

# **TEKSTİLBANK**

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*Earnings Presentation*  
*September 30, 2009 / BRSA Consolidated*

### *Focal points in 2009:*

- Preserving capital
- Maintaining optimum liquidity
- Close cost monitoring and execution of structural cost reduction



### *Highlights of Q3 2009:*

- Loan growth in line with the sector in Q3
- 11% quarterly deposit growth, surpassing sector average of 5%
- High capital adequacy
- Increase in NPLs mainly due to the shrinkage in the loanbook
- Margin improvement and trading gains due to easing in interest rates on deposits
- Strict cost measures resulting into decline in operating expenses

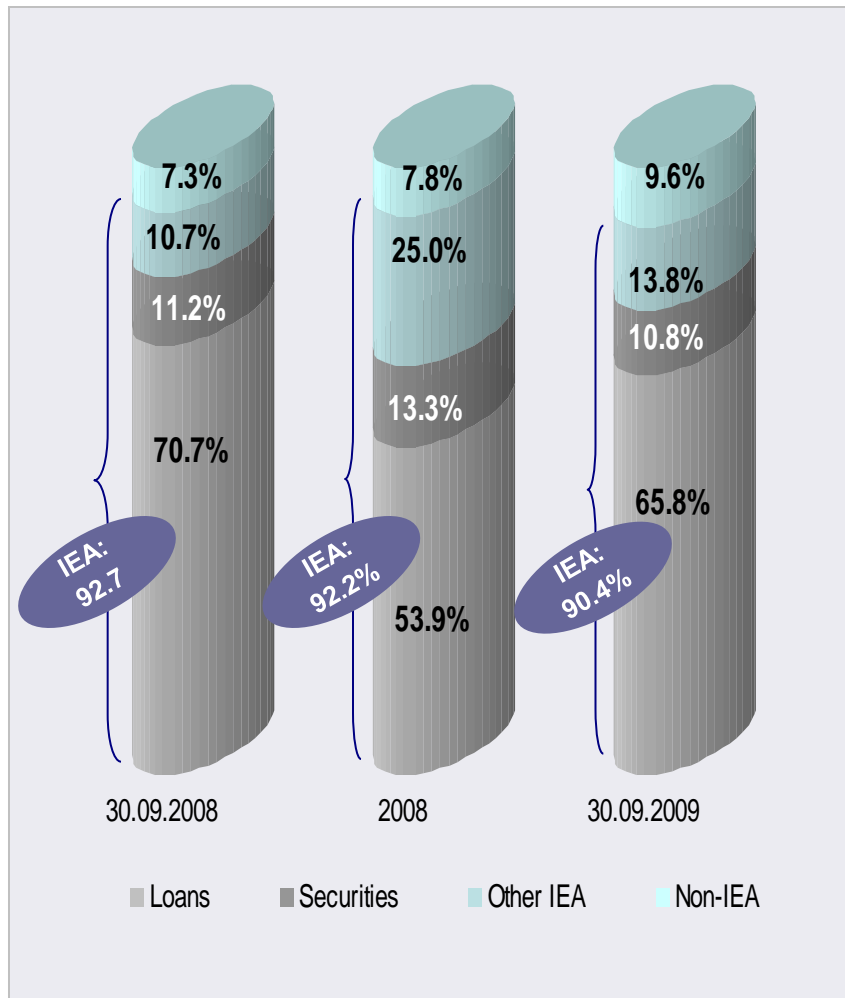
*Loan / Deposit  
ratio coming  
down to a  
healthier 101%*



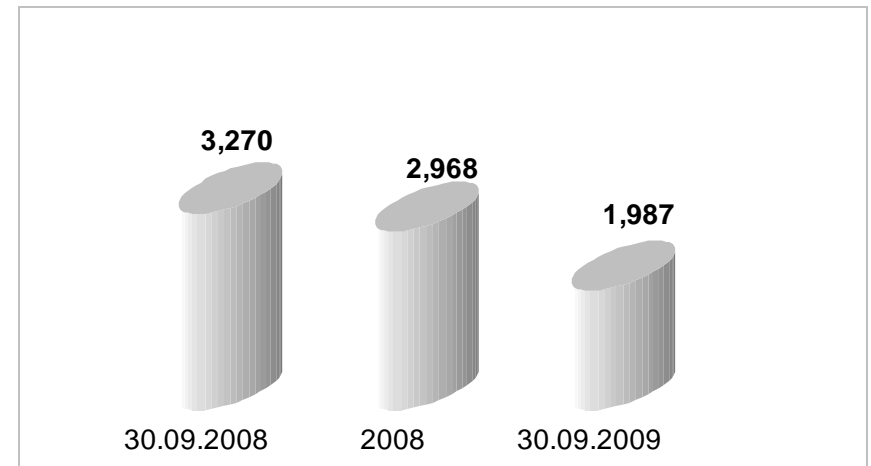
**103% YoY increase in consolidated net income in 9mth09**

# Asset size remained flat in Q309...

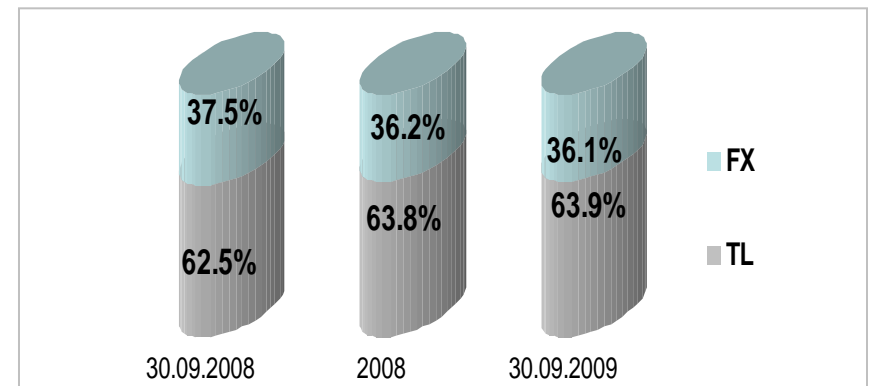
## Composition of Assets



## Total Assets (TRY mn)

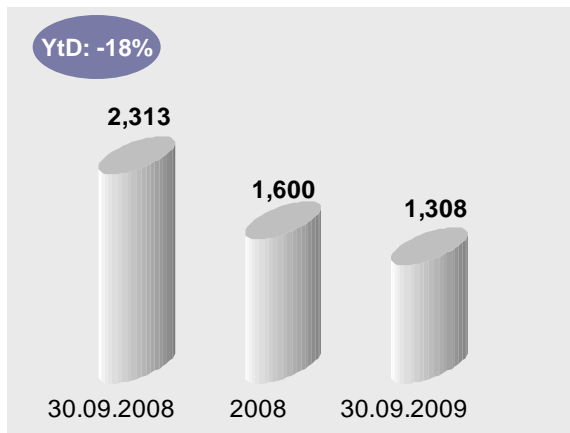


## Currency Composition of Assets

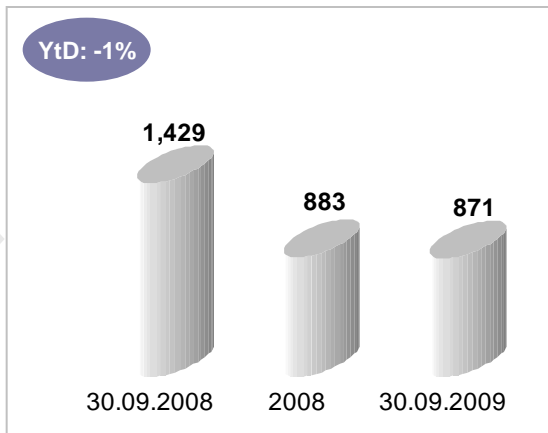


# Selective lending strategy continued, yet, loan growth stood in line with market average in Q309...

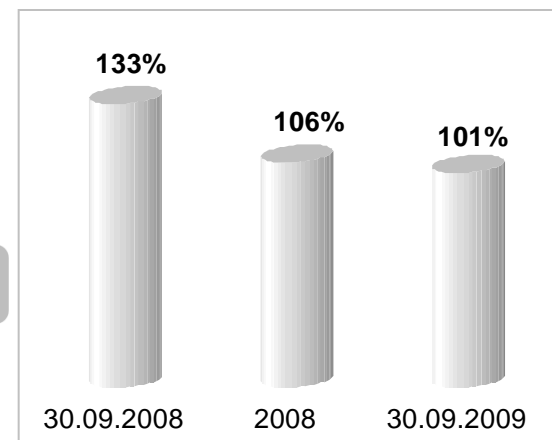
## Total Cash Loans (TRY mn)



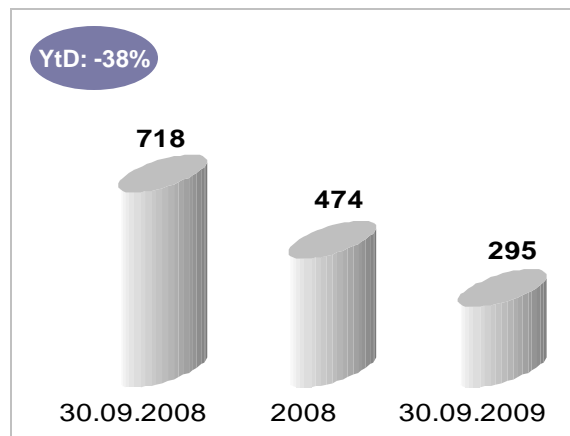
## TL Cash Loans (TRY mn)



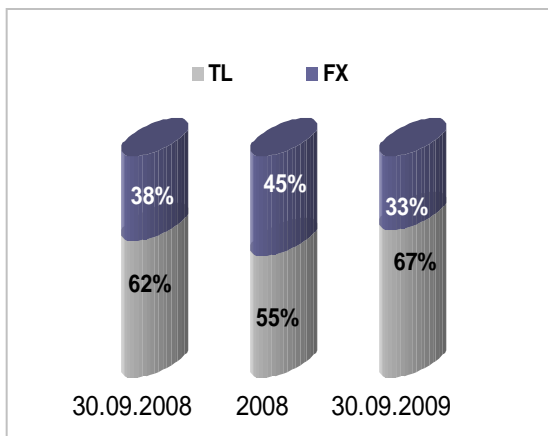
## Loans / Deposits



## FX Cash Loans (US\$ mn)



## Currency Breakdown of Cash Loans

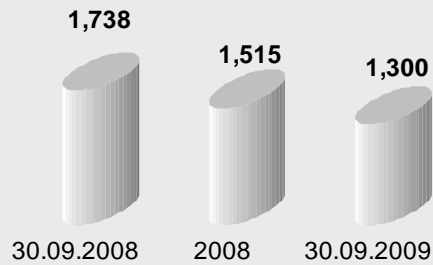


FX indexed cash loans are included in FX cash loans

# 11% quarterly deposit growth, surpassing market growth of 5% ...

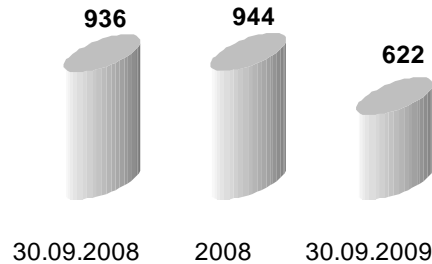
## Total Deposits\* (TRY mn)

YtD -14%

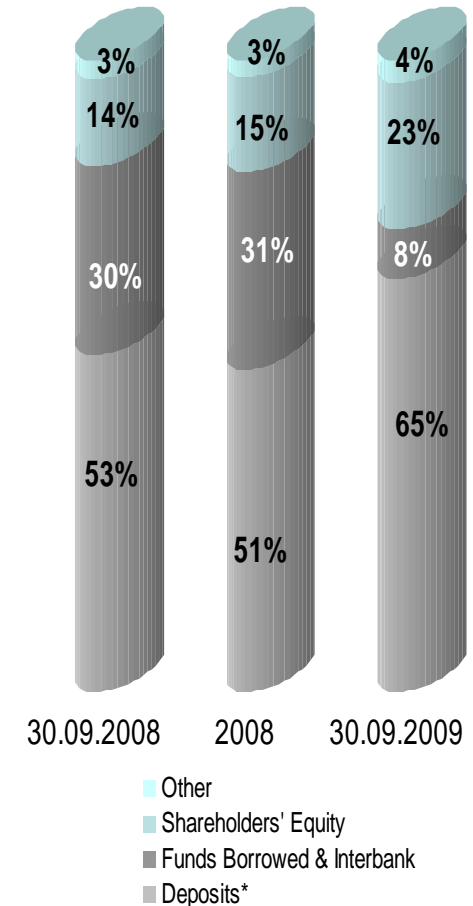


## TL Deposits\* (TRY mn)

YtD: -34%

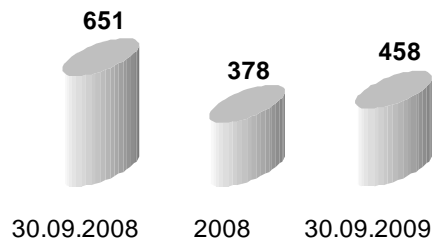


## Composition of Liabilities & SHE

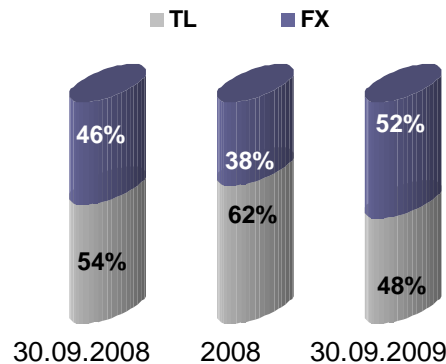


## FX Deposits\* (US\$ mn)

YtD: 21%



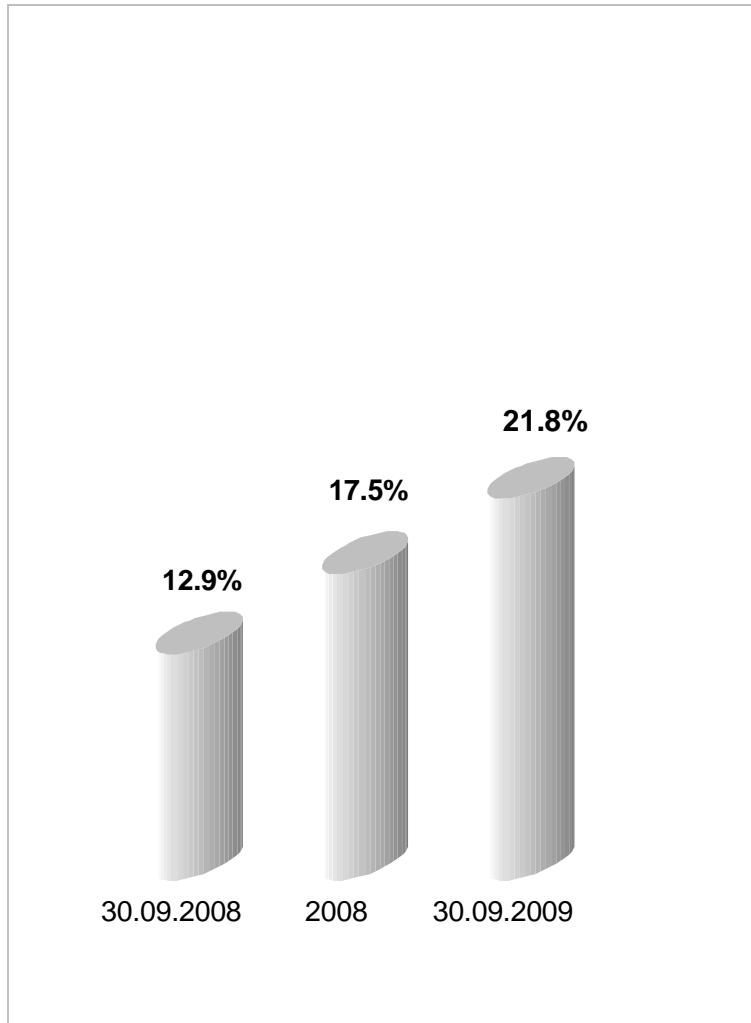
## Currency Breakdown\*



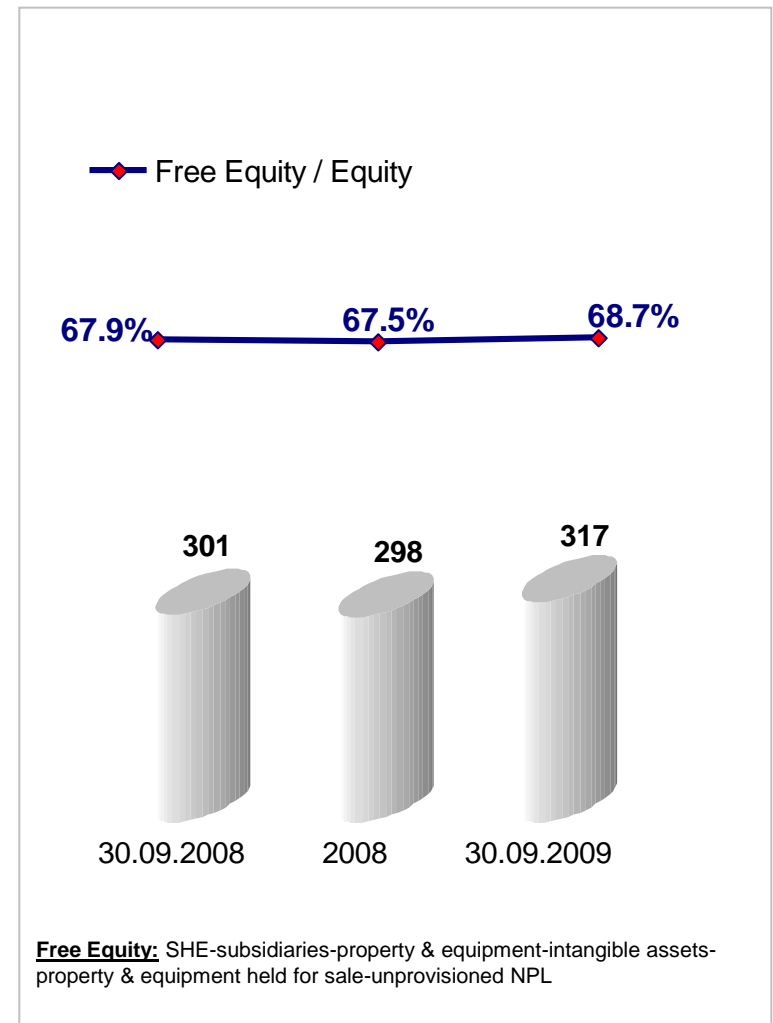
\* Excluding bank deposits

# Capital adequacy ratio stood at 21.8%...

## Capital Adequacy Ratio (CAR)



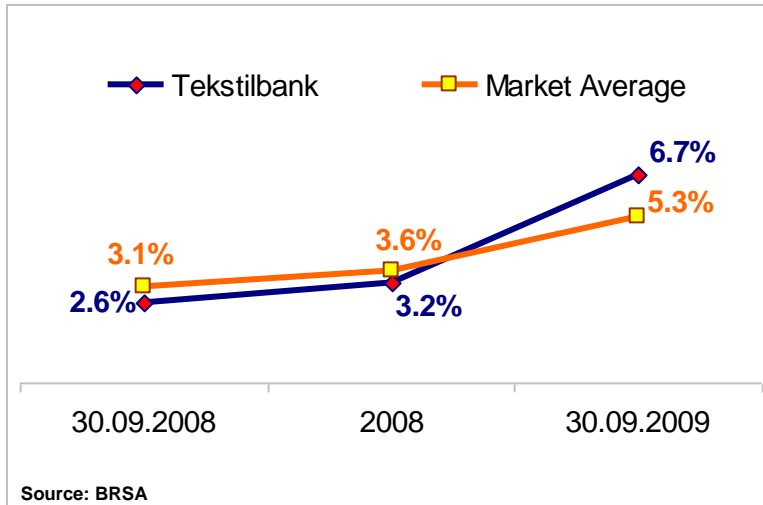
## Free Equity (TRY mn)



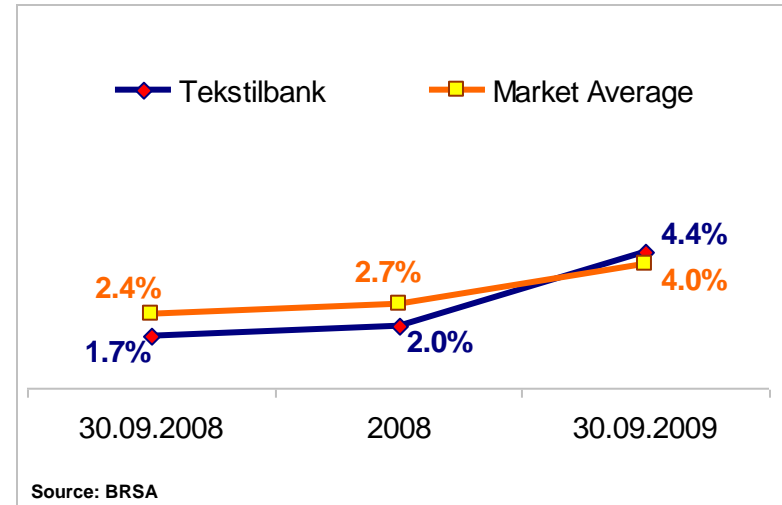
**Free Equity:** SHE-subsidaries-property & equipment-intangible assets-property & equipment held for sale-unprovisioned NPL

# Increase in NPL ratio mainly due to the shrinkage in the loanbook...

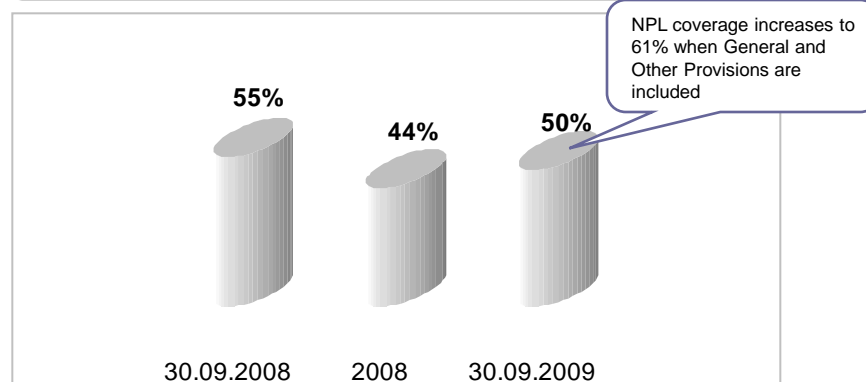
## NPL Ratio



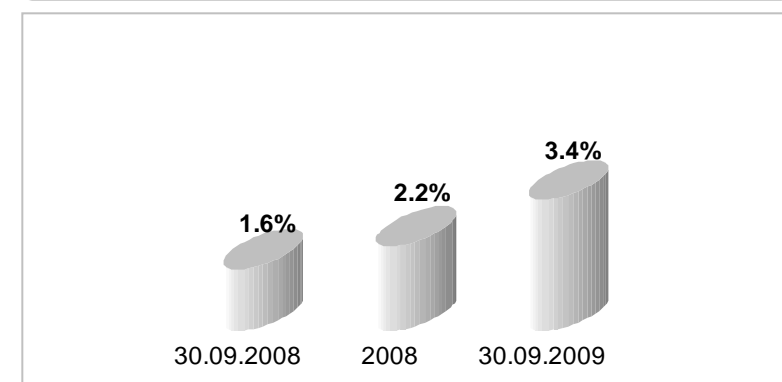
## NPL Ratio (including non-cash loans)



## NPL Coverage



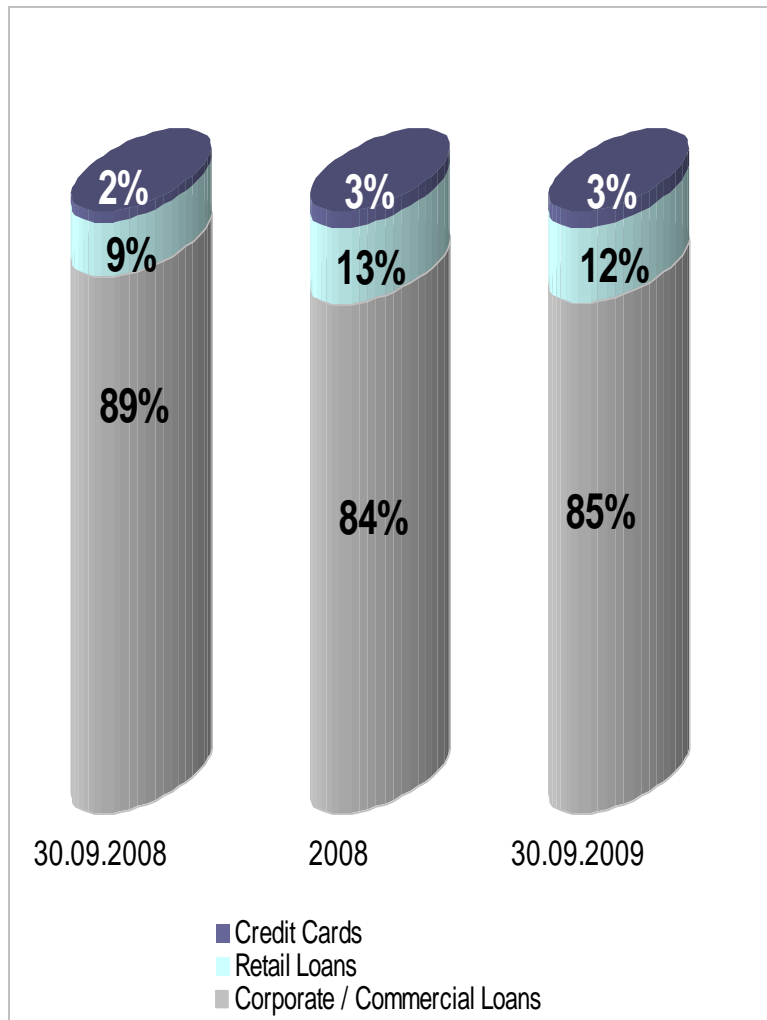
## Cost of Risk



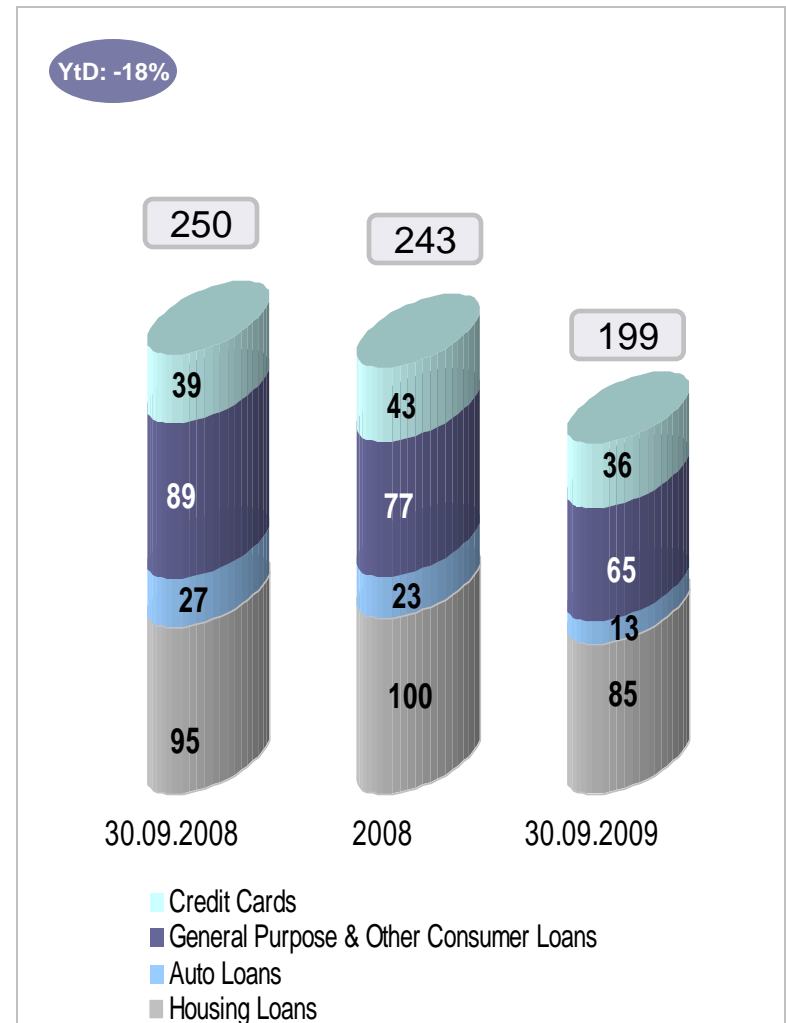
•The decline in NPL ratio of the market is mainly due to the sale of a portion of NPLs of some banks.

# Retail banking...

## Breakdown of Loan Portfolio

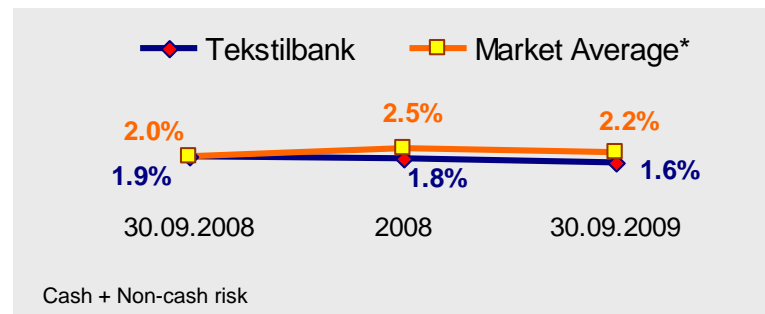


## Breakdown of Retail Loans (TRY mn)

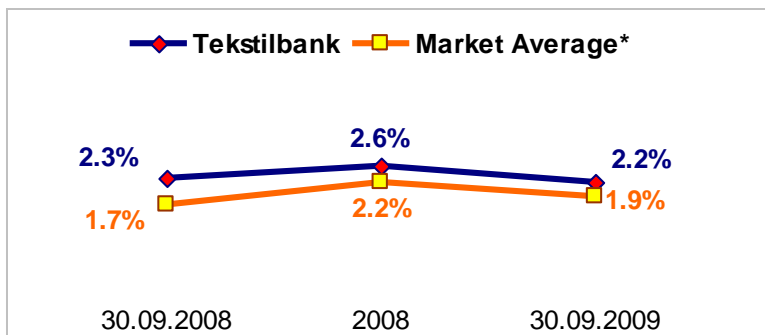


# Group risks...

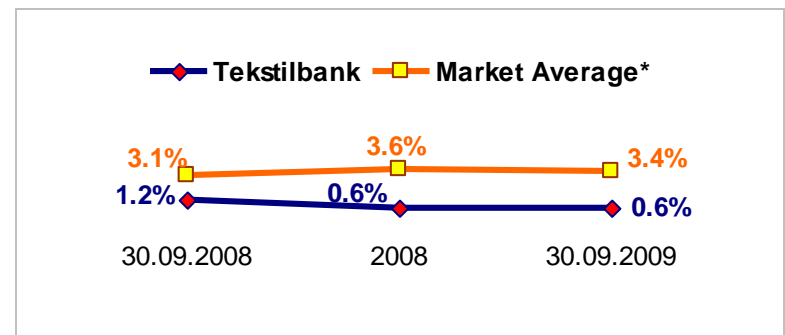
## Group Total Risk / Total Risk



## Group Cash Loans / Cash Loans



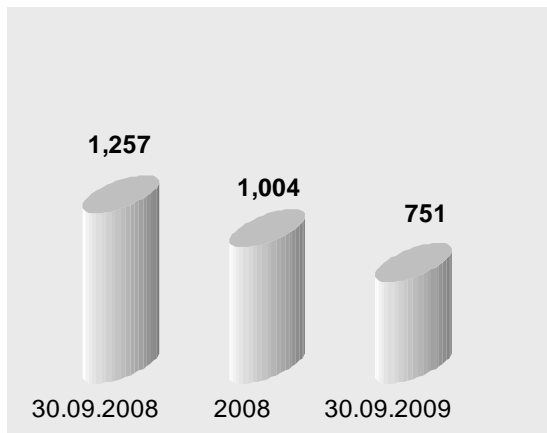
## Group Non-Cash Loans / Non-Cash Loans



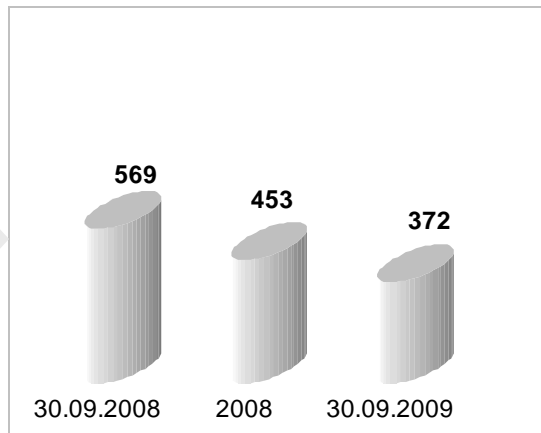
\* Selected 20 banks' average (public banks are excluded) for June 2009, September 2009 figures for the market are not available yet

# Decline in non-cash loans parallel to cash loans...

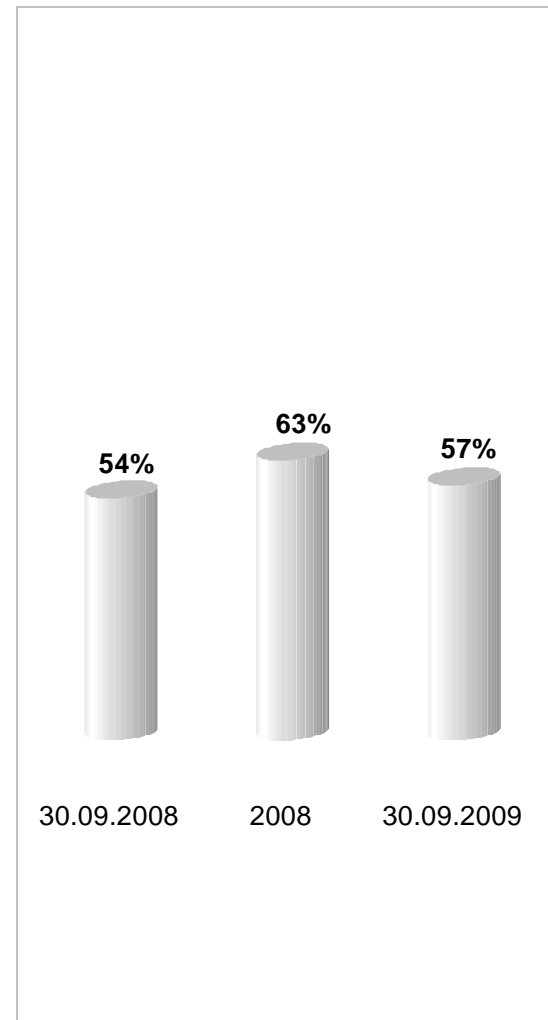
**Total Non-Cash Loans (TRY mn)**



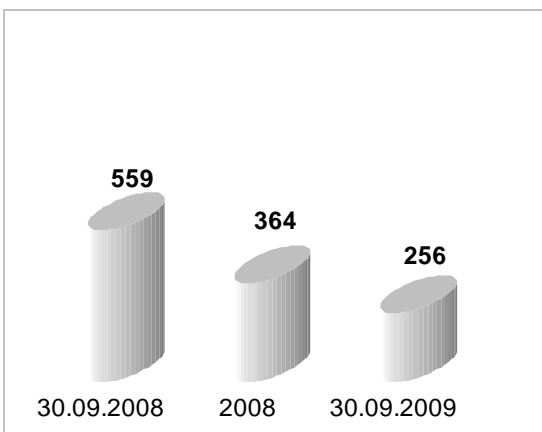
**TL Non-Cash Loans (TRY mn)**



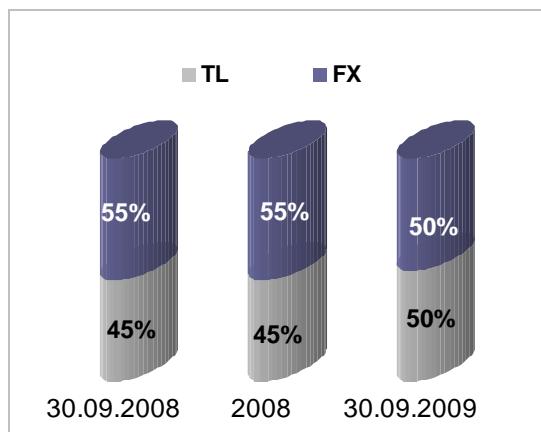
**Non-Cash / Cash Loans**



**FX Non-Cash Loans (US\$ mn)**

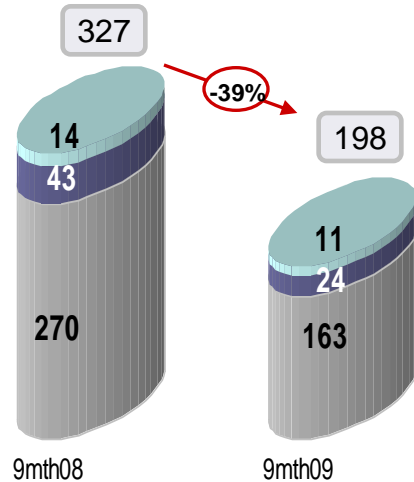


**Currency Breakdown of Non-Cash Loans**

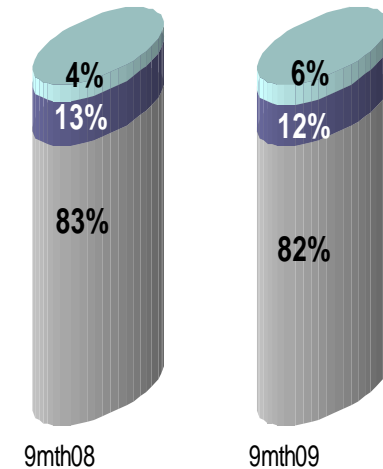


# Interest Income & Expense...

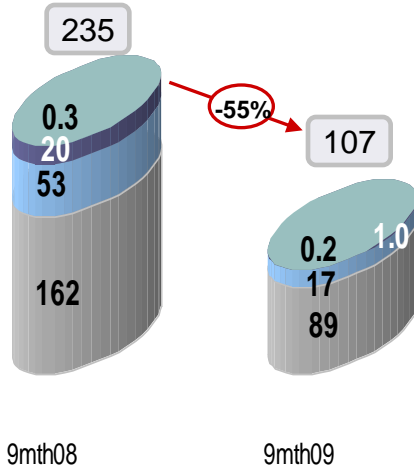
## Interest Income (TRY mn)



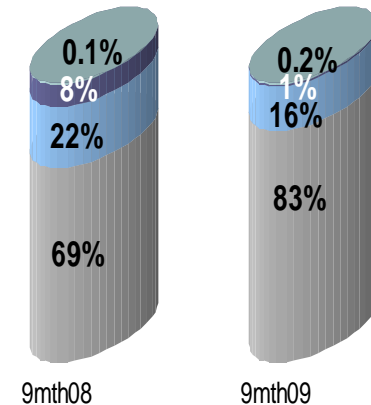
## Composition of Interest Income\*



## Interest Expense (TRY mn)

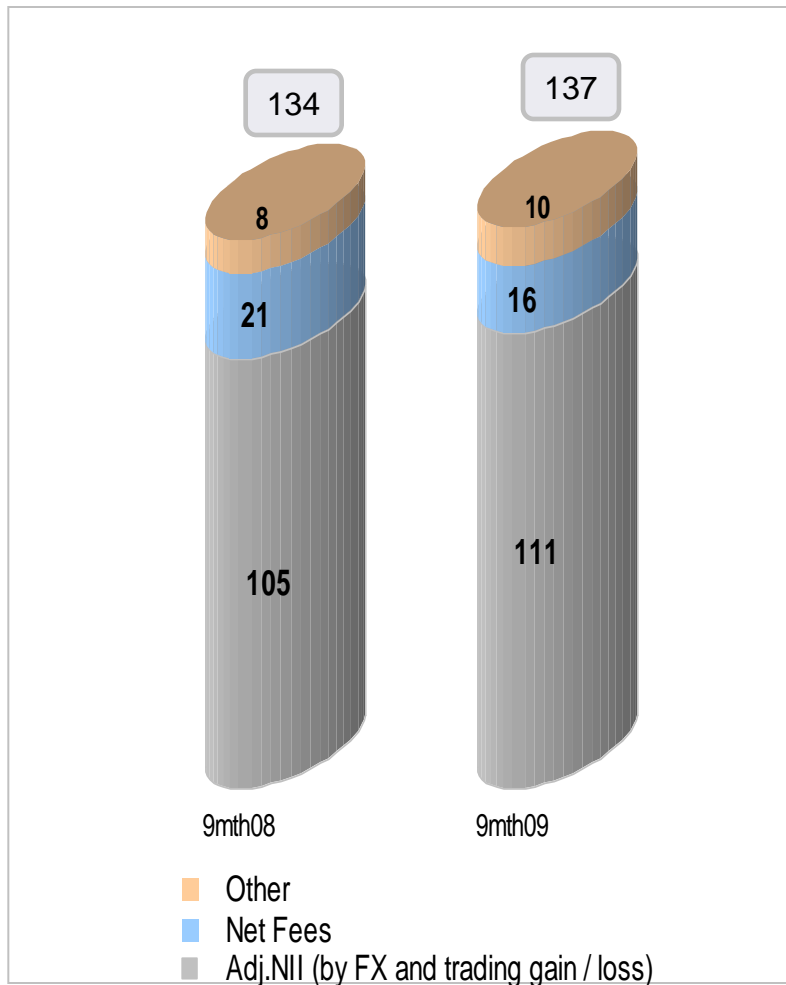


## Composition of Interest Expense

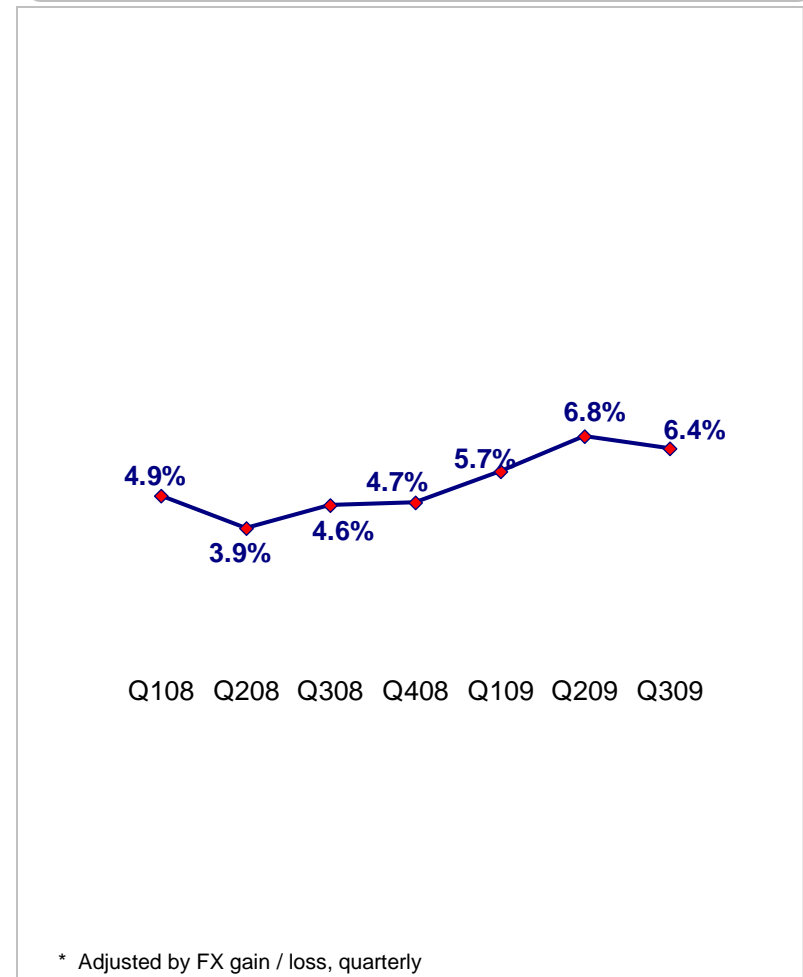


# Pressure on margins in Q309 in line with the sector...

## Banking Income (TRY mn)

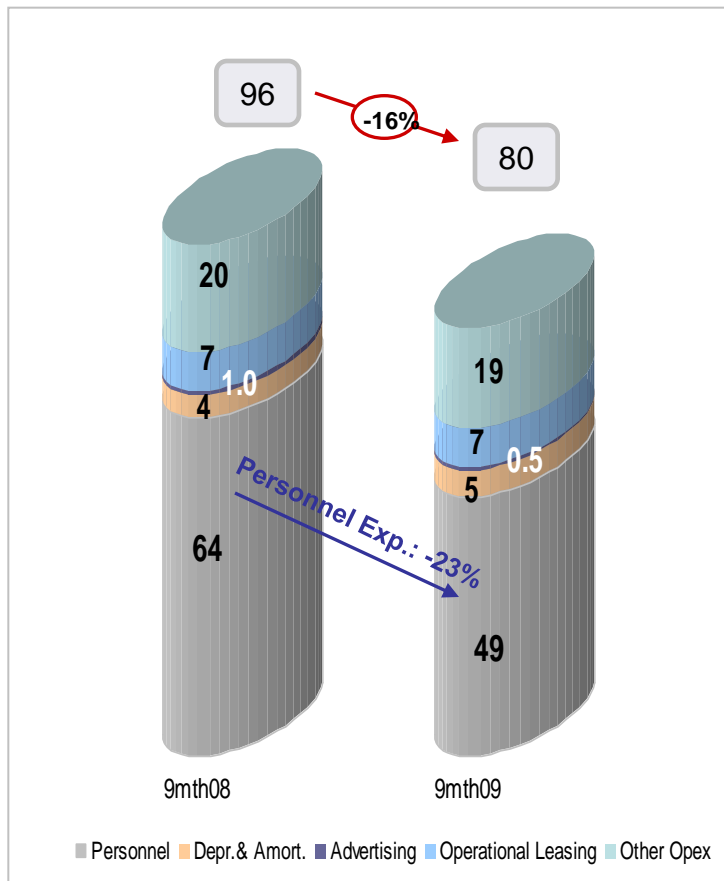


## Adjusted Net Interest Margin\*

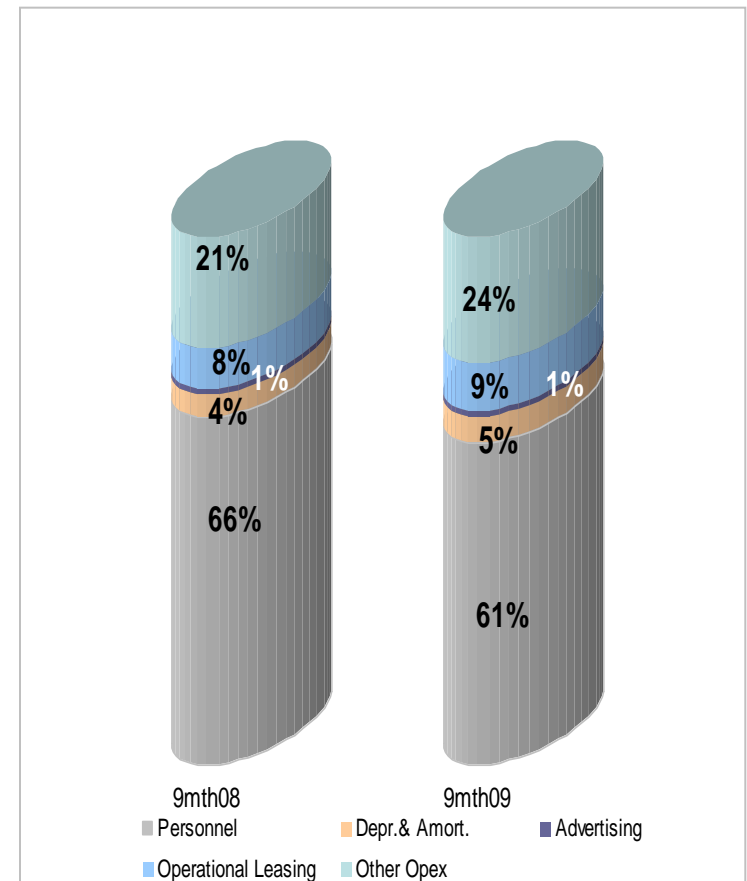


# Strict cost measures pays off...

## Operating Expenses (TRY mn)



## Composition of Operating Expenses



# Summary Balance Sheet...

TRY mn	30.09.2008	2008	30.09.2009
<b>Cash &amp; Banks</b>	368	764	293
<b>Total Securities</b>	366	395	216
<b>Total Cash Loans</b>	2,313	1,600	1,308
<b>Fixed Assets &amp; Subsidiaries</b>	114	113	98
<b>Other</b>	108	96	72
<b>Total Assets</b>	<b>3,270</b>	<b>2,968</b>	<b>1,987</b>
<b>Deposits</b>	1,738	1,515	1,300
<b>Interbank Money Market</b>	338	224	7
<b>Borrowings</b>	636	703	148
<b>Other</b>	115	84	70
<b>SHE</b>	443	442	462
<b>Total Liabilities &amp; SHE</b>	<b>3,270</b>	<b>2,968</b>	<b>1,987</b>

# Summary Income Statement...

TRY mn	9mth08	9mth09
<b>Interest Income</b>	<b>327.5</b>	<b>198.4</b>
<i>Loans</i>	270.2	163.0
<i>Securities</i>	43.1	24.4
<i>Other</i>	14.2	11.0
<b>Interest Expense</b>	<b>234.5</b>	<b>106.6</b>
<i>Deposits</i>	161.6	88.6
<i>Funds Borrowed</i>	52.7	17.0
<i>Interbank &amp; Other</i>	20.2	1.0
<b>Net Interest Income</b>	<b>93.0</b>	<b>91.8</b>
<i>Net FX Gain (Loss)*</i>	10.3	9.1
<b>Adj. Net Interest Income</b>	<b>103.3</b>	<b>100.9</b>
<i>Net Trading Income (Loss)*</i>	2.2	10.5
<i>Net Fees &amp; Commissions</i>	20.5	16.1
<i>Other Operating Income</i>	8.4	9.6
<b>Total Operating Income</b>	<b>134.4</b>	<b>137.1</b>
<i>Provisions</i>	27.5	38.8
<i>Opex</i>	96.4	80.5
<b>Profit Before Tax</b>	<b>10.5</b>	<b>17.8</b>
<i>Tax</i>	3.1	2.8
<b>Net Income</b>	<b>7.4</b>	<b>15.0</b>

\* Foreign exchange gain / loss resulted from derivatives are included in FX Gain (loss), not in Net Trading Income (Loss)

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