



BRSA Bank-Only Earnings Presentation

December 31, 2007

“profitable growth story...”

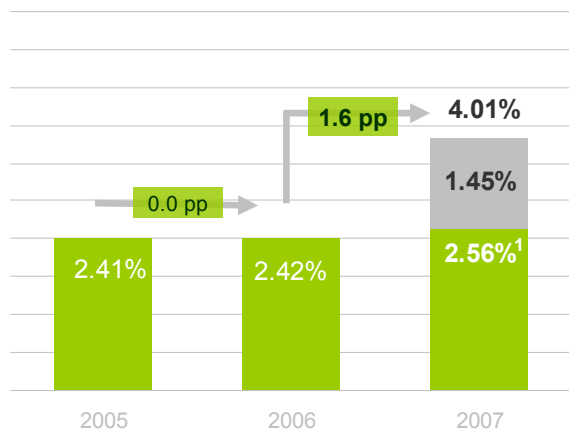


2007 – Highlights

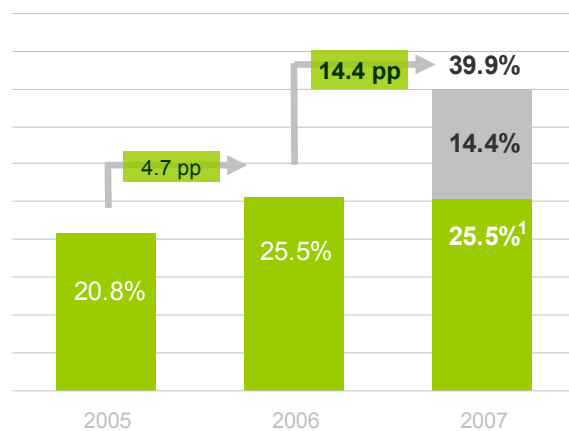
- *Bigger and stronger balance sheet*
- *Consistent growth in market share across the board*
- *# 1 position in total lending*
- *Solid asset quality*
- *Focus on managing funding costs while growing*
- *High growth momentum in net fees and commissions*
- *Highest # of new branch openings*
- *Effective management of opex*
- *Record earnings*
- *Sustainably high profitability ratios*

Delivered Record Profitability

ROAA²

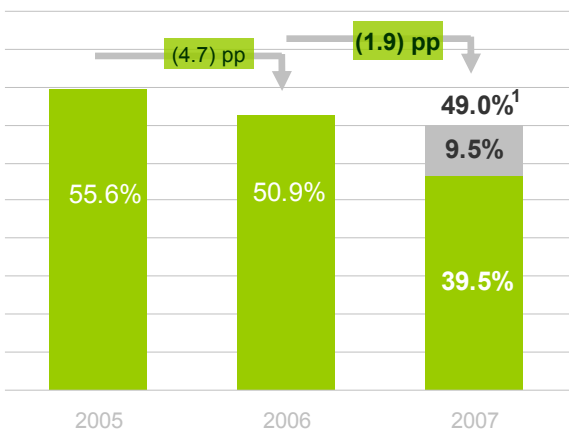


ROAE²

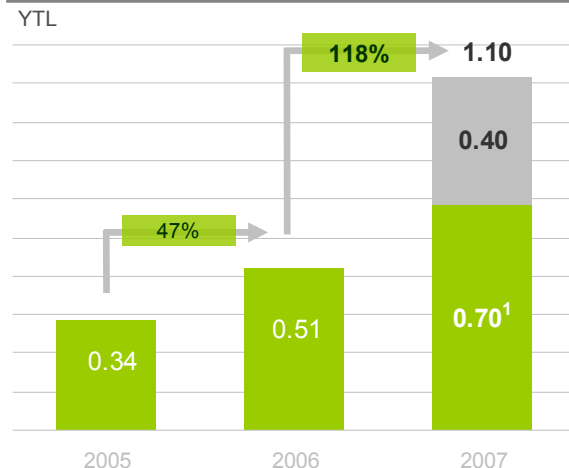


ROAE
Normalized
26%

Cost / Income



EPS

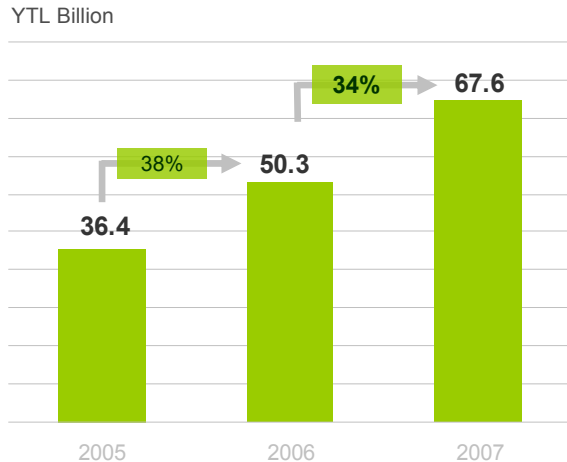


*Despite the net addition of **105** branches since end of 2006 cost/income ratio improvement remained intact due to larger growth in revenues & effective cost management.*

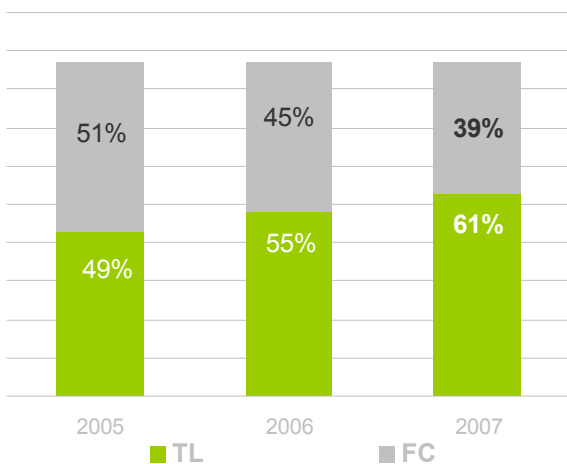
¹ Excludes one-off gains from insurance and pension & life business subsidiaries stake sale amounting to YTL 724 mn (post-tax) and one-off gains from custody sale amounting to YTL 112 mn (post-tax).
² ROAA and ROAE are calculated on quarterly averages of assets and equity, respectively

Asset Growth and Composition: Robust & High Yielding

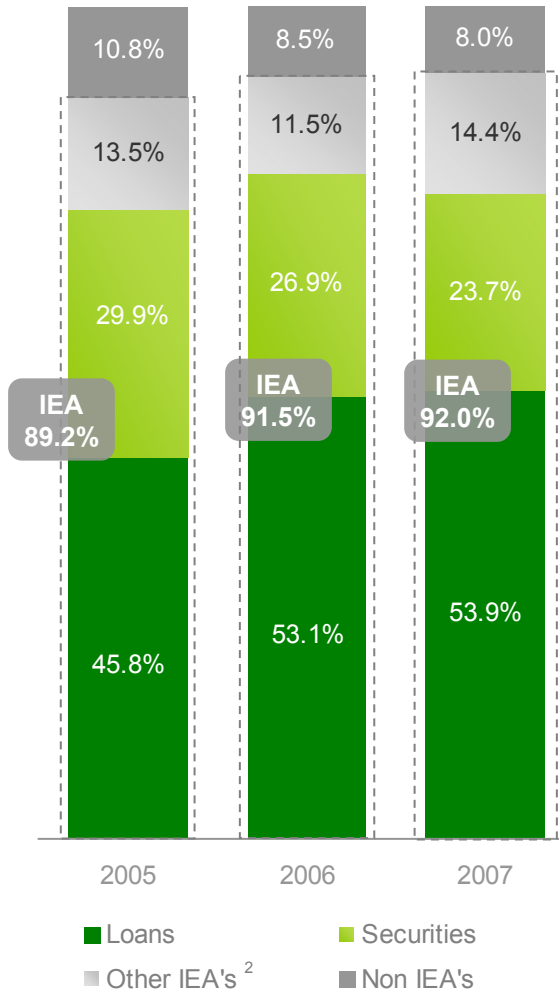
Total Assets



Composition of IEAs



Composition of Assets¹



Asset Growth

34%

Loans³/Assets

54%

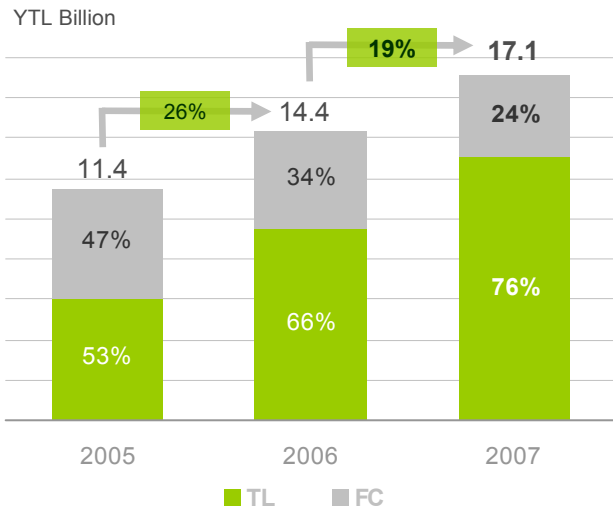
“Reserve requirement” in “Other IEA” increased at a significant pace due to high deposit growth

Increased weight of **TL** in IEAs: **61%**

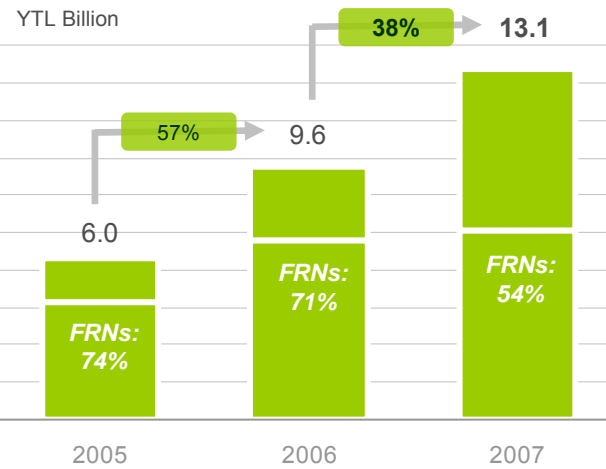
¹ Accrued interest on B/S items are shown in non-IEAs
² Other IEAs include factoring and leasing receivables.
³ Excluding accrued interest

Securities: Increased Portion of Fixed Rate Locking Higher Yields

Total Securities

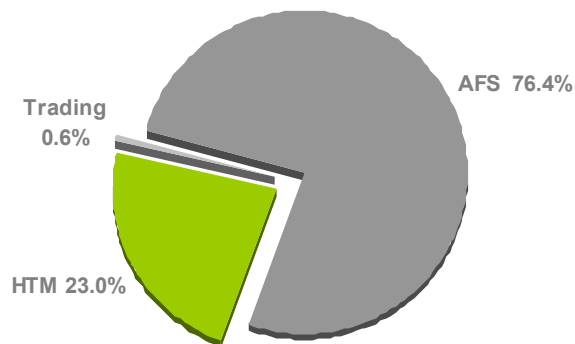


TL Portfolio

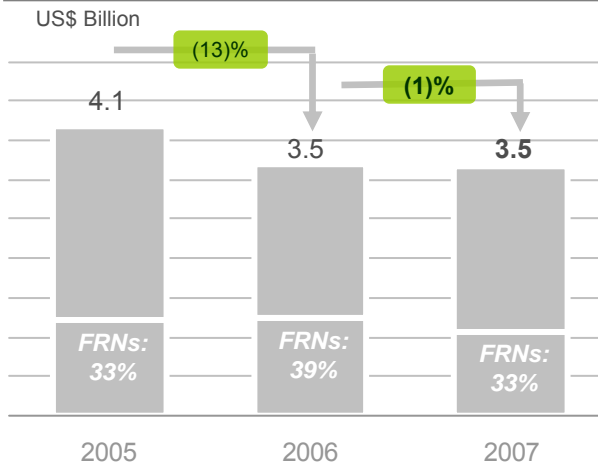


Despite 19% ytd growth in total portfolio, securities mix in assets declined from 27% in 2006 to 24% in 2007.

Total Securities Composition



FC Portfolio



TL Weight in Total

76%

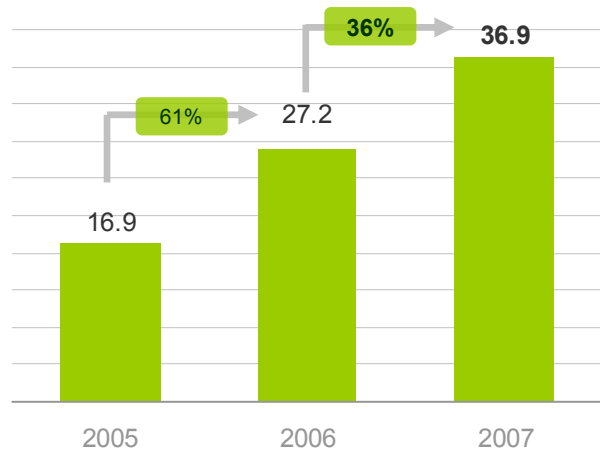
Fixed Rate Weight

51%

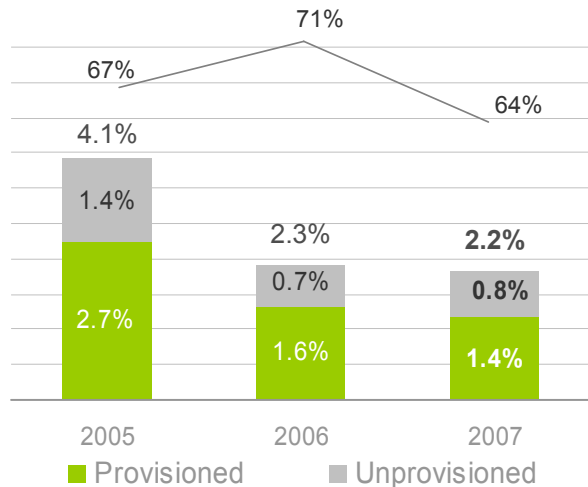
High growth in lending while maintaining strong asset quality

Total Loans¹

YTL Billion

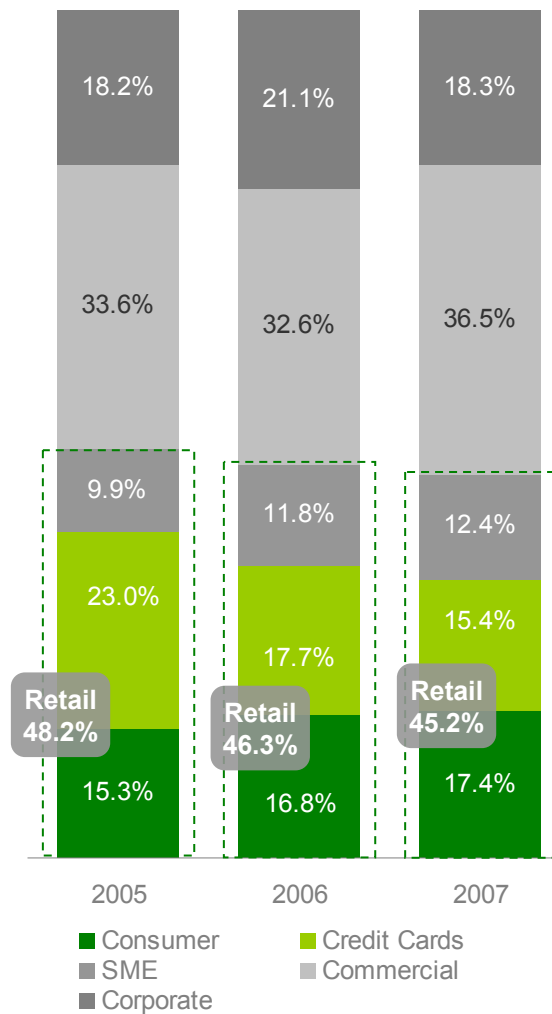


NPL Ratio & Coverage



— NPL Coverage

Composition of Loans³



Total Loan Market Share²



13.8%

Per Q3 07 announced results

#1

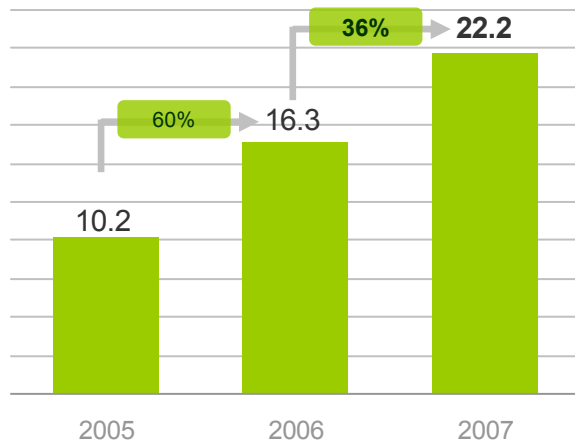
in Cash Loans

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

Solid loan growth in both TL and FC

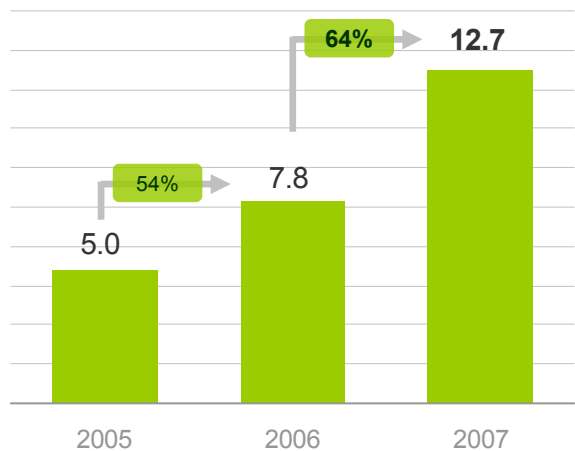
TL Loans¹

YTL Billion

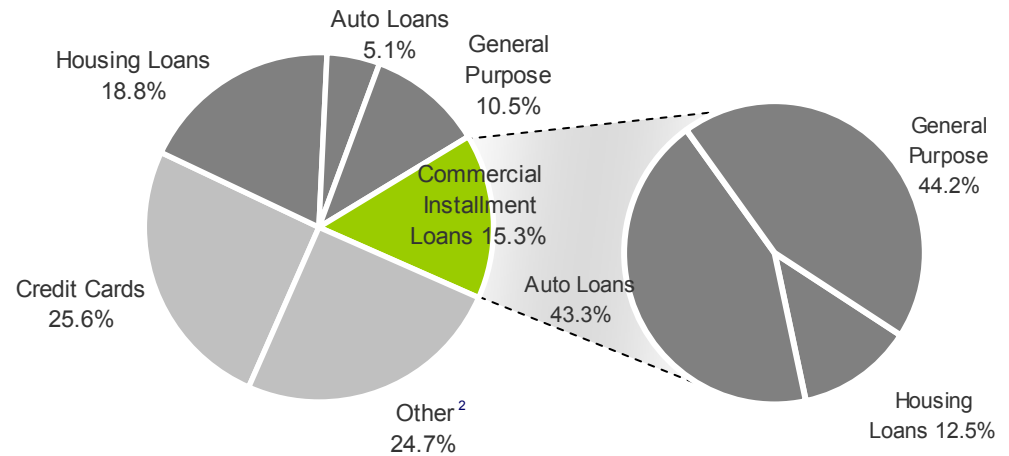


FC Loans¹

US\$ Billion

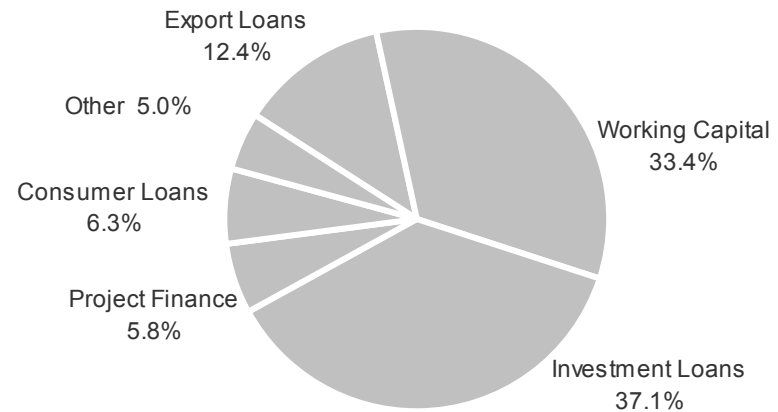


TL Loan Composition



FC Loan Composition

(excluding accrued interest)

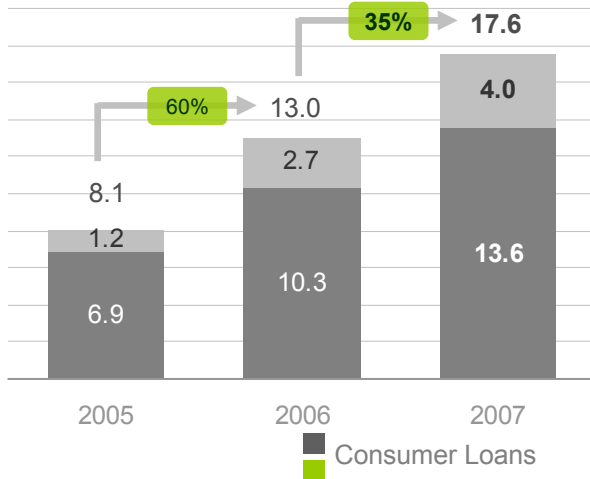


¹ Performing cash loans
² Includes commercial and retail overdraft

Strong retail loan growth momentum

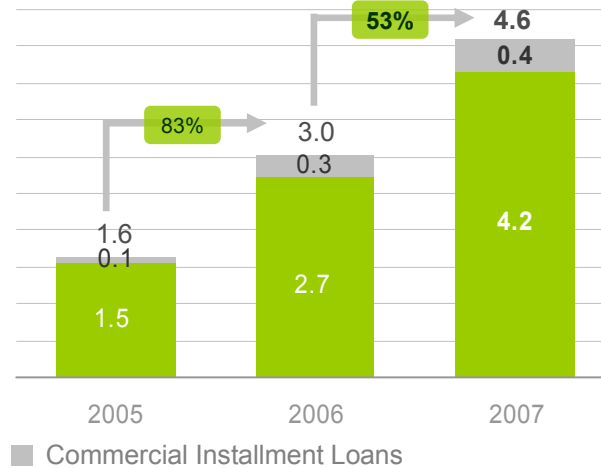
Retail Loans¹

YTL Billion



Housing Loan Growth

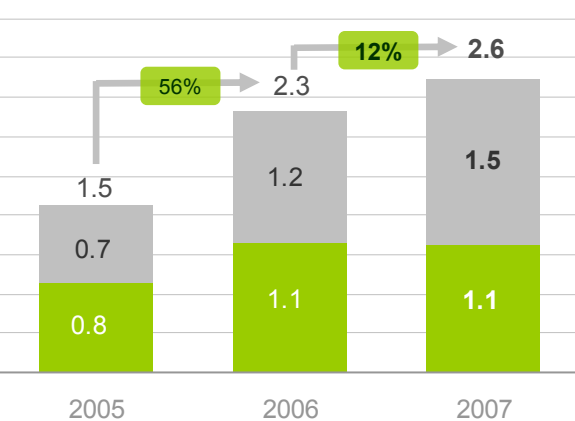
YTL Billion



Outperformed sector in every product category

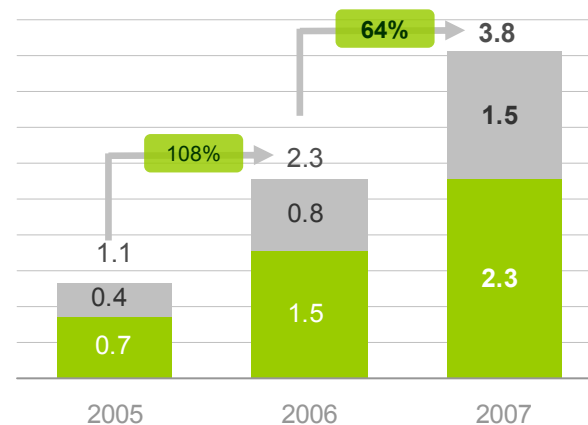
Auto Loan Growth

YTL Billion



General Purpose Growth

YTL Billion



Market Shares^{2,3}

	06-07 Δ	2007
Housing	+150 bps ↑	13.8%
Auto	+150 bps ↑	16.6%
General Purpose	+100 bps ↑	9.3%
Retail ¹	+30 bps ↑	13.8%

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

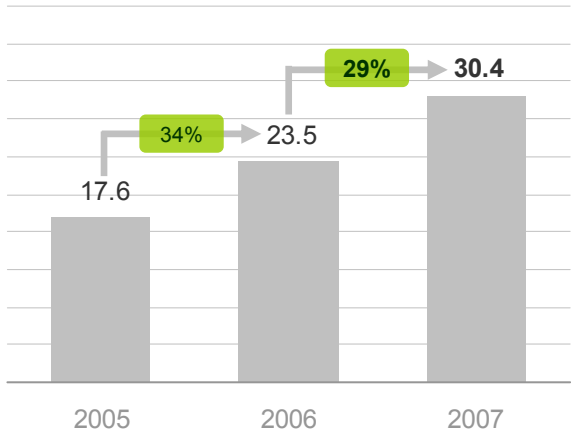
² Including consumer and commercial installment loans,

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

Strengthened leadership position in card business

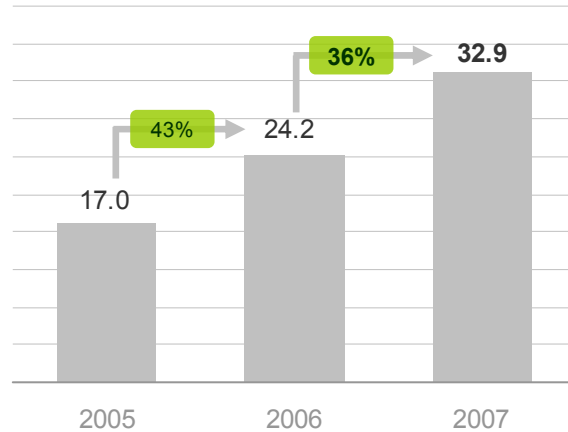
Issuing Volume

YTL Billion



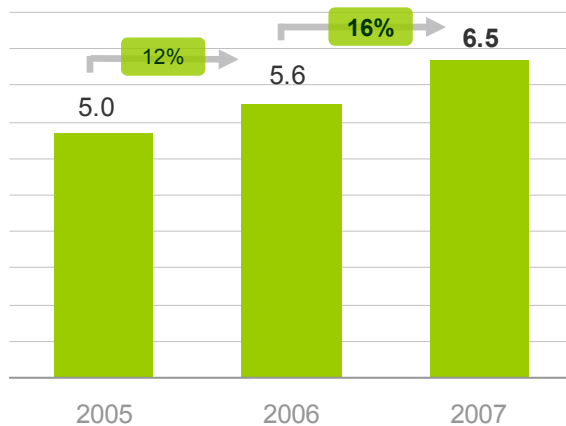
Acquiring Volume

YTL Billion



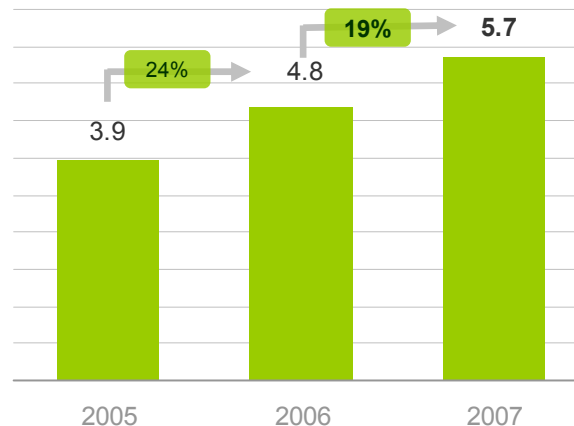
No. Of Credit Cards

In Million



Credit Card Balances

YTL Billion



#1 in
Acquiring Volume
Strong #2 in
Issuing Volume

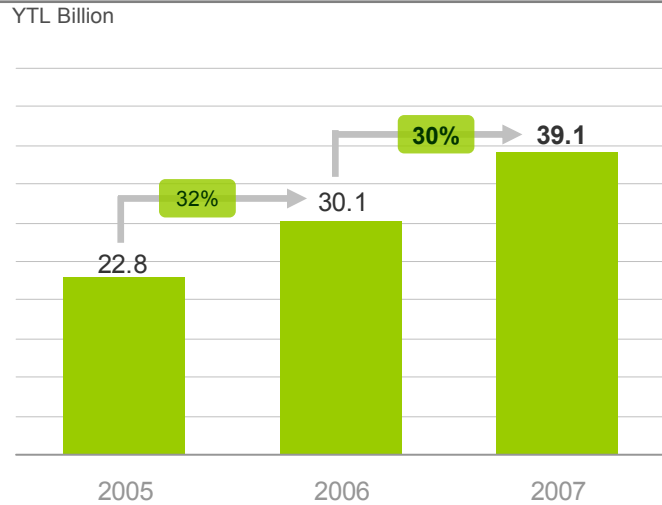


Market Shares

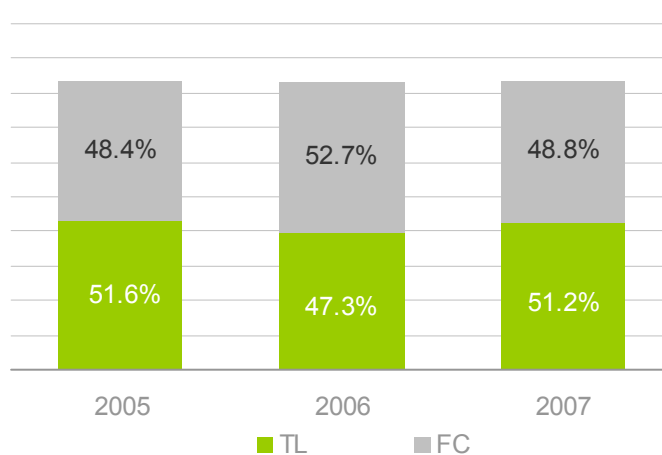
	06-07 Δ		2007
Acquiring	+90 bps	↑	23.0%
Issuing	-20 bps	↓	21.5%
Credit Cards	+10 bps	↑	17.4%
POS ¹	+270 bps	↑	19.3%
ATM	+105 bps	↑	9.9%

Continued diversification of funding sources

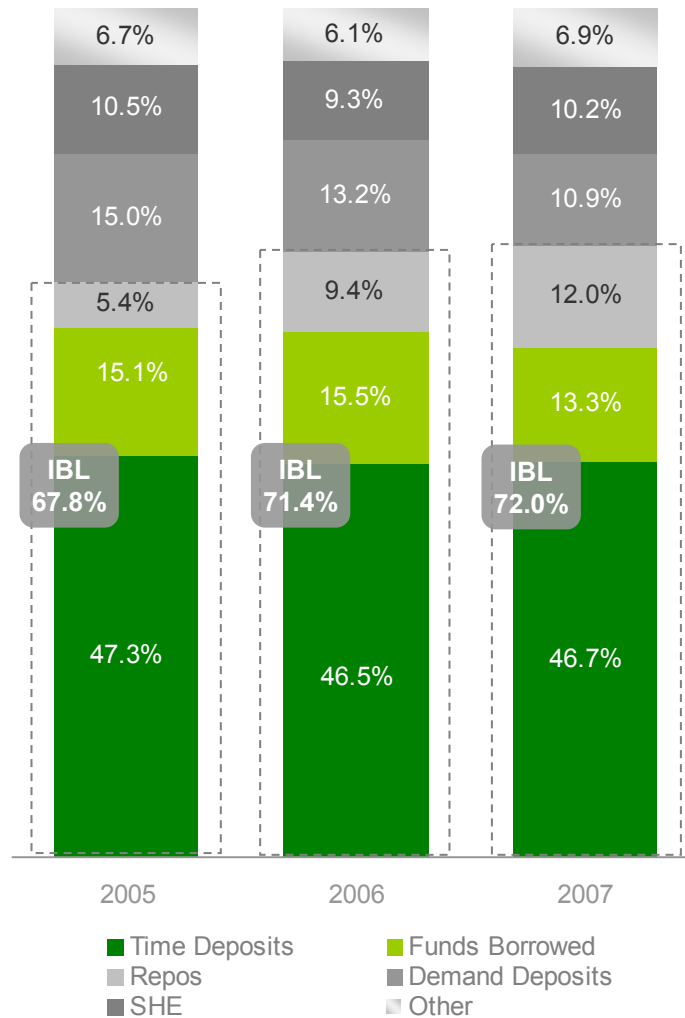
Total Deposits



Deposits – TL/FC Mix



Composition of Liabilities



Deposit Growth:

TL

41%

FC

44%

Total Deposit Market Share¹

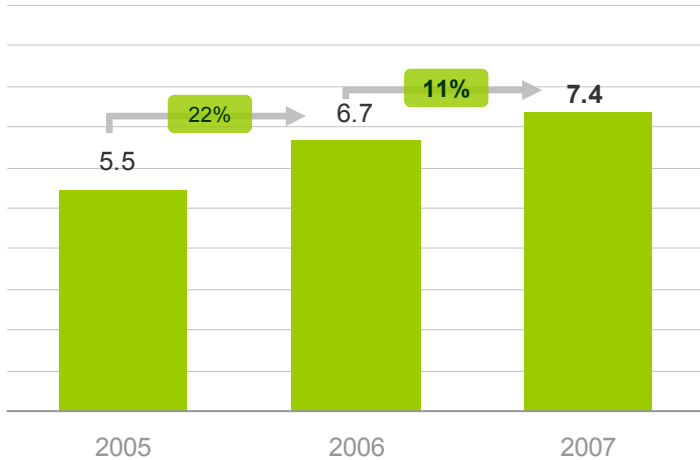


11%

Sustained growth in demand deposit base despite high interest rate environment

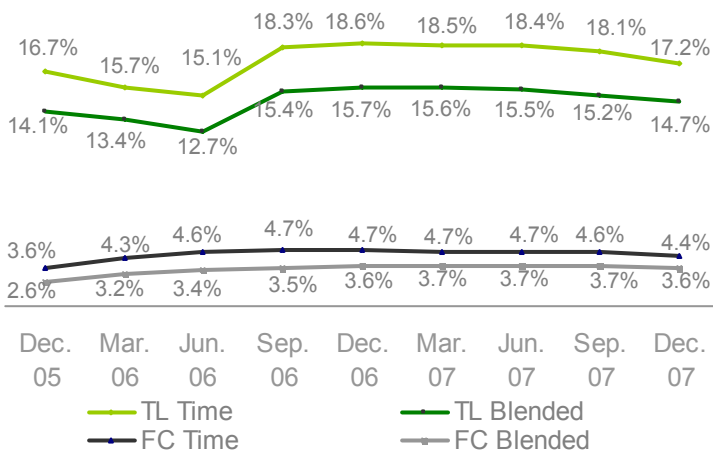
Demand Deposits

YTL Billion



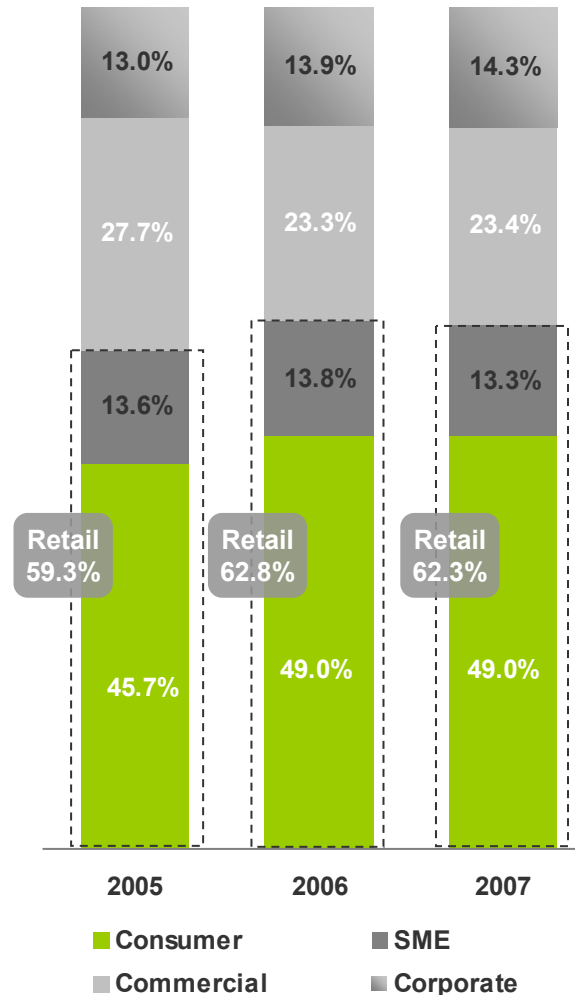
Cost of Deposits²

Monthly Averages



Deposits by LOB²

(excluding bank deposits)



Above sector average demand deposit mix in total, benefiting funding costs

Demand Deposit Market Share¹

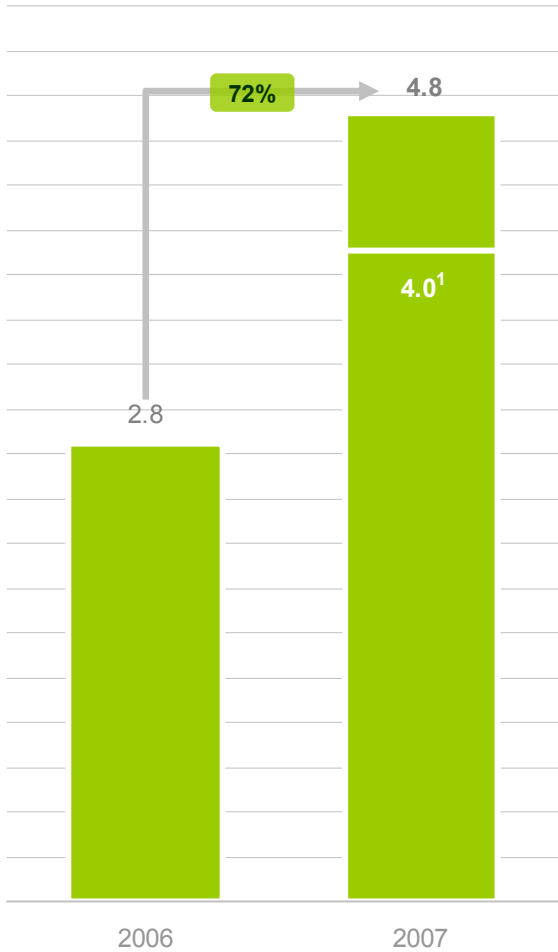
13.1%

¹ Sector figures are per BRSA weekly data
² Based on bank-only MIS data

Solid capital base and adequacy levels

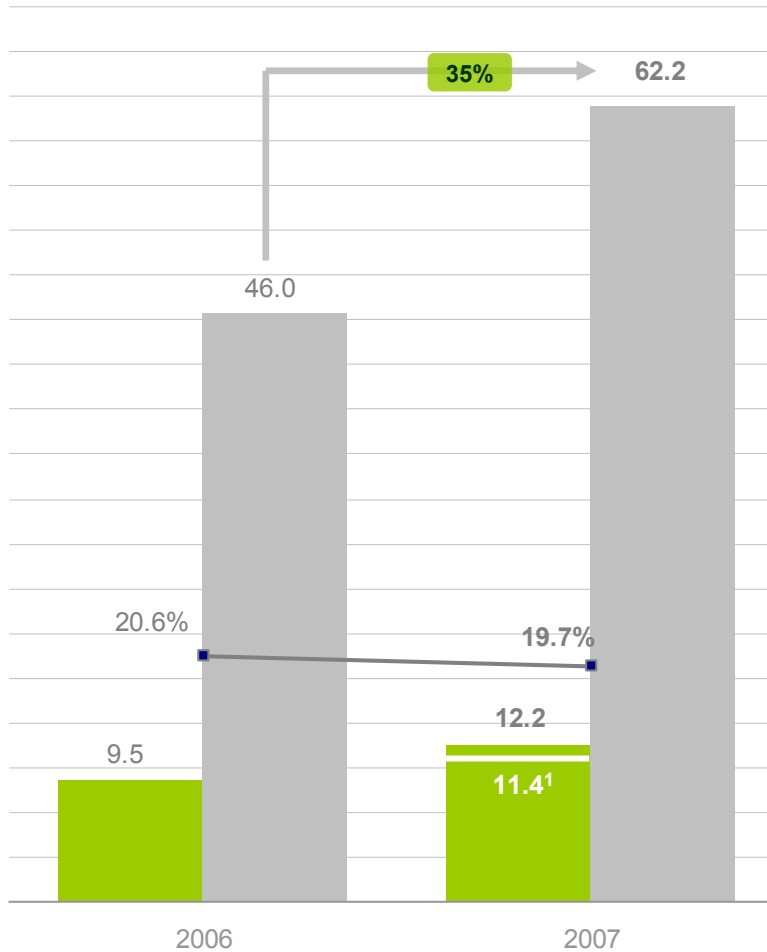
Free Equity

YTL Billion



Free Funds² / IEAs

YTL Billion



2007 Growth in Free Funds

YTL
2.7 bn

	CAR	Tier I
2006	14.1%	14.4%
2007	15.4%	14.2%

Free Funds IEAs Free Funds / IEAs

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

Expanding Interest Income

(YTL Million)	2006	2007	Growth
Net Interest Income	1,962	2,804	43%
Net FX Gain / Loss	(81)	(64)	(20.1)%
Provisions for loans and securities	(243)	(316)	30.3%
Adjusted Net Interest Income	1,638	2,424	48%

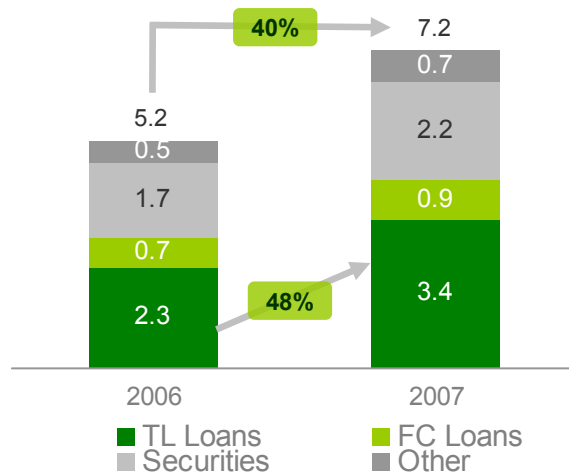
Adjusted NII Growth



48%

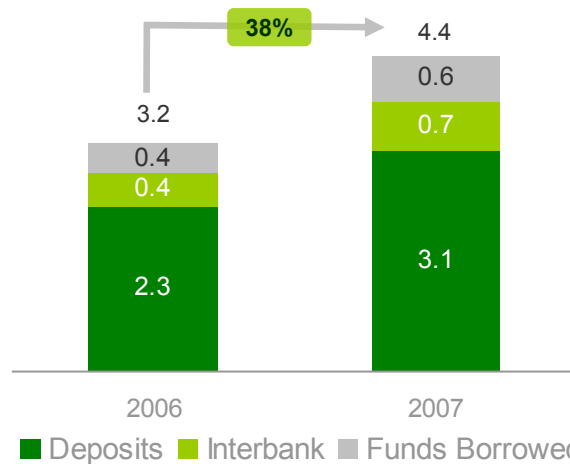
Interest Income

YTL Billion



Interest Expense

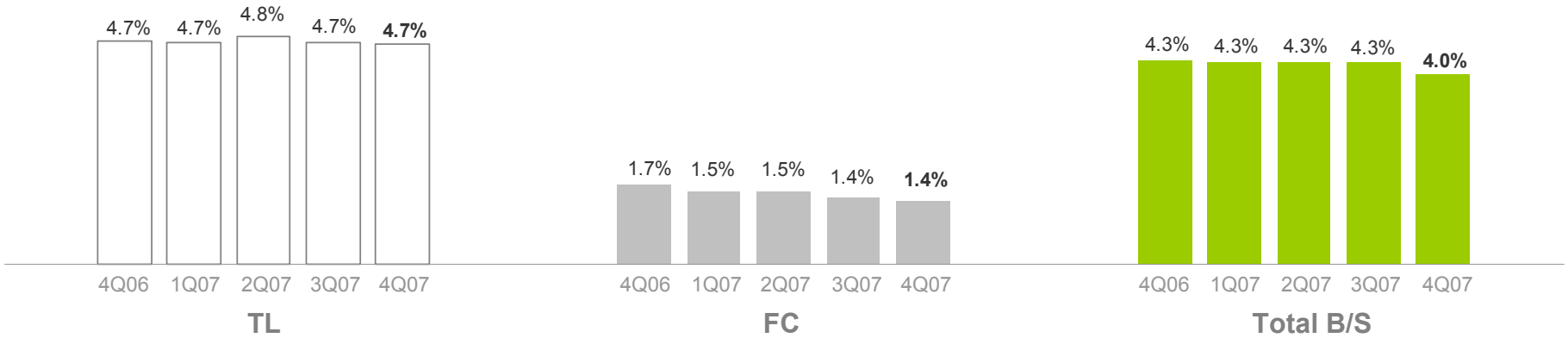
YTL Billion



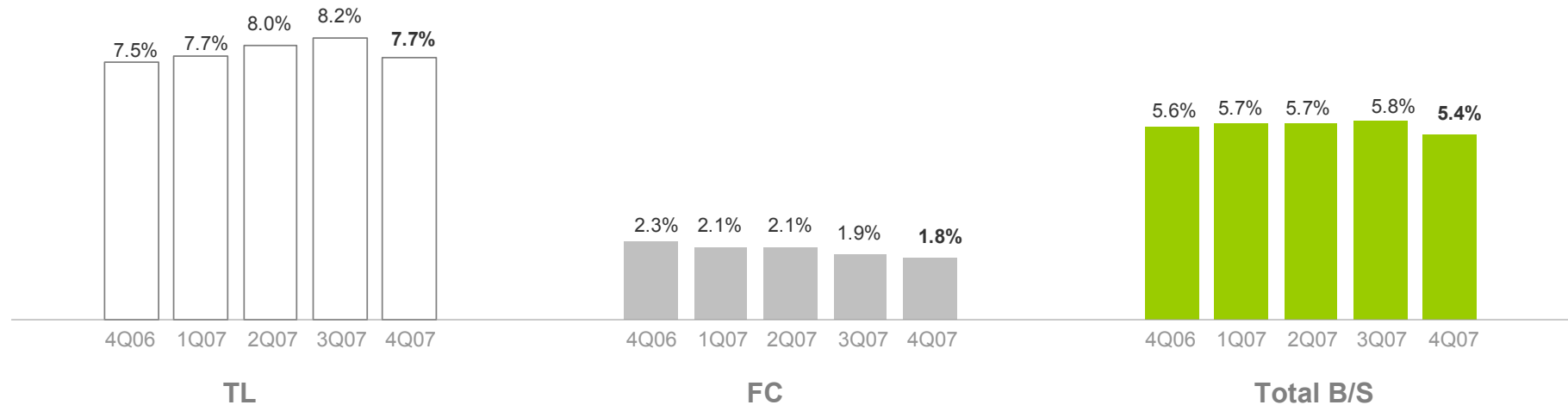
*Largest contributor:
Interest income on
TL loans*

Quarterly Margins and Spreads

Spreads



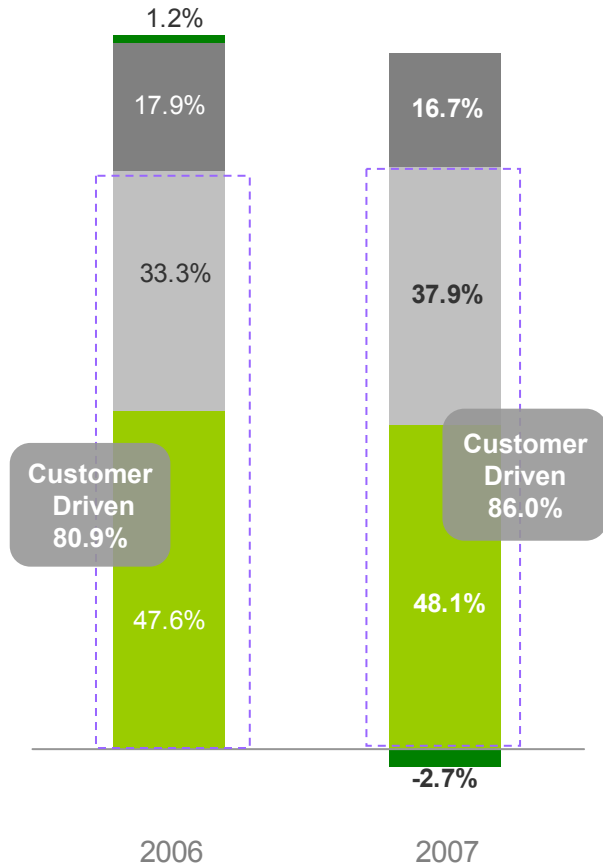
Margins



•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

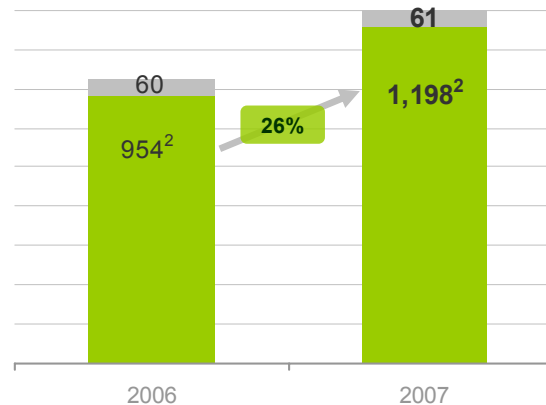
Ordinary Banking Income³



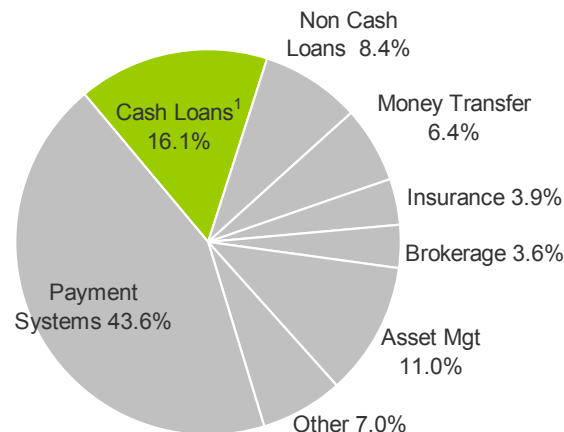
■ Net Fees & Comm. ■ Adjusted NII (Loans)
 ■ Adjusted NII (Sec.) ■ Net Trading Income

Net Fees & Commissions²

YTL Million



Net Fees & Commissions



Customer driven sources of income

86% of ordinary banking income³

26%



Net Fees & Comm. Growth

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

High Earnings Growth

(YTL Million)	2006	2007	Growth
Ordinary Banking Income	2,617	3,550	35.6%
Other Income ¹	261	157	(39.8)%
Total Revenue	2,878	3,707	28.8%
Operating Expense ¹	1,465	1,816	24.0%
Operating Income	1,413	1,891	33.9%
Other Provisions ²	83	21	(74.7)%
Taxes ¹	266	390	46.9%
Normalized Net Income¹	1,064	1,480	39.1%
Income from Insurance and Pension & Life business subs. stake sale (post-tax)	-	724	n.m
Custody sale (post-tax)		112	n.m
Net Income	1,064	2,316	117.7%

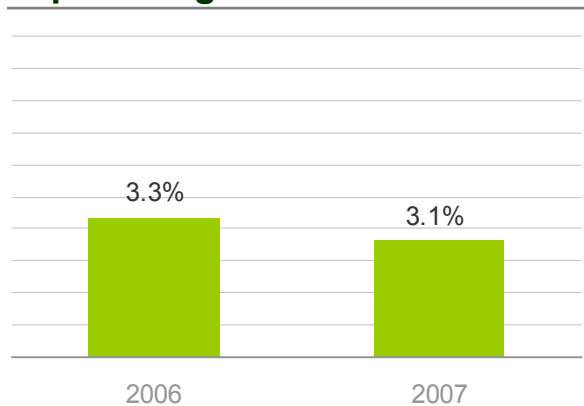
Higher total revenue growth

29% vs.

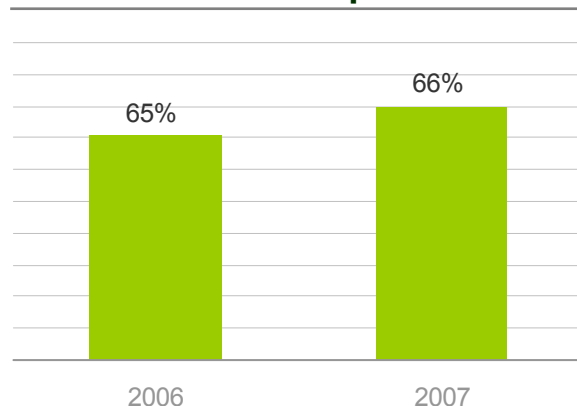
Expense growth

24%

Opex / Avg. Assets



Fees & Comm. / Opex



Improving Opex / Avg. Assets by 25 bps

¹ Excludes one-off gains from insurance and pension & life business subsidiaries stake sale amounting to YTL 762 mn (pre-tax) and one-off gains from custody sale amounting to YTL 148mn (pre-tax); operating expense excludes one time transaction tax expense resulting from custody sale amounting to 7.4 mn.

² Other provisions include "Impairment Losses on Associates, Subsidiaries", "Provision for Possible Losses" and "Other provisions"


Quarterly Analysis of Ordinary Banking Income

<i>(YTL Thousand)</i>	1Q 07	2Q 07	3Q 07	4Q 07	Δ(2Q-1Q)	Δ (3Q-2Q)	Δ (4Q-3Q)
Interest Income	1,642,673	1,711,607	1,867,614	1,994,712	4.2%	9.1%	6.8%
-Loans	891,804	1,008,751	1,143,386	1,210,509	13.1%	13.3%	5.9%
-Securities	534,543	529,243	544,361	606,426	-1.0%	2.9%	11.4%
-Other	216,326	173,613	179,867	177,777	-19.7%	3.6%	-1.2%
Interest Expense	(1,015,657)	(1,043,250)	(1,121,266)	(1,232,330)	2.7%	7.5%	9.9%
-Deposits	(707,326)	(725,998)	(764,116)	(876,121)	2.6%	5.3%	14.7%
-Funds Borrowed	(140,348)	(135,160)	(180,027)	(163,198)	-3.7%	33.2%	-9.3%
-Interbank & Other	(167,983)	(182,092)	(177,123)	(193,011)	8.4%	-2.7%	9.0%
Net Interest Income	627,016	668,357	746,348	762,382	6.6%	11.7%	2.1%
Prov. for loans & securities	(73,394)	(74,897)	(71,438)	(96,568)	2.0%	-4.6%	35.2%
Net FX Gain/(Loss)	(7,408)	246	(58,248)	602	n.m	n.m	n.M
Adj. Net Interest Income	546,214	593,706	616,662	666,416	8.7%	3.9%	8.1%
Net Fees and Comm.	290,228	295,249	309,378	302,848	1.7%	4.8%	-2.1%
Net trading Income/(loss)	(29,013)	(14,827)	(7,321)	(19,935)	-48.9%	-50.6%	172.3%
Ordinary Banking Income	807,429	874,128	918,719	949,329	8.3%	5.1%	3.3%

2008 – Highlights (Bank-only)

As of February 01, 2008 Ytd

SECTOR OUTPERFORMANCE REMAINS... BUDGET ON TRACK...

<i>Growth</i>	<i>Sector</i>	<i>Garanti</i>	
	Feb. 01, 08	Feb. 01, 08 	Vs. Budget
<i>Total Loans</i>	<i>2.1%</i>	<i>4.9%</i>	✓
<i>TL Loans</i>	<i>2.5%</i>	<i>3.6%</i>	✓
<i>FC Loans</i>	<i>0.8%</i>	<i>6.7%</i>	✓
<i>Housing Loans</i>	<i>2.9%</i>	<i>3.5%</i>	✓
<i>Auto Loans</i>	<i>0.7%</i>	<i>0.9%</i>	✓
<i>General Purpose Loans</i>	<i>3.5%</i>	<i>7.7%</i>	✓
<i>Total Deposit</i>	<i>0.8%</i>	<i>4.7%</i>	✓

Appendix

Balance Sheet - Summary

<i>(YTL Million)</i>		2006	2007	% YTD Change
Assets	Cash & Banks¹	6,173	10,361	67.8%
	Cash and Cash Equivalents	2,352	2,320	(1.4)%
	Banks	896	3,133	249.5%
	Reserve Requirements	2,925	4,908	67.8%
	Securities	14,381	17,142	19.2%
	Performing Loans	27,165	36,911	35.9%
	Fixed Assets & Subsidiaries	1,557	1,626	4.4%
	Other	1,011	1,538	52.2%
	Total Assets	50,287	67,578	34.4%
	Liabilities & SHE	Deposits	30,139	39,098
Repos		4,814	8,177	69.9%
Borrowings		7,890	9,155	16.0%
Other		2,774	4,265	53.8%
SHE		4,670	6,883	47.4%
Total Liabilities & SHE		50,287	67,578	34.4%

¹ Includes banks and other financial institutions

Performance Highlights vs. Sector (Bank-only)

<i>(YTL mn unless otherwise stated)¹</i>	As of 2007	YTD Growth	
		Garanti	Sector
Total Loans	36,417	36.3%	26.5%
TL	21,896	36.2%	29.5%
FC (US\$ mn)	12,518	64.3%	41.7%
Total Deposits	38,899	29.8%	14.6%
Demand	7,376	10.8%	3.6%
TL	19,862	40.6%	22.0%
FC (US\$ mn)	16,411	44.4%	23.6%



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