



BRSA Bank-Only Earnings Presentation

March 31, 2008

“healthy growth on track”

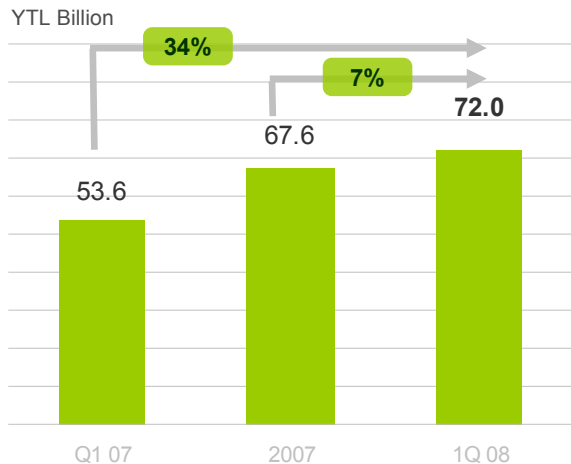


1Q 2008 – Highlights

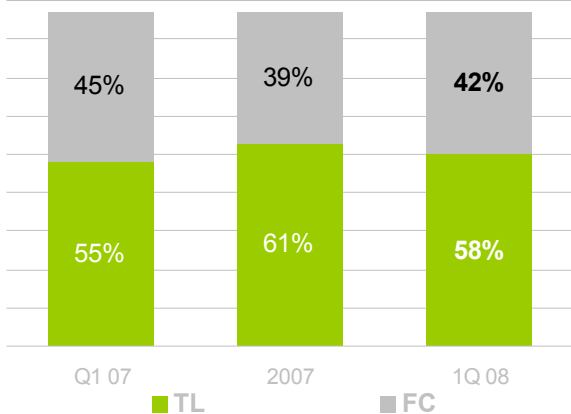
- *Increasingly loan heavy balance sheet*
- *Market share growth momentum on track*
- *Leader in total lending*
- *Solid asset quality*
- *Decreasing deposit costs*
- *Strong customer driven sources of income growth*
- *Highest number of new branch openings & ATM expansion y-o-y*
- *Sustained high profitability ratios*

Loan Driven Asset Growth

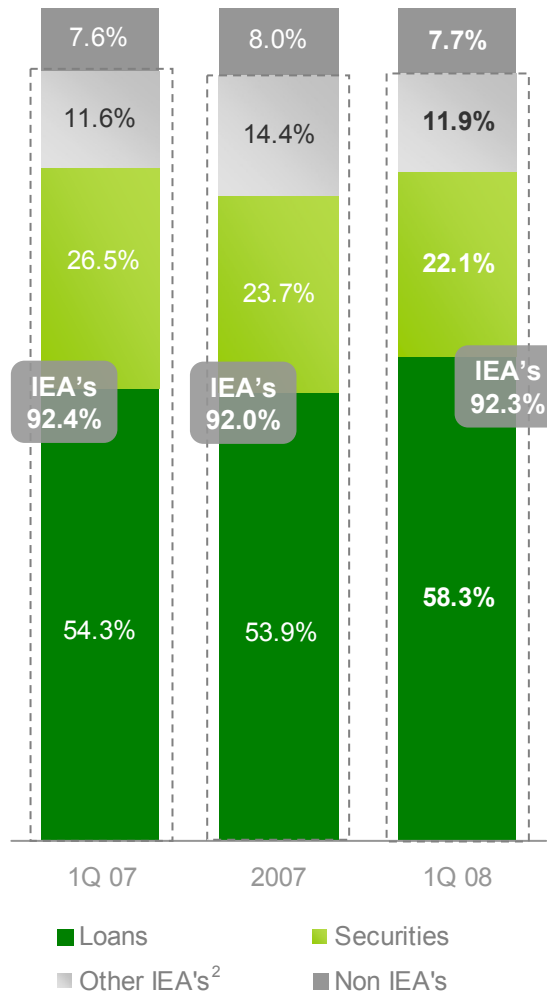
Total Assets



Composition of IEAs



Composition of Assets¹



Asset Growth

Y-o-Y:

34%

YTD:

7%

Loans³/Assets

58%

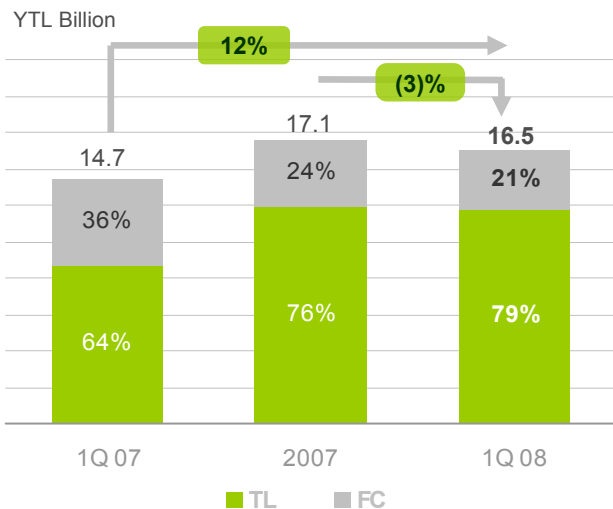
¹ Accrued interest on B/S items are shown in non-IEAs

² Other IEA's include factoring and leasing receivables.

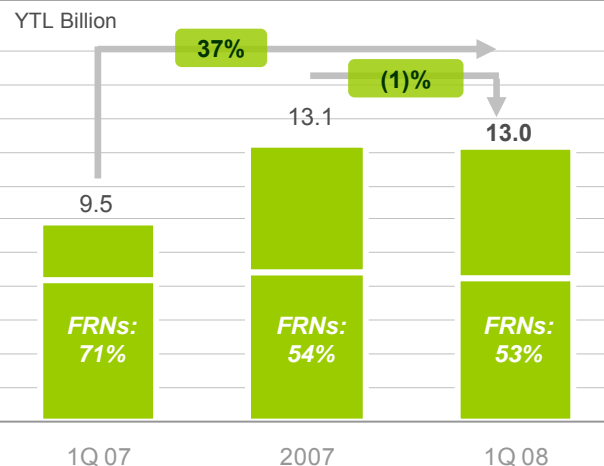
³ Excluding accrued interest

Securities: Higher Yielding TL Heavy

Total Securities

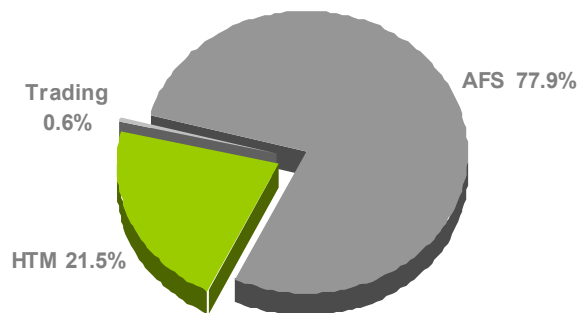


TL Portfolio

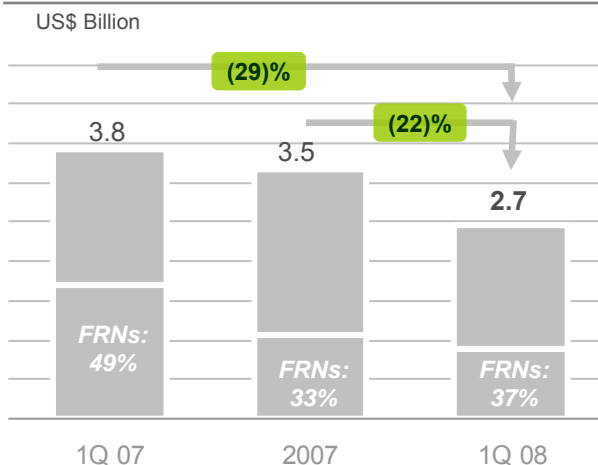


Total securities portfolio shrank ytd due to maturities in FC portfolio and Eurobond sales. **Securities mix in assets** declined from 24% in 2007 to **22%** in 2008.

Total Securities Composition



FC Portfolio



TL Weight in Total

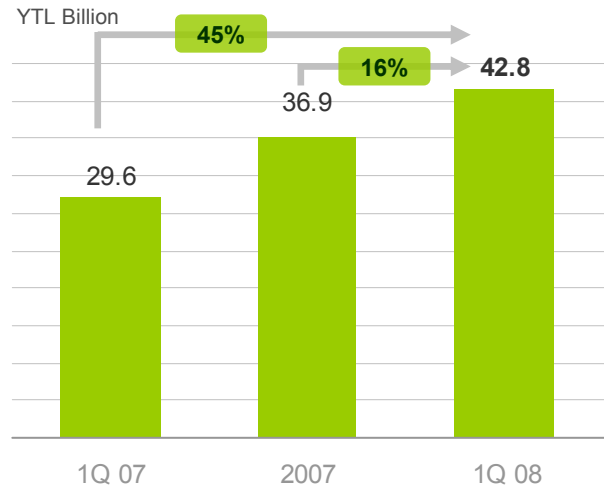
79%

Total Fixed / FRN:

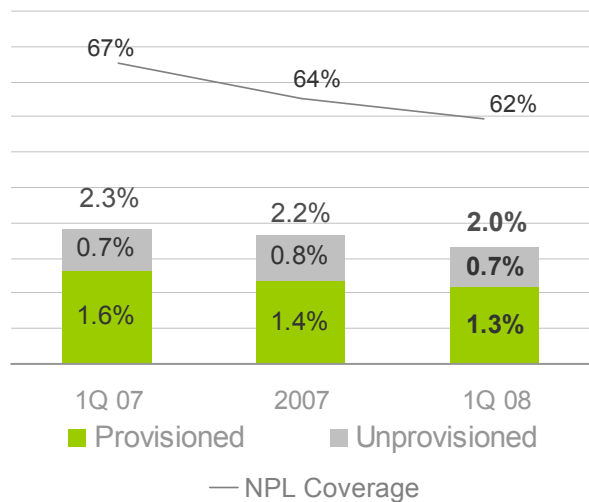
51/49

High growth momentum in lending remains with improving asset quality

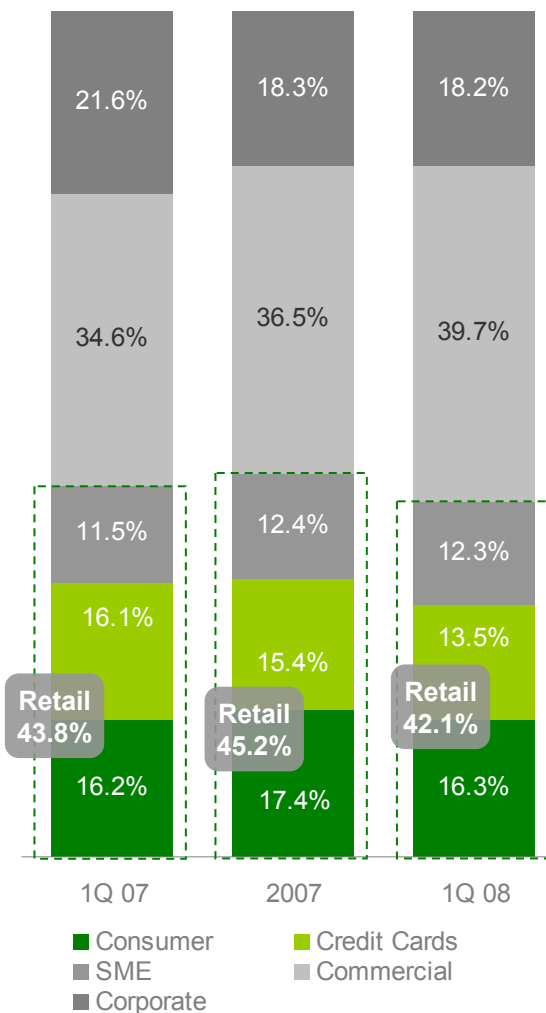
Total Loans¹



NPL Ratio & Coverage



Composition of Loans²



Total Loan Market Share³

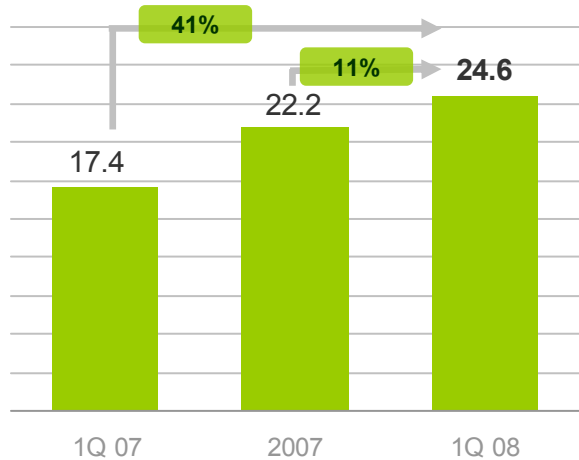
14.2%

¹ Performing cash loans
² Based on bank-only MIS data
³ Sector figures are based on bank-only BRSA weekly data

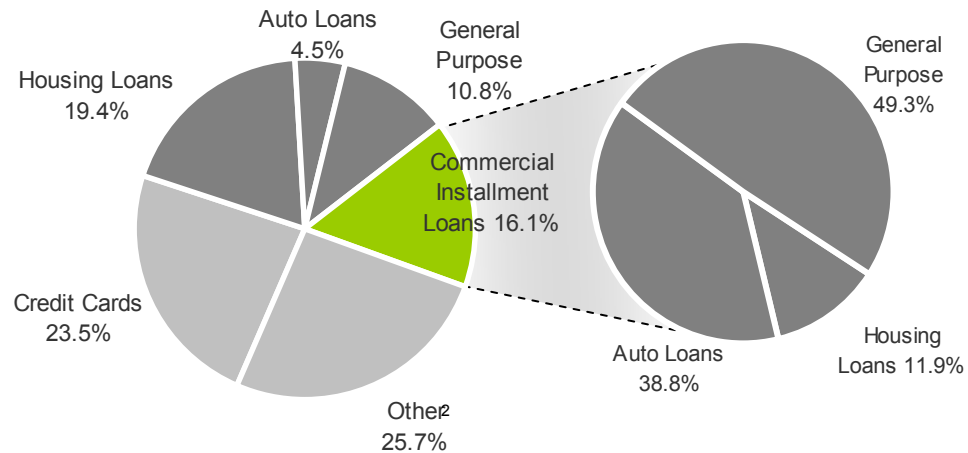
Solid loan growth in both TL and FC

TL Loans¹

YTL Billion

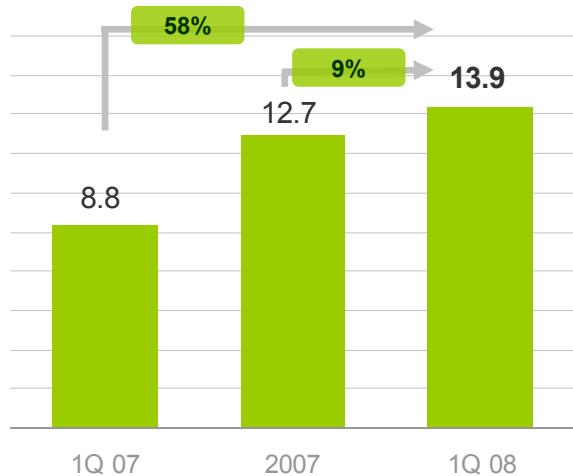


TL Loan Composition



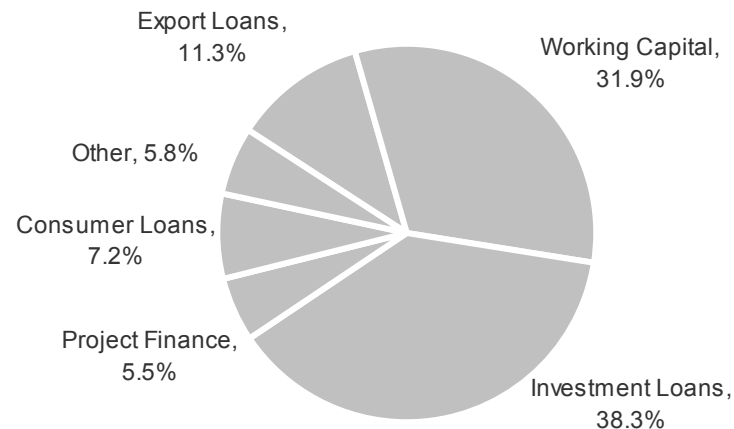
FC Loans¹

US\$ Billion



FC Loan Composition³

(excluding accrued interest)

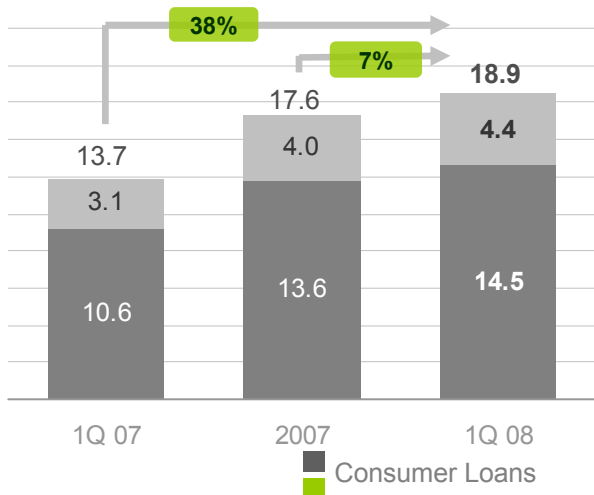


¹ Performing cash loans
² Includes commercial and retail overdraft
³ Based on bank-only MIS data

Strong retail loan growth momentum

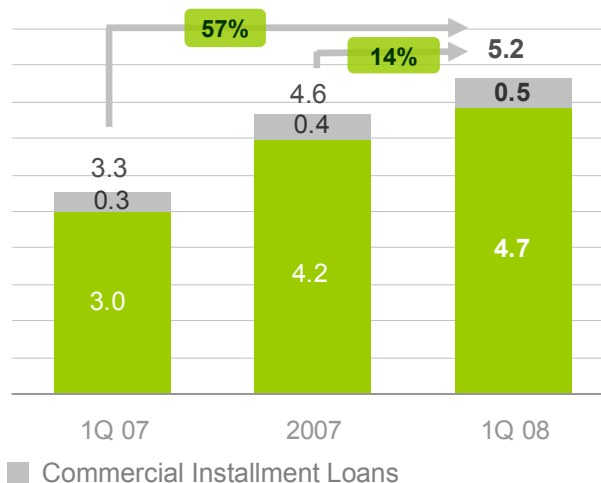
Retail Loans¹

YTL Billion



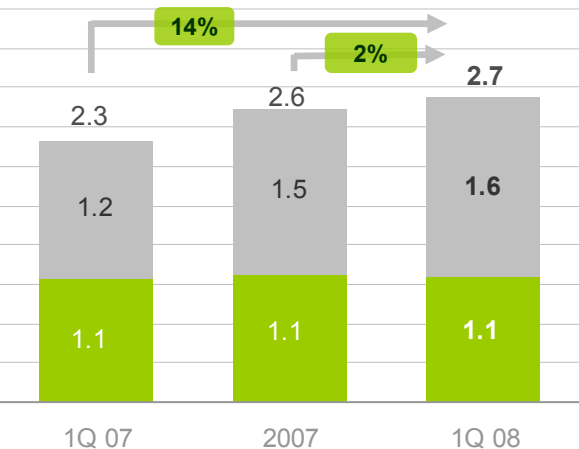
Housing Loan Growth

YTL Billion



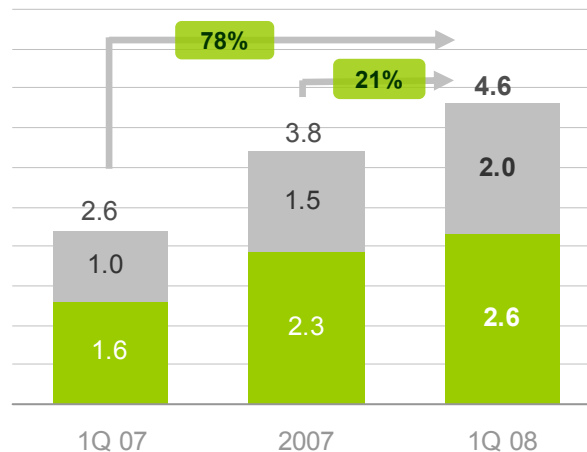
Auto Loan Growth

YTL Billion



General Purpose Growth

YTL Billion



*Outperformed sector
in key consumer
product categories*

Market Shares^{2,3}

	YTD Δ		1Q 08
Housing	+20 bps	↑	14.0%
Auto	+10 bps	↑	16.5%
General Purpose	+80 bps	↑	10.1%
Retail ¹	+10 bps	↑	13.9%

¹ Including consumer, commercial installment, overdraft accounts, credit cards and other

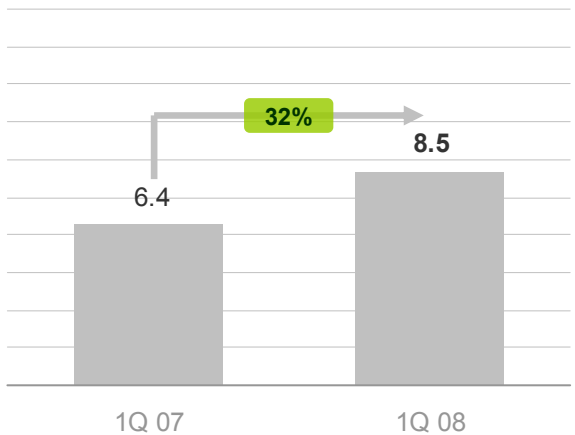
² Including consumer and commercial installment loans,

³ Sector figures are based on bank-only BRSA weekly data

Leadership position in card business

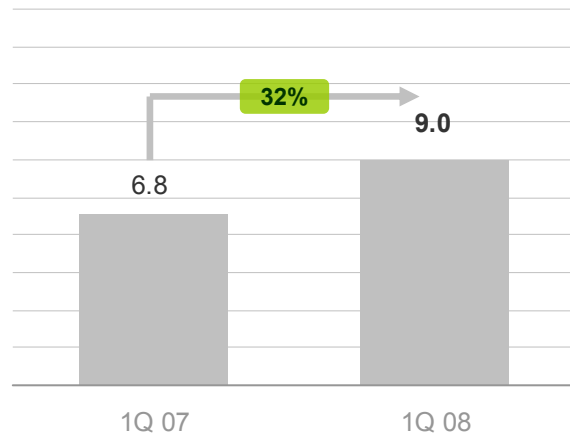
Issuing Volume

YTL Billion



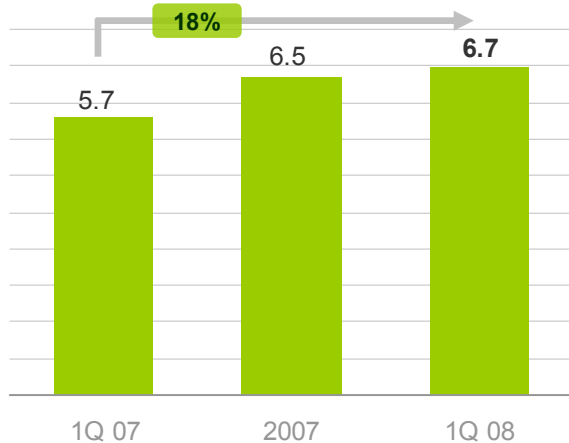
Acquiring Volume

YTL Billion



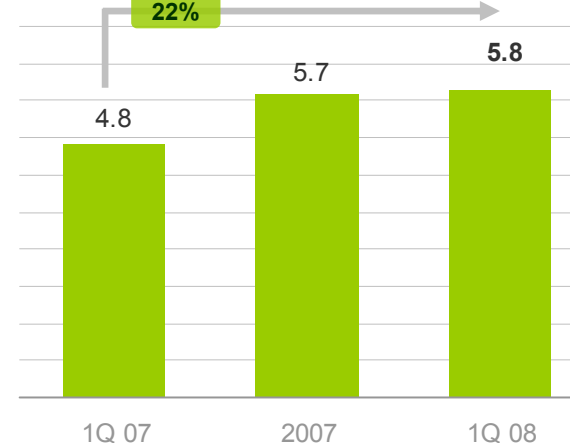
No. Of Credit Cards

In Million



Credit Card Balances

YTL Billion



#1 in
Acquiring Volume
Strong #2 in
Issuing Volume

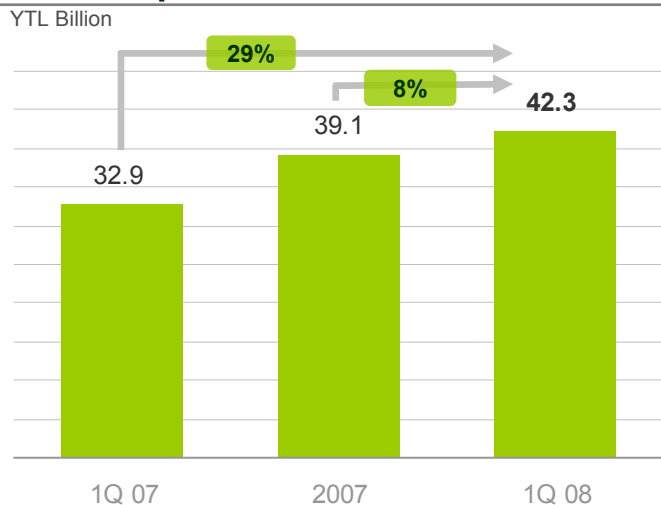


Market Shares

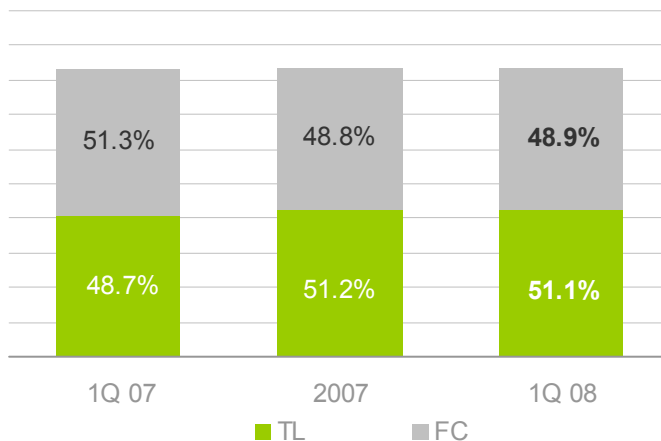
	YTD Δ		1Q 08
Acquiring	-90 bps	⬇️	22.1%
Issuing	-50 bps	⬇️	21.0%
Credit Cards	0 bps	▬	17.4%
POS ¹	-30 bps	⬇️	19.0%
ATM	+20 bps	⬆️	10.0%

Although diversified, still deposit heavy funding mix

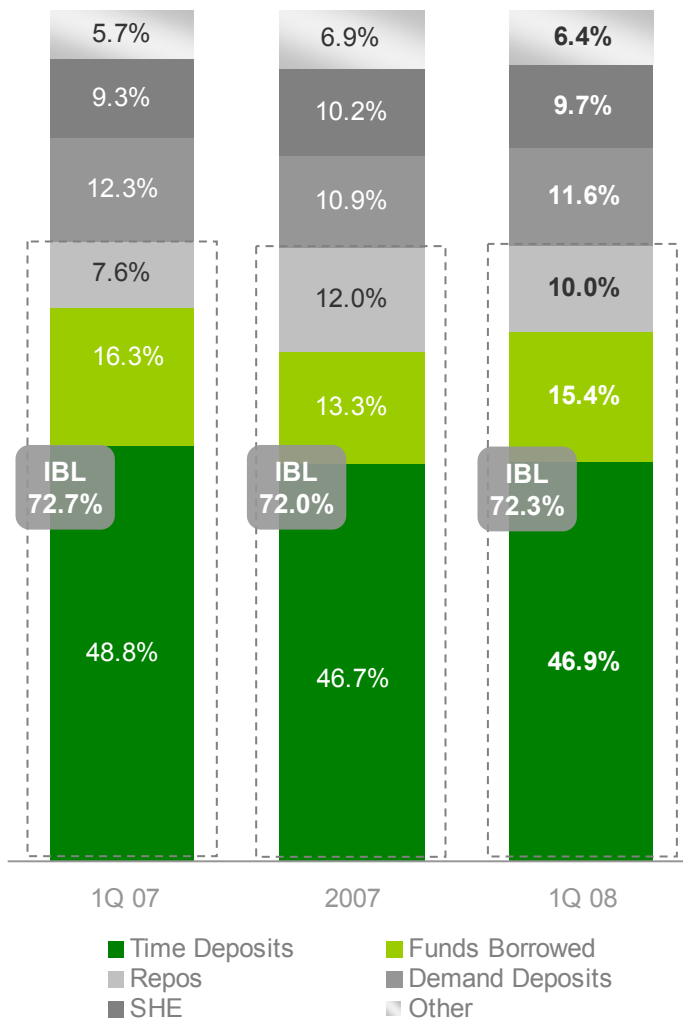
Total Deposits



Deposits – TL/FC Mix



Composition of Liabilities



Deposits / Assets

59%

Deposit Growth:
Y-o-Y

TL

35%

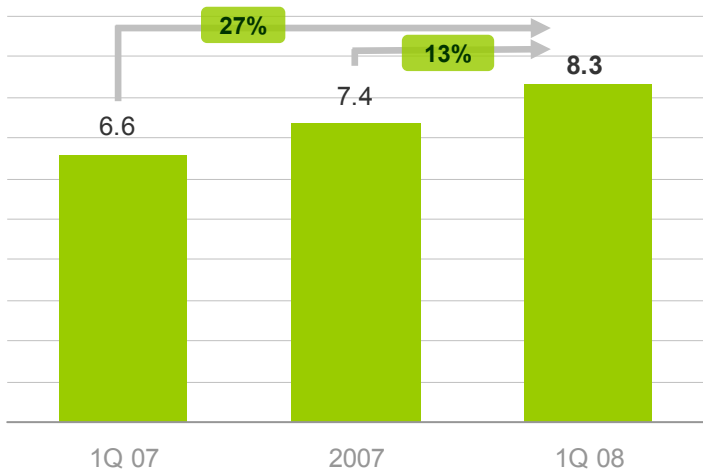
FC¹

30%

Focused growth in demand deposits, benefits funding costs

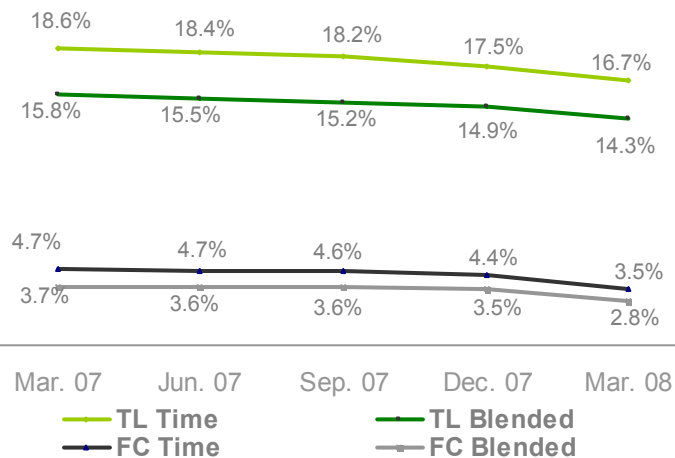
Demand Deposits

YTL Billion



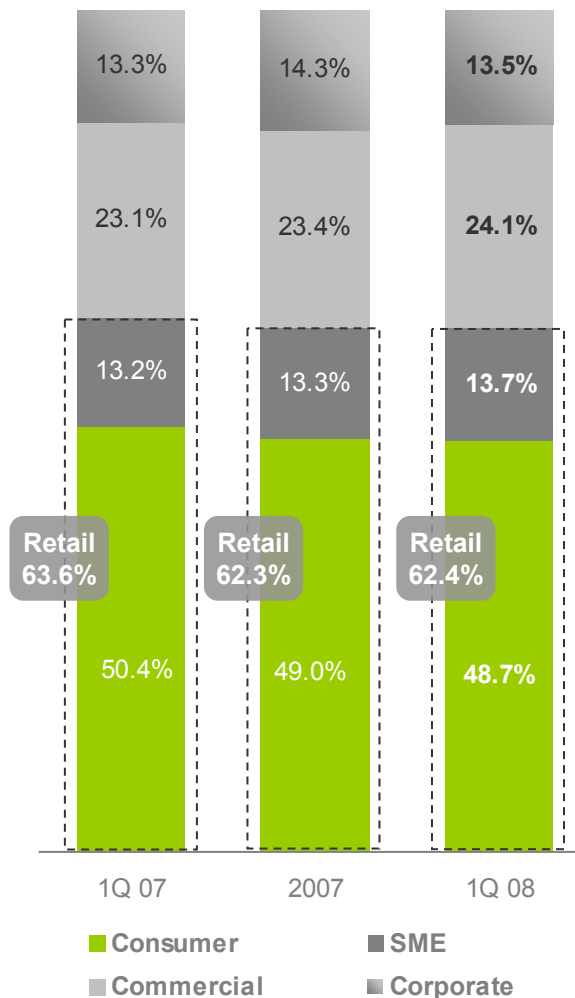
Cost of Deposits¹

Quarterly Averages



Deposits by LOB¹

(excluding bank deposits)



Demand / Total Deposits

20%

Demand Deposit Market Share²

14.2%

Represents 110 bps increase in YTD market share

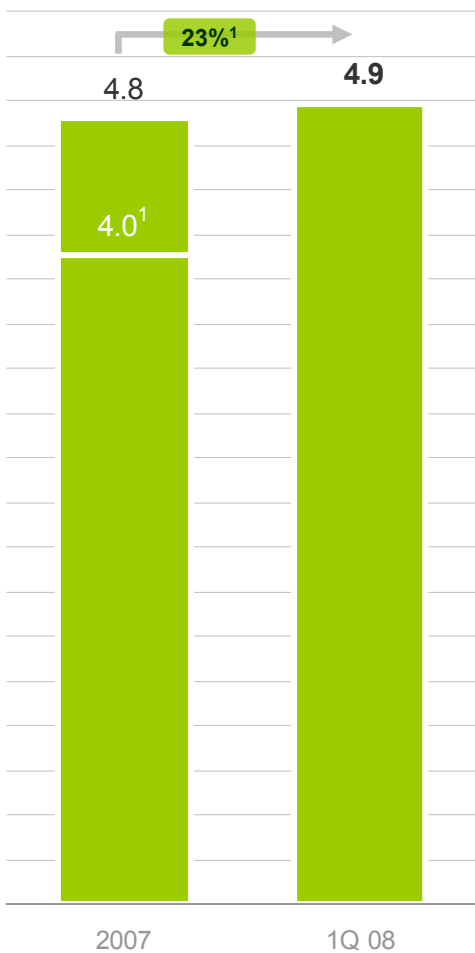
¹ Based on bank-only MIS data

² Sector figures are per BRSA weekly data. Excluding bank deposits.

Solid capital base and adequacy levels

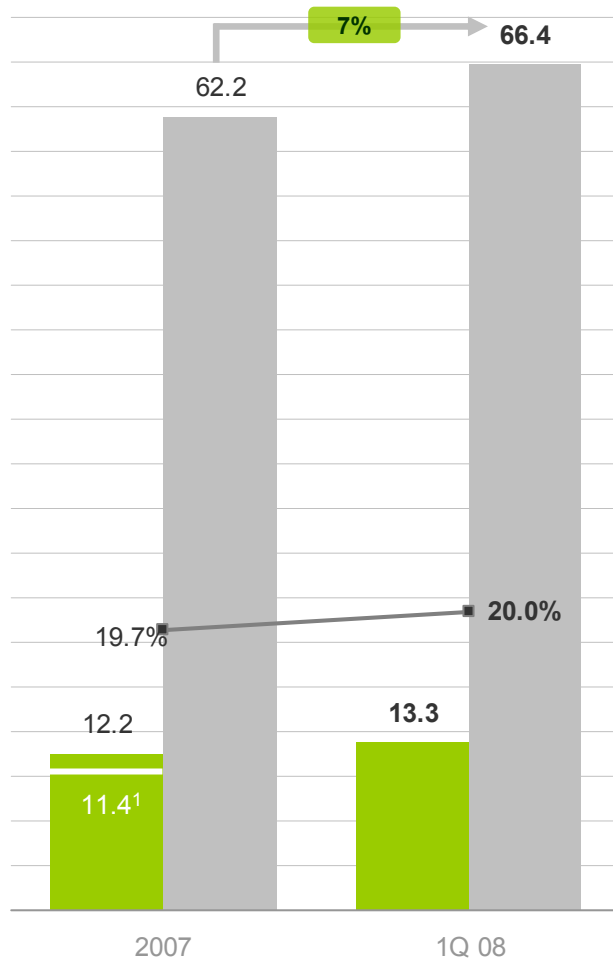
Free Equity

YTL Billion



Free Funds² / IEAs

YTL Billion



Free Funds
IEAs
Free Funds / IEAs

YTD Growth in Free Funds

YTL *1.1 bn*

	CAR
1Q 08	14.1%
2007	15.3%
1Q 07	15.3%

Major Effects ³ on CAR	
Securities AFS portfolio effect	(45bps)
Non-cash loan effect	(87bps)
Operational risk effect	(39bps)
Unutilized limits	79bps
Booking of tax return	25bps

¹ Calculation excludes one-off gains from insurance and pension & life business subsidiaries stake sale amounting to YTL 724 mn (post-tax) and one-off gains from custody sale amounting to YTL 112 mn (post-tax)

² Free Funds : Free equity + demand deposits

³ Major effects on CAR on day 1 of realization

Expanding Interest Income

(YTL Million)	1Q 07	1Q 08	Growth
Net Interest Income	627	770	23%
Net FX Gain / Loss	(7)	(8)	7%
Provisions for loans and securities	(73)	(121)	65%
Adjusted Net Interest Income	547	641	17%

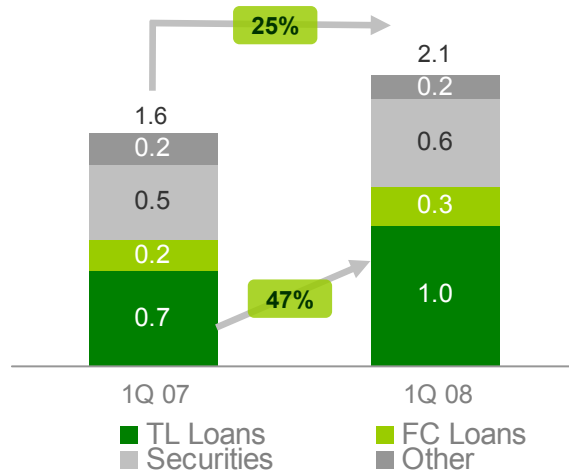
Adjusted NII Growth



17%

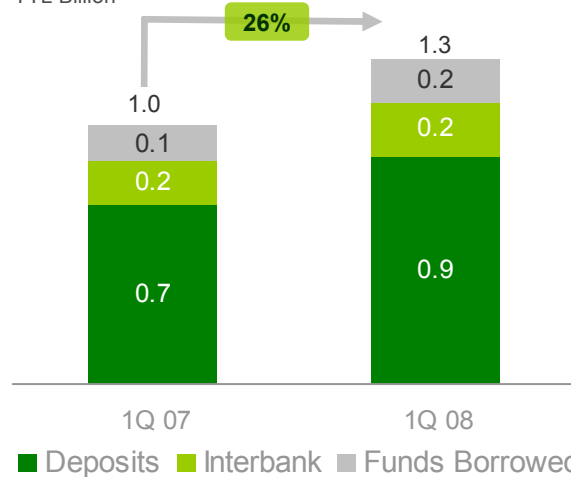
Interest Income

YTL Billion



Interest Expense

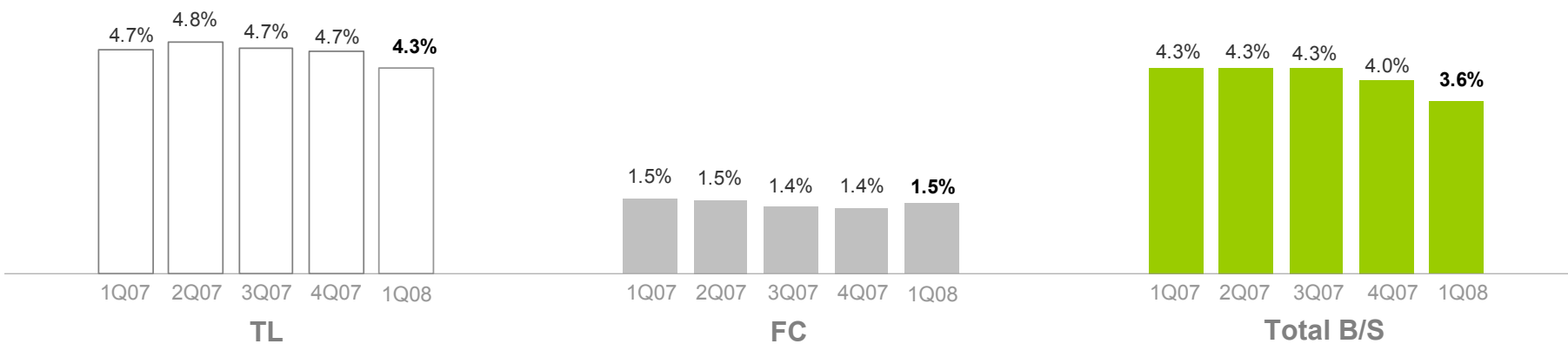
YTL Billion



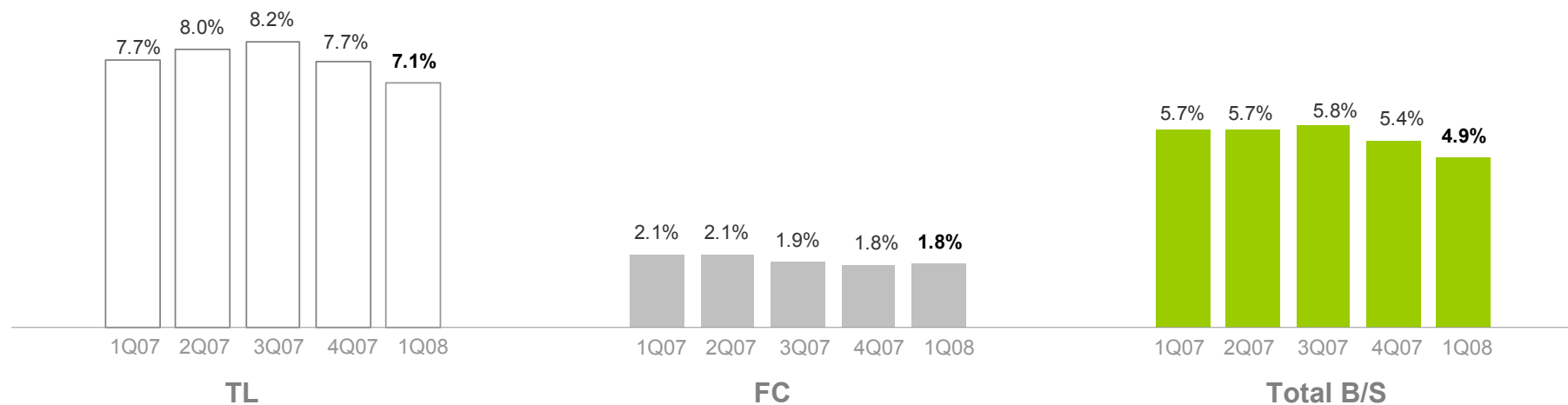
*Largest contributor:
Interest income
on TL loans*

Quarterly Margins and Spreads

Spreads



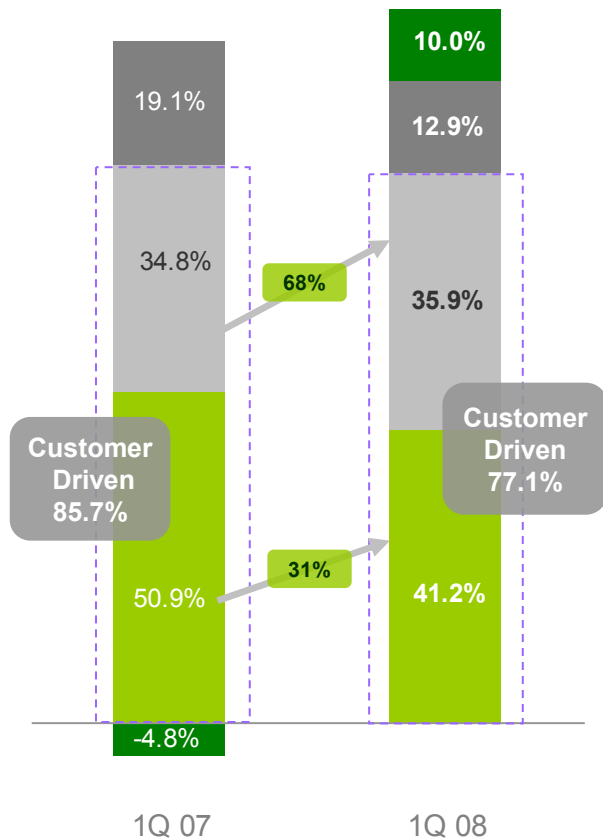
Margins



•Based on bank-only and MIS data & all figures are quarterly averages
 •Spread: Interest income on IEAs minus interest *expense on IBLs.
 •Margin: Interest rate margin between total assets and liabilities including non-IEAs and non-IBLs.

Consistently growing trend of sustainable income sources

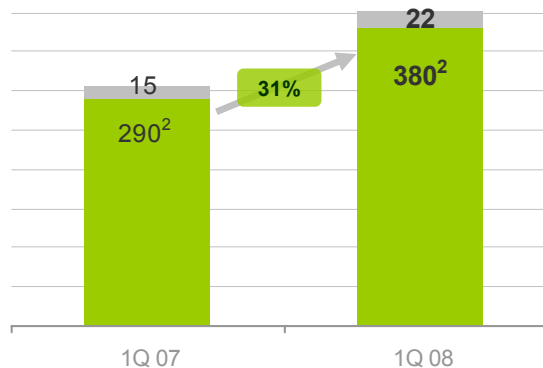
Ordinary Banking Income¹



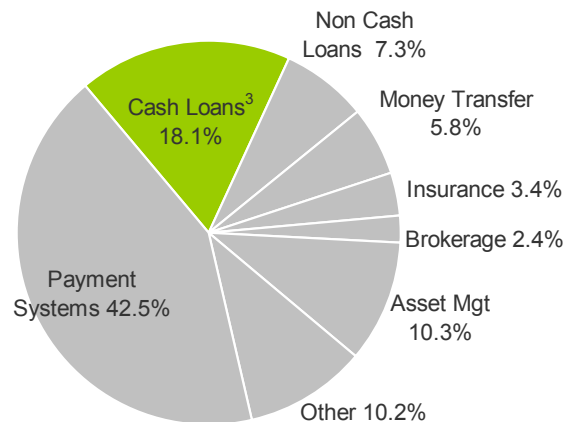
■ Net Fees & Comm. ■ Adjusted NII (Loans)
 ■ Adjusted NII (Sec.) ■ Net Trading Income

Net Fees & Commissions²

YTL Million



Net Fees & Commissions



46%

**Customer Driven
 Income Growth**
 Y-o-Y

¹ Based on bank-only MIS data
² As per new BRSA classification in P/L, excludes net fees and commissions received from cash loans.
³ Include consumer loans fees as well as other cash loan fees now classified as interest on loans in income statement

High Earnings Growth

<i>(YTL Million)</i>	1Q 2007	1Q 2008	Growth
Ordinary Banking Income	807	1,118	38.5%
Other Income¹	60	185	209.6%
Total Revenue	867	1,303	50.3%
Operating Expense	(384)	(585)	52.5%
<i>Personnel Expense</i>	(143)	(197)	37.7%
<i>Bonus Provision</i>	(31)	(98)	216.9%
<i>Rent Expense</i>	(18)	(23)	28.5%
<i>Communication Expense</i>	(22)	(30)	38.3%
<i>Other</i>	(170)	(237)	39.2%
Operating Income	483	718	48.5%
Other Provisions²	(1)	(133)	n.M
Taxes¹	(105)	(132)	25.6%
Net Income	377	453	20.0%

132



Net Branch Additions
Y-o-Y

>3,000

New Employees
Y-o-Y

>800

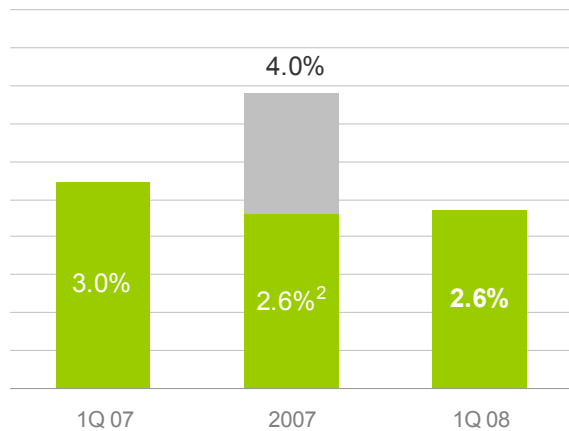
New Employees
YTD

¹ Includes one-off gains from tax return amounting to YTL 131 mn.

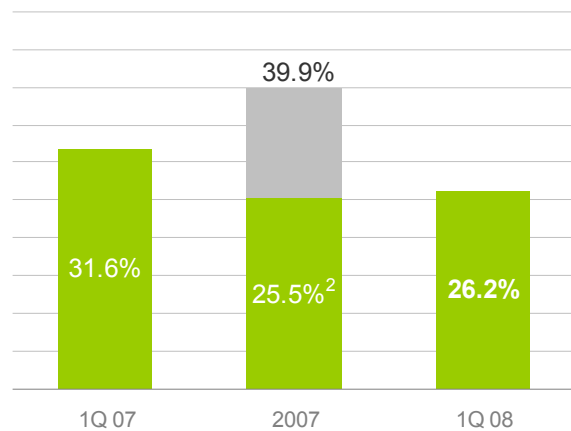
² Other provisions include "Impairment Losses on Associates, Subsidiaries", "Provision for Possible Losses" and "Other provisions". Other provisions in 1Q 08 includes free provision of YTL 131 mn.

Sustained High Profitability Levels

ROAA¹



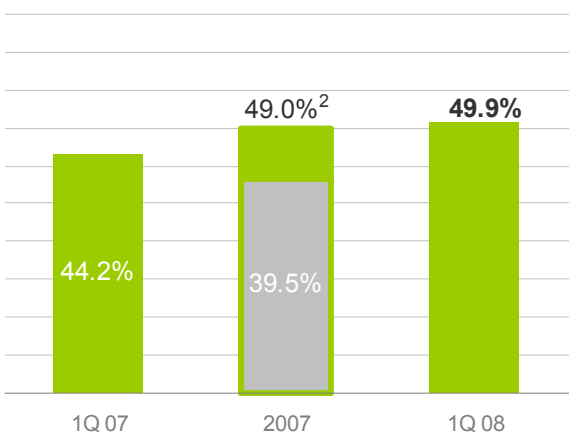
ROAE¹



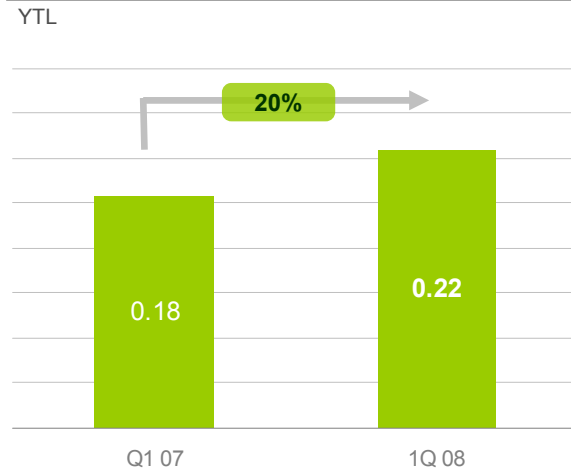
ROAE

 26%

Cost / Income



EPS



*Despite the net addition of **41** branches ytd and increased costs related to bonus payments, high profitability levels maintained.*

¹ ROAA and ROAE are calculated on quarterly averages of assets and equity, respectively

² Excludes one-off gains from insurance and pension & life business subsidiaries stake sale amounting to YTL 724 mn (post-tax) and one-off gains from custody sale amounting to YTL 112 mn (post-tax).

Appendix

Quarterly Analysis of Ordinary Banking Income

<i>(YTL Thousand)</i>	1Q 07	2Q 07	3Q 07	4Q 07	1Q 08	Δ (1Q 07-1Q 08)	Δ (4Q07-1Q 08)
Interest Income	1,642,673	1,711,607	1,867,614	1,994,712	2,050,565	24.8%	2.8%
-Loans	891,804	1,008,751	1,143,386	1,210,509	1,272,858	42.7%	5.2%
-Securities	534,543	529,243	544,361	606,426	609,536	14.0%	0.5%
-Other	216,326	173,613	179,867	177,777	168,171	(22.3)%	(5.4)%
Interest Expense	(1,015,657)	(1,043,250)	(1,121,266)	(1,232,330)	(1,280,494)	26.1%	3.9%
-Deposits	(707,326)	(725,998)	(764,116)	(876,121)	(888,501)	25.6%	1.4%
-Funds Borrowed	(140,348)	(135,160)	(180,027)	(163,198)	(174,793)	24.5%	7.1%
-Interbank & Other	(167,983)	(182,092)	(177,123)	(193,011)	(217,200)	29.3%	12.5%
Net Interest Income	627,016	668,357	746,348	762,382	770,071	22.8%	1.0%
Prov. for loans & securities	(73,394)	(74,897)	(71,438)	(96,568)	(121,213)	65.2%	25.5%
Net FX Gain/(Loss)	(7,408)	246	(58,248)	602	(7,893)	6.5%	n.m.
Adj. Net Interest Income	546,214	593,706	616,662	666,416	640,965	17.3%	(3.8)%
Net Fees and Comm.	290,228	295,249	309,378	302,848	379,508	30.8%	25.3%
Net trading Income/(loss)	(29,013)	(14,827)	(7,321)	(19,935)	97,683	(436.7)%	n.m.
Ordinary Banking Income	807,429	874,128	918,719	949,329	1,118,156	38.5%	17.8%

Balance Sheet - Summary

<i>(YTL Million)</i>		2007	1Q 08	% YTD Change
Assets	Cash & Banks¹	10,361	9,138	(11.8)%
	Securities	17,142	16,547	(3.5)%
	Performing Loans	36,911	42,797	15.9%
	Fixed Assets & Subsidiaries	1,626	1,654	1.7%
	Other	1,538	1,845	20.0%
	Total Assets	67,578	71,981	6.5%
	Liabilities & SHE	Deposits	39,098	42,302
Repos		8,177	7,253	(11.3)%
Borrowings		9,155	11,205	22.4%
Other		4,265	4,208	(1.3)%
SHE		6,883	7,013	1.9%
Total Liabilities & SHE		67,578	71,981	6.5%

¹ Includes banks and other financial institutions



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