



BRSA Consolidated Earnings Presentation

September 30, 2008

“solid performance”

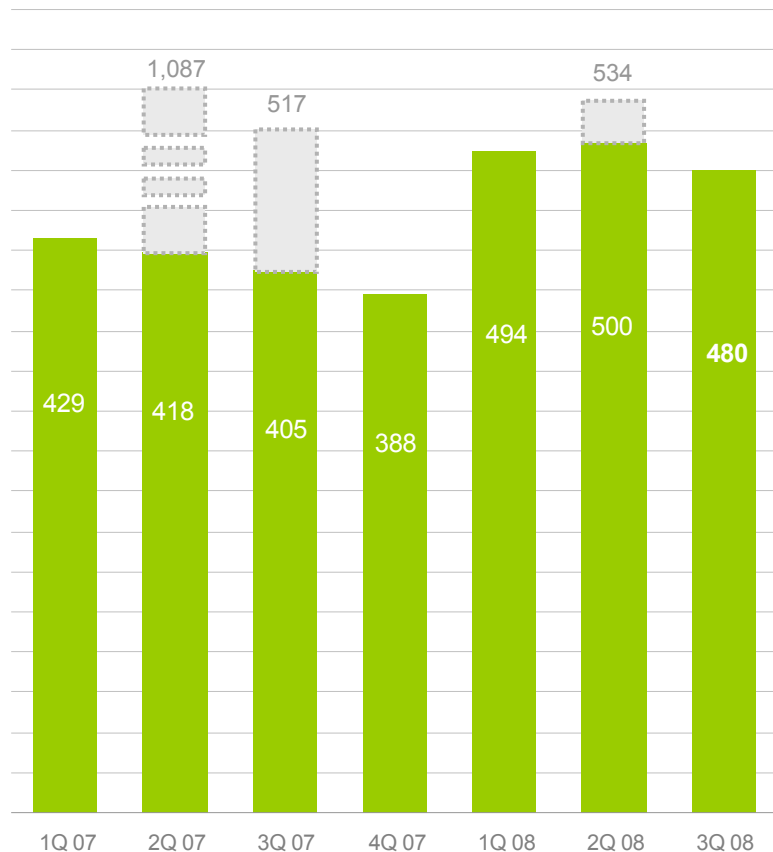


3Q 2008 – Highlights

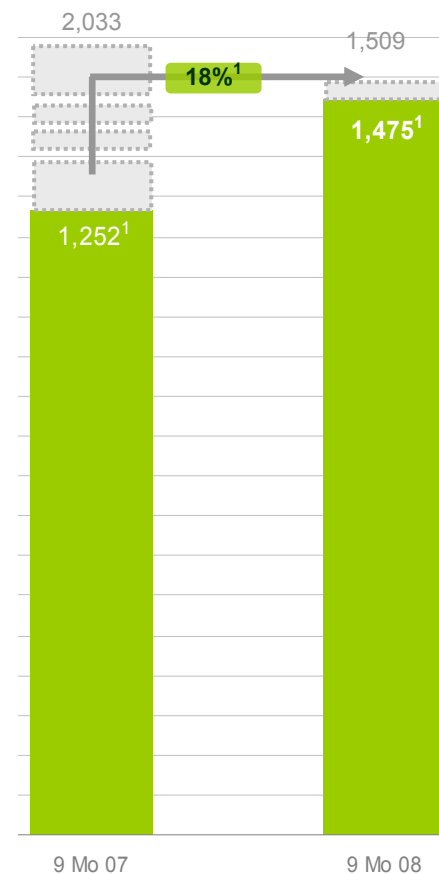
- *Maintained strong results → 18% Net Income¹ growth. ROAE¹ 25%*
- *Cautiously managed Balance Sheet structure*
 - *Managed lending slowdown – focus on higher yielding assets (TL / IEAs : 58%)*
 - *Preserved sound asset quality – NPL stable at 2.1%*
 - *Solidified funding structure with increased growth in TL deposits (ytd 29%)*
 - *Maintained strict discipline in liquidity and effective capital management – Tier 1 at 13.7%*
- *Despite expansion in asset yields and effective management of funding costs, margins pressured via higher volume growth in TL funding*
- *Continued focus on resilient customer driven revenues. Net fees & commissions growth 25%*
- *Strengthened Retail network – increased critical mass*
 - *Y-o-y net increase in:*
 - *# of customers: 1.2 million*
 - *# of branches: 157 branches*
 - *Demand deposits: YTL 2.8 billion*

Maintained strong results despite the turmoil in global markets

Quarterly Normalized Net Income¹



Normalized Net Income¹



Earnings¹
Y-o-Y

18%

ROAE¹

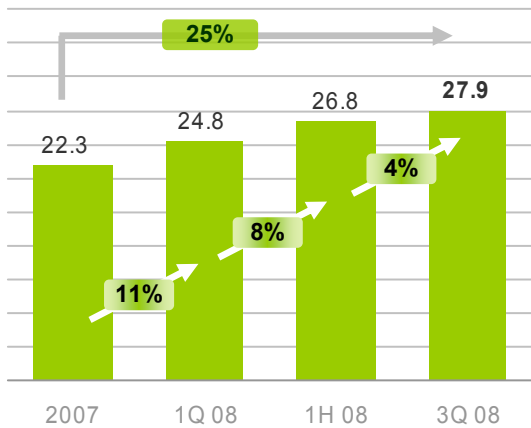
25%

¹ Normalization: 9 Mo 08-Other income adjusted for tax refund, income on unused incentive certificate and proceeds from NPL sale; Other expense adjusted for defined benefit obligation expense; Tax is adjusted for tax credit resulting from deferred tax asset calculated on defined benefit obligation liability. 9 Mo 07-Other income adjusted for gains from insurance and pension & life business subsidiaries stake sale and gains on custody sale; Other expense adjusted for banking insurance and transaction tax related to custody sale. Tax expense is adjusted for the effects of insurance and pension & life business subsidiaries stake sale and of custody sale. 6 Mo 07-Other income adjusted for gains from insurance and pension & life business subsidiaries stake sale. Tax expense is adjusted for the effects of insurance and pension & life business subsidiaries stake sale

Managed lending slowdown – cautiously reshaping asset mix

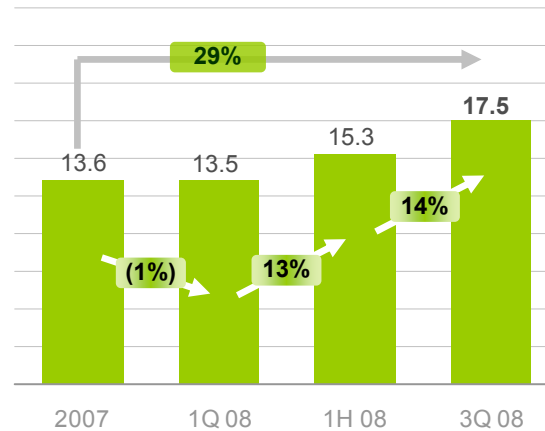
TL Loans¹

YTL Billion



TL Securities Portfolio

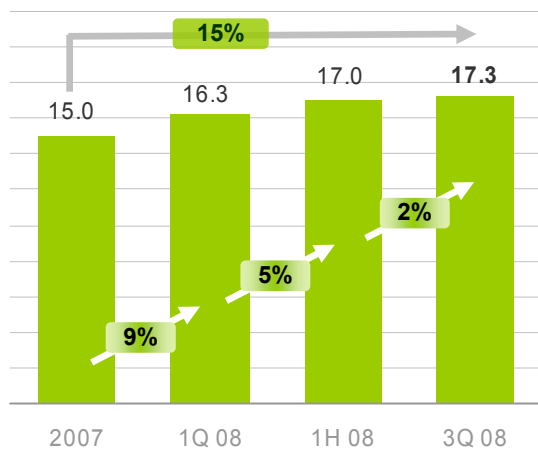
YTL Billion



TL heavy loans & securities book -- 57% & 79%, respectively

FC Loans¹

US\$ Billion



FC Securities Portfolio

US\$ Billion



FRNs² :

TL Securities:

57%

FC Securities:

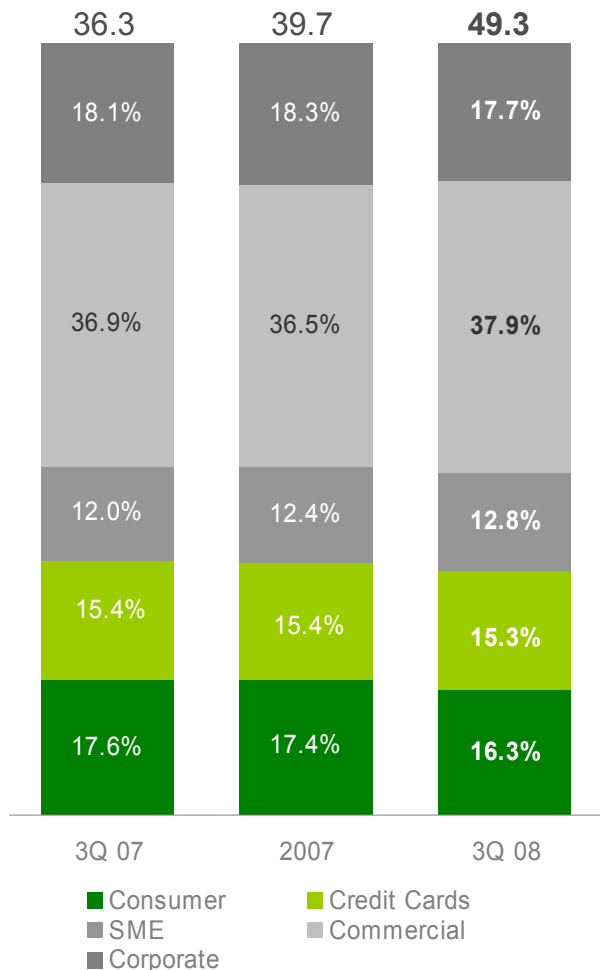
41%

¹ Performing cash loans
² Based on bank-only MIS data

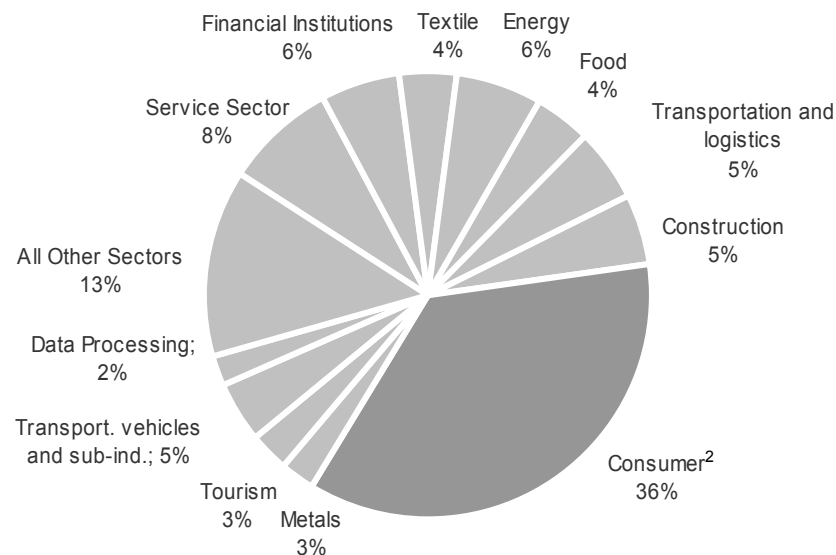
Actively managed risk-return balance through well diversified loan book

Loans by LOB¹

YTL Billion



Loans by Sectoral Breakdown¹

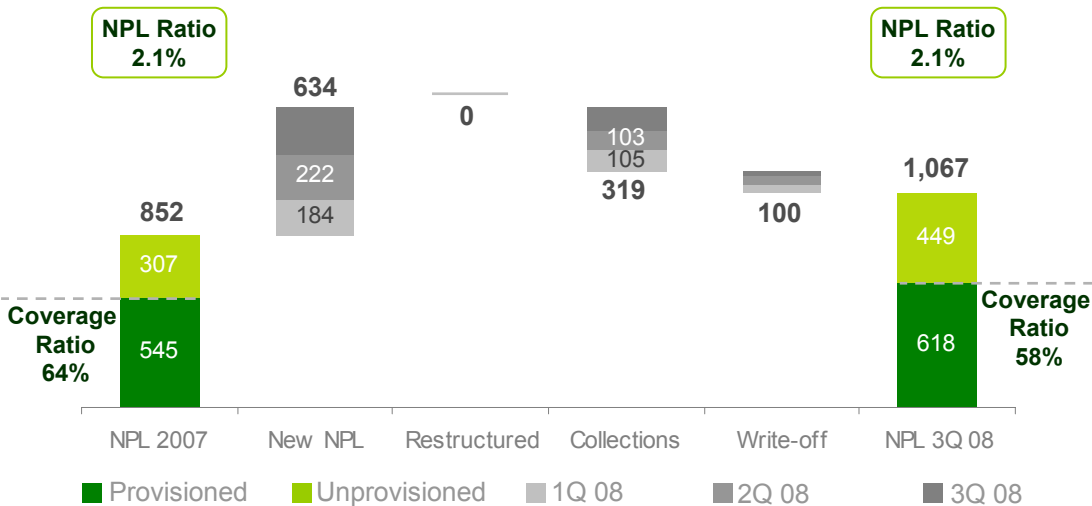


*24% Ytd loan growth
mainly driven by SME
and Commercial
Banking*

¹ Based on bank-only MIS data
² Consumer includes credit cards and overdraft loans

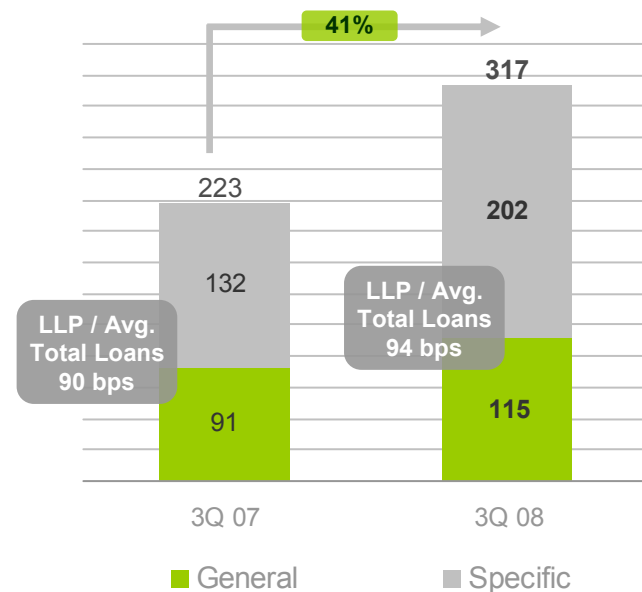
Sustained sound asset quality and provisioning levels

NPL Ratio & Coverage



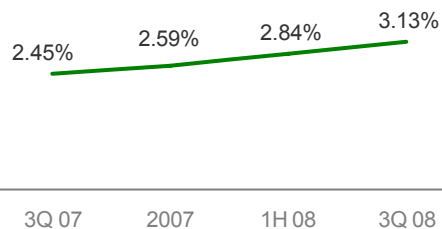
Loan-Loss Provisions

YTL Million

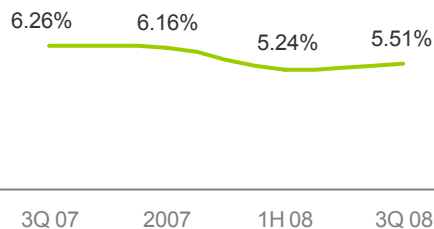


NPL Categorisation¹

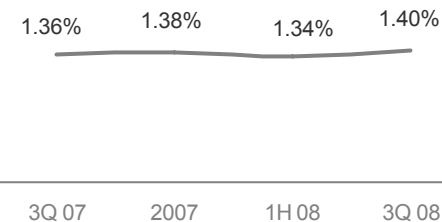
Retail Banking



Credit Cards



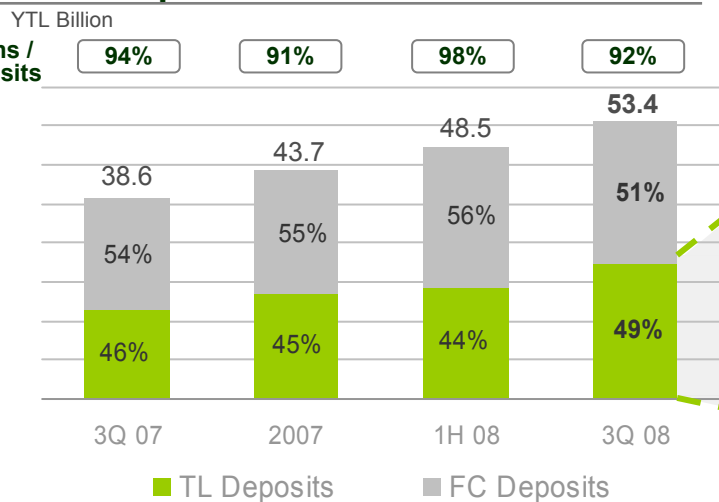
Business Banking (Including SME)



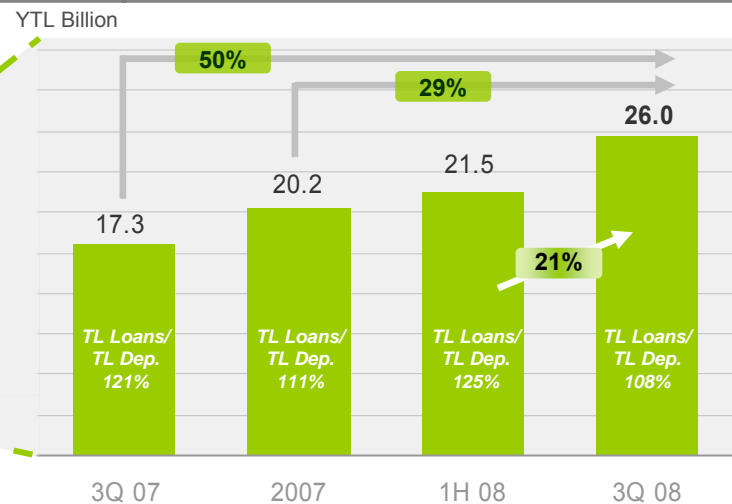
¹ Based on bank-only MIS data

Solidifying funding structure with robust TL deposit growth...

Total Deposits

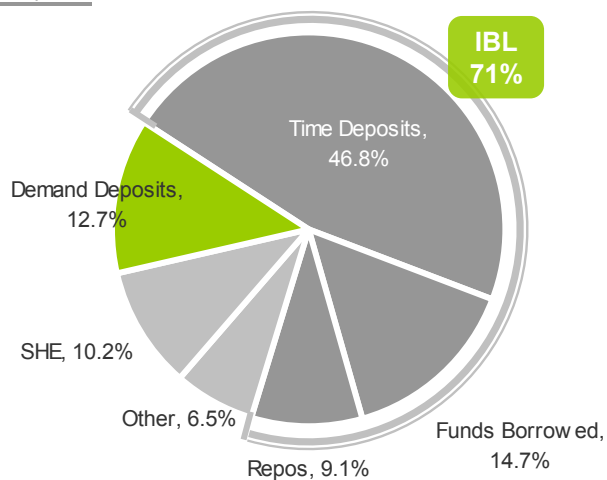


TL Deposits

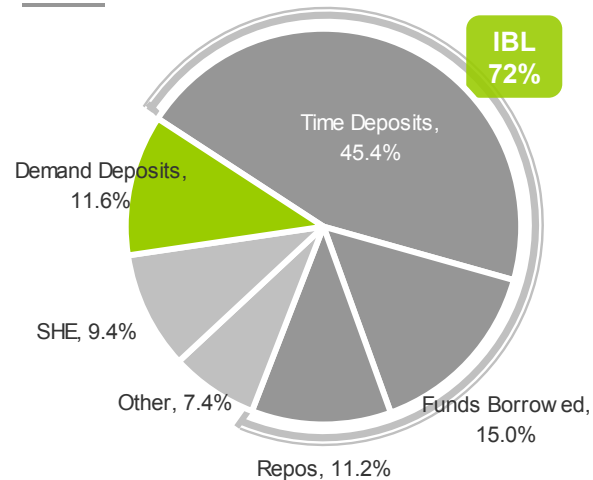


Composition of Liabilities¹

3Q 08



2007

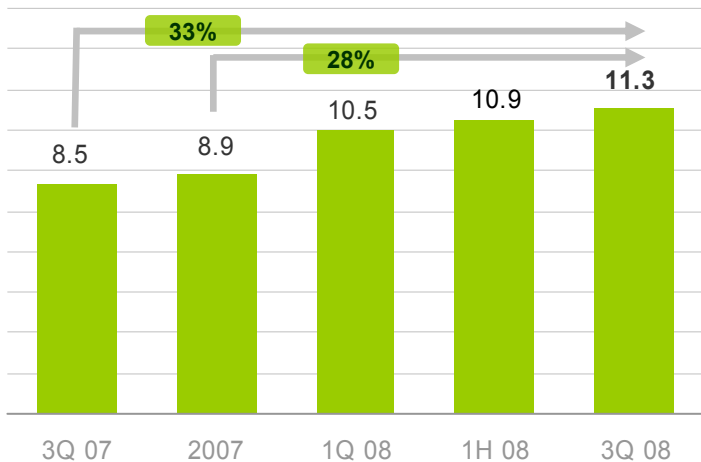


¹ Excluding accruals

...sustained high demand deposit market share...

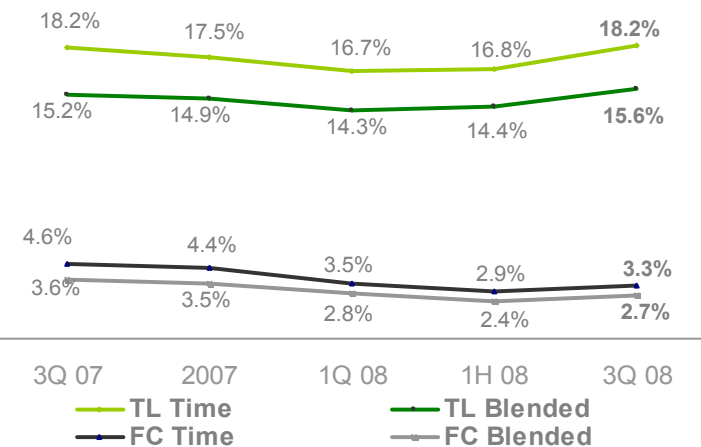
Demand Deposits

YTL Billion



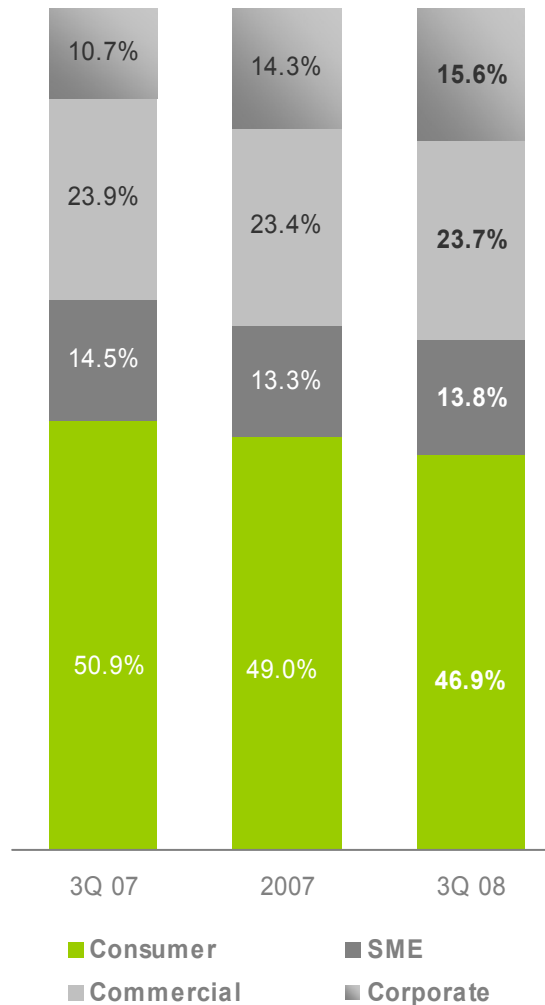
Cost of Deposits¹

Quarterly Averages



Deposits by LOB¹

(excluding bank deposits)



Demand Deposits

YTD Growth

28%

Demand Deposit Market Share²

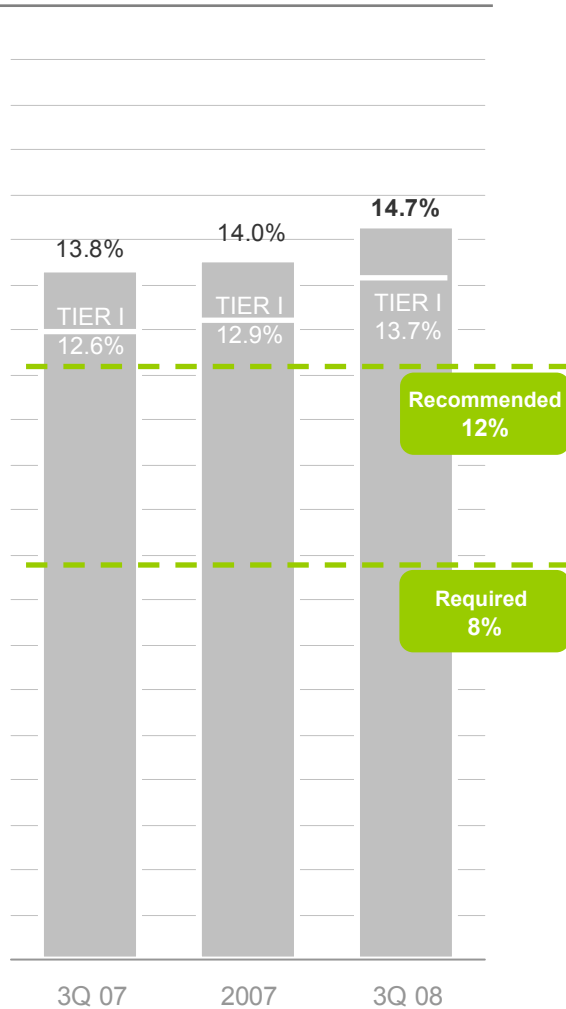
14.2%

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

...and effective capital management

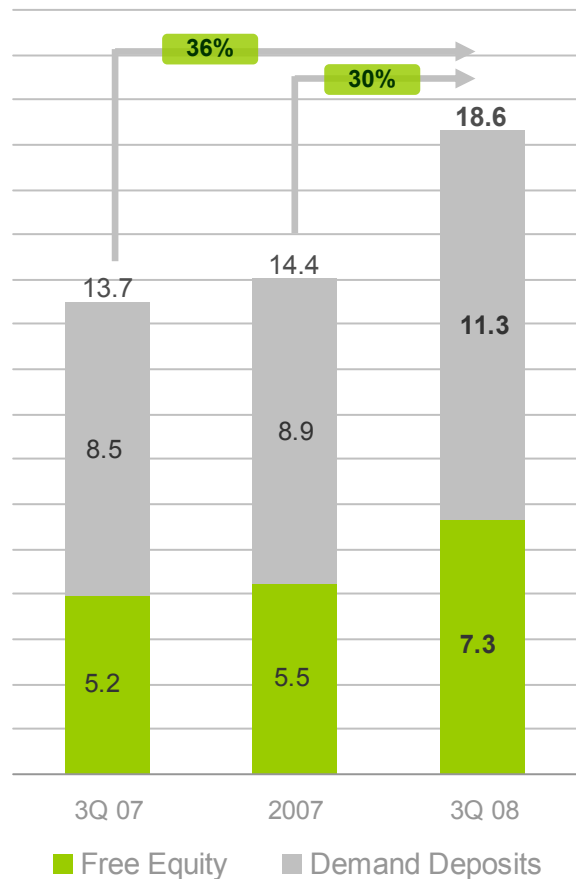
CAR



Free Funds

YTL Billion (Free Funds = Free Equity + Demand Deposits)

Free Funds / IEAs → 22.4%



- *Consistently growing normalized net incomes*
- *Focused demand deposit growth*
- *Non-core asset divestments*
- *Cash injection through capital increase*
- *Fully retained 2007 earnings*
- *Optimum security mix against market fluctuations*

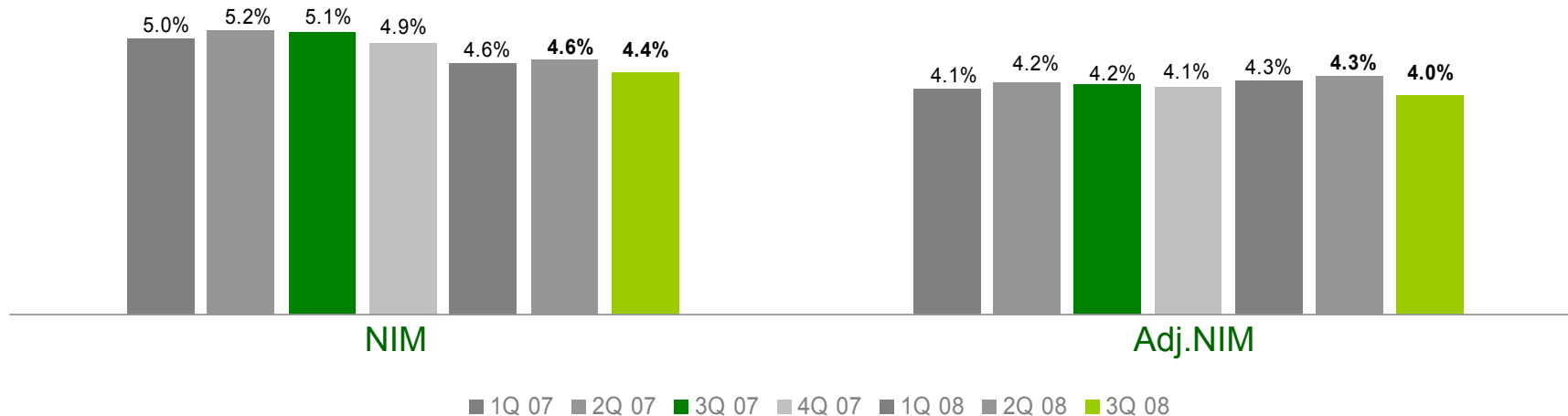
Leverage Ratio

2 points decline in last two years

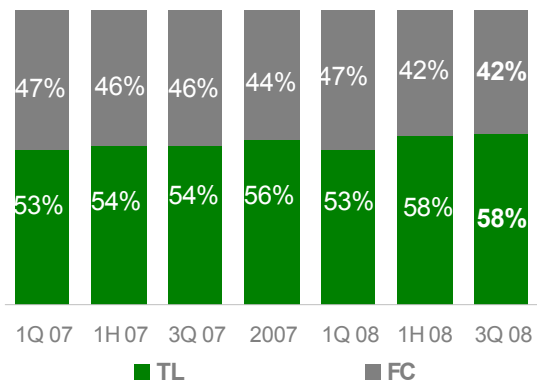


Higher volume growth in TL funding suppressed margins in Q3

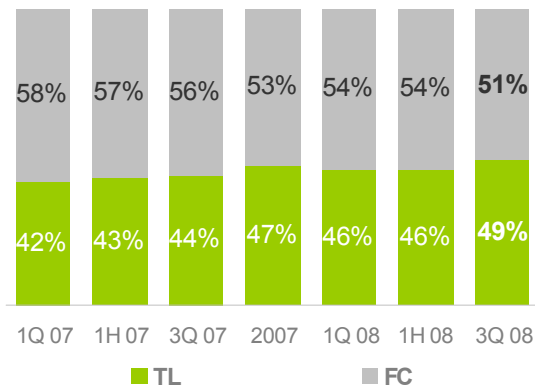
NIM (Net Interest Income/ Average IEAs)



Composition of IEAs



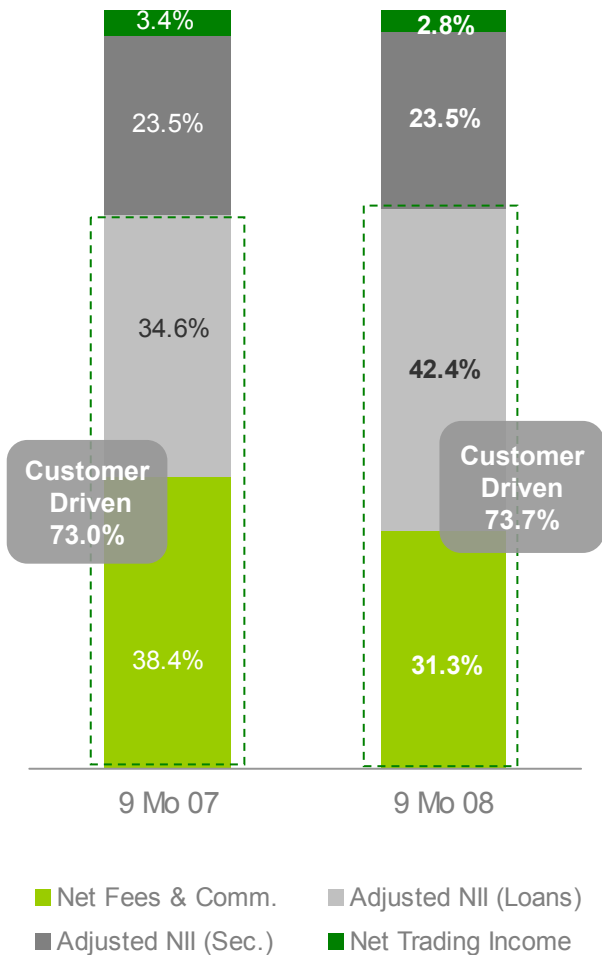
Composition of IBLs



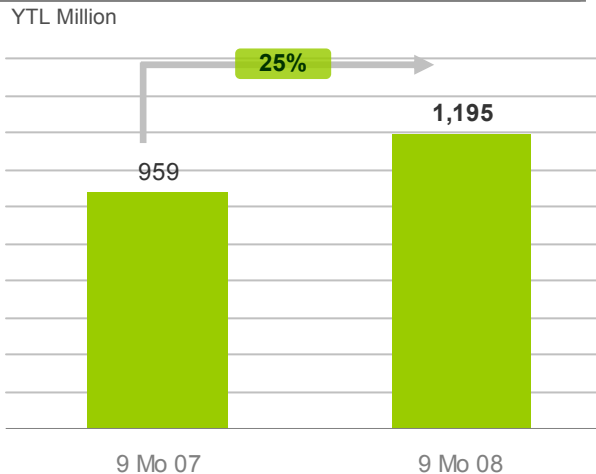
%	IEA/Assets	IBL/Assets
3Q 08	93.1%	70.6%
1H 08	92.6%	69.6%
1Q 08	92.5%	71.5%
2007	92.4%	71.7%
3Q 07	93.0%	70.5%
1H 07	92.7%	70.6%
1Q 07	93.2%	71.8%

Continued focus on resilient customer driven revenues

Ordinary Banking Income¹



Net Fees & Commissions²

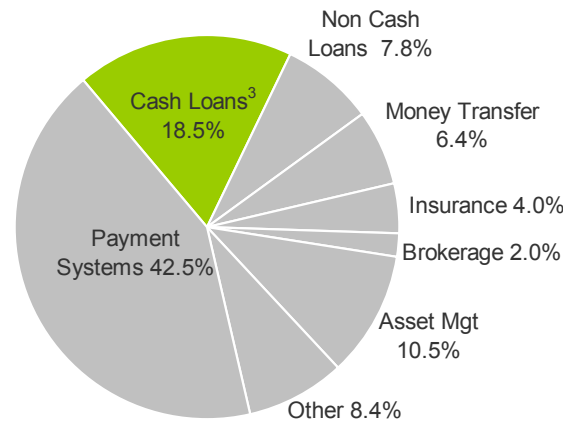


Net Fees & Commissions

Y-o-Y

25%

Net Fees & Commissions Breakdown¹



Customer Driven Income Growth

Y-o-Y

26%

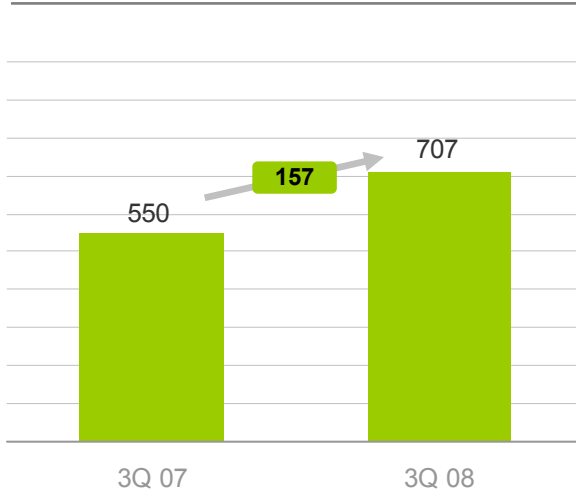
¹ Based on bank-only MIS data

² As per new BRSA classification in P/L, excludes net fees and commissions received from cash loans amounting 98 mn for 9 Mo 08 and 59 mn for 9 Mo 07

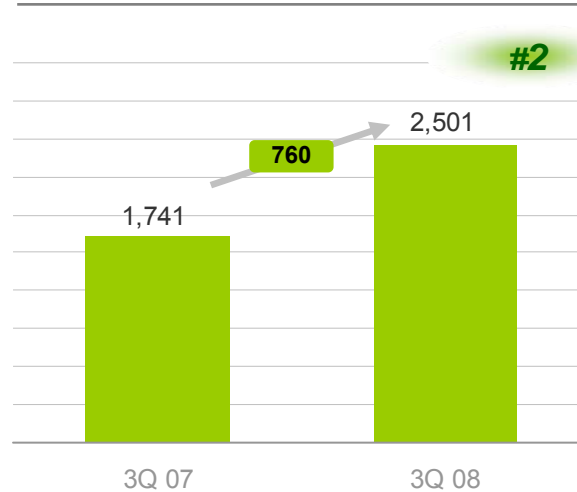
³ Include consumer loans fees as well as other cash loan fees now classified as interest on loans in income statement amounting 98 mn for 9 Mo 08 and 59 mn for 9 Mo 07

Strengthened Retail Network -- Increased Critical Mass...

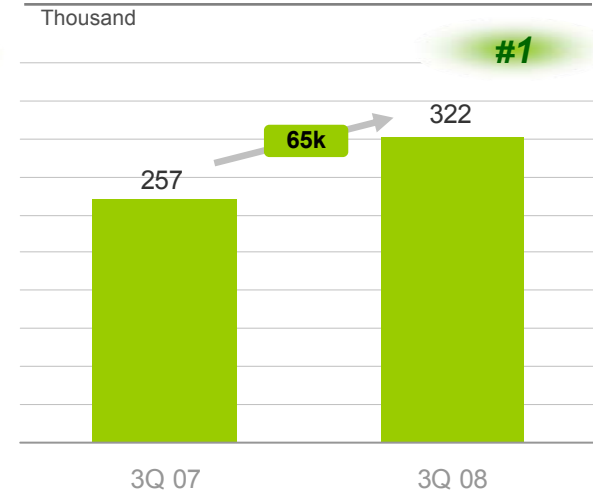
Number of Branches



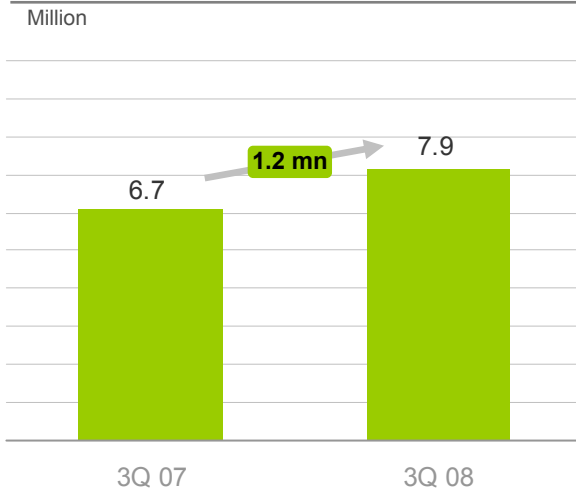
Number of ATMs



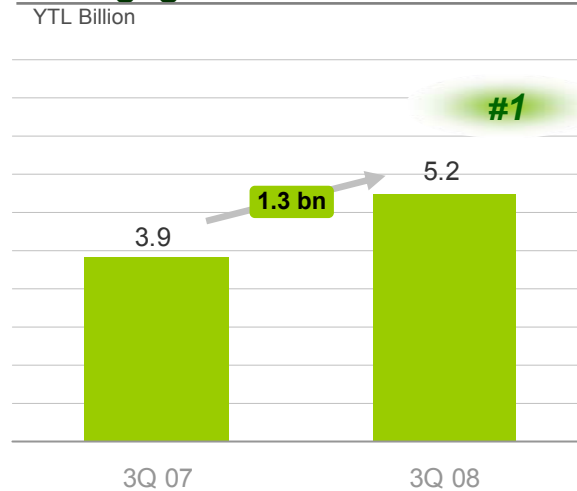
Number of POS



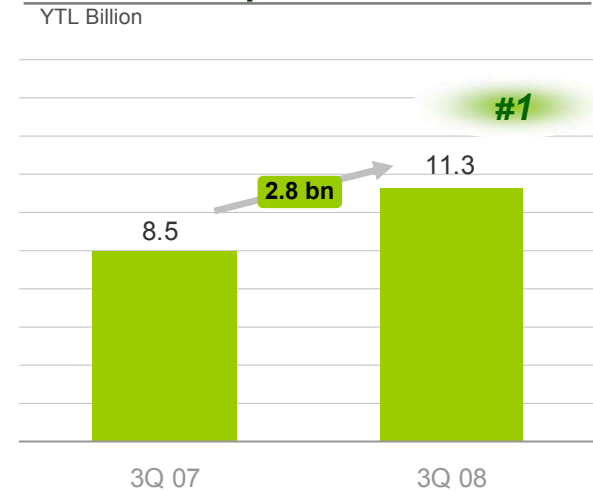
Number of Customers



Mortgages



Demand Deposits



...And again did well

(YTL Million)	9 Mo 07	9 Mo 08	Growth
Ordinary Banking Income	2,809	3,643	30%
Other Income¹	303	215	(29%)
Total Revenue¹	3,112	3,858	24%
Operating Expense¹	(1,513)	(1,938)	28%
<i>Personnel Expense</i>	(555)	(750)	35%
<i>Bonus Provision</i>	(57)	(125)	118%
<i>Rent Expense</i>	(59)	(80)	35%
<i>Communication Expense</i>	(83)	(103)	24%
<i>Other¹</i>	(758)	(880)	16%
Operating Income¹	1,599	1,920	20%
Other Provisions²	(23)	(33)	42%
Taxes¹	(324)	(411)	27%
Normalized Net Income¹	1,252	1,476	18%
Non-recurring income ¹	781	34	n.m.
Net Income	2,033	1,510	(26%)
Equityholders of the Bank	2,027	1,502	(26%)
Minority Interest	6	8	29%

30%



**Ordinary Banking
Income Growth**

Y-o-Y

*Continued investment on
future growth potential
temporarily creates
pressure on Opex*

Appendix

Balance Sheet - Summary

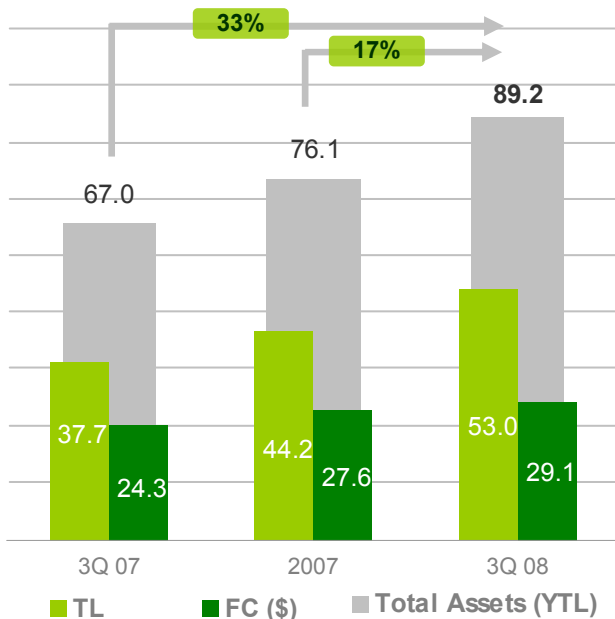
<i>(YTL Million)</i>		2007	3Q 08	YTD Change
Assets	Cash & Banks¹	6,885	8,617	25%
	Reserve Requirements	4,908	2,221	(55%)
	Securities	18,779	22,222	18%
	Performing Loans	39,721	49,341	24%
	Fixed Assets & Subsidiaries	1,189	1,207	2%
	Other	4,666	5,542	19%
	Total Assets	76,148	89,150	17%
	Liabilities & SHE	Deposits	43,690	53,361
Repos		8,592	8,199	(5%)
Borrowings		11,630	13,396	15%
Other		5,110	5,134	0%
SHE		7,126	9,060	27%
Total Liabilities & SHE		76,148	89,150	17%

¹ Includes banks and other financial institutions

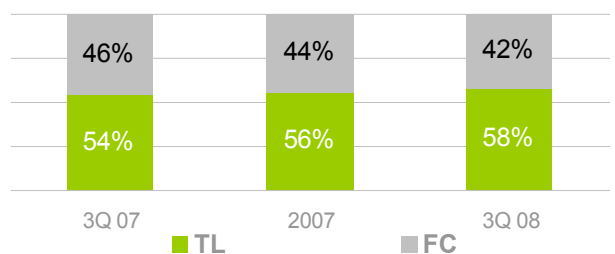
Higher Yielding TL Asset Growth

Total Assets

YTL / USD Billion

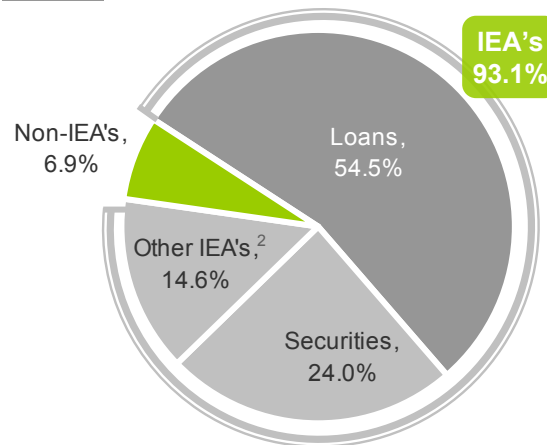


Composition of IEA's

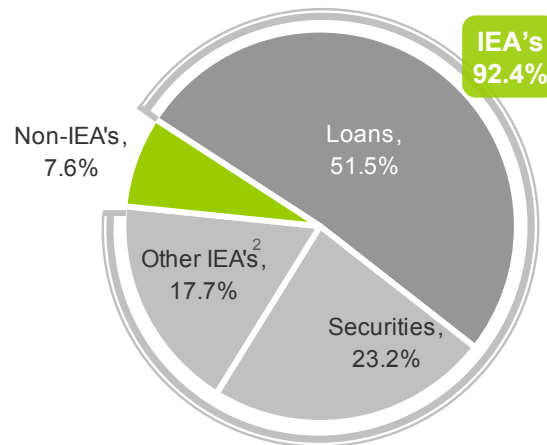


Composition of Assets¹

3Q 08



2007



TL Asset Growth Ytd

20%

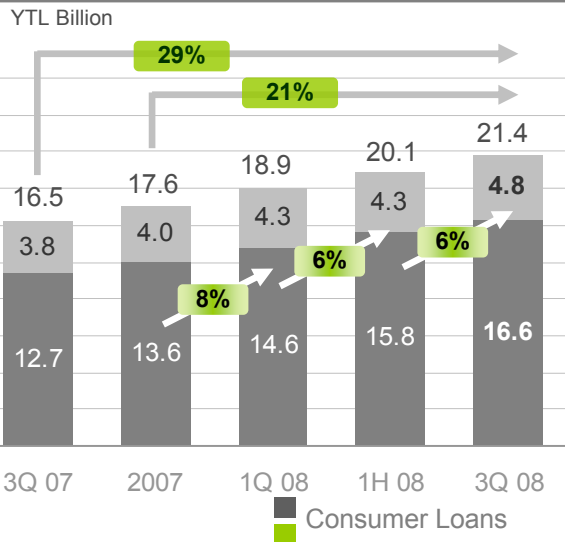
TL/Total IEA's

58%

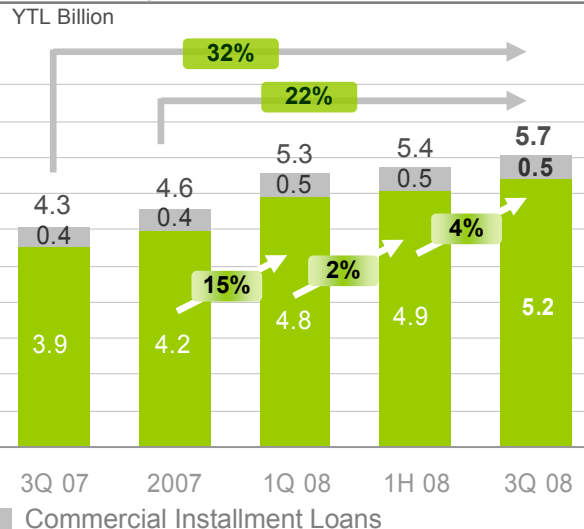
¹ Accrued interest on B/S items are shown in non-IEA's
² Other IEA's include factoring and leasing receivables
³ Excluding accrued interest

Profitability focused growth strategy led to slower, but managed retail growth

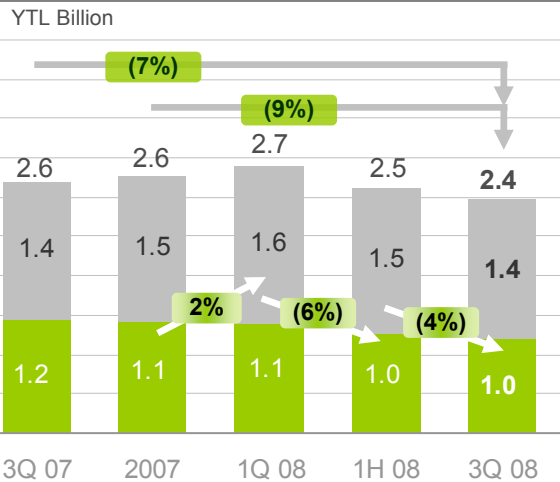
Retail Loans¹



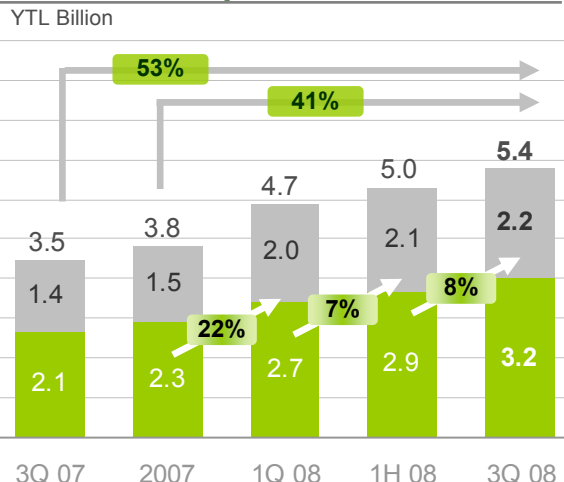
Housing Loan Growth



Auto Loan Growth



General Purpose Growth



Market Shares^{2,3}

	YTD Δ	3Q 08
Housing	-31 bps	13.5%
Auto	-181 bps	14.8%
General Purpose	+46 bps	9.8%
Retail ¹	-36 bps	13.5%

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

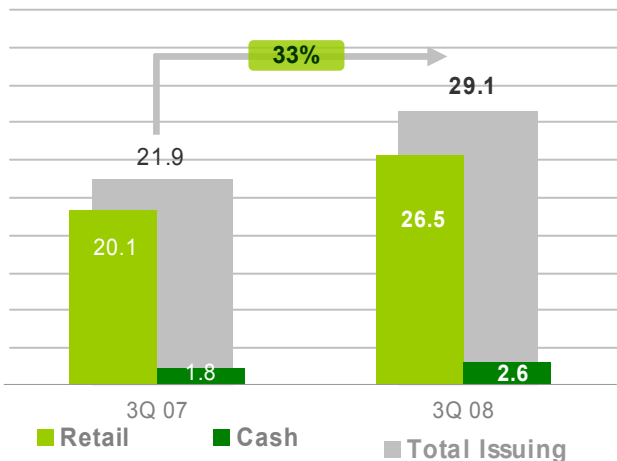
² Including consumer and commercial installment loans

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

Maintained strong position in cards business

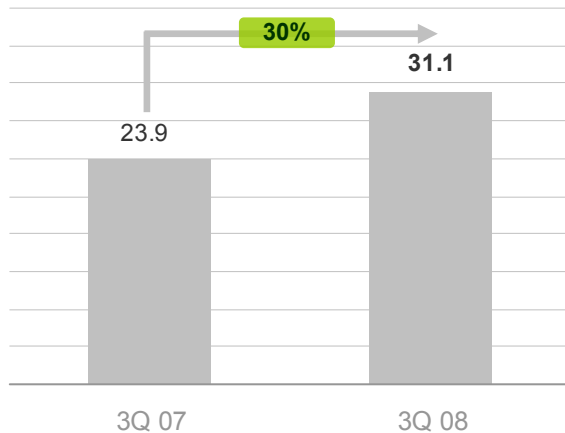
Issuing Volume

YTL Billion



Acquiring Volume

YTL Billion

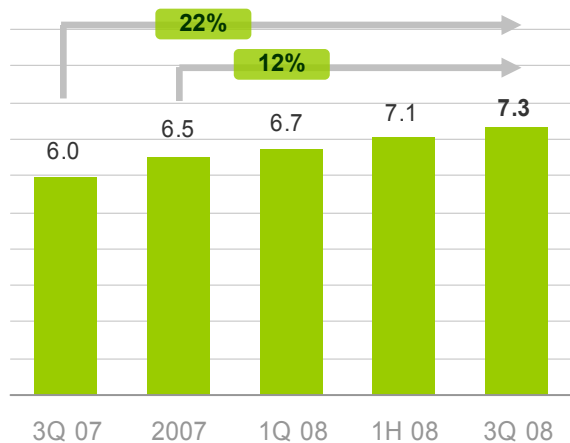


#1 in
Acquiring Volume
& Strong **#2** in
Issuing Volume



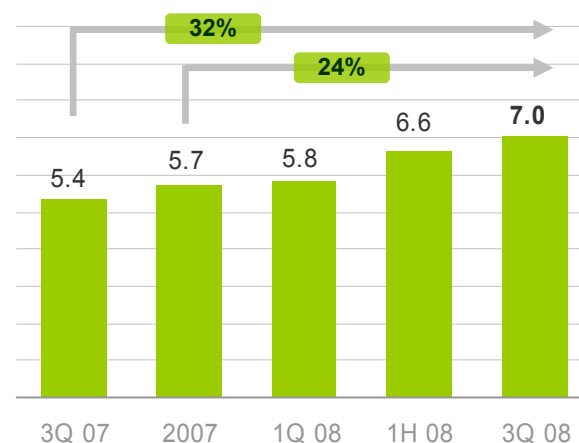
No. of Credit Cards

In Million



Credit Card Balances

YTL Billion



Market Shares

	YTD Δ	3Q 08	Rank
Acquiring	-50 bps	22.5%	#1
Issuing	-20 bps	21.3%	#2
# of Plastic Credit Cards	0 bps	16.1%	#1
POS ¹	+60 bps	20.0%	#1
ATM	+190 bps	11.8%	#2

Quarterly Analysis of Ordinary Banking Income

(YTL Thousand)	1Q 07	2Q 07	3Q 07	4Q 07	1Q 08	2Q 08	3Q 08	Δ Y-o-Y 9 Mo 08	Δ Q-o-Q 9 Mo 08
Interest Income	1,803,700	1,883,238	2,022,540	2,176,585	2,228,737	2,324,196	2,537,592	24.2%	9.2%
-Loans	944,677	1,062,088	1,188,830	1,255,291	1,322,830	1,399,178	1,489,659	31.8%	6.5%
-Securities	572,356	566,409	566,151	637,408	642,956	674,712	793,410	23.8%	17.6%
-Other	286,667	254,741	267,559	283,886	262,951	250,306	254,523	(5.1%)	1.7%
Interest Expense	(1,099,078)	(1,133,744)	(1,218,435)	(1,336,854)	(1,382,824)	(1,426,866)	(1,637,762)	28.9%	14.8%
-Deposits	(754,571)	(774,215)	(807,073)	(959,619)	(942,188)	(996,339)	(1,131,301)	31.4%	13.5%
-Funds Borrowed	(168,620)	(162,541)	(233,637)	(184,232)	(220,691)	(204,152)	(211,524)	12.7%	3.6%
-Interbank & Other	(175,887)	(196,988)	(177,725)	(193,003)	(219,945)	(226,375)	(294,937)	34.6%	30.3%
Net Interest Income	704,622	749,494	804,105	839,731	845,913	897,330	899,830	17.0%	0.3%
Prov. for loans & securities	(83,116)	(78,821)	(63,930)	(99,932)	(126,989)	(104,491)	(88,459)	41.6%	(15.3%)
Net FX Gain/(Loss) + Net trading Income/(loss)	(57,013)	(43,584)	(81,904)	(35,953)	69,121	46,566	6,590	n.m.	n.m.
Adj. Net Interest Income	564,493	627,089	658,271	703,846	788,045	839,405	817,961	32.2%	(2.6%)
Net Fees and Comm.	310,702	314,653	333,794	329,420	405,953	390,392	398,939	24.6%	2.2%
Ordinary Banking Income	875,195	941,742	992,065	1,033,266	1,193,998	1,229,797	1,216,900	29.6%	(1.0%)

Non-recurring items

September 08:

The net income resulting from the non-recurring items amounts to **YTL 34 mn**, breakdown of which is;

- i) Other income:
 - Tax refund that the Bank collected through conciliation from the tax office, due to the prepaid taxes in 2005 **YTL 131 mn**.
 - Tax refund on an existing unused investment incentive certificate **YTL 6 mn**.
 - Proceeds from NPL sales **29 mn**.
- ii) Other expense
Defined Benefit Obligation: **YTL 165 mn**
- iii) Taxation expense
Tax credit resulting from the deferred tax asset calculated on defined benefit obligation liability **YTL 33 mn**

December 07:

The net income resulting from the non-recurring items amounts to **YTL 781 mn**, breakdown of which is;

- i) Other income:
 - Gains from insurance and pension & life business subsidiaries stake sale **YTL 707 mn**
 - Gains from custody sale **YTL 148 mn**.
- ii) Other expense:
 - Banking Insurance and transaction tax related to custody sale **YTL 7 mn**.
- iii) Taxation expense
 - Tax expense of insurance and pension & life business subsidiaries stake sale **YTL 38 mn**.
 - Tax expense of custody sale **YTL 28 mn**.

September 07:

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