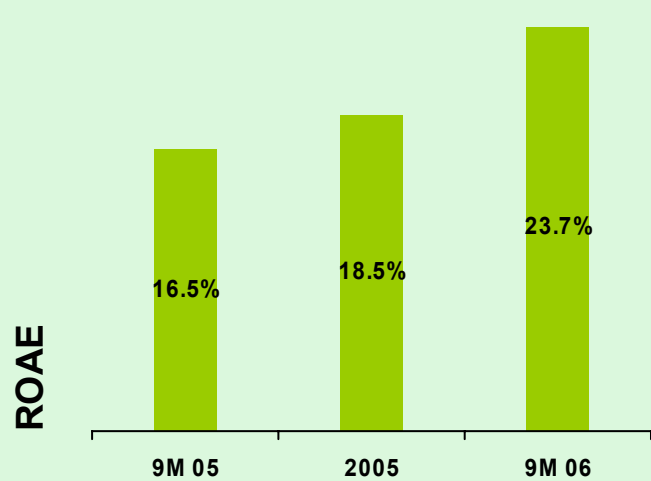


Net income  
up by 88.4%  
y-o-y due to  
solid organic  
growth

- Total **asset growth** was **31.0%** YTD reaching **54.0 Billion YTL** on a consolidated basis as of 9M 2006
- Net cash **loans** increased by 53.7%, constituting **54.7% of total assets**
- TL loans increased by 49.9% in 9M 2006, reaching 15.0 Billion YTL while FC loans increased by 42.2% in US\$ terms, reaching 9.8 Billion US\$ as of 9M 2006
- **NPL** ratio improved to **2.1%** as of 9M 2006 as a result of recoveries and write-offs
- YTD total **deposits** were up by **27.9%**
- Total **operating income** reduced by fx losses and monetary losses expanded by 7.8% on a consolidated basis over the same period in 2005, reaching **2,535 Million YTL**
- **Income from operations**<sup>1</sup> on a consolidated basis reached 1,279 Million YTL, an **increase of 18.8%** over 9M 2005
- **Net income** increased by **88.4%** in 9M 2006 over 9M 2005, reaching **868 Million YTL**
- **ROAA and ROAE** strengthened to **2.43%** and **23.7%**, respectively, on an annualized basis as of 9M 2006
- Cost / Income improved to 47.2% in the third quarter of 2006

# Profitability – Sustainable & Consistent Growth

IFRS Consolidated



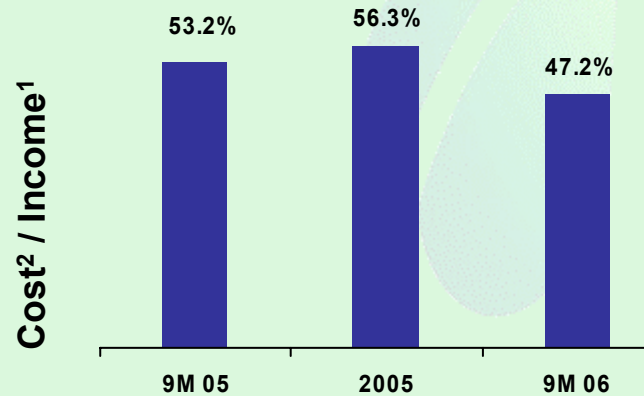
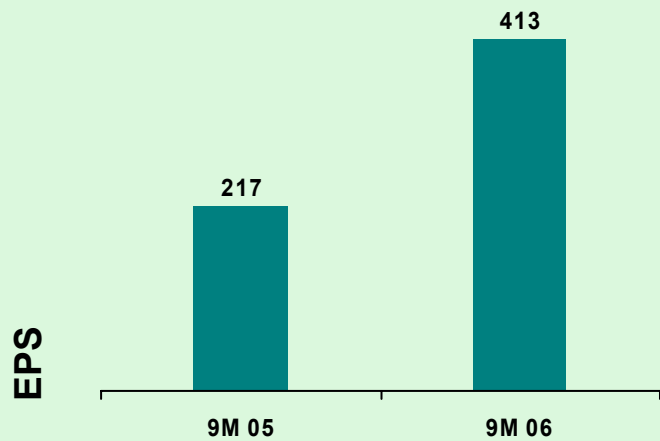
YTD Profitability improved:

ROAE by 520 bps

ROAA by 52 bps and

cost/income ratio by

910 bps



<sup>1</sup> Adjusted to exclude Retail (Tansaş) in 2005 & 9M05

<sup>2</sup> Excludes depreciation and amortization, provision for severance payment, impairment, fx loss

# Balance Sheet - Summary

IFRS Consolidated

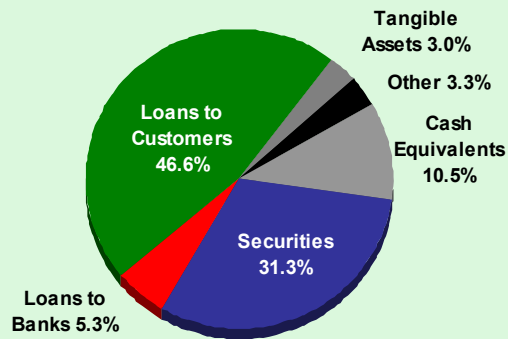
<i>(YTL Million)</i>		2005	9M 06	% Change
<b>Assets</b>	Cash & Banks	6,520	6,766	3.8%
	Securities	12,891	15,066	16.9%
	Loans to Customers	19,207	29,519	53.7%
	Tangible Assets	1,219	1,159	(4.9%)
	Other	1,361	1,452	6.7%
	<b>Total Assets</b>	<b>41,198</b>	<b>53,962</b>	<b>31.0%</b>
	<b>Liabilities and SHE</b>	Deposits from Customers	24,525	30,684
Deposits from Banks		1,060	2,037	92.2%
Repo Obligations		2,340	4,581	95.8%
Funds Borrowed		6,689	9,210	37.7%
Other		2,552	2,869	12.4%
SHE		4,032	4,581	13.6%
<b>Total Liabilities &amp; SHE</b>		<b>41,198</b>	<b>53,962</b>	<b>31.0%</b>

# Balance Sheet Composition & IEA vs IBL

IFRS Consolidated

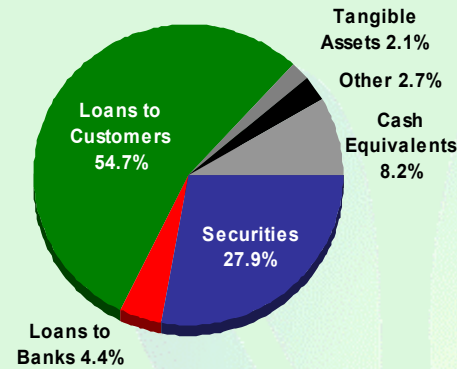
## Asset Composition

2005



IEA 85.7%

9M 06



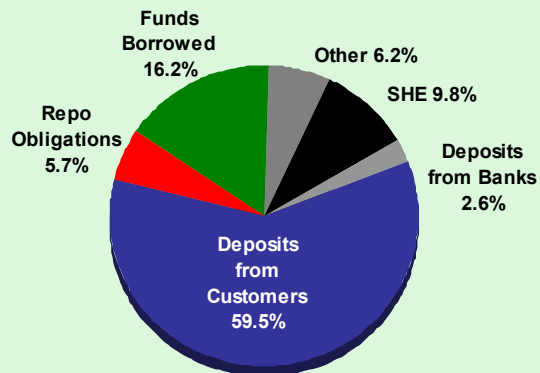
IEA 88.5%

Total assets increased to 54.0 Billion YTL in 9M 06 (36.5 Billion US\$).

Loans to customers (net cash loans) increased by 53.7%, bringing its share in total assets up to 54.7% in 9M 06 from 46.6% at YE 2005.

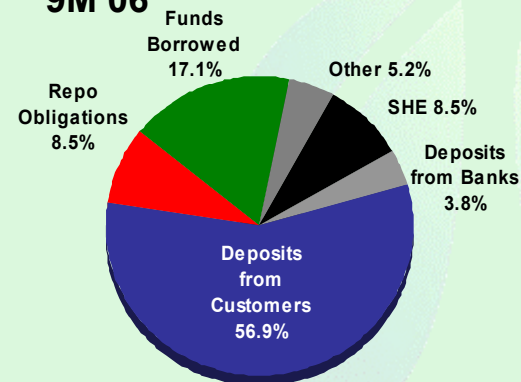
## Liability & SHE Composition

2005



IBL 67.3%

9M 06



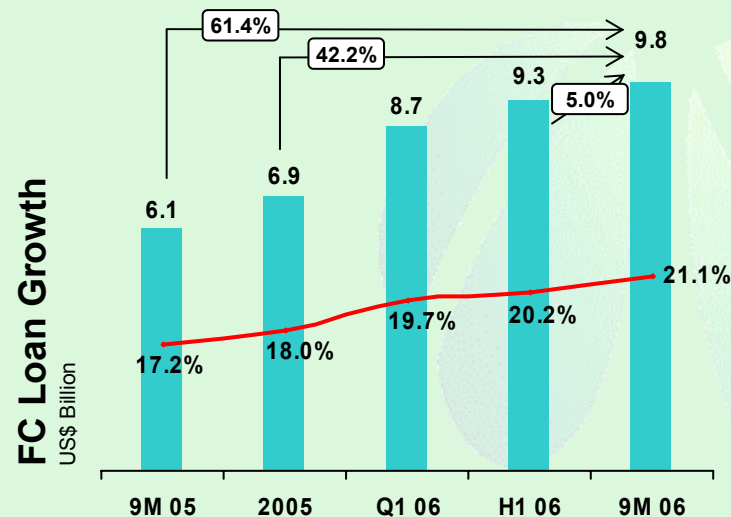
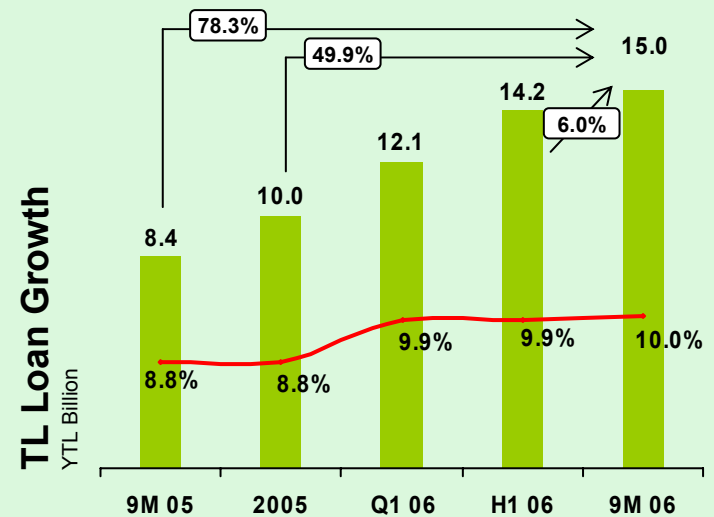
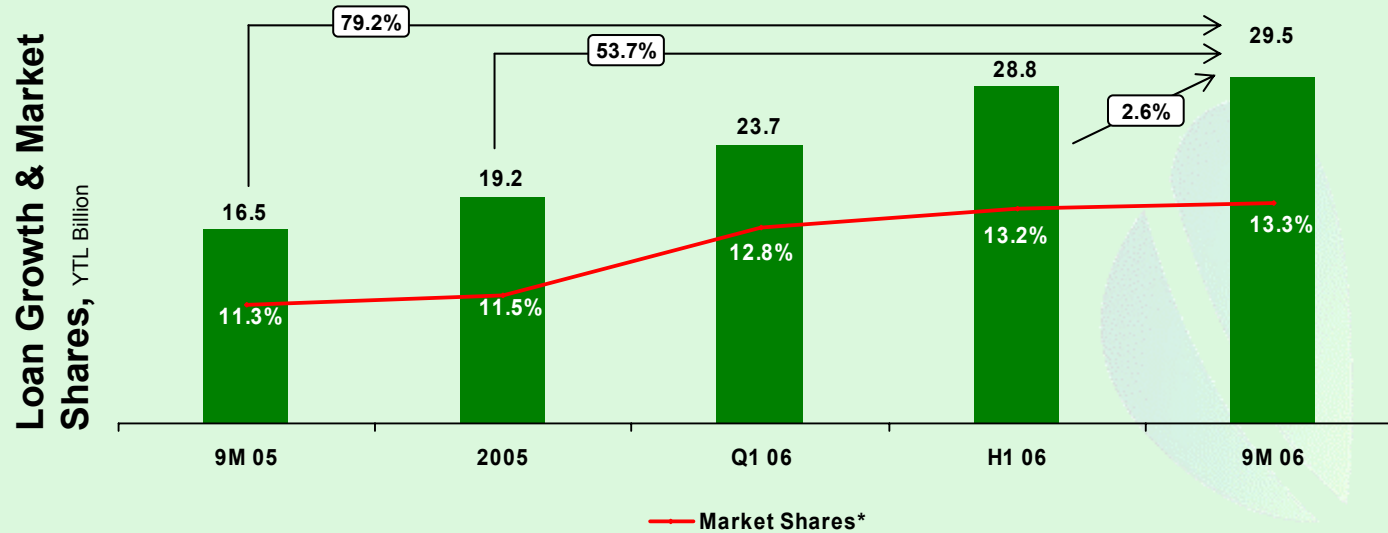
IBL 70.5%

Share of deposits from customers in total liabilities and shareholders' equity was 56.9% as of 9M 06.

Share of repo obligations & funds borrowed increased from 21.9% to 25.6% as of 9M 06.

# Loans - Growth & Currency Composition

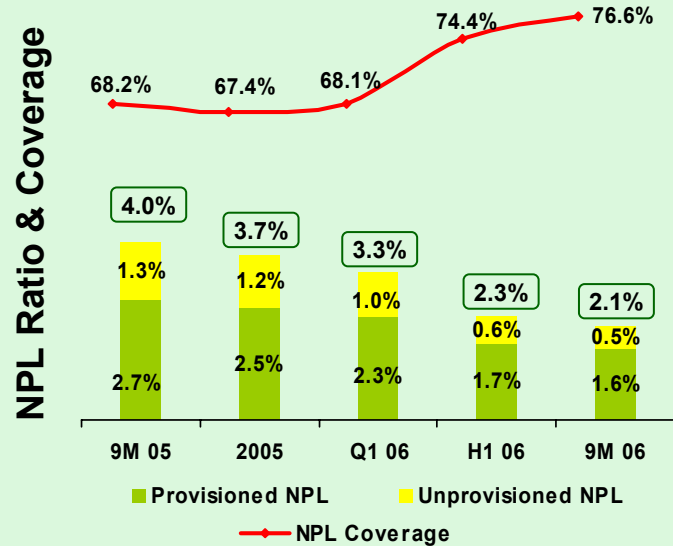
IFRS Consolidated



As of 9M 06, total loan growth YTD was 53.7% to reach 29.5 Billion YTL. TL loans increased by 49.9% YTD reaching 15.0 Billion YTL while FC loans increased by 42.2% in US\$ terms, reaching 9.8 Billion US\$ as of 9M 2006. TL loans compose 50.9% of total loans as of 9M 06.

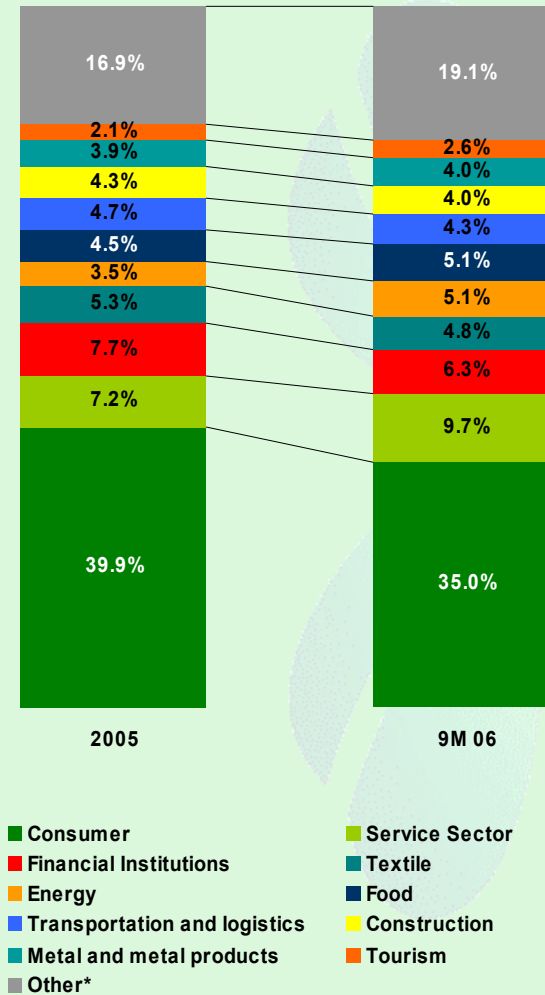
# Improving Loan Quality & Well-Diversified Portfolio

IFRS Consolidated



Asset Quality	2005	9M 06
Secured Loans	64.5%	73.0%
Unsecured Loans	35.6%	27.0%

## Sectoral Loan Allocation



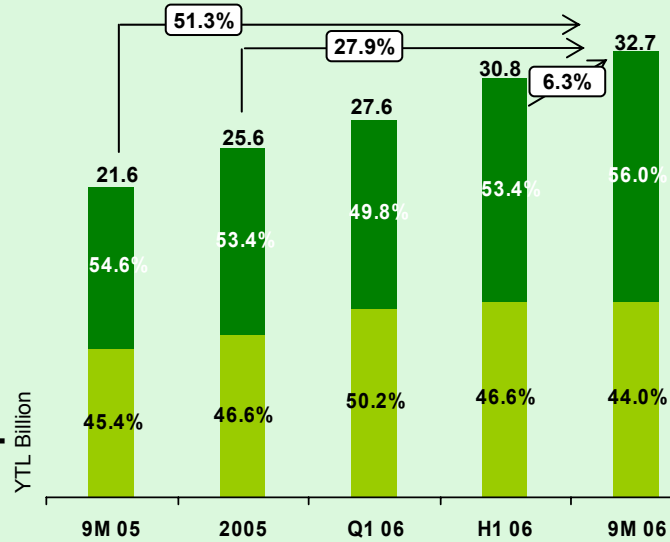
NPL ratio improved to 2.1% as of 9M 06, because of recoveries and write-offs. The coverage ratio increased 920 bps YTD mainly as a function of lower NPL.

The share of unsecured loans in total loans decreased to 27.0% as of 9M 06 from 35.6% at YE 2005. This was mainly due to declining share of credit cards in consumer loans.

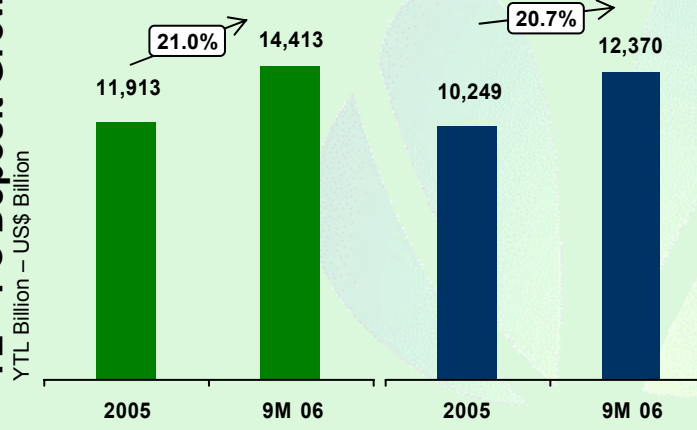
# Demand Deposit Growth Overweighs the Total Deposit Growth

IFRS Consolidated

Deposit Growth & TL/FC Mix

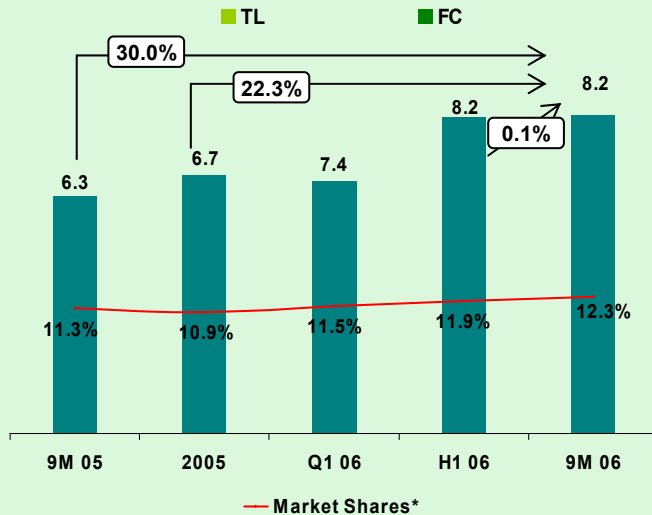


TL - FC Deposit Growth

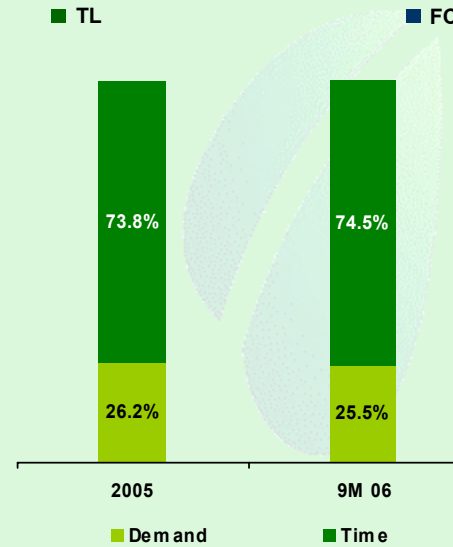


Main source of funding:  
Solid deposit base (60.6% of liabilities and SHE).  
YTD deposit growth 27.9% while the YTD demand deposit growth was 22.3%.

Demand Dep. Growth



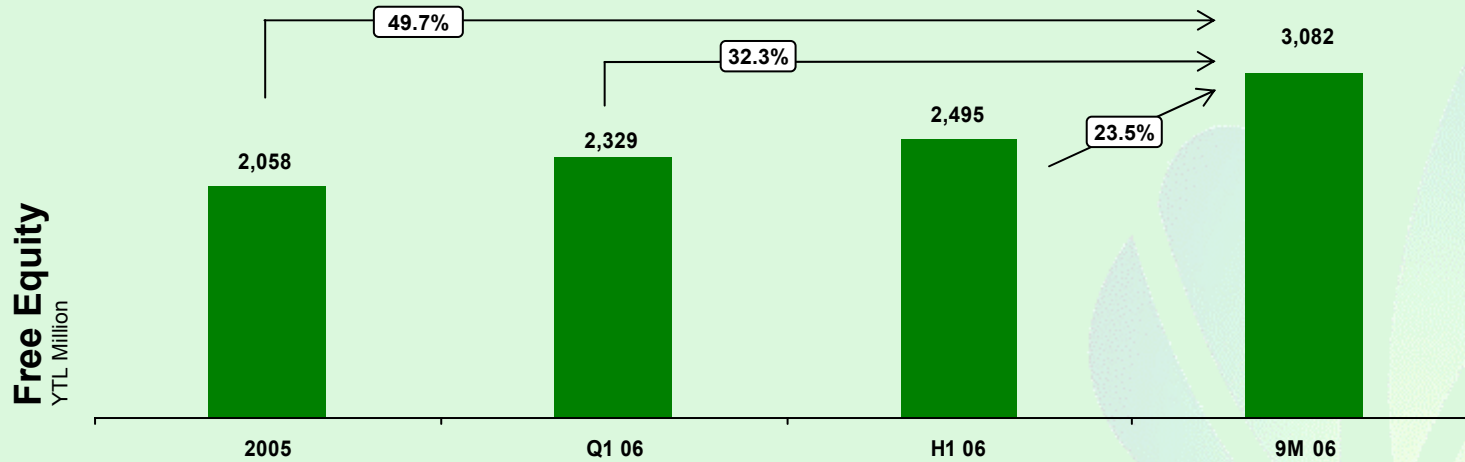
Customer Deposits Demand/Time Mix



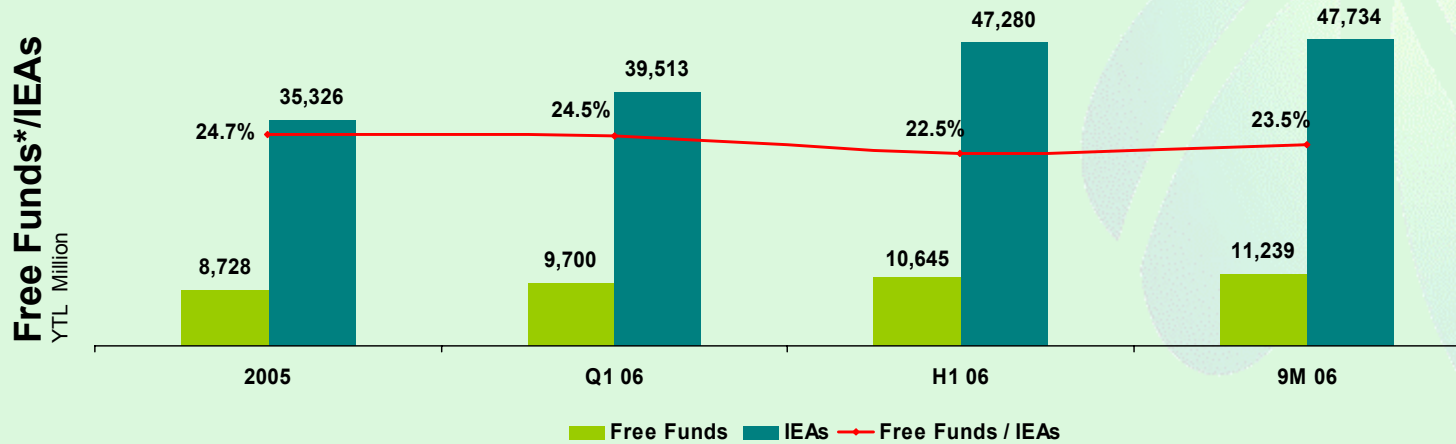


# Increasing Free Funds

IFRS Consolidated



Free equity increased by 49.7% YTD.



YTD growth of free funds was 28.8%. Free funds / IEAs stood at 23.5% level in the third quarter of 2006.

# Summary Income Statement

IFRS Consolidated

YTL Thousand	9M 05	9M 06	Change
Net Interest Inc.Adj.by FX & Monetary Gain/Loss	1,356,911	1,389,636	2.4%
Net Fees & Comm. Income	590,290	827,570	40.2%
Other Non-Interest Income	405,074	317,378	(21.6%)
<b>Total Operating Income<sup>1</sup></b>	<b><u>2,352,275</u></b>	<b><u>2,534,584</u></b>	<b><u>7.8%</u></b>
Operating Expenses	(1,276,382)	(1,255,958)	(1.6%)
<b>Operating Income<sup>2</sup></b>	<b><u>1,075,893</u></b>	<b><u>1,278,626</u></b>	<b><u>18.8%</u></b>
Impairment Losses	(393,631)	(199,966)	(49.2%)
Taxation Charge	(221,606)	(210,739)	(4.9%)
<b>Net Income</b>	<b><u>460,656</u></b>	<b><u>867,921</u></b>	<b><u>88.4%</u></b>

Compared to same period last year; total operating income increased by 7.8% on a consolidated basis, reaching 2,535 Million YTL.

Consolidated operating income was up by 18.8%.

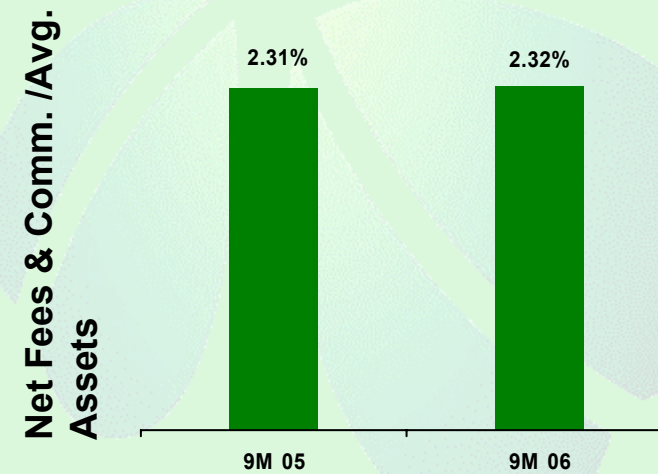
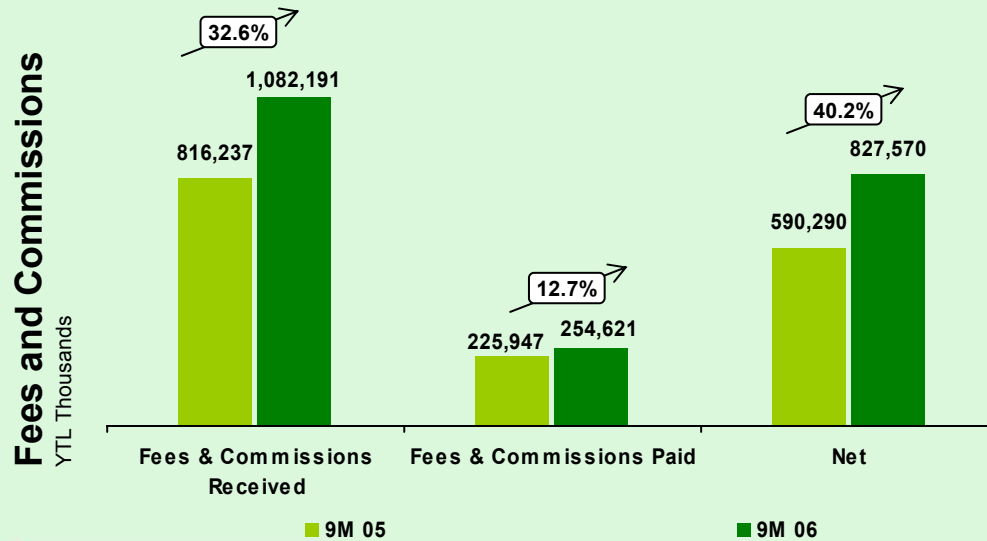
Net fees and commissions income increased by 40.2% as of 9M 06 on a consolidated basis.

Consolidated net income reached 868 Million YTL in 9M 06, reflecting an increase of 88.4%.

# Fee & Commission Income Growth

IFRS Consolidated

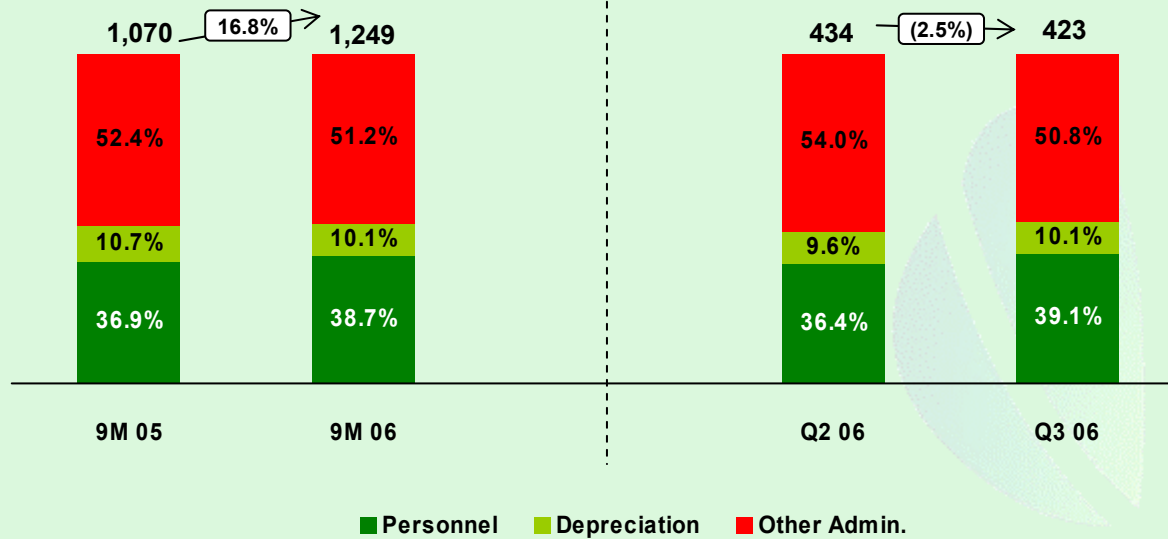
(YTL Thousand)	9M 05	9M 06	% Change	Q2 06	Q3 06	% Change
<b>Fees and Commissions, net</b>	590,290	827,570	40.2%	283,268	281,153	(0.7%)
<b>Trading Account Income, net</b>	15,266	87,712	474.6%	44,700	(171)	(100.4%)
<b>Retail</b>	223,744	-	n.m.	-	-	-
<b>Insurance</b>	114,675	182,647	59.3%	76,594	57,697	(24.7%)
<b>Other</b>	51,389	47,019	(8.5%)	12,534	24,112	92.4%
<b>Non-Interest Income (excl. FX Gain)</b>	995,364	1,144,948	15.0%	417,096	362,791	13.0%
<b>Non-Interest Income excl. Retail (Tansaş)</b>	771,620	1,144,948	48.4%	417,096	362,791	(13.0%)



# Effective Cost Management

IFRS Consolidated

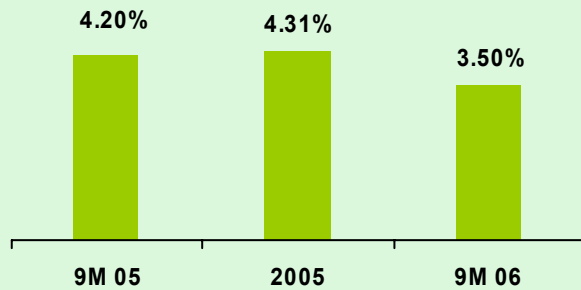
Non-Interest Expenses<sup>1</sup>  
YTL Million



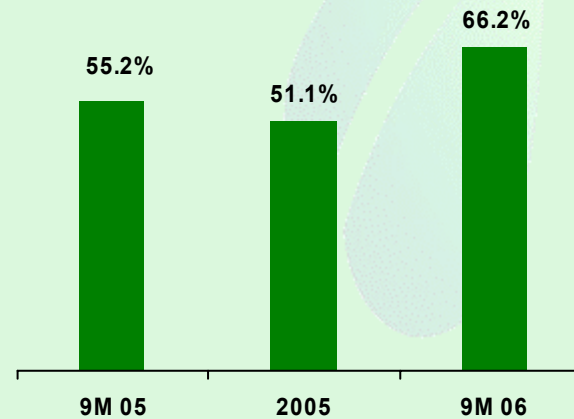
Operating expenses lowered by 2.5% on a quarterly basis.

Operating expense over average assets ratio improved by 81 bps from YE 2005 to the first nine months of 2006 at 3.5%.

Opex<sup>1</sup>/Avg. Assets<sup>1</sup>



Fees & Comm. /Opex<sup>1</sup>



Net fees and commissions cover 66.2% of operating expenses.



# GarantiBank

For further information please contact [investorrelations@garanti.com.tr](mailto:investorrelations@garanti.com.tr)