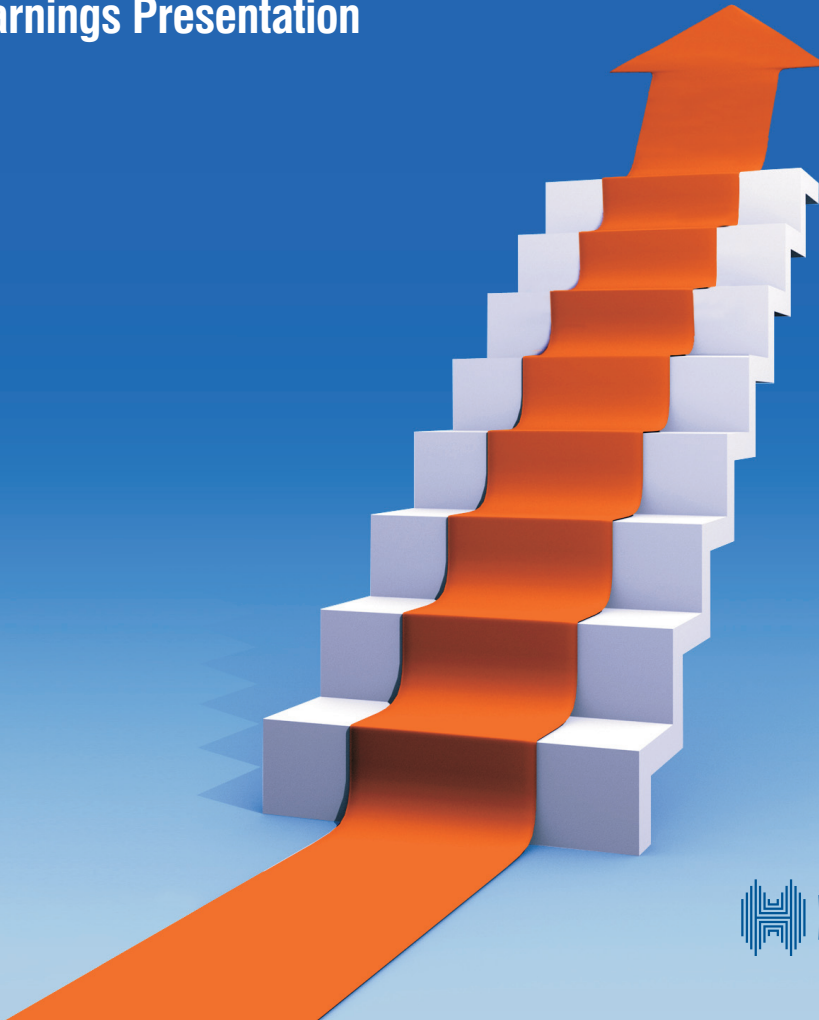


H1 2008 Earnings Presentation

BRSA Bank Only



Halkbank in Numbers

70 years

70 years experience in Cooperative and SME loans and a wide customer database are Halkbank's major competitive strengths.

590 branches

Halkbank is one of the four banks that have at least one branch in every province. Together with newly opened 22 branches since the beginning of 2008, total domestic branches reached to 590.

11,556 employees

Halkbank has 11,556 employees with high level of professional knowledge and skills. The Bank continues to hire new staff enabling itself to further service quality and efficiency.

6.3 million

Halkbank serves 6.3 million customers over its well-developed IT system. The Bank adopts a customer-focused and high-quality approach in its services.

65%

Halkbank has strong presence in Anatolia. 65% of total loans are granted to areas out of the three big cities-Istanbul, Izmir and Ankara

80%

The Bank's main sources of funds for its lending and investment activities are customer deposits. 80% of total assets are funded by deposits.

Highlights

In H1 2008, Halkbank achieved a strong growth that once again surpassed the sectoral averages.

TRY 46.0 billion

Total assets increased by 14.4% in H1 2008 and reached TRY 46.0 bn.

25%

With a rise of 25% ytd, Halkbank's loan portfolio maintained its growth trend and reached TRY 22.6 bn.

19.7%

Halkbank's total deposits rose by 19.7% ytd and reached TRY 36.9 bn.

TRY 1,057 million

Net interest income was up by 26.3% yoy and was recorded TRY 1,057 mn that yielded in a net interest margin of 5.2%.

TRY 181 million

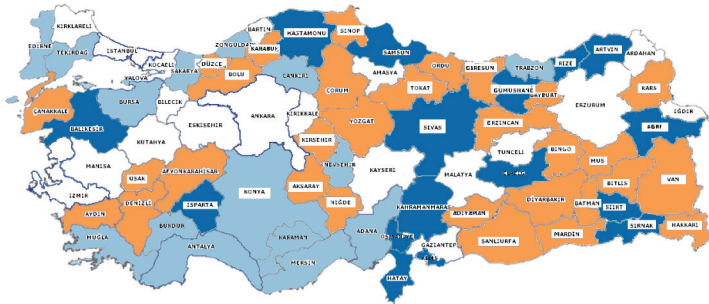
Net fee and commissions reached TRY 181 mn, up by 34.8% yoy.

TRY 642 million

Net Profit grew by 19.9% yoy and reached TRY 642 mn.

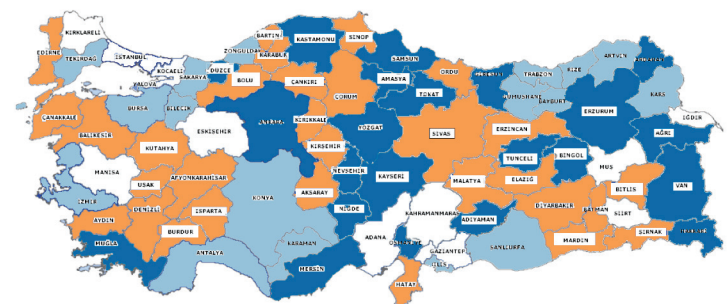
Halkbank: A Bank of Choice

Loans



- #1 in 30 provinces
- #2 in 16 provinces
- #3 in 16 provinces
- not ranked in the first three

Deposits



- #1 in 30 provinces
- #2 in 23 provinces
- #3 in 17 provinces
- not ranked in the first three

Halkbank ranks as number one in terms of loan volume and deposits in 30 provinces among listed banks.

Source: 31.03.2008 BRSA

Changing Asset Mix

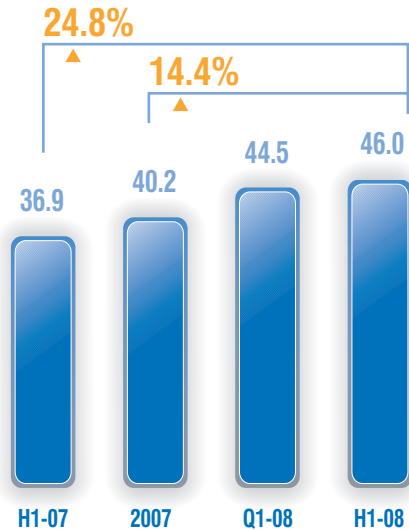
ASSET GROWTH
YTD 14.4% YoY 24.8%

IEA
93.7%

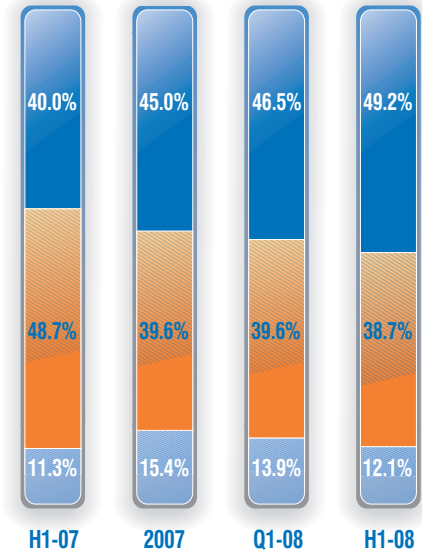
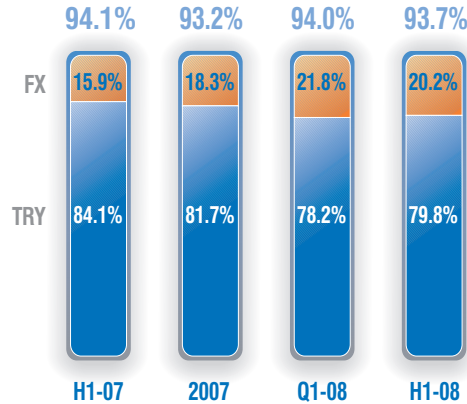
Asset Mix (%)

- Loans
- Securities
- Other Assets

Total Asset Growth (TRY billion)



Composition of IEAs (a)



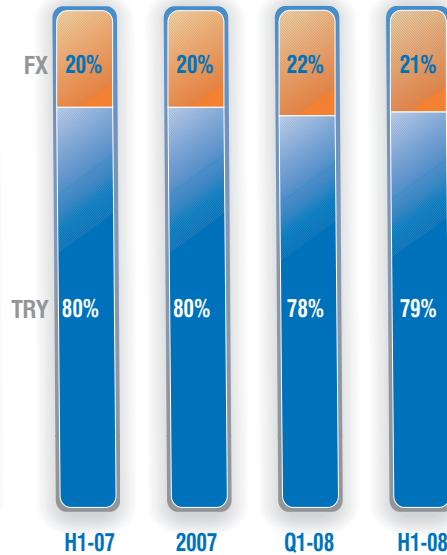
(a) Including interest accruals and excluding fund loans

Securities Portfolio

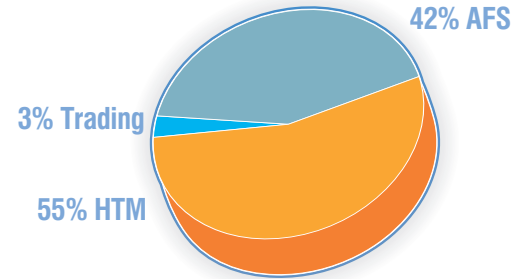
Total Securities Portfolio
(TRY billion)



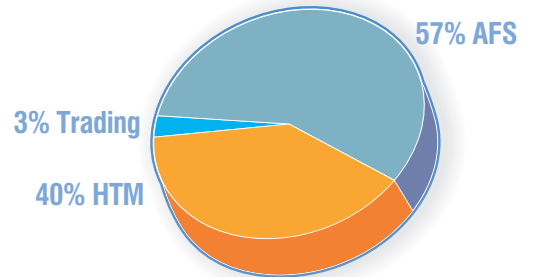
Total Securities by Currency (a) (b)
(%)



Total Securities Composition
(H1 07)



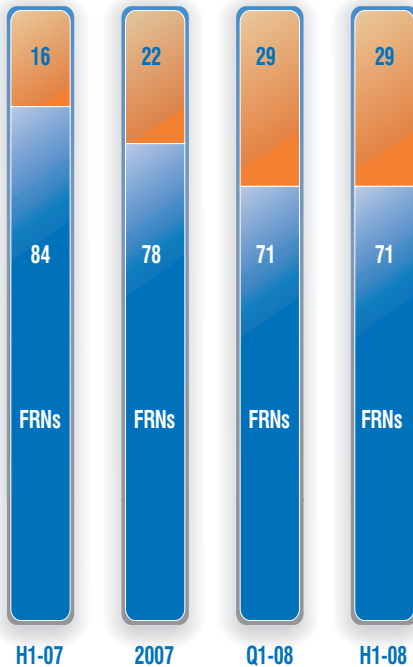
Total Securities Composition
(H1 08)



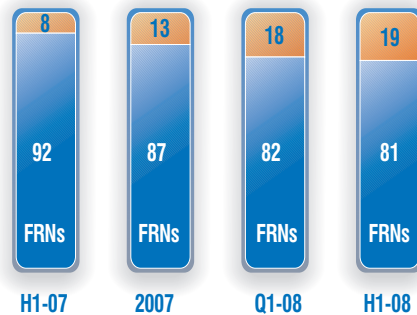
(a) FX indexed securities are booked as foreign currency. (b) Excluding interest accruals.

Securities Portfolio ^(a)-Interest Structure

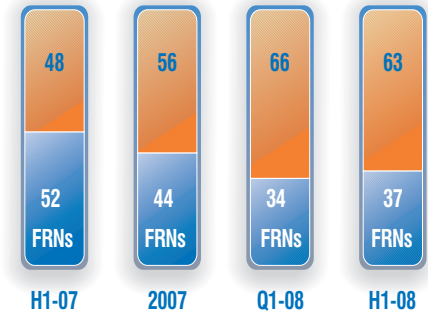
Total Securities Portfolio (%)



TRY Securities Portfolio (%)



FX Securities Portfolio (%)

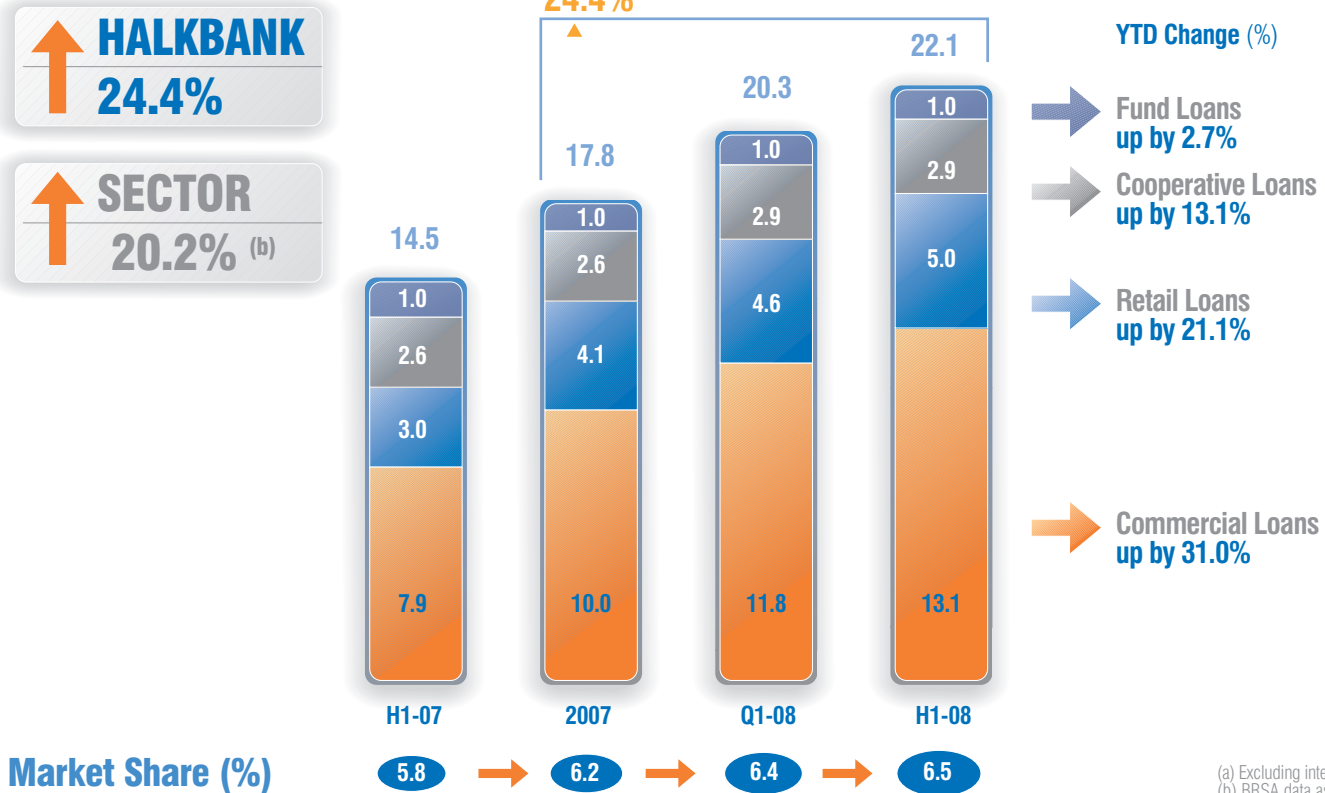


Duration of Securities (H1 2008)

(Year)	TRY	FX	Total
Trading	1.3	5.2	1.8
AFS	2.2	4.6	2.6
HTM	2.2	0.7	2.1
Total Portfolio	2.2	3.3	2.3

(a) Excluding interest accruals.

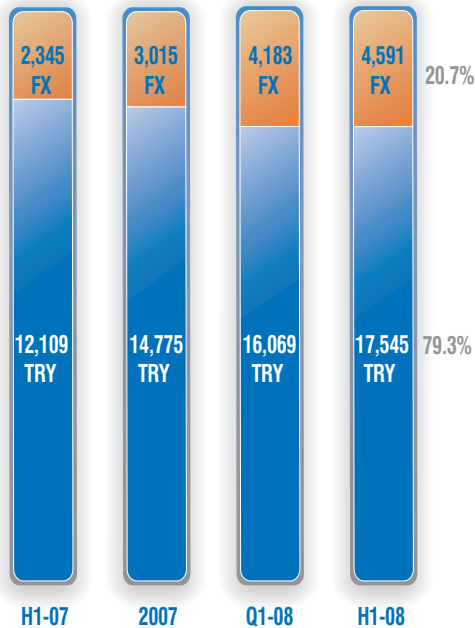
Strong Loan Portfolio Growth ^(a) (TRY billion)



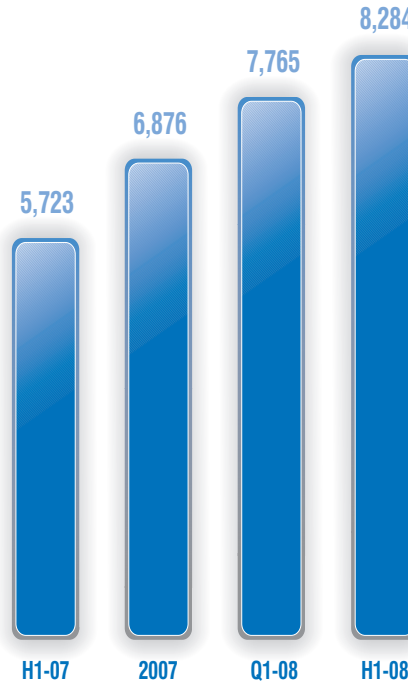
(a) Excluding interest accruals.
(b) BRSA data as of 30.06.2008.

Loans by Currency & Non-cash Loans

Loans by Currency ^(a) (TRY million)



Non-cash Loans ^(b) (TRY million)



TRY LOANS

TRY loans increased by 18.7% ytd and reached TRY 17.5 billion.

FX LOANS

FX loans increased by 52.3% ytd and reached TRY 4.6 billion. FX loans again went up by 45.6% in terms of USD.

NON-CASH LOANS

Non-cash loans increased by 20.5% ytd and reached TRY 8.3 billion.

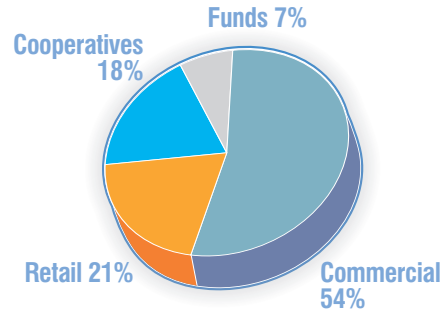
(a) Excluding interest accruals. (b) Guarantees, Warranties and Commitments

Loan Portfolio

Loan to Deposit (%)



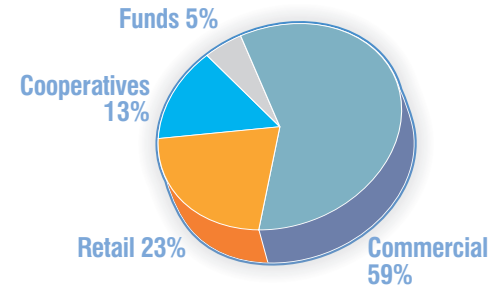
Composition of Loans (%) (H1 07)



61.4%

Loan to deposit ratio provides huge room for further increase in lending.

Composition of Loans (%) (H1 08)



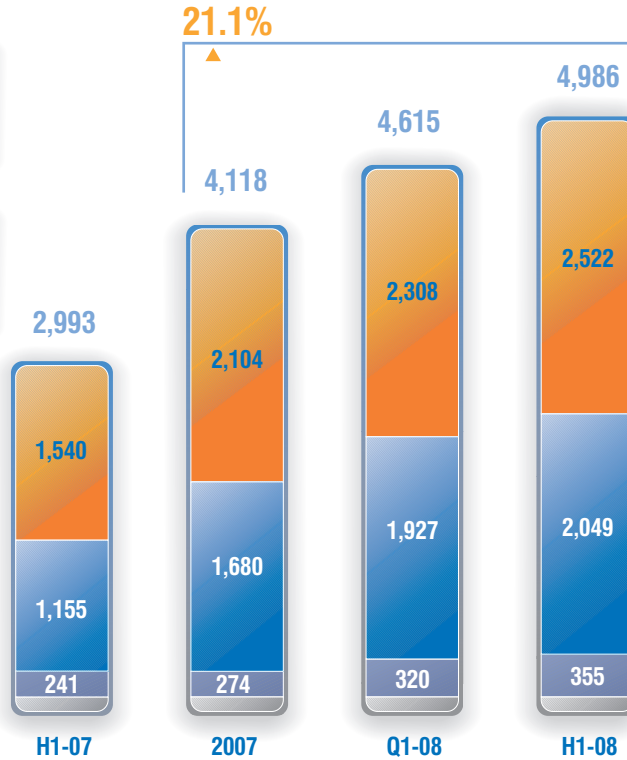
22.5%

Share of retail loans increased from 20.7% to 22.5% as of H1 2008.

Strong Retail Loan Growth ^(a) (TRY million)

↑ HALKBANK
21.1%

↑ SECTOR
16.6% ^(b)



YTD Change (%)

→ Consumer Loans up by 19.9%
Share in total 50.6%

→ Housing Loans up by 21.9%
Share in total 41.1%

→ Credit Cards up by 29.7%
Share in total 7.1%

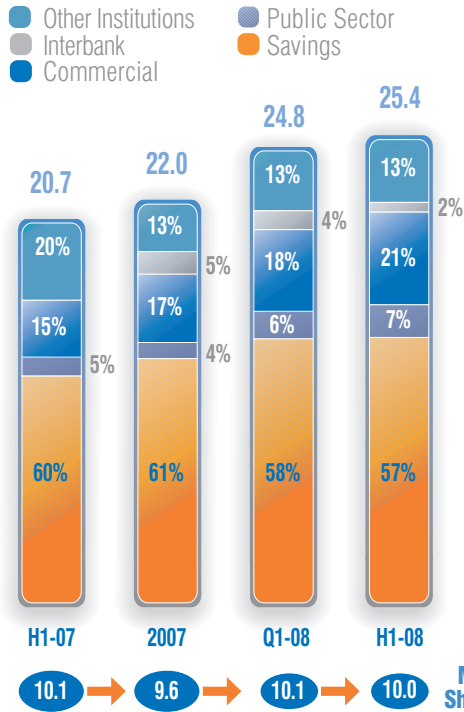
Market Share (%)



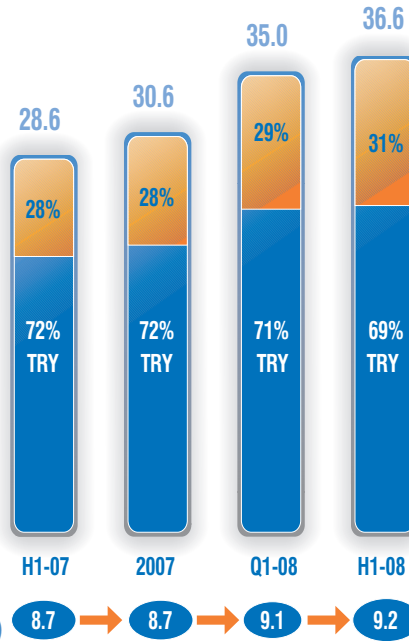
(a) Excluding interest accruals.
(b) CBT data as of 27.06.2008.

Strong Deposit Base

TRY Deposits by Types^(a) (TRY billion)



Total Deposits by Currency^(a) (TRY billion)



TOTAL DEPOSITS

HALKBANK SECTOR^(b)
YTD **19.7%** YTD **13.2%**

TRY DEPOSITS

HALKBANK SECTOR^(b)
YTD **15.4%** YTD **11.8%**

FX DEPOSITS

HALKBANK SECTOR^(b)
YTD **30.8%** YTD **15.8%**

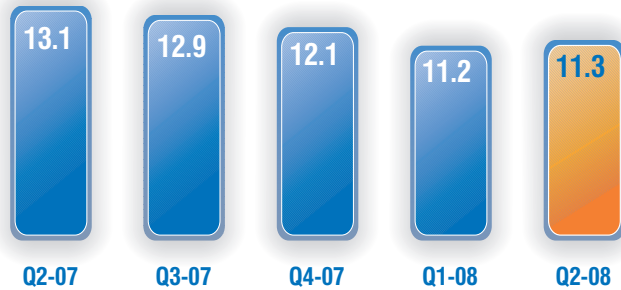
in USD terms

YTD **25.1%** YTD **10.8%**

(a) Excluding Interest Accruals (b) BRSA data as of 30.06.2008.

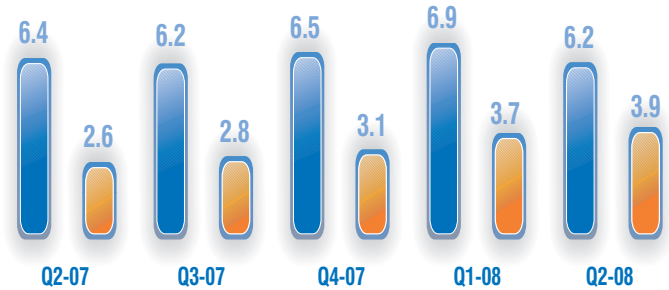
Cost-Yield-Spread ^(a)

Cost of Deposits (%)

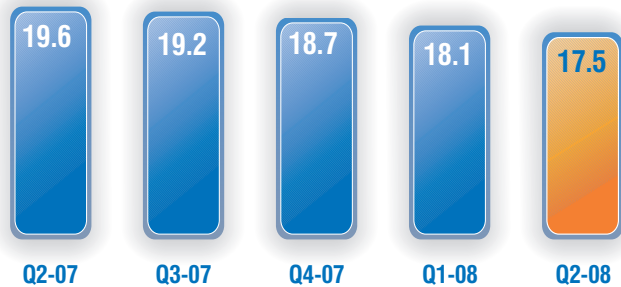


Spreads (%)

● On Loans ● On Securities



Yield on Loans ^(b) (%)



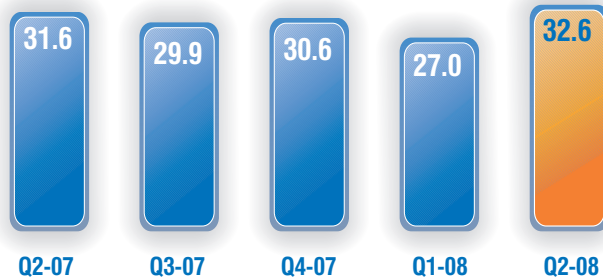
Yield on Securities (%)



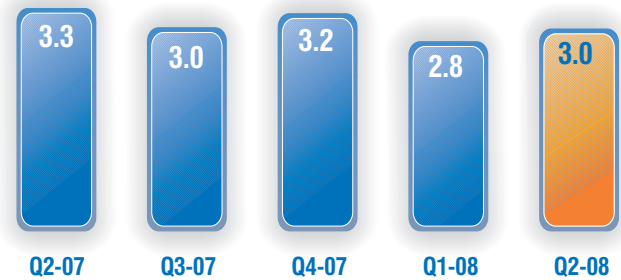
(a) TRY-FX blended (b) Excluding fund loans

Key Ratios

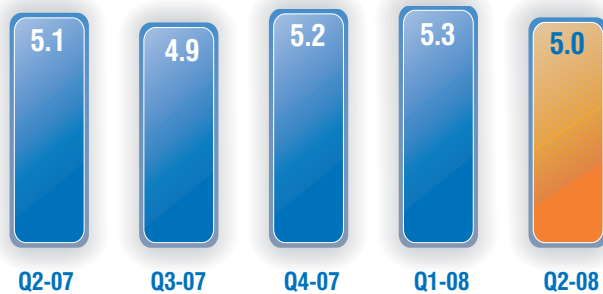
ROE (%)



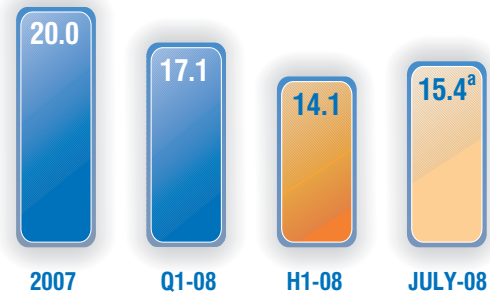
ROA (%)



Net Interest Margin (%)



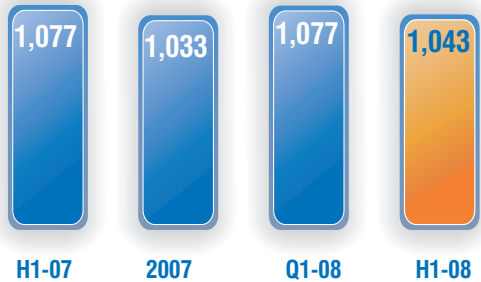
CAR (%)



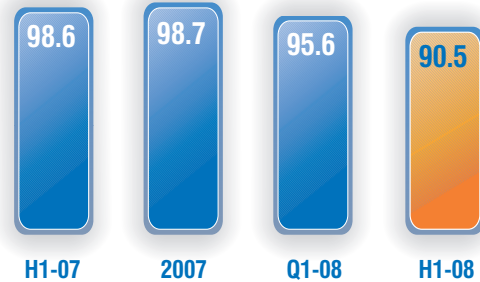
(a) Unaudited data

Effective Loan Approval Process

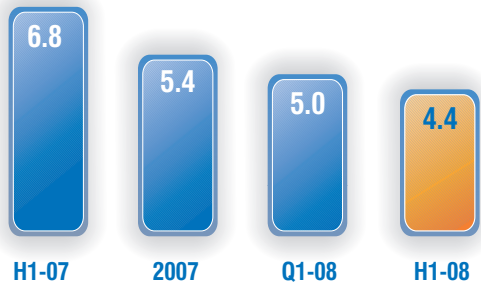
NPL Portfolio (TRY million)



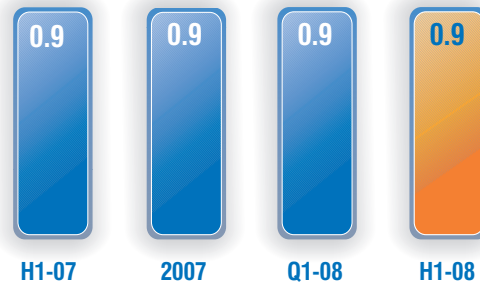
NPL Coverage (%)



NPL/Total Loans (%)

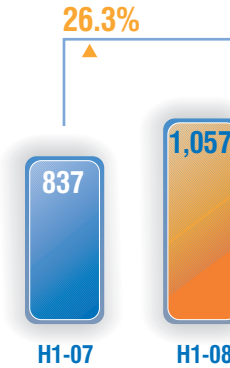
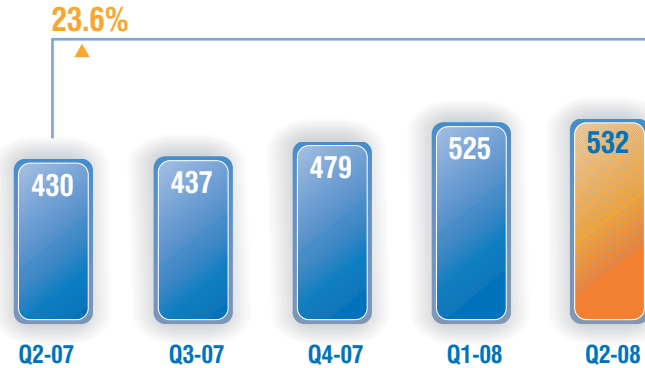


Loan Loss Provisions/Average Net Loans (%)



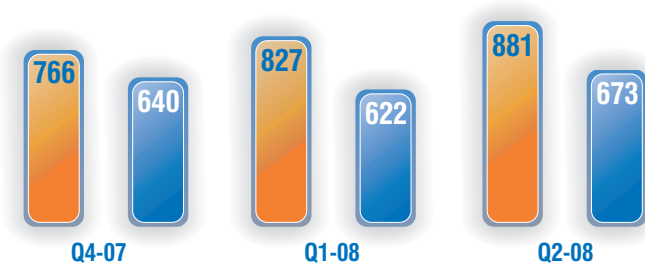
Improvement in Income Structure

Net Interest Income (TRY million)

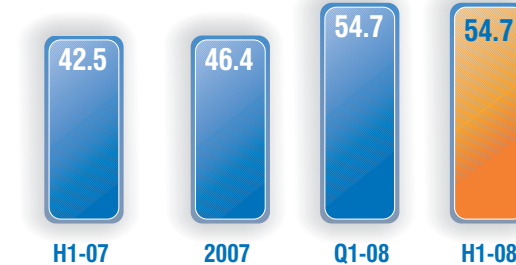


Interest Income (TRY million)

● On Securities ● On Loans

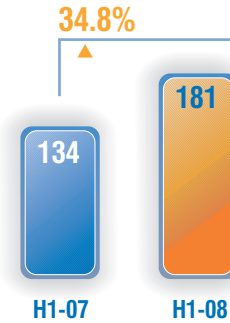
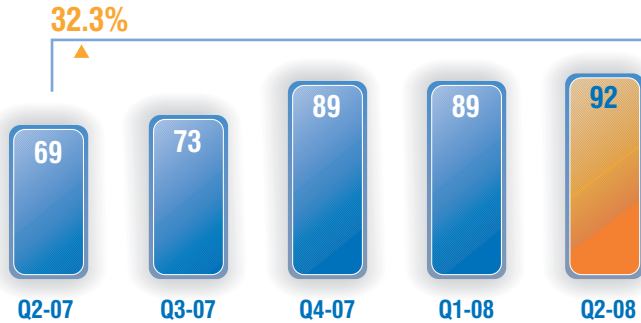


Interest Income on Loans/Total Interest Income (%)

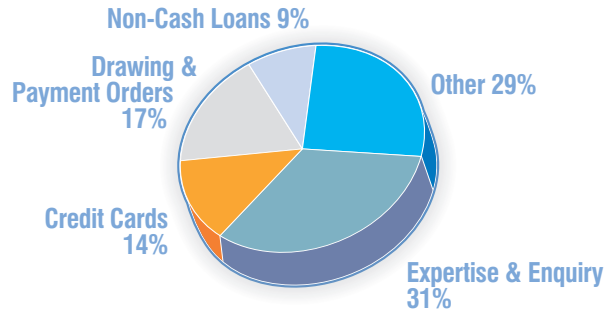


Increasing Fee Income

Net Fee & Commission Income (TRY million)



Breakdown of Fee & Commission Income (H1 2008)

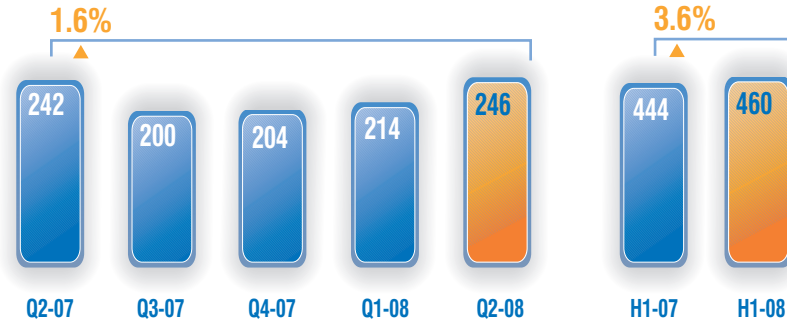


Net Fee & Commission Income/Total Operating Revenues (%)

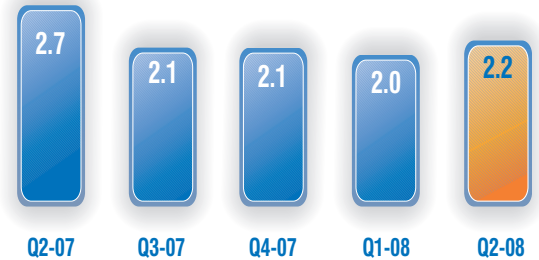


Operating Expenses

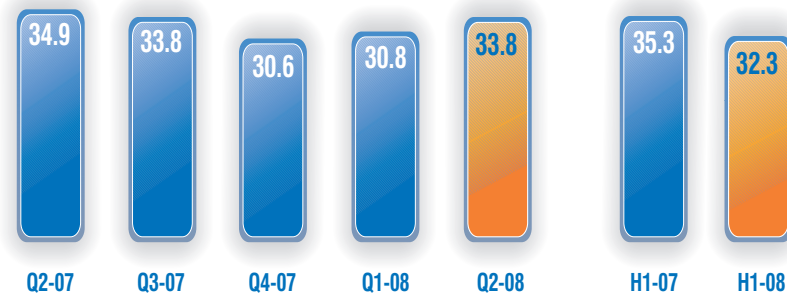
Operating Expenses (TRY million)



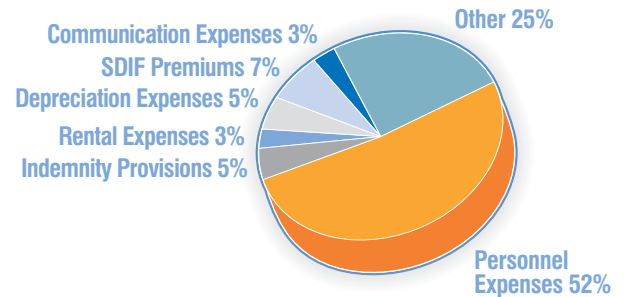
Operating Expenses/Average Assets (%)



Cost/Income (%)



Breakdown of Operating Expenses (H1 2008)



Strategies for 2008

- > Preserving profitability, asset quality and maintaining efficiency together with high level of return on equity
- > Gaining market share in deposits and loans by achieving growth over the sector average
- > Further strengthening the Bank's efficiency and franchise in SME lending
- > Increasing the share of retail loans in total loans
- > Increasing the volume and profitability in credit card business
- > Expanding product diversification and increasing service quality
- > Increasing the volume of non-cash loans
- > Continuing effective cost management policy
- > Opening new branches in areas in which the Bank sees potential to grow

Appendix

Balance Sheet

In TRY million	H1 2007	2007	H1 2008	YTD (%) Change
Cash and Balances Held with Central Bank (a)	2,640	3,471	3,016	(13)
Banks	474	1,212	893	(26)
Securities (b)	17,943	15,945	17,804	12
Net Loans (b)	14,745	18,121	22,650	25
Gross NPL	1,077	1,033	1,043	1
Property and Equipment	655	658	680	3
Other Assets	419	827	967	17
Total Assets	36,876	40,234	46,010	14
Deposits (b)	28,934	30,841	36,914	20
Funds Borrowed (b)	904	937	1,341	43
Interbank Money Market	1,482	1,703	1,303	(24)
Funds	1,002	1,042	1,055	1
Other Liabilities	590	889	1,055	19
Provisions	406	439	490	12
Shareholders' Equity	3,559	4,383	3,852	(12)
Total Liabilities	36,876	40,234	46,010	14

(a) Reserve deposits monitored in balance with Central Bank.

(b) Interest Accruals added to related accounts.

Income Statement

In TRY million	H1 2007	H1 2008	YoY (%) Change	Q4 2007	Q1 2008	Q2 2008
Interest Income	2,782	3,123	12	1,460	1,511	1,613
On Loans	1,182	1,708	45	766	827	881
On Securities	1,469	1,295	(12)	640	622	673
Interest Expense	1,945	2,067	6	982	986	1,081
On Deposits	1,844	1,942	5	906	919	1,023
Net Interest Income	837	1,057	26	479	525	532
Net Fees and Commissions	134	181	35	89	89	92
Net Trading Income	(35)	(76)	113	(4)	(39)	(36)
Other Operating Income	264	260	(2)	103	119	141
Reversal of Loan Loss Provisions	81	166	105	48	51	115
Total Operating Revenues	1,200	1,422	19	666	694	728
Operating Expenses	444	460	4	204	214	246
Net Operating Income	756	962	27	462	480	482
Provision for Loan Losses and Other Receivables	114	172	51	69	97	75
Loan Loss Provisions for Cash Loans	62	93	51	32	44	49
Profit/(Losses) from Associates	19	21	12	-	-	21
Income Before Taxes	662	811	23	393	383	428
Provision for Taxes	127	169	34	76	83	87
Net Income	535	642	20	317	301	341

For further information please contact
halkbank.IR@halkbank.com.tr



HALKBANK

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