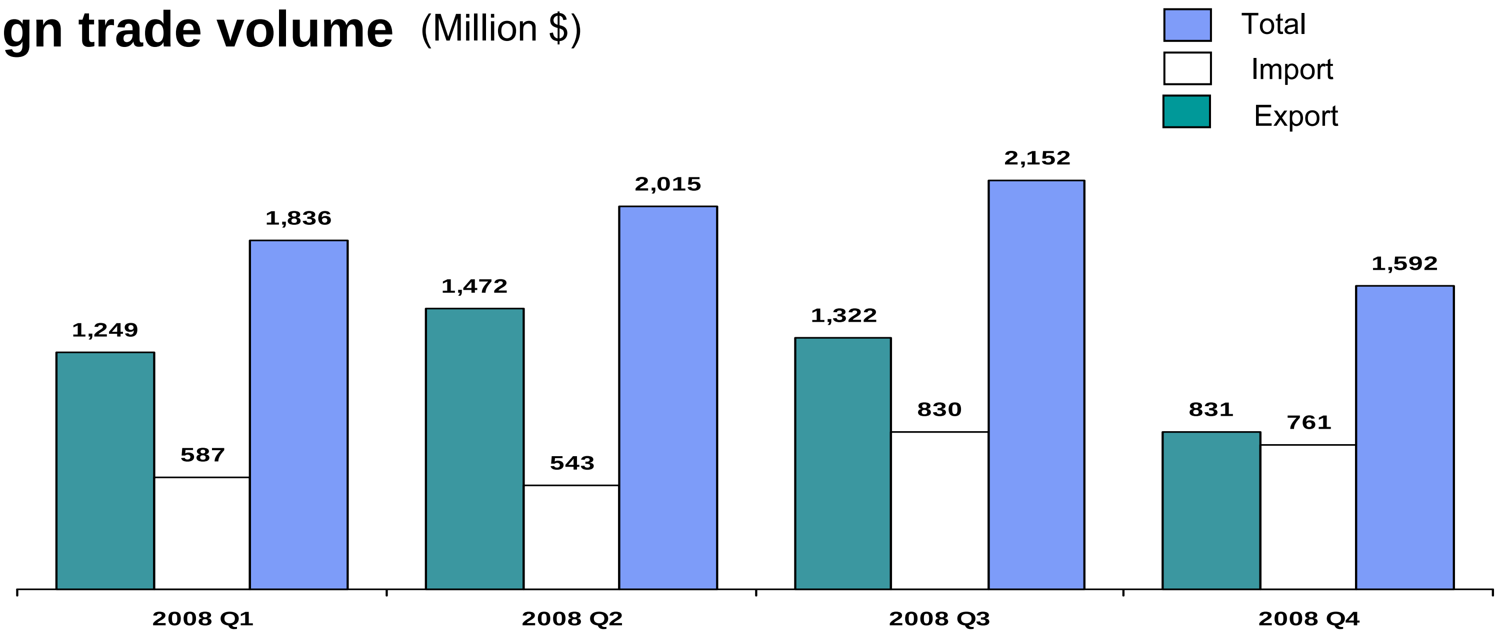
Composition of total assets



Composition of total liabilities

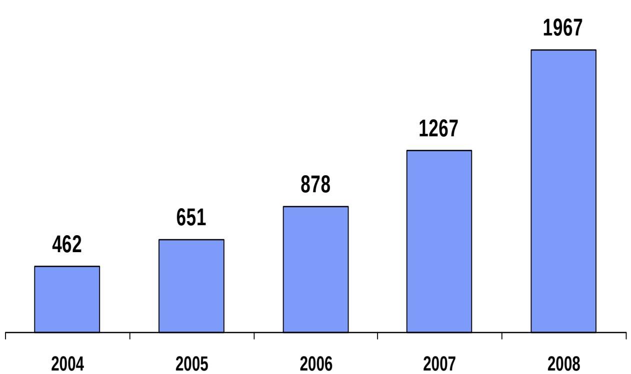


Foreign trade volume (Million $)

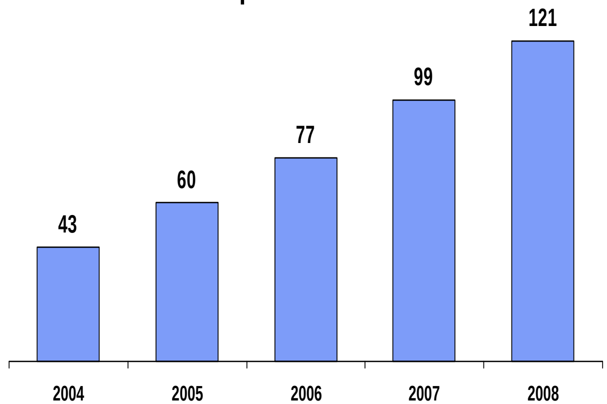


Customers Breakdown in thousands

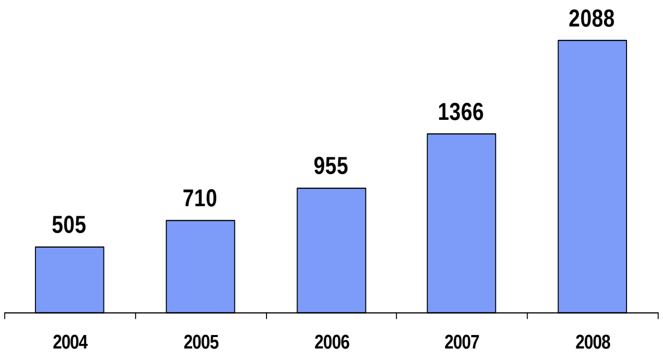
Retail



Corporate & SME



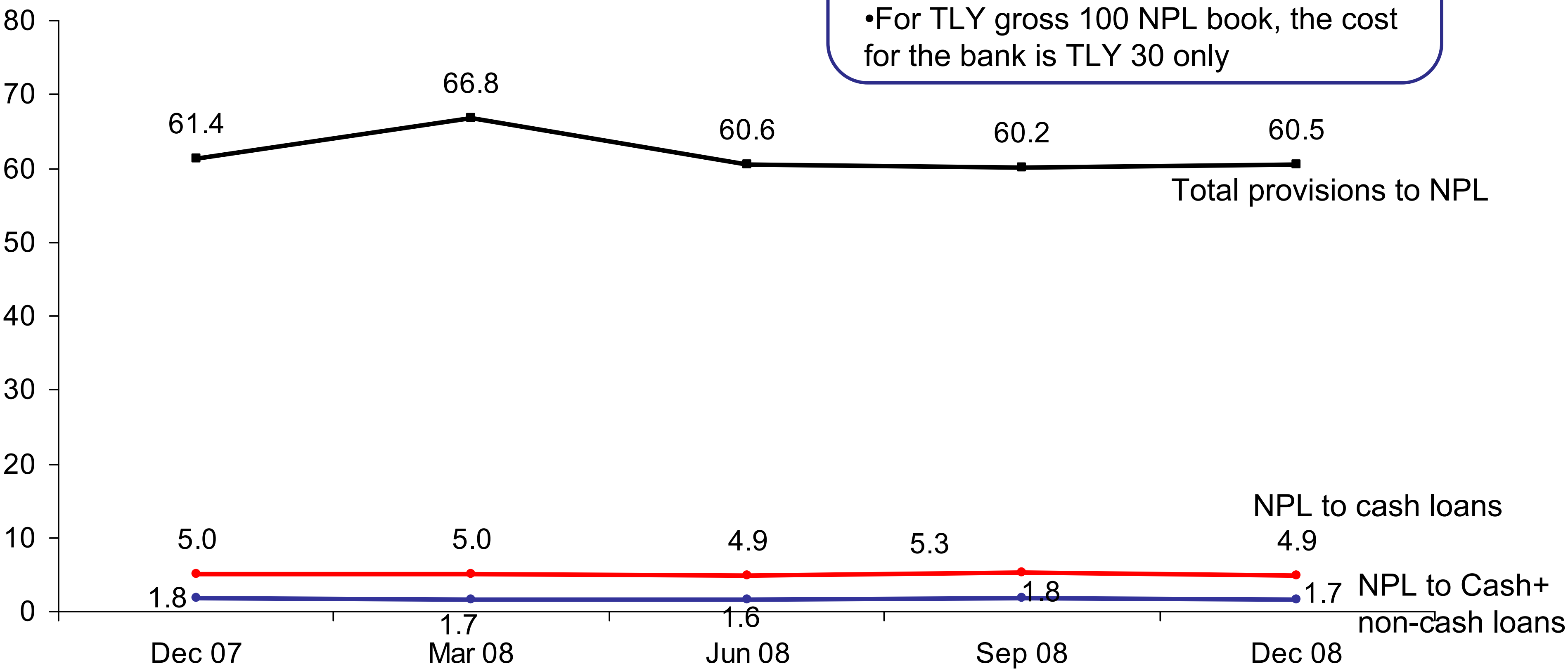
Total



BANK ASYA

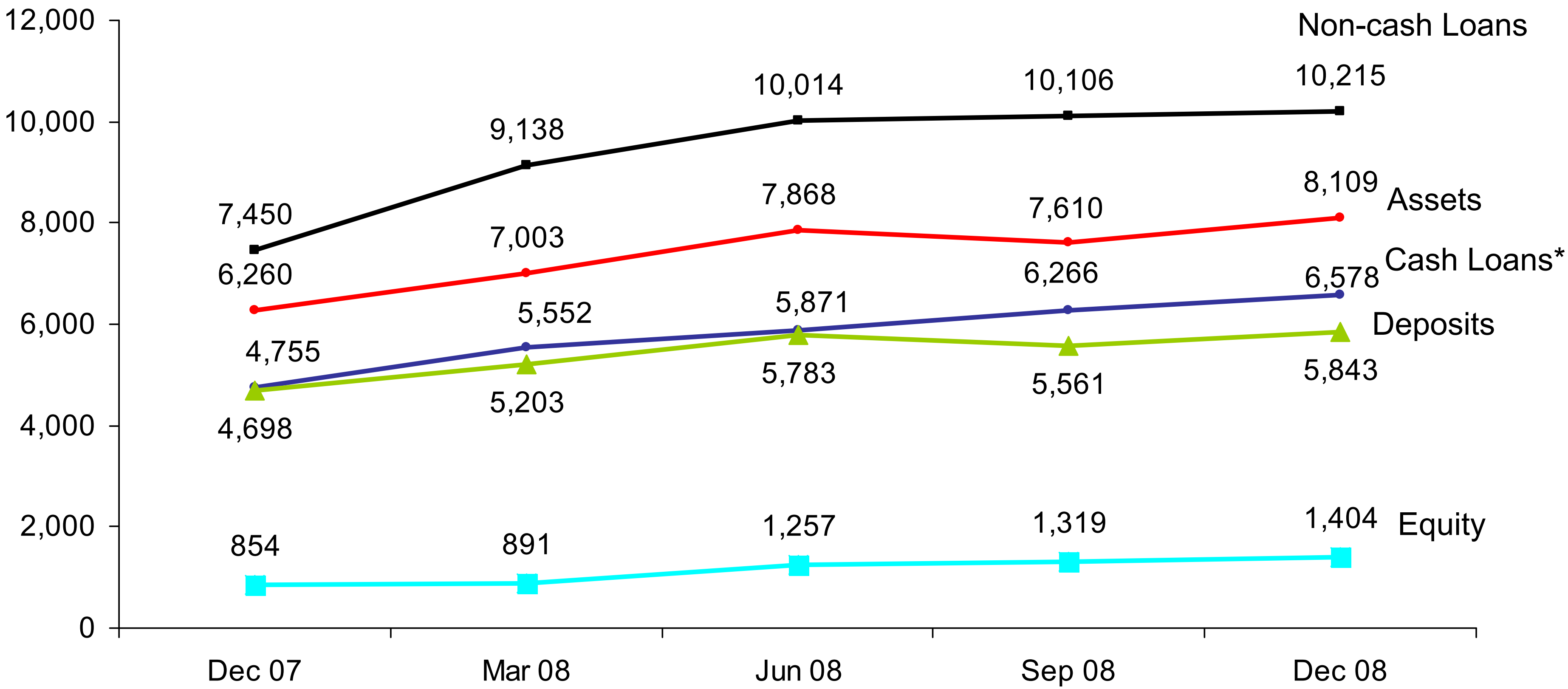
Selected financial ratios (%)

Example
- Historically, 60% to 70% provisioning level and 50% of the provisioning cost financed by the bank
- For TLY gross 100 NPL book, the cost for the bank is TLY 30 only



BANK ASYA

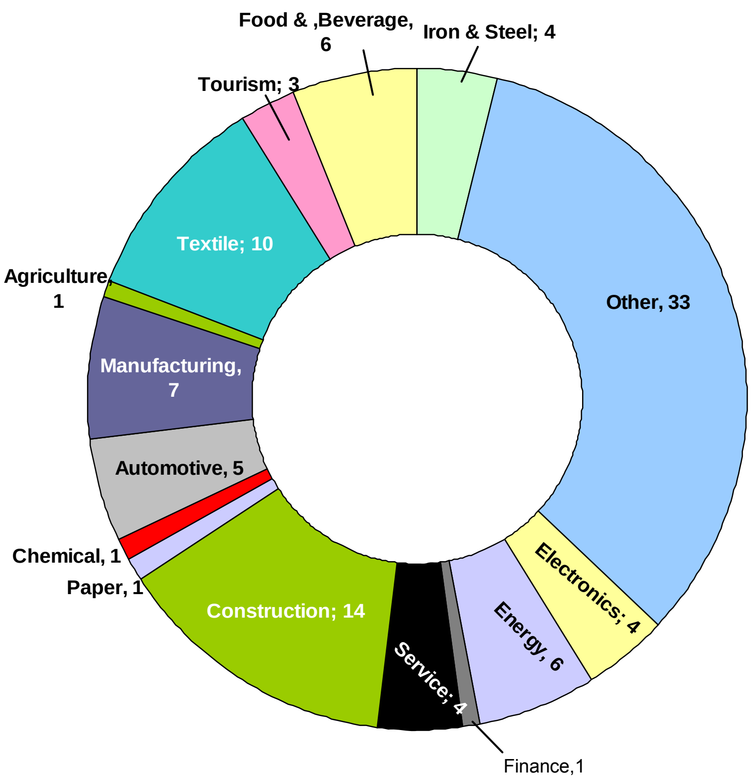
Solo financial performance in TLY millions



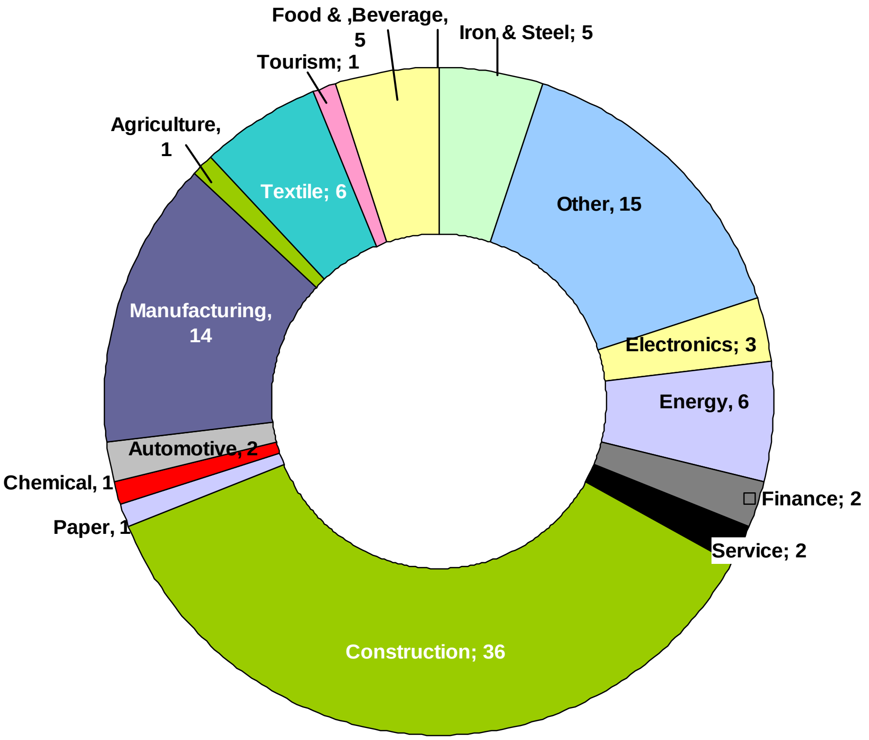
* Leasing Receivables + NPL included

Sector Breakdown of loans %

Cash Loans



Non-Cash Loans



BANK ASYA

Bank Asya remains on the forefront of innovation in Turkish retail banking

Touchless high-tech credit card

- Globally leading technology
- Transportation Card in two cities (for the time being – local busses)
- Pay Card for tolls at the highways and bridges nationwide
- Touchless Card for small amount purchases up to TL35
- A regular Master Card and Visa Card

Football league sponsorship with high visibility

- Partnership with First Football League in Turkey
- Consistent with Bank Asya brand image
- Very high brand visibility in Turkey
- Jersey Sponsorship for 12 teams out of 18 teams.
- 650 thousand viewers and 3 broadcasts a week
- Relatively modest sponsorship cost for long-term partnership

Our partnership with the A • 101 hard discount market chain is financially attractive and will expand our distribution network at very low costs

Cornerstones

- Fast-growing hard discount market chain
- Bank Asya holds 25% stake
- 250 stores today, plan is for 1,500 stores in 2014

Status

- All 250 stores use Bank Asya for card transactions and cash management
- Bank Asya ATM in 25 stores (incl. deposit taking)
- Collecting credit card payments
- Working on pilot for cash backs at checkout

Benefits for Bank Asya

- Financial upside from stake in A•101
- Attractive stream of fee business from cash handling and merchant acquiring
- Additional distribution points for basic banking transactions

BANK ASYA

ASYA KIZILCAHAMAM

Cornerstones

- Thermal holiday village
- Bank Asya holds directly 22.9% and indirectly %46.5 stake

Status

- Consist of time share apartments, a 5 star hotel, convention center and spa

Benefits for Bank Asya

- Convert into REIT and sell 50% of shares partially via an IPO in 5 years term

BANK ASYA

Cornerstones

- Non-life Insurance company
- Bank Asya holds a 65.4% stake

Status

- Agency agreement with Bank Asya
- Advance IT system
- Innovative offerings

Benefits for Bank Asya

- Continue growth and increasing market share by capitalizing on the synergy created by use of Bank Asya's branches as a sales agents
- High premium generation
- IPO in 5 years term

Thank you!

Audited December 2008 TR GAAP Solo Reports
used for this presentation.