

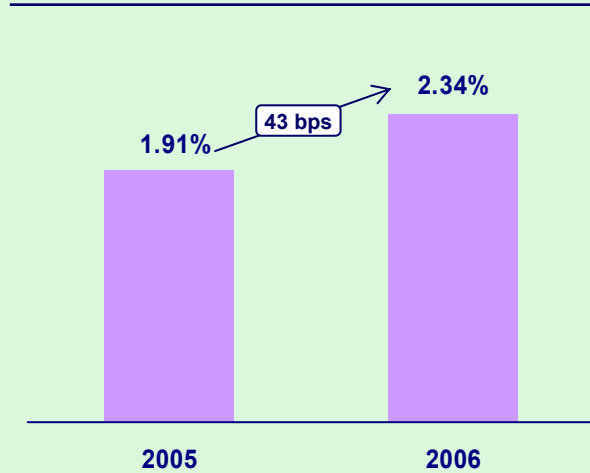
*Profits surged
65% with
consistent growth
in market shares
in all business
lines*

- Total **asset growth** was **38.8%** Y-o-Y reaching **57.1 Billion YTL** on a consolidated basis as of end of 2006
- Net cash **loans to customers** increased by 60.9%, constituting **54% of total assets**
- TL loans increased by 65.2% in 2006, reaching 16.4 Billion YTL while FC loans increased by 49.5% in US\$ terms, reaching 10.3 Billion US\$ as of YE 2006
- **NPL** ratio improved to **2.1%** as of 2006 as a result of recoveries and write-offs
- Y-o-Y **deposits from customers** were **up** by **31.7%**
- Total **operating income** reduced by fx losses and monetary losses expanded by 7.4% on a consolidated basis over the same period in 2005, reaching **3,452 Million YTL**
- **Income from operations**¹ on a consolidated basis reached 1,404 Million YTL, an **increase of 17.7%** over YE 2005
- **Net income** increased by **64.7%** in 2006 over 2005, reaching **1,149.5 Million YTL**
- **ROAA and ROAE** strengthened to **2.34%** and **25.6%**, respectively, as of 2006
- **Cost / Income** improved to **49.4%** in 2006, compared to 56.3% in 2005

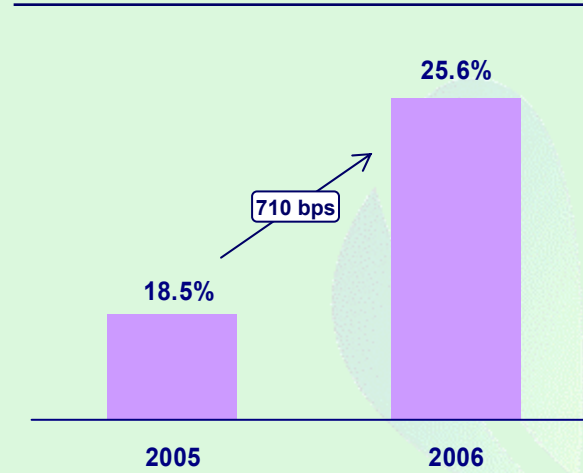
Profitability – Consistent Growth

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ROAA



ROAE

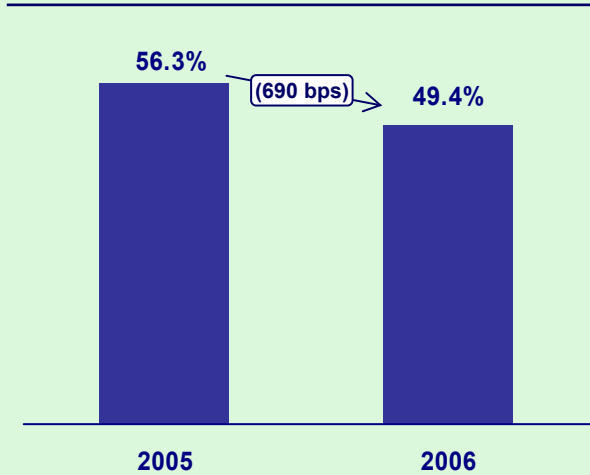


In 2006, profitability improved:

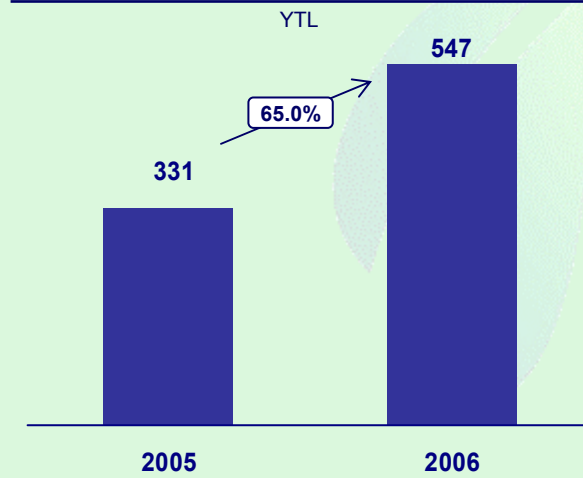
ROAE by 710 bps

ROAA by 43 bps and cost/income ratio by 690 bps

Cost² / Income¹



EPS



¹ Adjusted to exclude Retail (Tansaş) in 2005

² Excludes depreciation and amortization, provision for severance payment, impairment, fx loss

Balance Sheet - Summary

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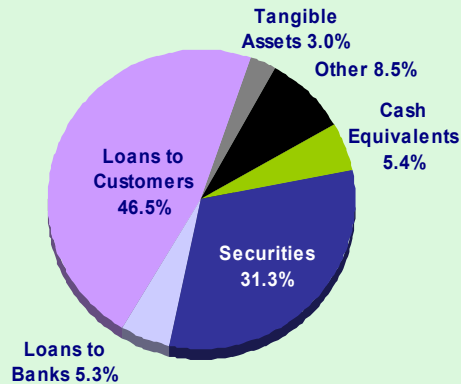
<i>(YTL Million)</i>		2005	2006	% Change
Assets	Cash & Banks	4,400	4,989	13.4%
	Securities	12,891	15,987	24.0%
	Loans to Customers	19,142	30,804	60.9%
	Tangible Assets	1,219	1,079	(11.5%)
	Other	3,482	4,234	21.6%
	Total Assets	41,134	57,093	38.8%
	Liabilities and SHE	Deposits from Customers	24,525	32,295
Deposits from Banks		1,060	1,574	48.5%
Repo Obligations		2,340	5,296	126.3%
Funds Borrowed		6,674	9,650	44.6%
Other		2,503	3,338	33.4%
SHE		4,032	4,940	22.5%
Total Liabilities & SHE		41,134	57,093	38.8%

Balance Sheet Composition & IEA vs IBL

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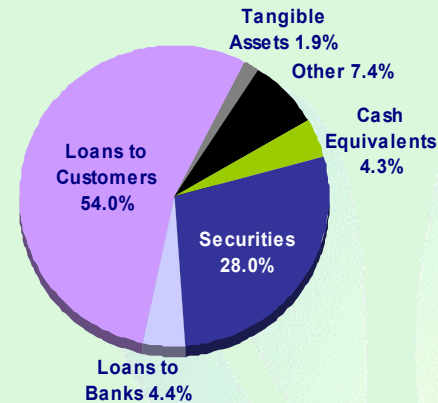
Asset Composition

2005



IEA 85.9%

2006



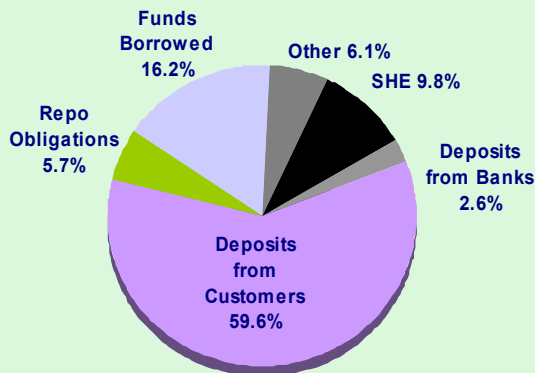
IEA 88.8%

Total assets increased to 57.1 billion YTL as of end of 2006 (40.9 billion US\$).

Loans to customers (net cash loans) increased by 60.9%, bringing its share in total assets up to 54.0% at YE 2006 from 46.5% in 2005.

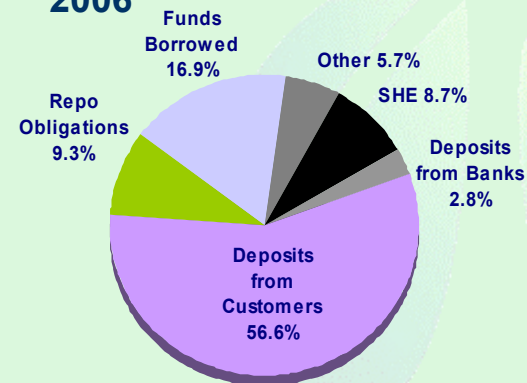
Liability & SHE Composition

2005



IBL 67.3%

2006



IBL 71.0%

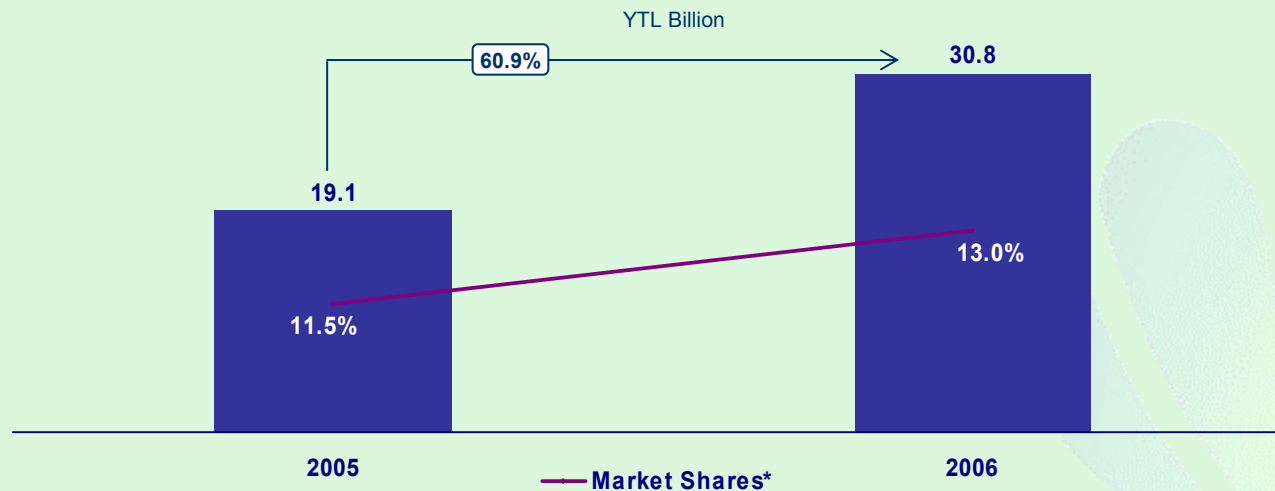
Share of deposits from customers in total liabilities and shareholders' equity was 56.6% at YE 2006.

Share of repo obligations & funds borrowed increased from 21.9% in 2005 to 26.2% in 2006.

Loans - Growth & Currency Composition

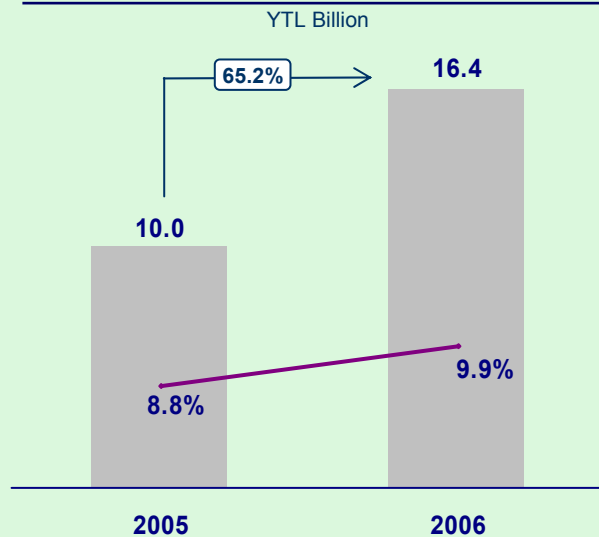
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Loan Growth & Market Shares

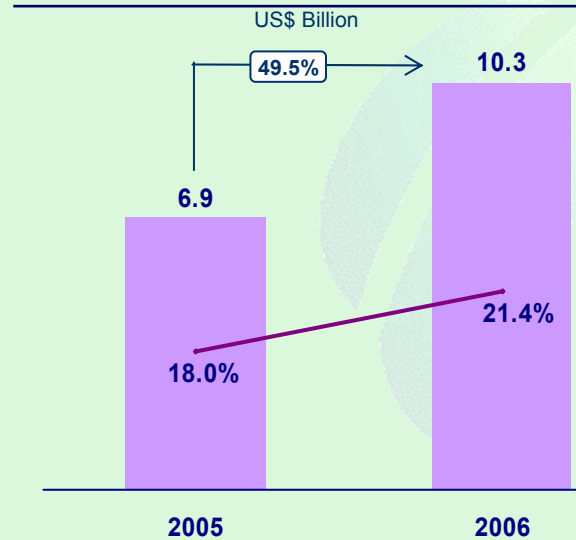


Total loan growth in 2006 was 60.9% to reach 30.8 billion YTL. TL loans increased by 65.2% to 16.4 billion YTL while FC loans increased by 49.5% in US\$ terms, reaching 10.3 billion US\$ in 2006.

TL Loan Growth



FC Loan Growth

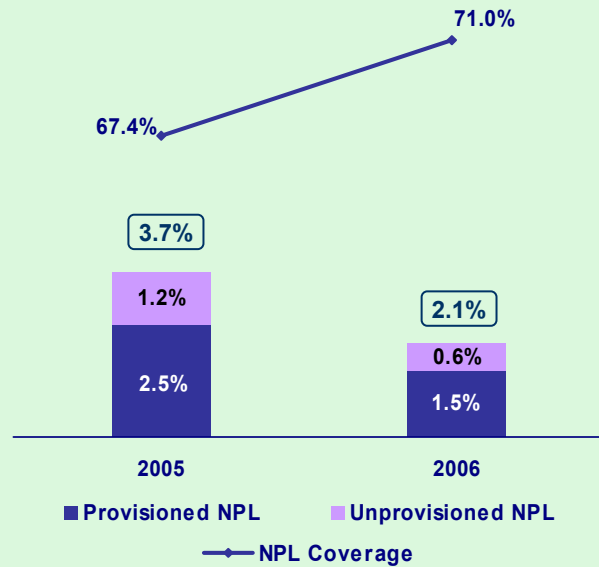


TL loans in total loans mix increased to 53.4% in 2006 from 52.0% in 2005.

Improving Loan Quality & Well-Diversified Portfolio

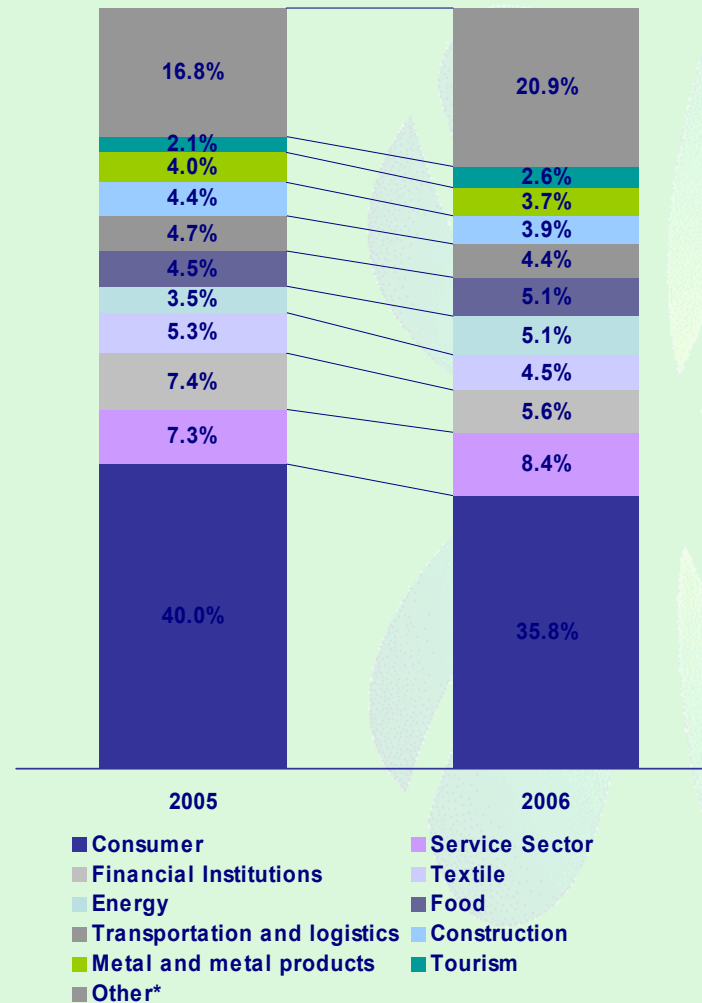
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NPL Ratio & Coverage



Asset Quality	2005	2006
Secured Loans	64.3%	72.1%
Unsecured Loans	35.7%	27.9%

Sectoral Loan Allocation

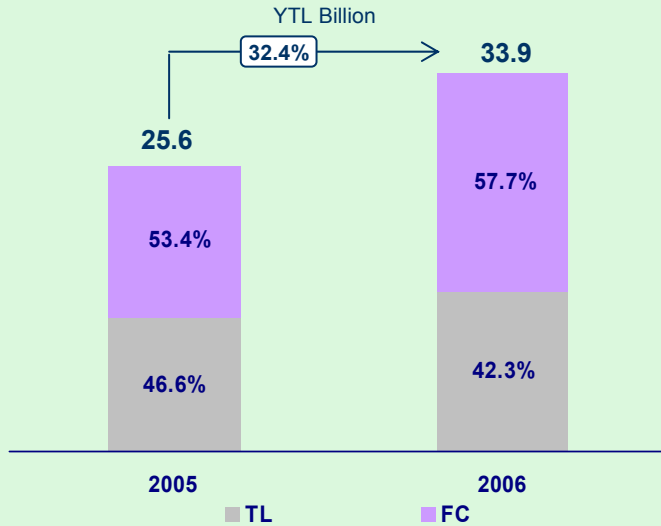


NPL ratio improved to 2.1% in 2006, mainly due to recoveries and write-offs. The coverage ratio increased 360 bps this year mainly as a function of lower NPL. The share of unsecured loans in total loans decreased to 27.9% in 2006 from 35.7% at YE 2005. This was mainly due to declining share of credit cards in consumer loans.

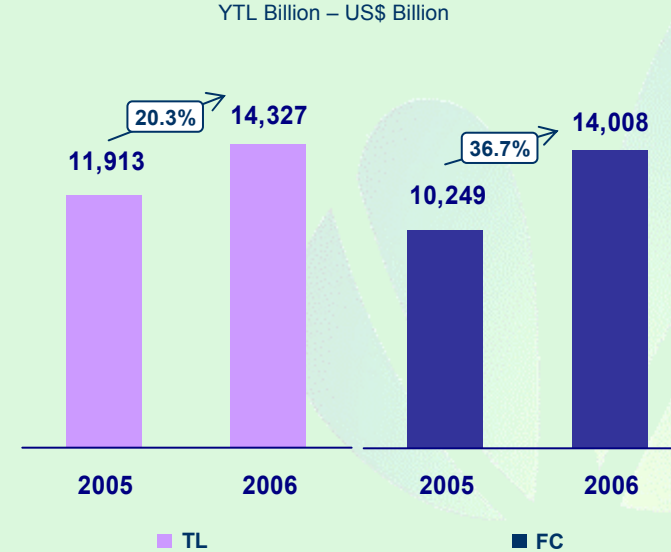
Deposits – Growth & Mix

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Deposit Growth & TL/FC Mix



TL – FC Deposit Growth



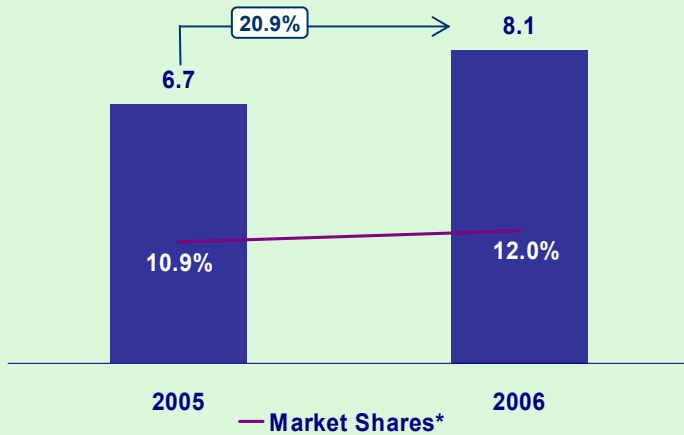
Main source of funding:

Solid deposit base (59.4% of liabilities and SHE).

Total deposit growth in 2006 was 32.4%.

Demand deposit growth: 20.9%.

Demand Dep. Growth



Customer Deposits Demand/Time Mix

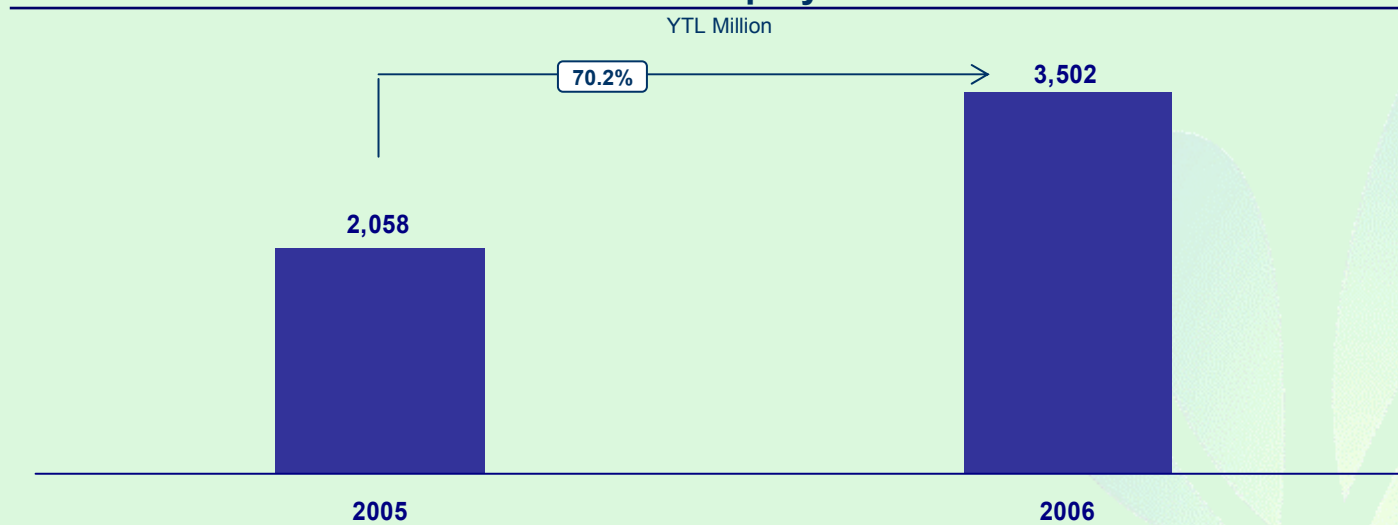


Increasing Free Funds

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Free Equity

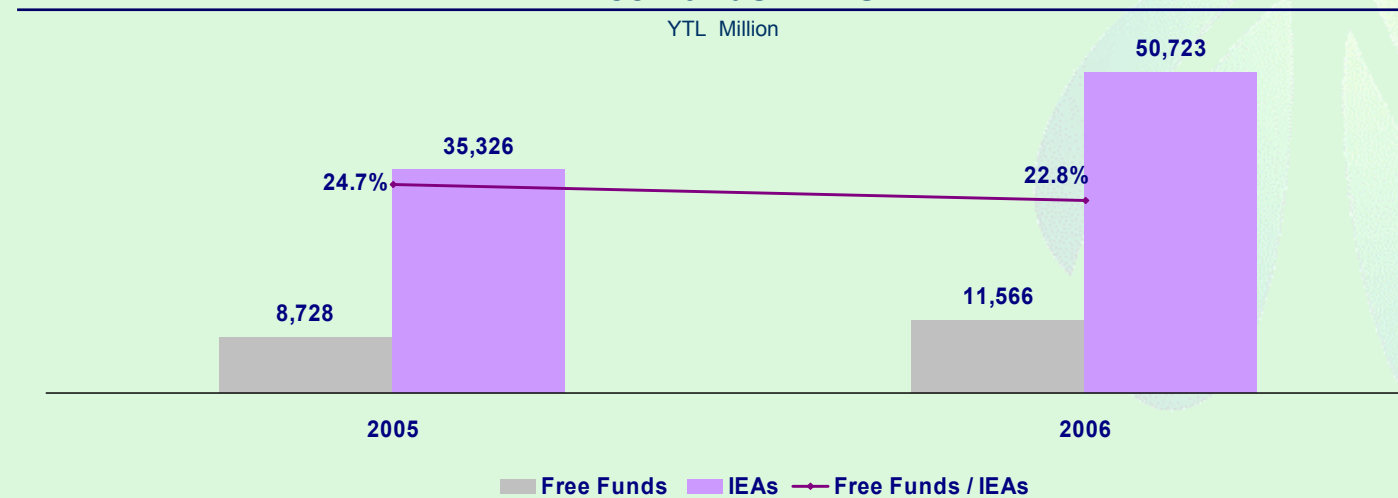
YTL Million



Free equity increased by 70.2% and reached 3.5 billion YTL from 2.1 billion at YE 2005.

Free Funds*/IEAs

YTL Million



Growth of free funds was 32.5% in 2006. Free funds / IEAs stood at 22.8% level at YE 2006.

Summary Income Statement

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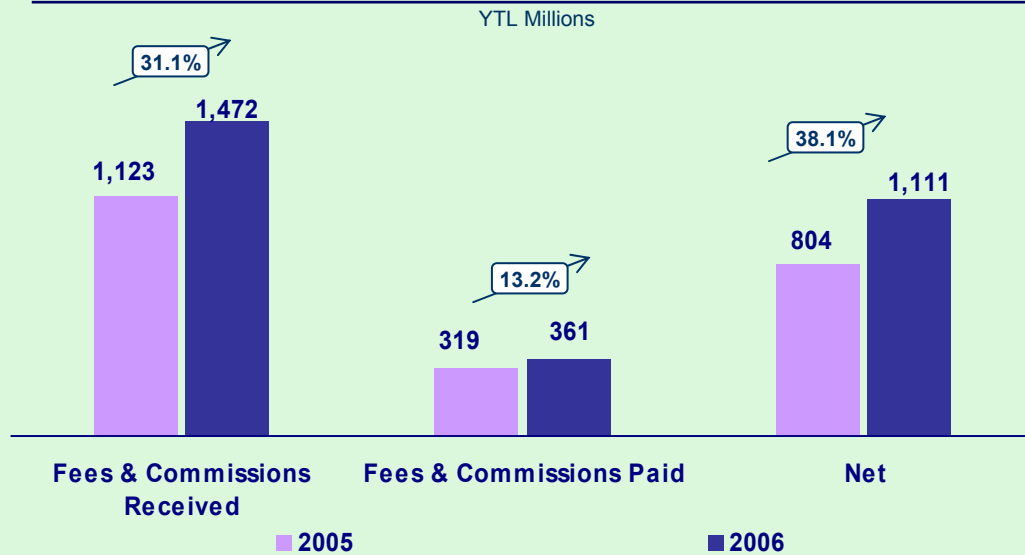
YTL Thousand	2005	2006	Change
Net Interest Inc.Adj.by FX & Monetary Gain/Loss	1,862,853	1,998,520	7.3%
Net Fees & Comm. Income	804,425	1,111,285	38.1%
Other Non-Interest Income	547,441	342,266	(37.5%)
Total Operating Income¹	<u>3,214,719</u>	<u>3,452,071</u>	<u>7.4%</u>
Operating Expenses ²	(1,811,159)	(1,800,078)	(0.6%)
Operating Income³	<u>1,403,560</u>	<u>1,651,993</u>	<u>17.7%</u>
Impairment Losses	(455,985)	(218,548)	(52.1%)
Taxation Charge	(249,662)	(283,945)	(13.7%)
Net Income	<u>697,913</u>	<u>1,149,500</u>	<u>64.7%</u>

Fee & Commission Income Growth

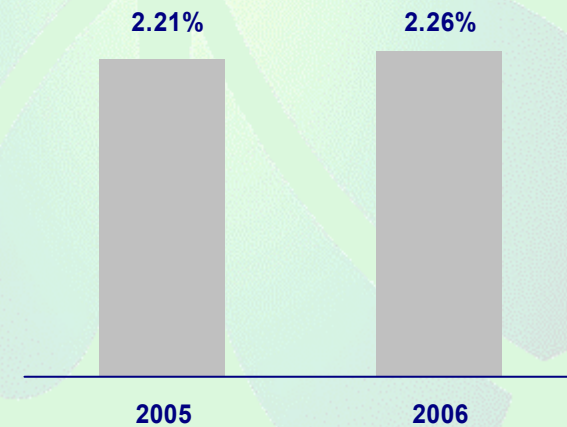
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(YTL Thousand)	2005	2006	Change
Fees and Commissions, net	804,425	1,111,285	38.1%
Trading Account Income, net	4,506	20,626	357.7%
Retail	258,902	-	n.m.
Insurance	162,736	242,653	49.1%
Other	121,297	78,987	(34.9%)
Non-Interest Income (excl. FX Gain)	1,351,866	1,453,551	7.5%
Non-Interest Income excl. Retail (Tansaş)	1,092,964	1,453,551	33.0%

Fees and Commissions



Net Fees & Comm. /Avg. Assets

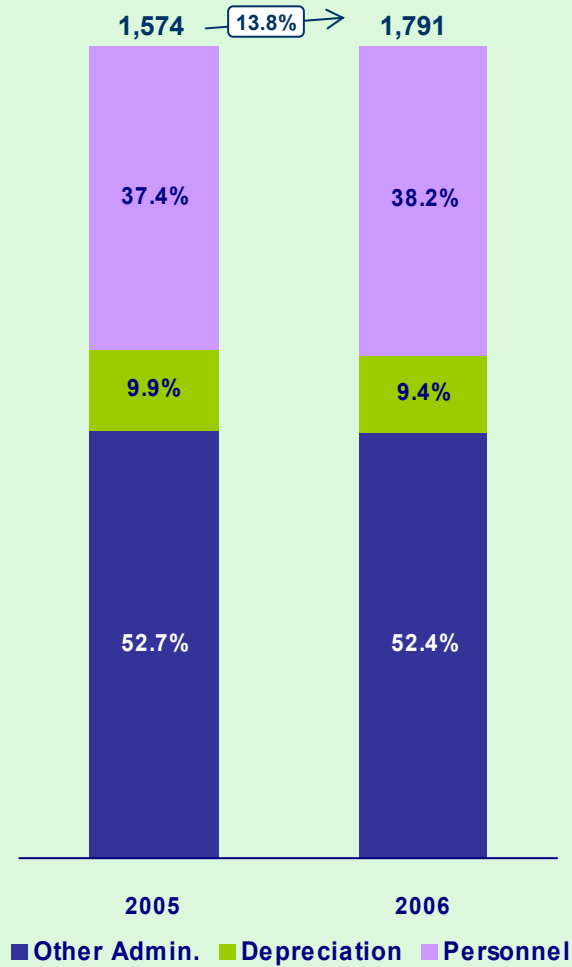


Effective Cost Management

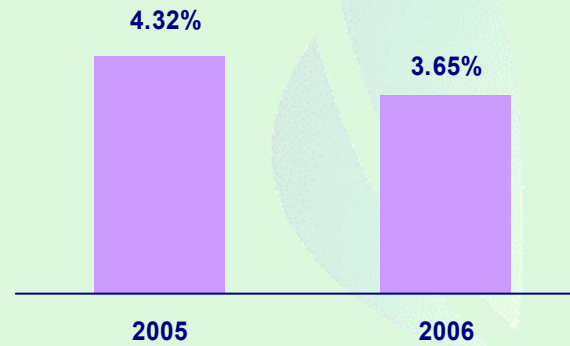
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Non-Interest Expenses¹

YTL Million

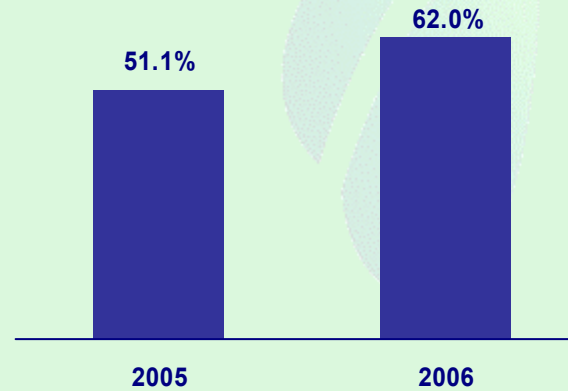


Opex¹/Avg. Assets¹



Operating expense over average assets ratio improved by 67 bps from YE 2005 to reach 3.65% at YE 2006.

Fees & Comm. /Opex¹



Net fees and commissions coverage of operating expenses increased from 51.1% at YE 2005 to 62.0% in 2006.



GarantiBank

For further information please contact investorrelations@garanti.com.tr