

# Turkiye Finans Katilim Bankasi AS

## Full Rating Report

### Ratings

#### Foreign Currency

Long-Term IDR	BBB
Short-Term IDR	F3

#### Local Currency

Long-Term IDR	BBB+
Short-Term IDR	F2

#### National

Long-Term Rating	AAA(tur)
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#### Viability Rating

Support Rating	bb- 2
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#### Sovereign Risk

Long-Term Foreign-Currency IDR	BBB-
Long-Term Local-Currency IDR	BBB
Country Ceiling	BBB

### Outlooks

Long-Term Foreign-Currency IDR	Stable
Long-Term Local-Currency IDR	Stable
National Long-Term Rating	Stable
Sovereign Long-Term	Stable
Sovereign Long-Term	Stable

### Financial Data

#### Turkiye Finans Katilim Bankasi AS

	30 June 2013	31 Dec 2012
Total assets (USDm)	10,940.5	9,885.8
Total assets (TRYm)	21,103.1	17,616.5
Total equity (TRYm)	2,375.5	2,125.2
Operating profit (TRYm)	186.1	356.5
Published net income (TRYm)	150.1	283.6
Comprehensive income (TRY)	125.3	361.5
Operating ROAA (%)	1.94	2.36
Operating ROAE (%)	16.67	19.76
Equity/Assets (%)	11.26	12.06
Fitch core capital/	14.25	14.75
Tier 1 Regulatory	13.65	14.77
Capital Ratio (%)		

### Related Research

[Fitch Affirms Turkey at 'BBB-' \(October 2013\)](#)

[Turkey \(November 2013\)](#)

[The National Commercial Bank \(November 2013\)](#)

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### Key Rating Drivers

**Support-Driven IDRs:** Turkiye Finans Katilim Bankasi AS's (Turkiye Finans) IDRs, Support and National Long-Term Ratings reflect the support from its majority shareholder, The National Commercial Bank (NCB, A+/Stable). Fitch Ratings views Turkiye Finans as a strategically important subsidiary of NCB given the parent's focus on Turkey.

**IDRs Constrained:** Fitch would normally rate a strategically important subsidiary a maximum of two notches below its parent's Long-Term IDR. Wider notching between the IDRs of NCB and Turkiye Finans reflects Country Ceiling constraints (applying to the foreign currency (FC) IDR) and Turkey's still volatile environment which could impact on a foreign owner's commitment to its subsidiary in a highly stressed scenario (local currency IDR).

**Ambitious Growth Plans:** Turkiye Finans's current loan market share is small, at around 2%, but NCB's growth plans are ambitious, with projected assets doubling in the next five years. The bank's key credit metrics are sound, with low impaired loan ratios (2.8% at end-June 2013, fully reserved by specific and general reserves), adequate liquidity, good deposit diversification and stability, and capital ratios that support current risk levels. Despite the bank's size, risk management is reasonably advanced.

**Expanding Participation Sector:** Turkiye Finans is well placed to take advantage of growth opportunities in the interest-free banking sector, locally known as participation banking. Turkiye Finans's interest-free product range is broader than peers', aided by NCB's offerings.

**Good Performance Record:** The bank's track record in operating profitability compares favourably with other similar-sized Turkish banks. Margins are wide, reflecting Turkiye Finans's focus on SME business. Efficiency measures are reasonable, especially considering branch expansion and the 18-month breakeven period for new branches. Impairment charges, at around 40% of pre-impairment operating profit, are increasing and require monitoring. Credit assessment tools appear adequate, but will need to be tested more fully as volumes grow.

**Underdeveloped Retail Lending:** Corporate (37% of total end-June 2013 loans) and SME (45%) loans dominate, but concentrations are modest. The launch of an Islamic-compliant credit card, in addition to other personal and small business financing products in 2014, should boost the bank's retail drive, complementing the mortgage offering.

**Reasonable Liquidity and Capital:** Turkish government sukuks are one of the few liquid securities available to participation banks. Turkiye Finans is mindful of liquidity management and self-imposed limits are more onerous than regulatory requirements. Capital ratios are reducing, but NCB is supportive of growth; NCB provides regular capital injections and USD500m of committed funding lines provide additional funding comfort.

### Rating Sensitivities

**Parent Drives IDRs:** A change in NCB's ability and/or willingness to support Turkiye Finans could affect the latter's IDRs, National Rating and Support Rating. Turkiye Finans's Long-Term IDRs are also sensitive to changes in Turkey's Country Ceiling and the operating environment in Turkey.

**Viability Rating Change Unlikely:** An upgrade of the bank's VR is unlikely in the short term, mainly because underwriting standards need to be tested more fully given rapid recent credit growth.

Figure 1  
Shareholder Structure

Shareholder Structure (%)	
NCB (Saudi Arabia)	66.3
Boydak Group (Turkey)	22.1
Ulker Group (Turkey)	11.6
<b>Total</b>	<b>100.0</b>

Source: Company data

**Profile**

Turkiye Finans was established in 2005 through the merger of Anadolu Finans and Family Finans, previously respectively owned by Boydak Group and Ulker Group. These industrial groups are among Turkey’s well-known large corporations, with diversified activities in consumer goods and various industries.

In March 2008, NCB of Saudi Arabia acquired 60% of Turkiye Finans. NCB has gradually increased its stake in the bank to a current 66.3%; ownership details are provided in Figure 1. NCB is represented on the board by five members out of a total of seven. Turkish shareholders have two members on the board in total.

NCB is the largest bank in Saudi Arabia. It is majority-owned by the Saudi state, through the Public Investment Fund and the General Social Insurance Institution. NCB’s consolidated assets reached USD96.7bn and equity was USD11.1bn at end-June 2013. Turkiye Finans is small in relation to consolidated assets. Fitch views Turkiye Finans as a strategic and long-term investment for NCB.

**Interest-free Banking/ Ambitious Growth Strategy**

Turkiye Finans engages in interest-free, Islamic banking, known in Turkey as participation banking (depositors participate in the banks’ net profit share income). Turkiye Finans mainly targets SMEs and corporate clients. Retail banking mainly consists of mortgages, although the bank has developed an instalment pre-paid credit card and debit card, which conforms to participation principles. Turkiye Finans is small, but has grown rapidly. It controls a loan market share of around 1.8%, but it aims to increase this to 2% by end-2017 (see Figure 2). Plans are to increase its branch network to around 400/450 over the medium-term from a current 250. Growth plans are ambitious. Turkiye Finans’s strategy is to become a more established player in Turkey’s participation banking sector, controlling a share of around 10%. Under current projections, this could imply a doubling of assets over five years. Given a track record of rapid recent expansion in Turkey’s banking sector and growing demand for interest-free products, Fitch believes these plans are achievable. NCB is supportive of growth and its latest strategic plans highlight potential further capital increases to Turkiye Finans of a minimum of TRY150m over a three-year period to end-2015.

Investment in risk management systems has been considerable; more work is currently being undertaken on technological aspects (e.g. launching mobile telephone applications) with a view to improving service.

**Presentation of Accounts**

Fitch’s analysis is based on Turkiye Finans’s audited financial statements, prepared in accordance with Banking Regulation and Supervision Agency (BRSA) guidelines, which are very similar to IFRS. Interim figures are based on the auditor’s limited review, in accordance with BRSA guidelines.

**Performance and Prospects**

Fitch upgraded Turkey’s sovereign ratings to investment-grade in November 2012 and affirmed these ratings in October 2013. Following two years of rapid growth with signs of overheating, economic growth slowed into a soft landing in 2012 (GDP up 2.2%). Fitch is forecasting GDP growth of 3.7% in 2013, low by Turkish standards, with a further slowdown likely in 2014. Growth is being affected by a number of factors, including reduced investor appetite for emerging market (EM) risk, dampening consumer confidence, and weaker investment appetite given the potential for further rises in domestic interest rates and concerns over a depreciated Turkish lira, which affects the capacity of borrowers in foreign currency (FC) to repay debt. Political and social tensions have not yet affected economic performance.

Participation banks tend to grow when interest rates fall. This is because short-term deposits fund

Figure 2  
Market Share and Ranking

	9M12	
	Share (%)	Rank
Total assets	1.3	15
Deposits	1.4	15
Loans	1.8	14

Source: Participation Banks Association of Turkey and Commercial Banks Association of Turkey, data adapted by Fitch

**Related Criteria**

[Global Financial Institutions Rating Criteria \(August 2012\)](#)

[Evaluating Corporate Governance \(December 2012\)](#)

[Rating Financial Institutions Above the Sovereign \(December 2012\)](#)

[Rating FI Subsidiaries and Holding Companies \(August 2012\)](#)

[National Scale Ratings Criteria \(October 2013\)](#)

longer-term assets and all lending is undertaken on an instalment basis, with predefined repayment schedules. Deposits, remunerated through a share of the bank's net profits, are not, in theory, impacted by interest rate movements. However, in practice, participation banks are sensitive to deposit rates, as they must remain competitive. In an environment of falling interest rates, participation banks generally reduce the profit share paid out to depositors and margins widen. At such times, public perception is that the profit share available for distribution to depositors will rise which, in turn, triggers new deposit inflows. Interest rates in Turkey experienced a sharp decline since early 2012, but this trend reversed in mid-2013. Fitch It is not yet clear whether rising interest rates will constrain participation bank growth.

Comparison between Turkiye Finans and Kuveyt Turk Katilim Bankasi A.S. (Kuveyt Turk), another similar sized participation bank rated by Fitch and controlled by Middle Eastern shareholders reveals slightly wider margins at Turkiye Finans (see Figure 3). Turkiye Finans has healthy margins, considerably wider than the 4% average for the banking sector. This reflects a largely SME customer base. Turkiye Finans's capital ratios are slightly higher than Kuveyt Turk's but in many other respects, the two banks are broadly similar.

Net financing income, almost entirely sourced from loans since securities make up a very small portion of the balance sheet, is the dominant contributor to Turkiye Finans's revenues. Fees and commissions represent a modest share of overall revenues, a limitation common to most participation banks. Efficiency measures are impacted by ongoing branch openings and systems investment, but overall operating profitability is reasonable, with operating ROAE having hovered around 20% over the period 2010 – 2012, declining in 1H13 due to higher impairment charges. Loan quality ratios are in line with peer averages; loan impairments to average gross loans are rising but, at 1.5% in 1H13, do not give rise to any undue concern.

Figure 3

### Comparative Financial Highlights

(%)	Turkiye Finans		Kuveyt Turk	
	June 2013	2012	June 2013	2012
Total Assets TRYm	21,103.1	17,616.5	21,938.5	18,747.3
Equity TRYm	2,375.5	2,125.2	2,169.5	1,686.8
Net interest income/Av. Earning Assets	5.67	6.35	5.22	5.43
Operating Profit/Av Equity	16.67	19.76	18.84	18.55
Operating Profit/Av Total Assets	1.94	2.36	1.75	1.76
Non-interest Expenses/Gross Revenues	49.77	49.02	55.69	54.07
Loan and securities impairment charges/Pre-impairment op. profit	36.20	28.94	27.31	30.87
Fitch core capital/Weighted Risks	14.25	14.75	12.89	12.05
Equity/Assets	11.26	12.06	9.89	9.00
Impaired Loans/Total Loans	2.82	2.75	2.36	2.35
Reserves for impaired loans/Impaired loans	71.91	73.01	75.91	88.37
Loan impairment charge/Av gross loans	1.49	1.22	1.00	1.16
Growth of total loans	18.74	23.19	18.15	14.73
Loans/Deposits	116.23	114.54	99.96	97.57

Source: Bank data, adapted by Fitch

### Risk Management

#### Developed Risk Systems

NCB has a hands-on approach to strategic management of Turkiye Finans, which Fitch believes will continue. The executive committee (consisting of two board members and the CEO) monitors the performance of the bank and is headed by an NCB board member. The audit committee is the hub for key risk management decisions and the chief risk officer of NCB is a member of the committee. The overall risk appetite of the bank is centrally monitored through this committee.

Turkiye Finans's risk management organisation and systems are advanced, despite its relatively small size. Internal rating models for SMEs and corporate clients are in place, but such models are not permitted for the purpose of calculating regulatory capital adequacy in Turkey. Score cards are used for retail loans and decision making is highly automated. Internal rating models have been developed in conjunction with NCB; Fitch considers NCB's risk systems to be effective. Given Turkiye Finans's rapid growth, new customers make up a large portion of the bank's business; reliable rating systems are essential if credit quality is to be maintained.

### SME and Corporate Focus

At end-June 2013, Turkiye Finans's loans were mainly in the corporate and SME segments (see Figure 4). The average internal rating of its SME and corporate clients is in the BB range and there has not been any significant ratings migration over the past year. Retail exposures are mostly composed of mortgages with low LTVs and short maturities. Unsecured consumer lending is a profitable but cumbersome product for participation banks due to the need to create an interest-free structure. The bank has a small exposure to this segment, but is developing alternative products. Loans are mainly short-term (28% of loans at end-June 2013 matured within three months and a further 36% had maturities of 3-12 months) and are split 65% Turkish lira/35% foreign currency.

Concentrations, by borrowers, are low, with the top 20 on- and off-balance sheet risks equivalent to a modest 6% of total risks at end-June 2013. Loans are mainly extended to customers in the wholesale and retail trade sectors (25%), which span a wide range of business lines and construction (17%). Construction exposures are mainly off-balance sheet performance guarantees where impairments have been very low.

### Sound Asset Quality

Loan quality is sound across all portfolios, as highlighted in Figure 5. Loan impairment charges as a percentage of average gross loans are reasonable and restructured loans are minimal, at 1.1% of total end-June 2013 loans. However, loans have been growing very rapidly and some deterioration in quality seems inevitable as portfolios season. Reserve coverage, at around 110% including general reserves, appears comfortable. Turkiye Finans's loan quality ratios are not influenced by impaired loan sales, as the bank does not engage in this practice.

Figure 5

#### Impaired Loans by Segment – Turkiye Finans vs Sector Average

(%)	1H13 Sector Avg.	1H13	2012	2011
Corporate loans	n.a.	3.6	4.2	2.1
SMEs	6.1	3.0	2.6	3.0
Retail mortgage	0.7	0.4	0.4	0.8
Consumer loans	2.8	2.9	2.7	3.0
Total impaired loans ratio	2.7	2.8	2.7	2.3
Specific loan loss reserve cover	74.8	71.9	73.0	69.2

Source: Bank data adapted by Fitch/BRSA

### Low Market Risk

In theory, participation banks are not subject to interest rate risk. However, in practice, market interest rates usually have an indirect effect on margins, as the bank adjusts its profit sharing ratio on deposits to remain competitive with market rates. Otherwise, the bank could face a deposit outflow, meaning that interest rate risk would surface as liquidity risk (see Liquidity Risk below). The BRSA imposes shocks on balance sheet items sensitive to profit share agreements, including deposits. For Turkish lira assets and liabilities, shocks of +5%/-4% are applied; for FC items, the shocks are +/- 2% and the resultant impact on equity is limited to 20%. For Turkiye Finans, the impact has not reached 10% of equity for several years.

Figure 4

#### Loan Portfolio Breakdown

(%)	1H13
Corporate loans	36.6
SMEs	44.7
Mortgage	14.8
Other Consumer	3.9
<b>Total</b>	<b>100</b>

Source: Turkiye Finans

The bank has a very small securities portfolio, almost entirely composed of sukuk bonds issued by the Turkish treasury (eligible as collateral). Open FX positions are very limited, with a maximum permitted limit of just USD10m.

## Funding and Capital

### Well-Diversified Customer Deposits

Turkiye Finans is primarily funded by well-diversified participation accounts (customer deposits), which accounted for a high 74% of non-equity funding at end-June 2013. Nearly two-thirds (60%) of deposits are retail and total deposits are highly fragmented, with the top 20 deposits representing a low 10% of total deposits at end-June 2013. Roughly one-third of customer deposits at end-June 2013 were covered by the deposit insurance fund, further illustrating the fragmented nature of the deposit base. Management confirm that the bank's retail depositors are more sensitive to sharia considerations.

The remaining funding is raised from bilateral borrowings and murabaha facilities. These are not concentrated and repayments do not show signs of excessive bunching. Maturities extend until end-2018. NCB provides a USD500m medium-term (five years) revolving funding line to the bank at market rates. In 2Q12, Turkiye Finans issued USD500m of Islamic bonds (sukuk) (maturing in May 2018), which helps diversify and lengthen sources of funding. NCB took up a small portion of the sukuk.

### Liquidity

The ability of participation banks to access interbank and Central Bank liquidity, if required, is limited. The main reason for this is because their investment options are narrow, as the pool of interest-free securities available for repo and re-discount with the Turkish Central Bank is small. More recently, the Turkish state has issued participation-compliant sukuks, which can be repoed by participation banks. On the other hand, all lending undertaken by participation banks is repaid in monthly instalments and missed payments act as an early warning signal for potential credit stress. Such information can feed into liquidity stress indicators, triggering corrective action. However, Fitch believes that securities investment restrictions act as a limiting factor for participation banks' liquidity profile.

Self-imposed liquidity limits at Turkiye Finans are more onerous than those imposed by the BRSA. Liquid assets, namely cash, bank placements and securities, must equal at least 12% of total liabilities. Early warning and liquidity target indicators are identified and monitored and Turkiye Finans has been able to achieve periodic liquidity tightening, often triggered by interest rate movements. The loan-to-deposit ratio, at around 116% at end-June 2013, is not out of line for a bank this size in Turkey. The bank's core deposit base has been stable to date and potential contingency support from the parent provides some buffer.

### Moderate Capitalisation

Turkiye Finans's capital ratios are on the low side considering its size and risk profile. Nevertheless, NCB has ambitious expansion plans for its subsidiary and it has earmarked around TRY250m of fresh capital for investment in Turkiye Finans until end-2014. Fitch expects regular capital injections to fund projected growth; this is likely to support capital ratios at reasonable levels. Higher risk weightings, notably for FC assets, required under Basel II, introduced for Turkish banks in July 2012, added pressure on regulatory capital ratios; for Turkiye Finans, this was partially offset by its ability to make capital savings on the SME portfolio. The BRSA requested banks to submit ICAAP assessments by end-2013, purely for information purposes. Under these assessments, and considering stressed scenarios, Turkiye Finans's capital ratios would weaken considerably but still remain above regulatory minimum levels. The main consumers of capital under the ICAAP exercise were profit share and concentration risk.

Turkiye Finans Katilim Bankasi AS  
Income Statement

	30 Jun 2013		As % of	31 Dec 2012		31 Dec 2011		31 Dec 2010		31 Dec 2009	
	6 Months - Interim USDm Unaudited	Months - Interim TRYth Unaudited		Year End TRYth	As % of Earning Assets	Year End TRYth Unqualified	As % of Earning Assets	Year End TRYth Unqualified	As % of Earning Assets	Year End TRYth Unqualified	As % of Earning Assets
1. Interest Income on Loans	366.6	707,102.0	8.52	1,365,219.0	9.79	967,646.0	8.55	790,236.0	8.81	828,795.0	10.36
2. Other Interest Income	19.5	37,588.0	0.45	45,137.0	0.32	81,555.0	0.72	99,439.0	1.11	148,426.0	1.86
3. Dividend Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
<b>4. Gross Interest and Dividend Income</b>	<b>386.1</b>	<b>744,690.0</b>	<b>8.97</b>	<b>1,410,356.0</b>	<b>10.11</b>	<b>1,049,201.0</b>	<b>9.27</b>	<b>889,675.0</b>	<b>9.92</b>	<b>977,221.0</b>	<b>12.22</b>
5. Interest Expense on Customer Deposits	133.8	258,045.0	3.11	543,512.0	3.90	446,802.0	3.95	415,188.0	4.63	463,993.0	5.80
6. Other Interest Expense	28.7	55,359.0	0.67	74,733.0	0.54	27,940.0	0.25	1,504.0	0.02	9,382.0	0.12
<b>7. Total Interest Expense</b>	<b>162.5</b>	<b>313,404.0</b>	<b>3.78</b>	<b>618,245.0</b>	<b>4.43</b>	<b>474,742.0</b>	<b>4.19</b>	<b>416,692.0</b>	<b>4.65</b>	<b>473,375.0</b>	<b>5.92</b>
<b>8. Net Interest Income</b>	<b>223.6</b>	<b>431,286.0</b>	<b>5.20</b>	<b>792,111.0</b>	<b>5.68</b>	<b>574,459.0</b>	<b>5.08</b>	<b>472,983.0</b>	<b>5.27</b>	<b>503,846.0</b>	<b>6.30</b>
9. Net Gains (Losses) on Trading and Derivatives	17.5	33,806.0	0.41	56,700.0	0.41	66,349.0	0.59	57,239.0	0.64	50,907.0	0.64
10. Net Gains (Losses) on Other Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
11. Net Gains (Losses) on Assets at FV through Income Statement	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Net Insurance Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
13. Net Fees and Commissions	31.5	60,728.0	0.73	108,231.0	0.78	95,939.0	0.85	83,035.0	0.93	95,807.0	1.20
14. Other Operating Income	28.4	54,839.0	0.66	27,171.0	0.19	31,479.0	0.28	28,533.0	0.32	27,688.0	0.35
<b>15. Total Non-Interest Operating Income</b>	<b>77.4</b>	<b>149,373.0</b>	<b>1.80</b>	<b>192,102.0</b>	<b>1.38</b>	<b>193,767.0</b>	<b>1.71</b>	<b>168,807.0</b>	<b>1.88</b>	<b>174,402.0</b>	<b>2.18</b>
16. Personnel Expenses	73.3	141,377.0	1.70	249,359.0	1.79	213,235.0	1.88	193,609.0	2.16	176,497.0	2.21
17. Other Operating Expenses	76.5	147,637.0	1.78	233,099.0	1.67	219,253.0	1.94	180,127.0	2.01	157,992.0	1.98
<b>18. Total Non-Interest Expenses</b>	<b>149.8</b>	<b>289,014.0</b>	<b>3.48</b>	<b>482,458.0</b>	<b>3.46</b>	<b>432,488.0</b>	<b>3.82</b>	<b>373,736.0</b>	<b>4.17</b>	<b>334,489.0</b>	<b>4.18</b>
19. Equity-accounted Profit/ Loss - Operating	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
<b>20. Pre-Impairment Operating Profit</b>	<b>151.2</b>	<b>291,645.0</b>	<b>3.51</b>	<b>501,755.0</b>	<b>3.60</b>	<b>335,738.0</b>	<b>2.97</b>	<b>268,054.0</b>	<b>2.99</b>	<b>343,759.0</b>	<b>4.30</b>
21. Loan Impairment Charge	54.7	105,587.0	1.27	145,222.0	1.04	41,455.0	0.37	14,474.0	0.16	128,407.0	1.61
22. Securities and Other Credit Impairment Charges	0.0	0.0	0.00	0.0	0.00	n.a.	-	n.a.	-	n.a.	-
<b>23. Operating Profit</b>	<b>96.5</b>	<b>186,058.0</b>	<b>2.24</b>	<b>356,533.0</b>	<b>2.56</b>	<b>294,283.0</b>	<b>2.60</b>	<b>253,580.0</b>	<b>2.83</b>	<b>215,352.0</b>	<b>2.69</b>
24. Equity-accounted Profit/ Loss - Non-operating	n.a.	n.a.	-	n.a.	-	0.0	0.00	0.0	0.00	141.0	0.00
25. Non-recurring Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
26. Non-recurring Expense	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
27. Change in Fair Value of Own Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
28. Other Non-operating Income and Expenses	2.2	4,231.0	0.05	5,293.0	0.04	(862.0)	(0.01)	(801.0)	(0.01)	(368.0)	(0.00)
<b>29. Pre-tax Profit</b>	<b>98.7</b>	<b>190,289.0</b>	<b>2.29</b>	<b>361,826.0</b>	<b>2.59</b>	<b>293,421.0</b>	<b>2.59</b>	<b>252,779.0</b>	<b>2.82</b>	<b>215,125.0</b>	<b>2.69</b>
30. Tax expense	20.8	40,207.0	0.48	78,253.0	0.56	61,834.0	0.55	47,250.0	0.53	43,737.0	0.55
31. Profit/Loss from Discontinued Operations	n.a.	n.a.	-	n.a.	-	0.0	0.00	0.0	0.00	0.0	0.00
<b>32. Net Income</b>	<b>77.8</b>	<b>150,082.0</b>	<b>1.81</b>	<b>283,573.0</b>	<b>2.03</b>	<b>231,587.0</b>	<b>2.05</b>	<b>205,529.0</b>	<b>2.29</b>	<b>171,388.0</b>	<b>2.14</b>
33. Change in Value of AFS Investments	(12.8)	(24,738.0)	(0.30)	6,315.0	0.05	(24,024.0)	(0.21)	180.0	0.00	20,848.0	0.26
34. Revaluation of Fixed Assets	n.a.	n.a.	-	71,615.0	0.51	0.0	0.00	6,695.0	0.07	0.0	0.00
35. Currency Translation Differences	n.a.	n.a.	-	n.a.	-	n.a.	-	0.0	0.00	0.0	0.00
36. Remaining OCI Gains/(losses)	0.0	0.0	0.00	0.0	0.00	n.a.	-	0.0	0.00	0.0	0.00
<b>37. Fitch Comprehensive Income</b>	<b>65.0</b>	<b>125,344.0</b>	<b>1.51</b>	<b>361,503.0</b>	<b>2.59</b>	<b>207,563.0</b>	<b>1.83</b>	<b>212,404.0</b>	<b>2.37</b>	<b>192,236.0</b>	<b>2.40</b>
38. Memo: Profit Allocation to Non-controlling Interests	n.a.	n.a.	-	n.a.	-	0.0	0.00	0.0	0.00	0.0	0.00
39. Memo: Net Income after Allocation to Non-controlling Interests	77.8	150,082.0	1.81	283,573.0	2.03	231,587.0	2.05	205,529.0	2.29	171,388.0	2.14
40. Memo: Common Dividends Relating to the Period	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
41. Memo: Preferred Dividends Related to the Period	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-

Exchange rate USD1 = TRY1.92890 USD1 = TRY1.78190 USD1 = TRY1.91110 USD1 = TRY1.54130 USD1 = TRY1.49090

Türkiye Finans Katılım Bankası AS  
Balance Sheet

	30 Jun 2013		As % of Assets	31 Dec 2012		As % of Assets	31 Dec 2011		As % of Assets	31 Dec 2010		As % of Assets	31 Dec 2009		As % of Assets
	6 Months - Interim	Interim		Year End	Year End		Year End	Year End		Year End	Year End		Year End	Year End	
	USDm	TRYth		TRYth	TRYth		TRYth	TRYth		TRYth	TRYth		TRYth	TRYth	
<b>Assets</b>															
<b>A. Loans</b>															
1. Residential Mortgage Loans	1,205.0	2,324,248.0	11.01	1,932,139.0	10.97	1,144,572.0	8.46	970,973.0	9.08	733,653.0	8.43				
2. Other Mortgage Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
3. Other Consumer/ Retail Loans	304.7	587,728.0	2.79	428,171.0	2.43	163,665.0	1.21	256,246.0	2.40	203,243.0	2.34				
4. Corporate & Commercial Loans	5,994.5	11,562,842.0	54.79	10,002,010.0	56.78	9,018,995.0	66.67	6,686,218.0	62.54	6,172,337.0	70.95				
5. Other Loans	513.5	990,428.0	4.69	662,628.0	3.76	245,497.0	1.81	243,842.0	2.28	257,695.0	2.96				
6. Less: Reserves for Impaired Loans/ NPLs	162.7	313,885.0	1.49	261,548.0	1.48	169,854.0	1.26	157,659.0	1.47	181,804.0	2.09				
<b>7. Net Loans</b>	<b>7,854.9</b>	<b>15,151,361.0</b>	<b>71.80</b>	<b>12,763,400.0</b>	<b>72.45</b>	<b>10,402,875.0</b>	<b>76.90</b>	<b>7,999,620.0</b>	<b>74.82</b>	<b>7,185,124.0</b>	<b>82.59</b>				
<b>8. Gross Loans</b>	<b>8,017.7</b>	<b>15,465,246.0</b>	<b>73.28</b>	<b>13,024,948.0</b>	<b>73.94</b>	<b>10,572,729.0</b>	<b>78.15</b>	<b>8,157,279.0</b>	<b>76.29</b>	<b>7,366,928.0</b>	<b>84.68</b>				
9. Memo: Impaired Loans included above	226.3	436,479.0	2.07	358,259.0	2.03	245,497.0	1.81	243,842.0	2.28	257,695.0	2.96				
10. Memo: Loans at Fair Value included above	0.0	0.0	0.00	n.a.	-	0.0	0.00	0.0	0.00	0.0	0.00				
<b>B. Other Earning Assets</b>															
1. Loans and Advances to Banks	254.5	490,903.0	2.33	497,028.0	2.82	268,400.0	1.98	363,046.0	3.40	210,761.0	2.42				
2. Reverse Repos and Cash Collateral	0.0	0.0	0.00	n.a.	-	0.0	0.00	0.0	0.00	0.0	0.00				
3. Trading Securities and at FV through Income	0.1	277.0	0.00	183.0	0.00	941.0	0.01	2,050.0	0.02	747.0	0.01				
4. Derivatives	19.3	37,211.0	0.18	14,090.0	0.08	22,726.0	0.17	6,577.0	0.06	7,340.0	0.08				
5. Available for Sale Securities	545.2	1,051,726.0	4.98	665,115.0	3.78	620,827.0	4.59	595,123.0	5.57	592,383.0	6.81				
6. Held to Maturity Securities	0.0	0.0	0.00	n.a.	-	0.0	0.00	0.0	0.00	0.0	0.00				
7. At-equity Investments in Associates	2.2	4,211.0	0.02	4,211.0	0.02	3,000.0	0.02	2,000.0	0.02	2,000.0	0.02				
8. Other Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
<b>9. Total Securities</b>	<b>566.9</b>	<b>1,093,425.0</b>	<b>5.18</b>	<b>683,599.0</b>	<b>3.88</b>	<b>647,494.0</b>	<b>4.79</b>	<b>605,750.0</b>	<b>5.67</b>	<b>602,470.0</b>	<b>6.93</b>				
10. Memo: Government Securities included Above	545.2	1,051,597.0	4.98	664,994.0	3.77	619,789.0	4.58	594,279.0	5.56	589,297.0	6.77				
11. Memo: Total Securities Pledged	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00				
12. Investments in Property	0.0	0.0	0.00	n.a.	-	0.0	0.00	0.0	0.00	0.0	0.00				
13. Insurance Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
14. Other Earning Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
<b>15. Total Earning Assets</b>	<b>8,676.3</b>	<b>16,735,689.0</b>	<b>79.30</b>	<b>13,944,027.0</b>	<b>79.15</b>	<b>11,318,769.0</b>	<b>83.67</b>	<b>8,968,416.0</b>	<b>83.88</b>	<b>7,998,355.0</b>	<b>91.94</b>				
<b>C. Non-Earning Assets</b>															
1. Cash and Due From Banks	1,775.1	3,424,051.0	16.23	2,818,168.0	16.00	1,917,837.0	14.18	1,434,467.0	13.42	452,751.0	5.20				
2. Memo: Mandatory Reserves included above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
3. Foreclosed Real Estate	0.0	0.0	0.00	n.a.	-	0.0	0.00	215.0	0.00	79.0	0.00				
4. Fixed Assets	100.2	193,319.0	0.92	196,617.0	1.12	112,660.0	0.83	122,022.0	1.14	103,541.0	1.19				
5. Goodwill	0.0	0.0	0.00	n.a.	-	0.0	0.00	0.0	0.00	0.0	0.00				
6. Other Intangibles	9.9	19,043.0	0.09	18,891.0	0.11	11,801.0	0.09	10,251.0	0.10	8,733.0	0.10				
7. Current Tax Assets	0.0	0.0	0.00	n.a.	-	0.0	0.00	0.0	0.00	0.0	0.00				
8. Deferred Tax Assets	9.4	18,224.0	0.09	11,115.0	0.06	16,661.0	0.12	5,776.0	0.05	171.0	0.00				
9. Discontinued Operations	0.0	0.0	0.00	n.a.	-	0.0	0.00	0.0	0.00	0.0	0.00				
10. Other Assets	369.5	712,749.0	3.38	627,696.0	3.56	150,625.0	1.11	150,713.0	1.41	136,013.0	1.56				
<b>11. Total Assets</b>	<b>10,940.5</b>	<b>21,103,075.0</b>	<b>100.00</b>	<b>17,616,504.0</b>	<b>100.00</b>	<b>13,528,353.0</b>	<b>100.00</b>	<b>10,691,860.0</b>	<b>100.00</b>	<b>8,699,643.0</b>	<b>100.00</b>				
<b>Liabilities and Equity</b>															
<b>D. Interest-Bearing Liabilities</b>															
1. Customer Deposits - Current	0.0	0.0	0.00	0.0	0.00	n.a.	-	n.a.	-	n.a.	-				
2. Customer Deposits - Savings	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
3. Customer Deposits - Term	6,820.3	13,155,666.0	62.34	11,063,848.0	62.80	9,495,461.0	70.19	8,356,877.0	78.16	6,871,066.0	78.98				
<b>4. Total Customer Deposits</b>	<b>6,820.3</b>	<b>13,155,666.0</b>	<b>62.34</b>	<b>11,063,848.0</b>	<b>62.80</b>	<b>9,495,461.0</b>	<b>70.19</b>	<b>8,356,877.0</b>	<b>78.16</b>	<b>6,871,066.0</b>	<b>78.98</b>				
5. Deposits from Banks	89.9	173,410.0	0.82	365,688.0	2.08	13,704.0	0.10	41,019.0	0.38	11,424.0	0.13				
6. Repos and Cash Collateral	0.0	0.0	0.00	n.a.	-	0.0	0.00	0.0	0.00	0.0	0.00				
7. Other Deposits and Short-term Borrowings	658.6	1,270,447.0	6.02	1,398,892.0	7.94	1,178,031.0	8.71	126,812.0	1.19	17,857.0	0.21				
<b>8. Total Deposits, Money Market and Short-term Funding</b>	<b>7,568.8</b>	<b>14,599,523.0</b>	<b>69.18</b>	<b>12,828,418.0</b>	<b>72.82</b>	<b>10,687,196.0</b>	<b>79.00</b>	<b>8,524,708.0</b>	<b>79.73</b>	<b>6,900,347.0</b>	<b>79.32</b>				
9. Senior Debt Maturing after 1 Year	1,592.5	3,071,803.0	14.56	1,105,061.0	6.27	333,925.0	2.47	0.0	0.00	0.0	0.00				
10. Subordinated Borrowing	0.0	0.0	0.00	n.a.	-	0.0	0.00	0.0	0.00	0.0	0.00				
11. Other Funding	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
<b>12. Total Long Term Funding</b>	<b>1,592.5</b>	<b>3,071,803.0</b>	<b>14.56</b>	<b>1,105,061.0</b>	<b>6.27</b>	<b>333,925.0</b>	<b>2.47</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.00</b>				
13. Derivatives	15.6	30,052.0	0.14	8,475.0	0.05	19,371.0	0.14	10,758.0	0.10	3,107.0	0.04				
14. Trading Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
<b>15. Total Funding</b>	<b>9,176.9</b>	<b>17,701,378.0</b>	<b>83.88</b>	<b>13,941,954.0</b>	<b>79.14</b>	<b>11,040,492.0</b>	<b>81.61</b>	<b>8,535,466.0</b>	<b>79.83</b>	<b>6,903,454.0</b>	<b>79.35</b>				
<b>E. Non-Interest Bearing Liabilities</b>															
1. Fair Value Portion of Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
2. Credit impairment reserves	87.1	168,021.0	0.80	139,804.0	0.79	94,424.0	0.70	69,232.0	0.65	59,407.0	0.68				
3. Reserves for Pensions and Other	62.7	120,912.0	0.57	114,783.0	0.65	109,323.0	0.81	67,850.0	0.63	63,878.0	0.73				
4. Current Tax Liabilities	24.6	47,475.0	0.22	42,964.0	0.24	45,928.0	0.34	35,934.0	0.34	33,953.0	0.39				
5. Deferred Tax Liabilities	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00				
6. Other Deferred Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
7. Discontinued Operations	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00				
8. Insurance Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
9. Other Liabilities	357.6	689,783.0	3.27	1,251,837.0	7.11	624,527.0	4.62	577,282.0	5.40	445,259.0	5.12				
<b>10. Total Liabilities</b>	<b>9,708.9</b>	<b>18,727,569.0</b>	<b>88.74</b>	<b>15,491,342.0</b>	<b>87.94</b>	<b>11,914,694.0</b>	<b>88.07</b>	<b>9,285,764.0</b>	<b>86.85</b>	<b>7,505,951.0</b>	<b>86.28</b>				
<b>F. Hybrid Capital</b>															
1. Pref. Shares and Hybrid Capital accounted for as Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
2. Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
<b>G. Equity</b>															
1. Common Equity	1,194.3	2,303,728.0	10.92	2,028,646.0	11.52	1,595,073.0	11.79	1,363,486.0	12.75	1,157,957.0	13.31				
2. Non-controlling Interest	n.a.	n.a.	-	n.a.	-	0.0	0.00	0.0	0.00	0.0	0.00				
3. Securities Revaluation Reserves	(9.2)	(17,837.0)	(0.08)	6,901.0	0.04	(2,996.0)	(0.02)	21,028.0	0.20	20,848.0	0.24				
4. Foreign Exchange Revaluation Reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
5. Fixed Asset Revaluations and Other Accumulated OCI	46.5	89,615.0	0.42	89,615.0	0.51	21,582.0	0.16	21,582.0	0.20	14,887.0	0.17				
<b>6. Total Equity</b>	<b>1,231.5</b>	<b>2,375,506.0</b>	<b>11.26</b>	<b>2,125,162.0</b>	<b>12.06</b>	<b>1,613,659.0</b>	<b>11.93</b>	<b>1,406,096.0</b>	<b>13.15</b>	<b>1,193,692.0</b>	<b>13.72</b>				
<b>7. Total Liabilities and Equity</b>	<b>10,940.5</b>	<b>21,103,075.0</b>	<b>100.00</b>	<b>17,616,504.0</b>	<b>100.00</b>	<b>13,528,353.0</b>	<b>100.00</b>	<b>10,691,860.0</b>	<b>100.00</b>	<b>8,699,643.0</b>	<b>100.00</b>				
8. Memo															

## Turkiye Finans Katilim Bankasi AS Summary Analytics

	30 Jun 2013 6 Months - Interim	31 Dec 2012 Year End	31 Dec 2011 Year End	31 Dec 2010 Year End	31 Dec 2009 Year End
<b>A. Interest Ratios</b>					
1. Interest Income on Loans/ Average Gross Loans	9.93	11.45	10.13	10.18	12.67
2. Interest Expense on Customer Deposits/ Average Customer Deposits	4.30	5.33	4.96	5.45	7.63
3. Interest Income/ Average Earning Assets	9.79	11.31	10.15	10.49	13.65
4. Interest Expense/ Average Interest-bearing Liabilities	3.99	5.01	4.76	5.40	7.58
5. Net Interest Income/ Average Earning Assets	5.67	6.35	5.56	5.58	7.04
6. Net Int. Inc Less Loan Impairment Charges/ Av. Earning Assets	4.28	5.19	5.16	5.40	5.24
7. Net Interest Inc Less Preferred Stock Dividend/ Average Earning Asset	5.67	6.35	5.56	5.58	7.04
<b>B. Other Operating Profitability Ratios</b>					
1. Non-Interest Income/ Gross Revenues	25.72	19.52	25.22	26.30	25.71
2. Non-Interest Expense/ Gross Revenues	49.77	49.02	56.30	58.23	49.32
3. Non-Interest Expense/ Average Assets	3.01	3.19	3.48	3.85	4.23
4. Pre-impairment Op. Profit/ Average Equity	26.13	27.80	22.19	20.62	31.32
5. Pre-impairment Op. Profit/ Average Total Assets	3.04	3.32	2.70	2.76	4.35
6. Loans and securities impairment charges/ Pre-impairment Op. Profit	36.20	28.94	12.35	5.40	37.35
7. Operating Profit/ Average Equity	16.67	19.76	19.45	19.51	19.62
8. Operating Profit/ Average Total Assets	1.94	2.36	2.37	2.62	2.73
9. Taxes/ Pre-tax Profit	21.13	21.63	21.07	18.69	20.33
10. Pre-Impairment Operating Profit / Risk Weighted Assets	3.56	3.51	2.96	3.34	5.05
11. Operating Profit / Risk Weighted Assets	2.27	2.50	2.59	3.16	3.17
<b>C. Other Profitability Ratios</b>					
1. Net Income/ Average Total Equity	13.45	15.71	15.31	15.81	15.62
2. Net Income/ Average Total Assets	1.56	1.88	1.86	2.12	2.17
3. Fitch Comprehensive Income/ Average Total Equity	11.23	20.03	13.72	16.34	17.51
4. Fitch Comprehensive Income/ Average Total Assets	1.31	2.39	1.67	2.19	2.43
5. Net Income/ Av. Total Assets plus Av. Managed Securitized Assets	n.a.	n.a.	n.a.	2.12	2.17
6. Net Income/ Risk Weighted Assets	1.83	1.99	2.04	2.56	2.52
7. Fitch Comprehensive Income/ Risk Weighted Assets	1.53	2.53	1.83	2.64	2.83
<b>D. Capitalization</b>					
1. Fitch Core Capital/Weighted Risks	14.25	14.75	14.10	17.38	17.42
2. Fitch Eligible Capital/ Weighted Risks	n.a.	n.a.	n.a.	n.a.	n.a.
3. Tangible Common Equity/ Tangible Assets	11.18	11.97	11.85	13.07	13.63
4. Tier 1 Regulatory Capital Ratio	13.65	14.77	13.69	16.42	16.50
5. Total Regulatory Capital Ratio	14.39	14.76	14.24	17.08	17.19
6. Core Tier 1 Regulatory Capital Ratio	n.a.	n.a.	n.a.	n.a.	n.a.
7. Equity/ Total Assets	11.26	12.06	11.93	13.15	13.72
8. Cash Dividends Paid & Declared/ Net Income	0.00	0.00	0.00	0.00	0.00
9. Cash Dividend Paid & Declared/ Fitch Comprehensive Income	0.00	0.00	0.00	0.00	0.00
10. Cash Dividends & Share Repurchase/Net Income	n.a.	n.a.	n.a.	n.a.	n.a.
11. Net Income - Cash Dividends/ Total Equity	12.74	13.34	14.35	14.62	14.36
<b>E. Loan Quality</b>					
1. Growth of Total Assets	19.79	30.22	26.53	22.90	22.46
2. Growth of Gross Loans	18.74	23.19	29.61	10.73	28.87
3. Impaired Loans(NPLs)/ Gross Loans	2.82	2.75	2.32	2.99	3.50
4. Reserves for Impaired Loans/ Gross loans	2.03	2.01	1.61	1.93	2.47
5. Reserves for Impaired Loans/ Impaired Loans	71.91	73.01	69.19	64.66	70.55
6. Impaired Loans less Reserves for Imp Loans/ Equity	5.16	4.55	4.69	6.13	6.36
7. Loan Impairment Charges/ Average Gross Loans	1.49	1.22	0.43	0.19	1.96
8. Net Charge-offs/ Average Gross Loans	0.00	0.30	0.23	0.65	0.45
9. Impaired Loans + Foreclosed Assets/ Gross Loans + Foreclosed Asse	2.82	2.75	2.32	2.99	3.50
<b>F. Funding</b>					
1. Loans/ Customer Deposits	117.56	117.73	111.35	97.61	107.22
2. Interbank Assets/ Interbank Liabilities	283.09	135.92	1,958.55	885.07	1,844.90
3. Customer Deposits/ Total Funding excl Derivatives	74.45	79.40	86.16	98.03	99.58



Turkiye Finans Katilim Bankasi AS  
Reference Data

	30 Jun 2013		31 Dec 2012		31 Dec 2011		31 Dec 2010		31 Dec 2009		
	6 Months - Interim USDm	Interim TRYth	As % of Assets	Year End TRYth	As % of Assets	Year End TRYth	As % of Assets	Year End TRYth	As % of Assets	Year End TRYth	As % of Assets
<b>A. Off-Balance Sheet Items</b>											
1. Managed Securitizated Assets Reported Off-Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Other off-balance sheet exposure to securitizations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Guarantees	3,305.8	6,376,547.0	30.22	6,197,780.0	35.18	5,565,661.0	41.14	3,634,491.0	33.99	3,201,843.0	36.80
4. Acceptances and documentary credits reported off-balance sheet	527.2	1,016,979.0	4.82	910,917.0	5.17	972,878.0	7.19	645,969.0	6.04	557,070.0	6.40
5. Committed Credit Lines	1,096.6	2,115,228.0	10.02	1,863,573.0	10.58	n.a.	-	n.a.	-	n.a.	-
6. Other Contingent Liabilities	n.a.	n.a.	-	n.a.	-	1,668,239.0	12.33	1,607,578.0	15.04	1,786,528.0	20.54
7. Total Business Volume	15,870.1	30,611,829.0	145.06	26,588,774.0	150.93	21,735,131.0	160.66	16,579,898.0	155.07	14,245,084.0	163.74
8. Memo. Total Weighted Risks	8,571.6	16,533,780.0	78.35	14,279,126.0	81.06	11,357,865.0	83.96	8,031,709.0	75.12	6,801,408.0	78.18
9. Fitch Adjustments to Weighted Risks	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Fitch Adjusted Weighted Risks	8,571.6	16,533,780.0	78.35	14,279,126.0	81.06	11,357,865.0	83.96	8,031,709.0	75.12	6,801,408.0	78.18
<b>B. Average Balance Sheet</b>											
Average Loans	7,385.1	14,245,097.0	67.50	11,923,314.0	67.68	9,552,293.0	70.61	7,762,104.0	72.60	6,541,824.0	75.20
Average Earning Assets	7,952.6	15,339,858.0	72.69	12,468,038.0	70.77	10,336,493.0	76.41	8,483,386.0	79.34	7,161,746.0	82.32
Average Assets	10,036.7	19,359,790.0	91.74	15,104,506.0	85.74	12,425,202.0	91.85	9,695,752.0	90.68	7,901,900.0	90.83
Average Managed Securitizated Assets (OBS)	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	0.00	0.00
Average Interest-Bearing Liabilities	8,202.4	15,821,666.0	74.97	12,348,290.0	70.10	9,973,546.0	73.72	7,719,460.0	72.20	6,241,479.0	71.74
Average Common equity	1,123.0	2,166,187.0	10.26	1,768,924.0	10.04	1,484,207.0	10.97	1,260,722.0	11.79	1,072,263.0	12.33
Average Equity	1,166.6	2,250,334.0	10.66	1,804,612.0	10.24	1,512,906.0	11.18	1,299,894.0	12.16	1,097,574.0	12.62
Average Customer Deposits	6,278.1	12,109,757.0	57.38	10,190,311.0	57.85	9,010,062.0	66.60	7,613,972.0	71.21	6,084,693.0	69.94
<b>C. Maturities</b>											
<b>Asset Maturities:</b>											
Loans & Advances < 3 months	2,281.6	4,401,035.0	20.85	4,004,653.0	22.73	3,095,851.0	22.88	2,411,602.0	22.56	2,885,158.0	33.16
Loans & Advances 3 - 12 Months	2,925.1	5,642,318.0	26.74	4,733,699.0	26.87	4,195,739.0	31.01	3,118,579.0	29.17	2,468,100.0	28.37
Loans and Advances 1 - 5 Years	2,379.2	4,589,266.0	21.75	3,650,394.0	20.72	3,000,852.0	22.18	2,390,224.0	22.36	1,796,234.0	20.65
Loans & Advances > 5 years	205.4	396,148.0	1.88	277,943.0	1.58	110,433.0	0.82	79,215.0	0.74	35,632.0	0.41
Debt Securities < 3 Months	17.0	32,781.0	0.16	12,619.0	0.07	481,267.0	3.56	113,023.0	1.06	10,373.0	0.12
Debt Securities 3 - 12 Months	2.5	4,836.0	0.02	1,654.0	0.01	107,233.0	0.79	804.0	0.01	361,202.0	4.15
Debt Securities 1 - 5 Years	545.2	1,051,597.0	4.98	665,115.0	3.78	55,041.0	0.41	489,150.0	4.57	228,142.0	2.62
Debt Securities > 5 Years	0.0	0.0	0.00	0.0	0.00	953.0	0.01	773.0	0.01	753.0	0.01
Interbank < 3 Months	254.5	490,903.0	2.33	497,028.0	2.82	n.a.	-	n.a.	-	n.a.	-
Interbank 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
<b>Liability Maturities:</b>											
Retail Deposits < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits < 3 Months	5,407.5	10,430,550.0	49.43	8,479,918.0	48.14	7,934,094.0	58.65	7,515,248.0	70.29	6,129,876.0	70.46
Other Deposits 3 - 12 Months	451.1	870,077.0	4.12	701,460.0	3.98	1,561,367.0	11.54	841,629.0	7.87	741,190.0	8.52
Other Deposits 1 - 5 Years	961.7	1,855,039.0	8.79	2,248,158.0	12.76	0.0	0.00	0.0	0.00	0.0	0.00
Other Deposits > 5 Years	0.0	0.0	0.00	n.a.	-	0.0	0.00	0.0	0.00	0.0	0.00
Interbank < 3 Months	12.3	23,758.0	0.11	58,481.0	0.33	13,704.0	0.10	41,019.0	0.38	11,424.0	0.13
Interbank 3 - 12 Months	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Interbank 1 - 5 Years	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Interbank > 5 Years	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
Senior Debt Maturing < 3 months	297.2	573,173.0	2.72	335,225.0	1.90	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing 3-12 Months	361.5	697,274.0	3.30	1,063,657.0	6.04	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing 1- 5 Years	1,592.5	3,071,803.0	14.56	1,105,061.0	6.27	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Total Senior Debt on Balance Sheet	2,251.2	4,342,250.0	20.58	2,503,943.0	14.21	n.a.	-	n.a.	-	n.a.	-
Fair Value Portion of Senior Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Covered Bonds	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing 3-12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing 1 - 5 Year	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Total Subordinated Debt on Balance Sheet	0.0	0.0	0.00	n.a.	-	0.0	0.00	0.0	0.00	0.0	0.00
Fair Value Portion of Subordinated Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
<b>D. Equity Reconciliation</b>											
1. Equity	1,231.5	2,375,506.0	11.26	2,125,162.0	12.06	1,613,659.0	11.93	1,406,096.0	13.15	1,193,692.0	13.72
2. Add: Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Add: Other Adjustments	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Published Equity	1,231.5	2,375,506.0	11.26	2,125,162.0	12.06	1,613,659.0	11.93	1,406,096.0	13.15	1,193,692.0	13.72
<b>E. Fitch Eligible Capital Reconciliation</b>											
1. Total Equity as reported (including non-controlling interests)	1,231.5	2,375,506.0	11.26	2,125,162.0	12.06	1,613,659.0	11.93	1,406,096.0	13.15	1,193,692.0	13.72
2. Fair value effect incl in own debt/borrowings at fv on the B/S- CC only	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
3. Non-loss-absorbing non-controlling interests	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
4. Goodwill	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
5. Other intangibles	9.9	19,043.0	0.09	18,881.0	0.11	11,801.0	0.09	10,251.0	0.10	8,733.0	0.10
6. Deferred tax assets deduction	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
7. Net asset value of insurance subsidiaries	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
8. First loss tranches of off-balance sheet securitizations	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
<b>9. Fitch Core Capital</b>	<b>1,221.7</b>	<b>2,356,463.0</b>	<b>11.17</b>	<b>2,106,281.0</b>	<b>11.96</b>	<b>1,601,858.0</b>	<b>11.84</b>	<b>1,395,845.0</b>	<b>13.06</b>	<b>1,184,959.0</b>	<b>13.62</b>
10. Eligible weighted Hybrid capital	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
11. Government held Hybrid Capital	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
<b>12. Fitch Eligible Capital</b>	<b>n.a.</b>	<b>n.a.</b>	<b>-</b>	<b>n.a.</b>	<b>-</b>	<b>n.a.</b>	<b>-</b>	<b>n.a.</b>	<b>-</b>	<b>n.a.</b>	<b>-</b>

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