Finansbank Overview with 2012 Financial Results

Investor Relations
March 2013

FINANSBANK
Believe in possibility.

Index

FINANSBANK
Believe in possibility.

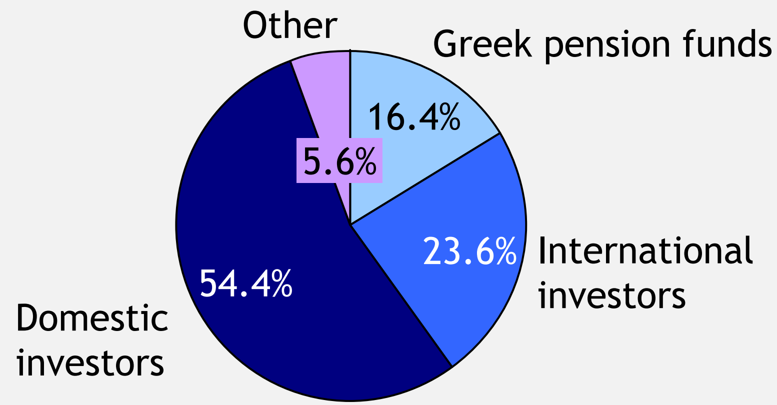
The NBG Group

Corporate information

- National Bank of Greece, the oldest Greek commercial bank, heads the largest and strongest financial group in Greece
- The Bank has 516 domestic branches and 1,128 banking units overseas. The Group boasts by far the largest network for the distribution of financial products and services in Greece. Overseas, the NBG Group is active in 12 countries, controls 9 banks and 64 companies (as of Q3'12)
- The NBG Group is the first Greek financial group to successfully float its stock on the New York Stock Exchange, the world's principal capital market

Ratings and shareholder structure - 31.12.2012

	Moody's	S&P	Fitch
• Long-term	Caa2	CCC	CCC
• Short-term	NP	C	C
• Financial strength/ Viability	E		f



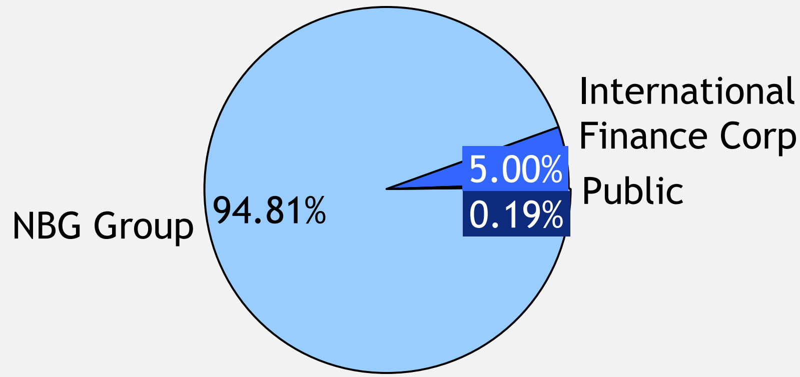
FINANSBANK
Believe in possibility

Index

At a glance

Ratings and shareholder structure

Foreign currency	Moody's	Fitch	CI
• Long-term	Ba2	BBB-	BB+
• Short-term	NP	F3	B



Corporate information

- Turkey's 5th largest private bank with USD 31bn of assets*
- Highest capital adequacy ratio among peer group private banks at 18.9%
- Core Tier 1 ratio is at 13.9%

(Million)	December 31, 2012
Paid-in capital	TRY 2,565 (USD 1,439)
Shareholders' equity	TRY 7,325 (USD 4,109)

* According to bank only data

FINANSBANK Believe in possibility

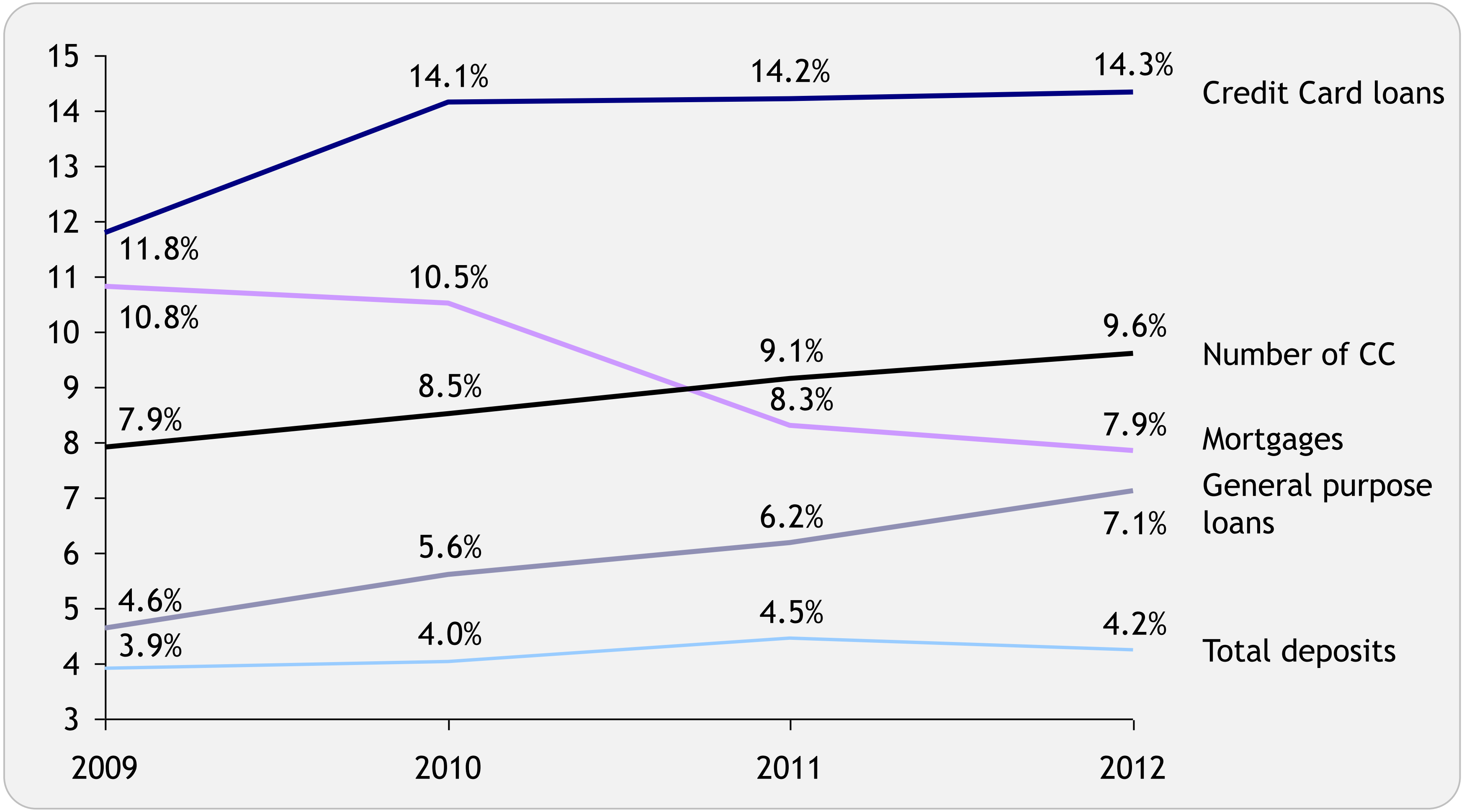
Efficient branch network

- Comprehensive Turkish network covering 96% of GDP
- One of the youngest networks: 6.8 years average age
- Most productive among peers: TRY 39mn retail loans per branch

	2008	2009	2010	2011	2012
Corporate	8	8	4	4	4
Commercial	53	53	5	0	0
Retail	248	251	0	0	0
Consumer	99	99	1	0	0
Joint Branch	0	0	446	479	569
In-store	6	6	11	7	5
Collection points	41	41	32	29	0
Free Trade Zone	1	1	1	1	1
International	1	1	1	1	1
Mobile	1	1	1	1	1
Enpara	0	0	0	0	1
Total	**458**	**461**	**502**	**522**	**582**

Strong presence in retail products

Selected market shares



FINANSBANK
Believe in possibility

Index

2012 financial highlights

B/S

- Total assets grew by 18% to reach TRY 54.4bn
- Net loans increased 19%, faster than the 15% growth for the sector
- Market share in general purpose loans continued to rise tapping 7.1% vs. 6.2% in 2011
- Market share in credit card loans reached 14.3%, placing Finansbank among top 4 in the sector
- Customer deposits increased 10% and reached TRY 31.9bn, in line with sector's growth
- Shareholders' equity increased 29%, helping boost the CAR to 18,92%
- Total amount of TRY Bond issuance reached 4bn in 2012

P&L

- Net interest income jumped 29% to TRY 2,9bn, while NIM expanded further to 670bps
- Net fees and commissions income rose 28% and reached TRY 1,029mn, beating the sector's growth by a large margin
- Operating expenses increased 14%
- Net income reached TRY 902mn, registering 6% growth in 2012

Solid financial performance

B/S

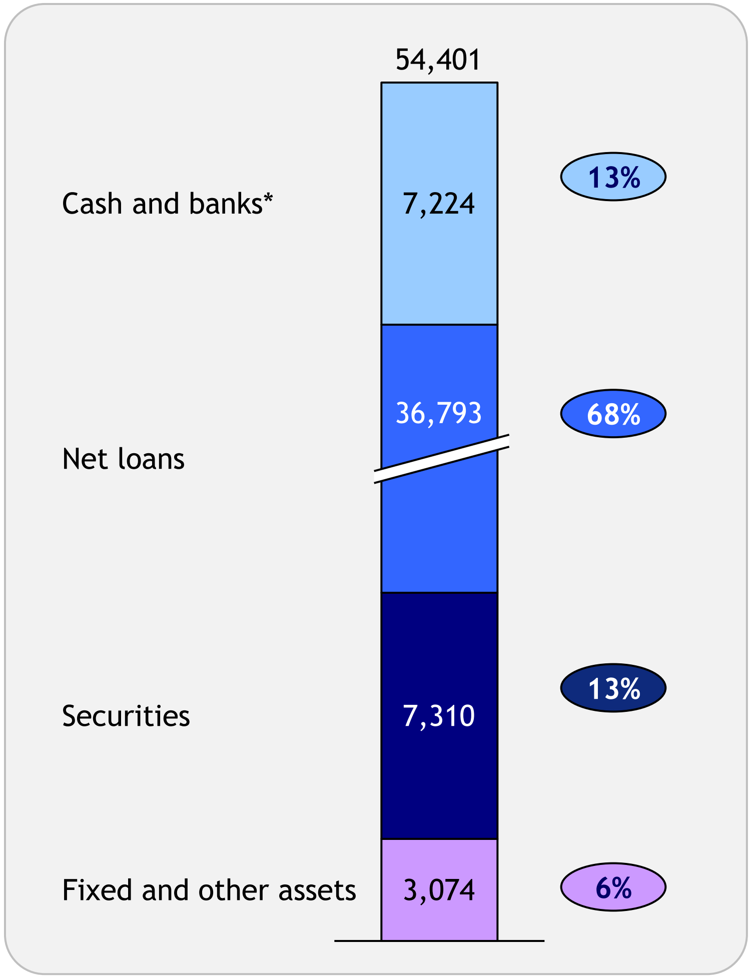
	2011		2012	
	USD million	TRY million	USD million	TRY million
• Total assets	24,232	46,199	30,518	54,402
• Securities	3,645	6,949	4,101	7,310
• Loans, net	16,175	30,838	20,640	36,793
• Customer deposits	15,206	28,989	17,881	31,874
• Funds borrowed	2,902	5,534	4,626	8,247
• Shareholders' equity	2,988	5,696	4,109	7,325

P&L

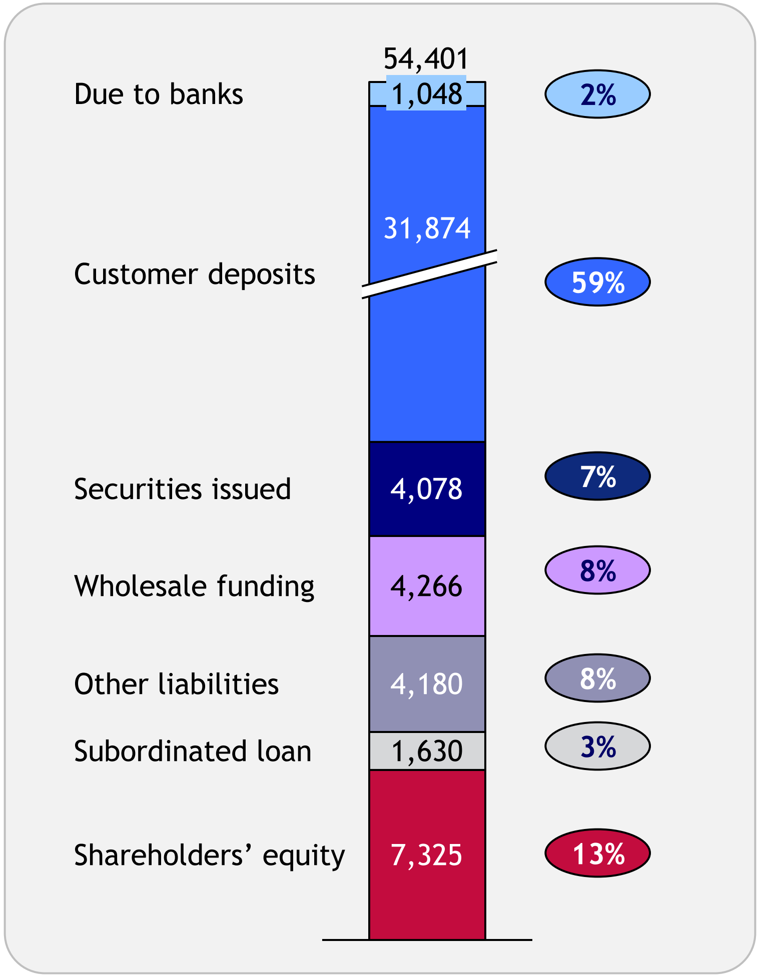
	2011		2012	
	USD million	TRY million	USD million	TRY million
• Net interest income	1,167	2,225	1,614	2,877
• Provisions	-161	-306	-542	-965
• Adjusted NII	1,006	1,919	1,072	1,912
• Net fees and commissions	420	801	577	1,029
• Opex	826	1,574	1,009	1,798
• Net Income	445	848	506	902

Loan driven business model with diversified funding

Asset structure
TRY million



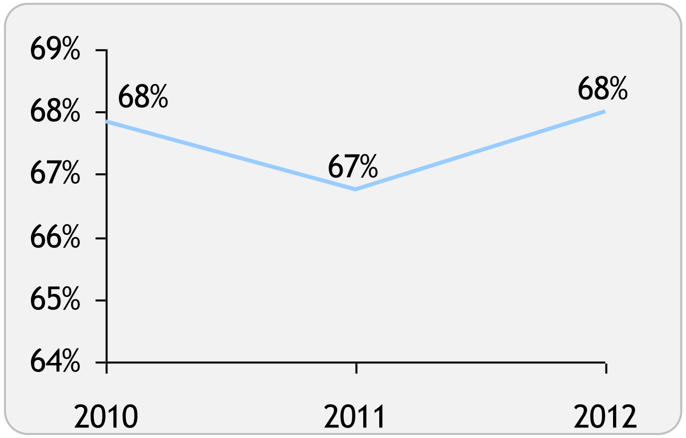
Funding structure
TRY million



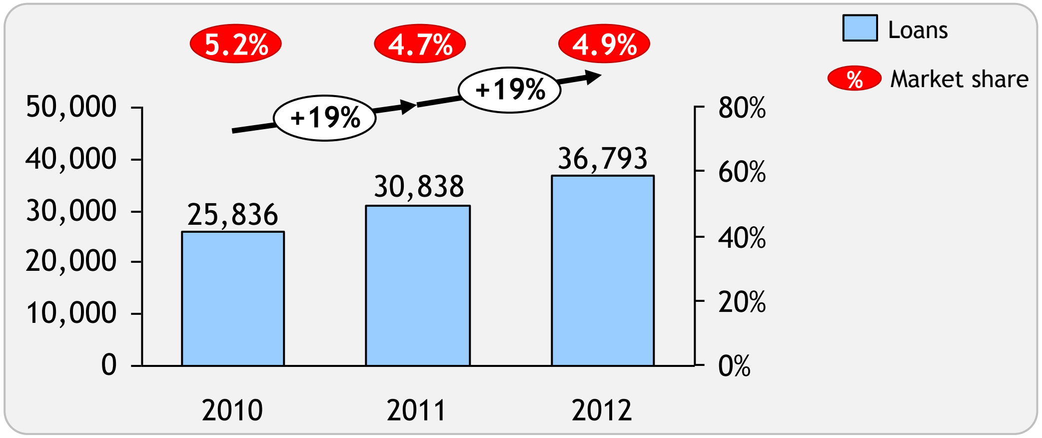
* Including MMS

Focus on real banking

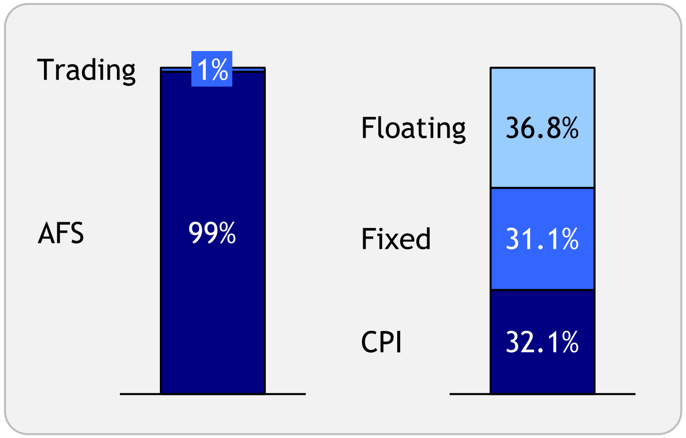
Loans/Assets



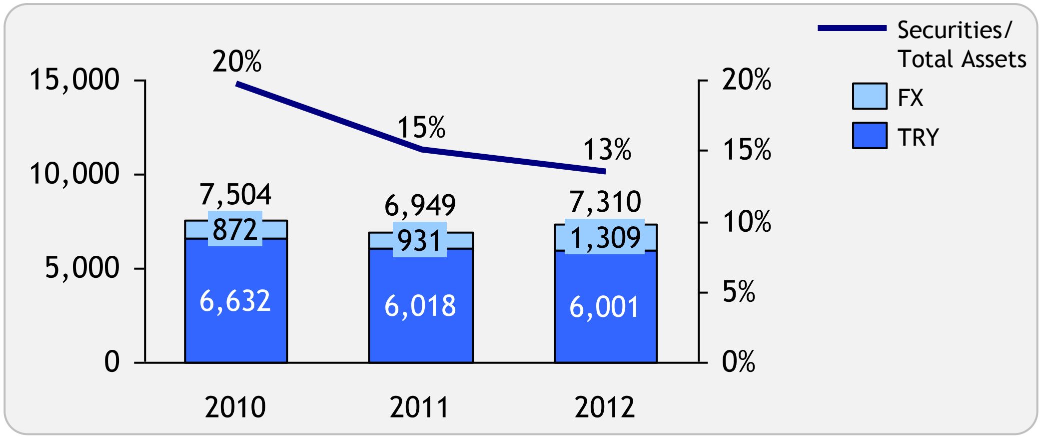
Net loans (TRY million)



Securities breakdown



Securities/Assets (TRY million)



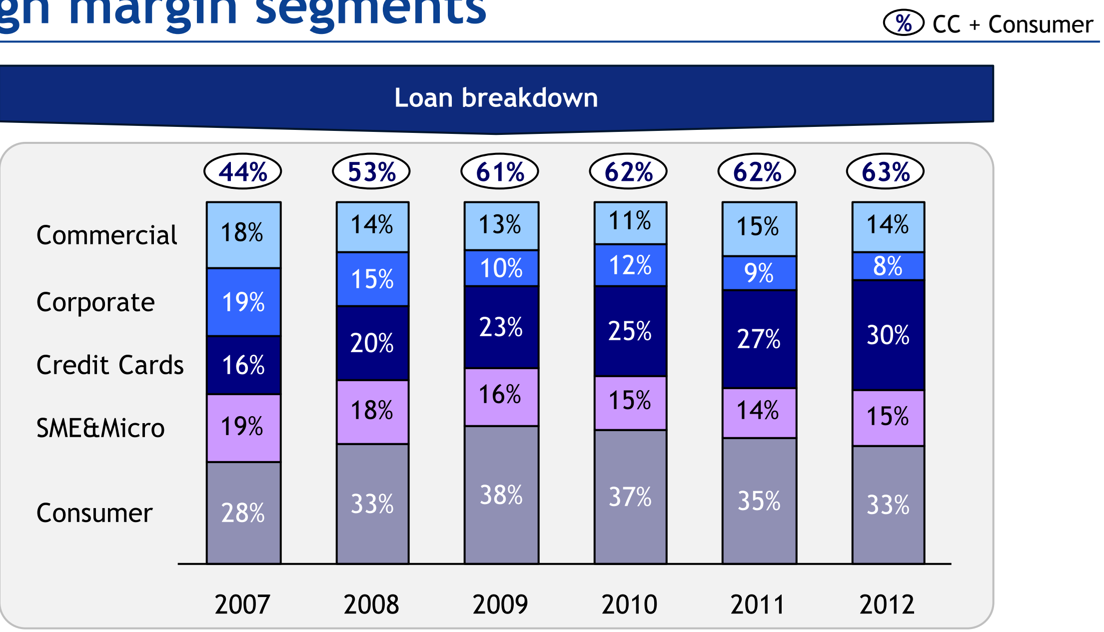
Significant presence in high margin segments

Business segmentation
(By annual turnover)

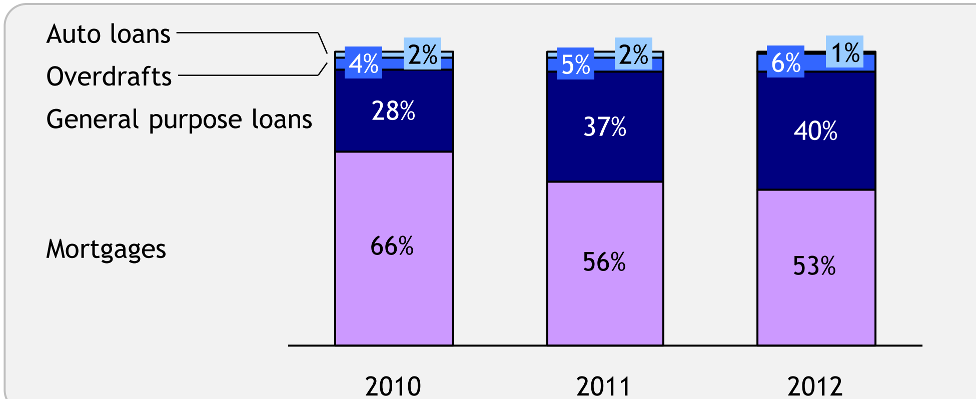
- Corporates
  > TRY 100mn
- Commercial companies
  TRY 10mn-100mn
- SME
  TRY 2mn-10mn
- Micro
  < TRY 2mn

- General purpose loans make up 40% of retail loans
- Mortgage loan growth slowing in line with the strategy of the Bank

Loan breakdown



Retail loans

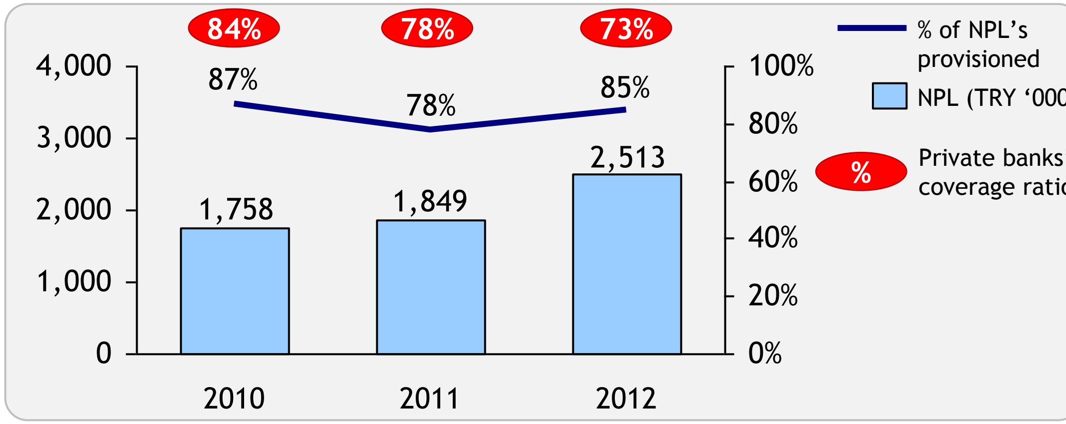


FINANSBANK
Believe in possibility

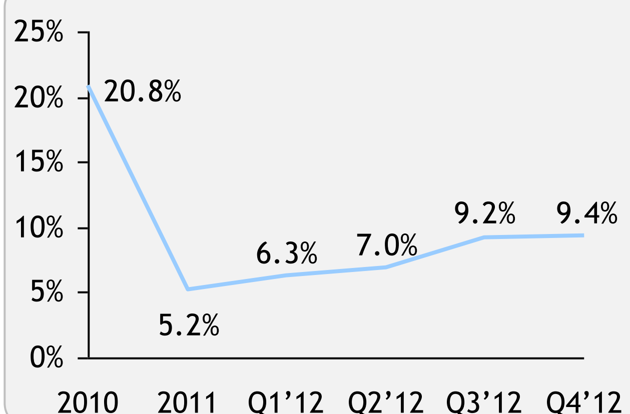
High coverage for better risk management

- TRY 618mn reserved in general provisions
- TRY 100mn in general provisions spared for possible loan losses
- Very limited loan write-off of TRY 6.5mn in 2011 and TRY 5.1mn in 2012
- First time NPL sales of TRY 237mn in Sep’11, which lowered the NPL ratio by 0.5%

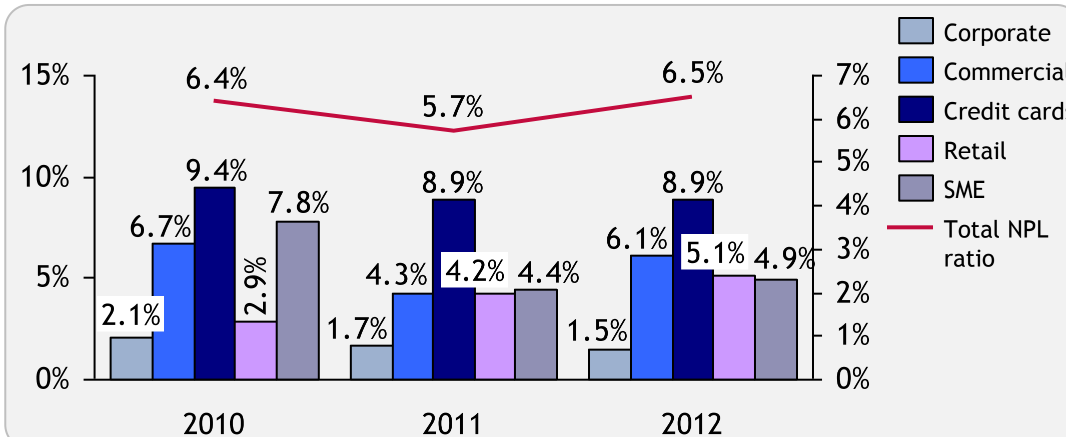
NPL provisioning



Increase in NPLs



NPL ratio by segments

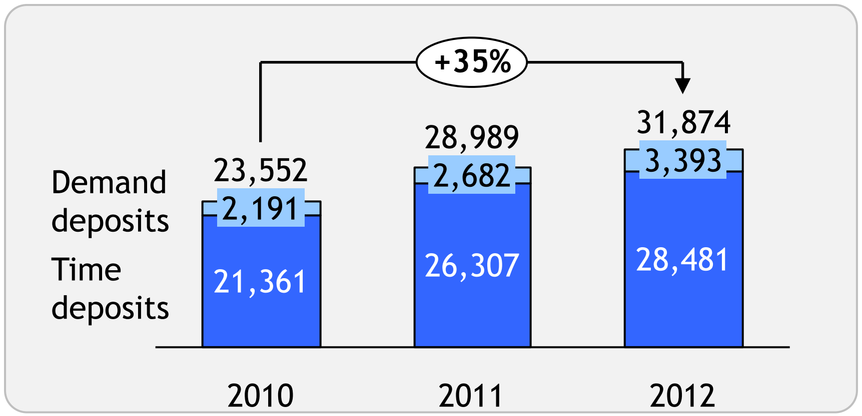


FINANSBANK
Believe in possibility

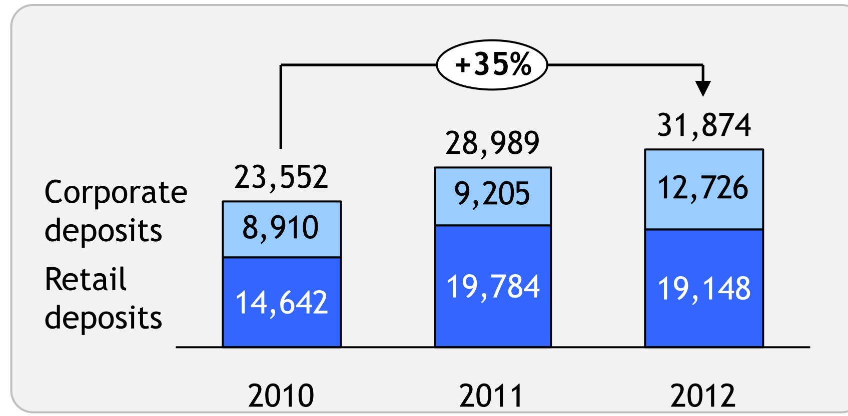
Growing deposit base

TRY million

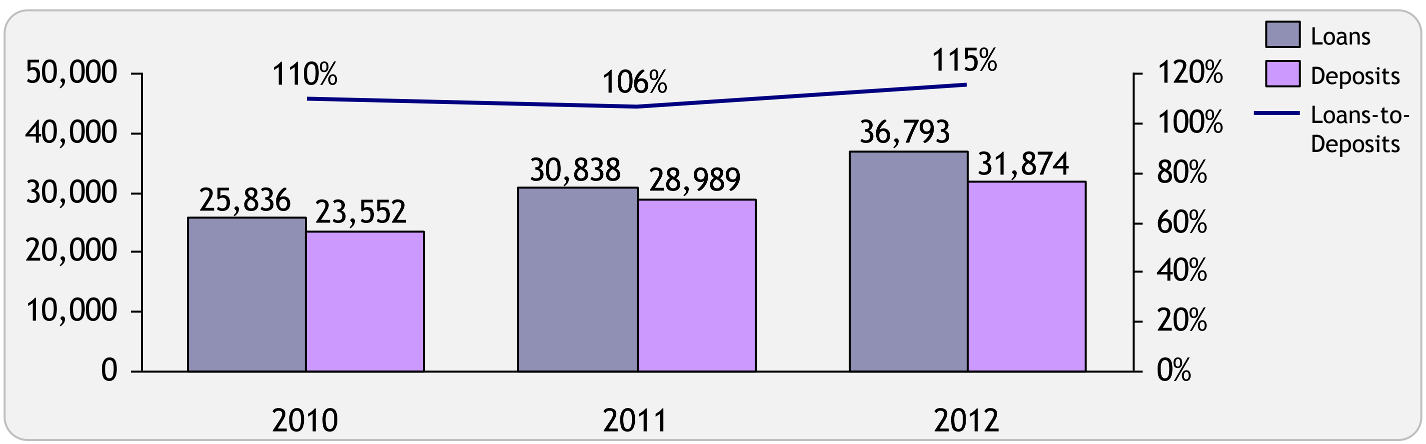
By type



By segment

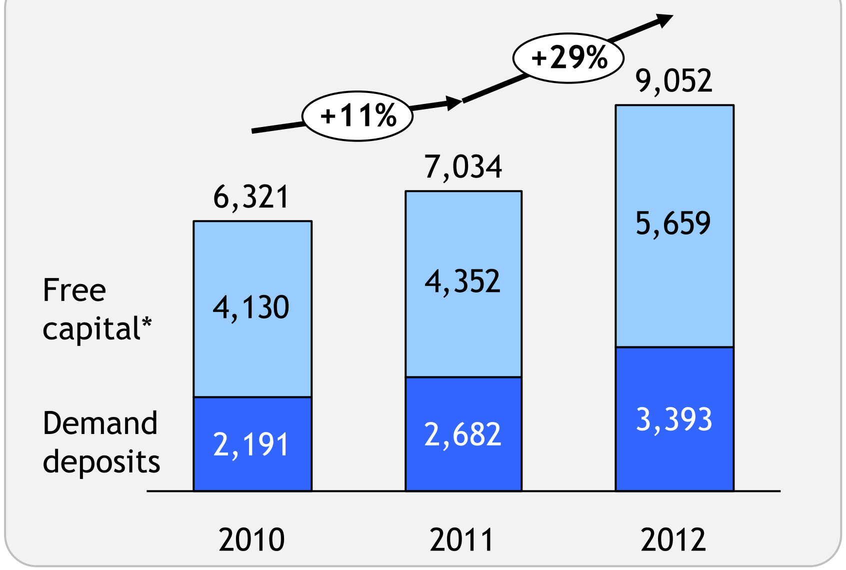


Loans/Deposits

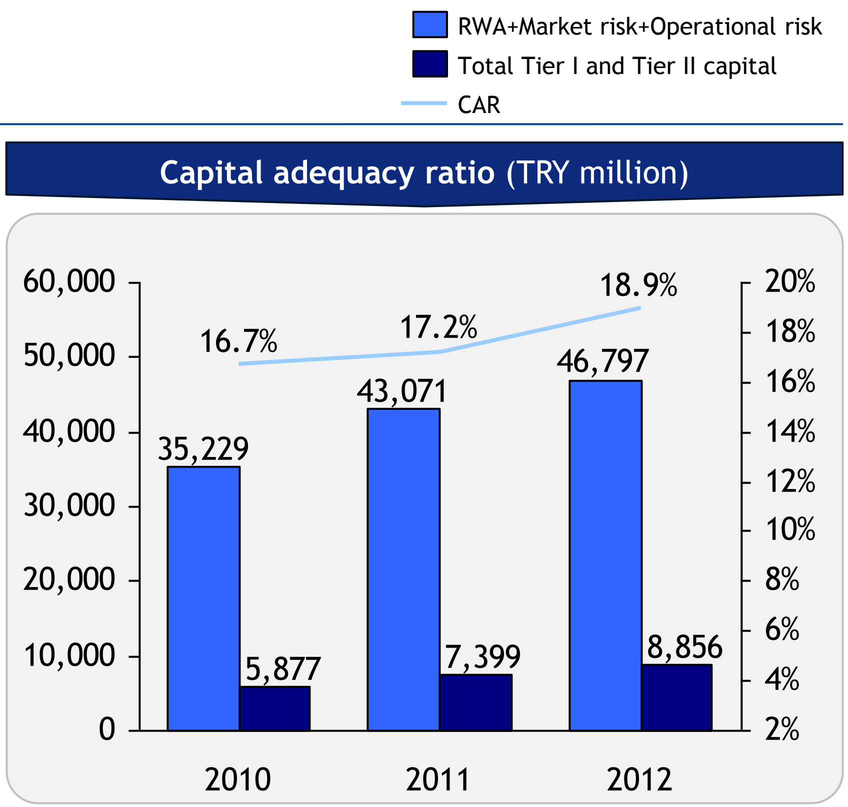


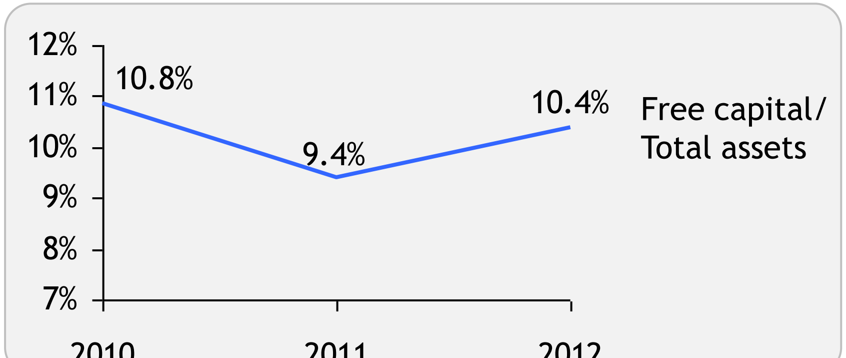
Strong capital and high liquidity

Free funds (TRY million)



Capital adequacy ratio (TRY million)



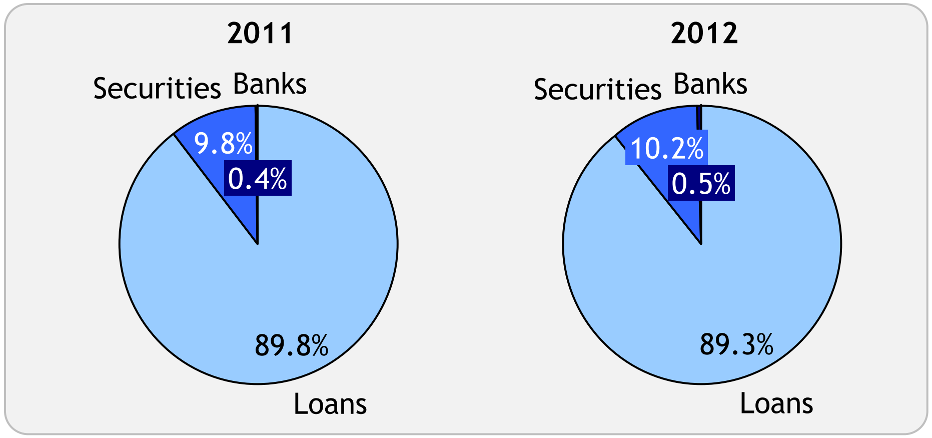


- The new Basel II compliance initially helped increase Finansbank's CAR by 110bps
- Core Tier 1 ratio is 13.9%

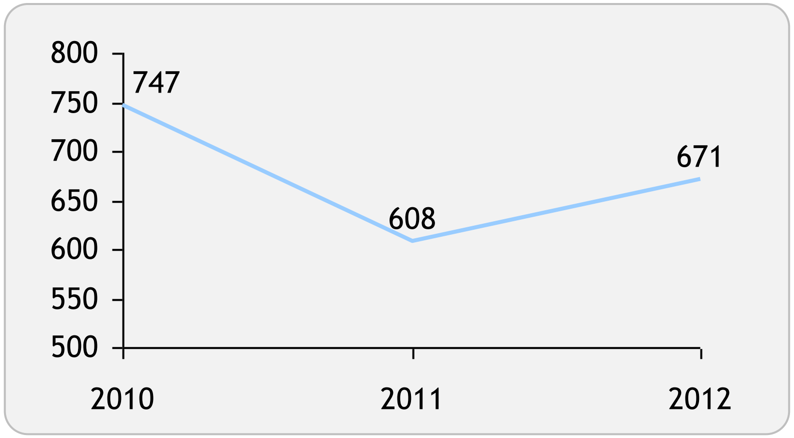
* Free capital = Shareholders' Equity – (Subsidiaries + Fixed Assets + Unprovisioned NPL)

High margins with strong fee income growth

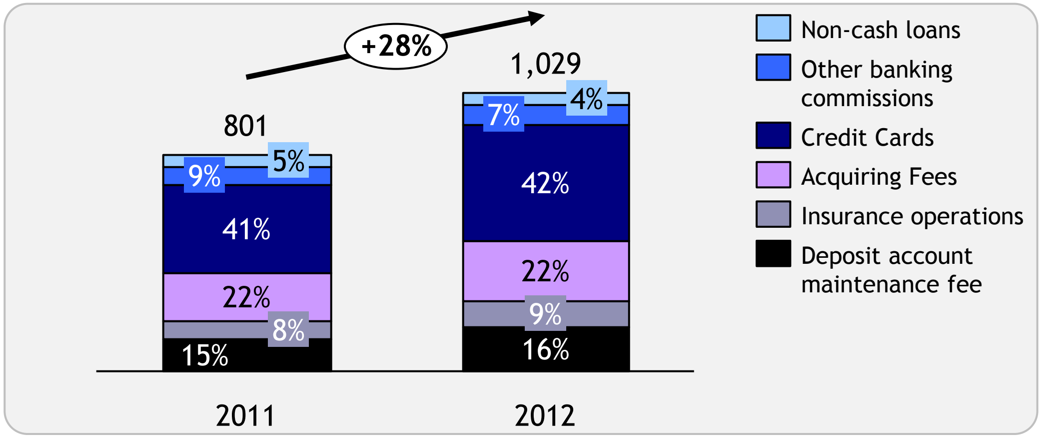
Breakdown of interest income



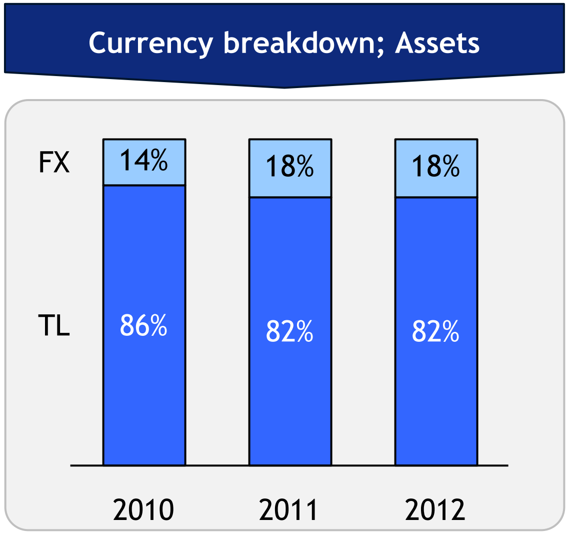
NIM evolution (bps)

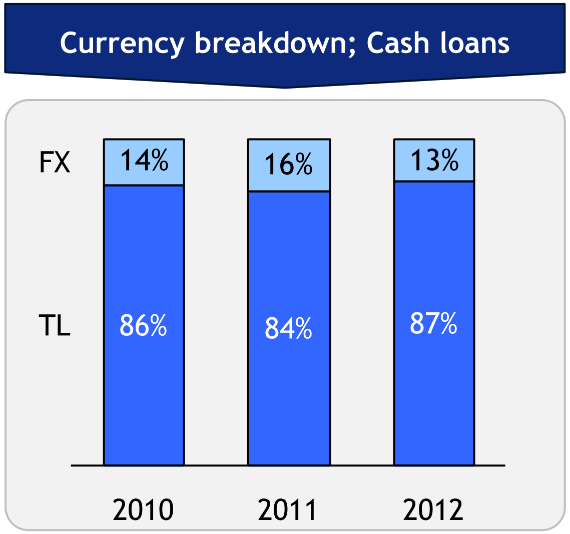


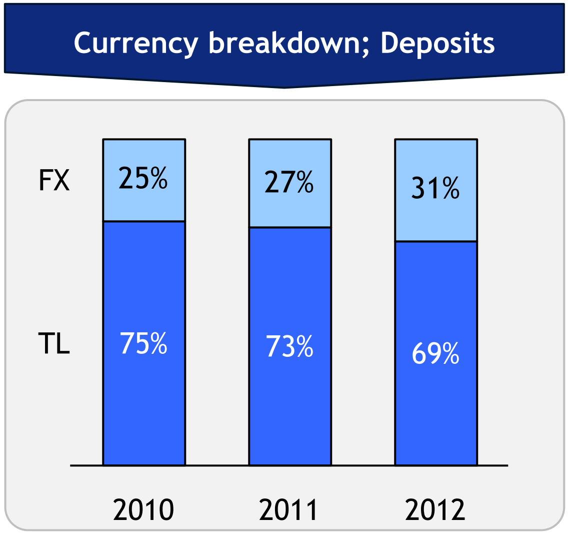
Net fee income (TRY million)

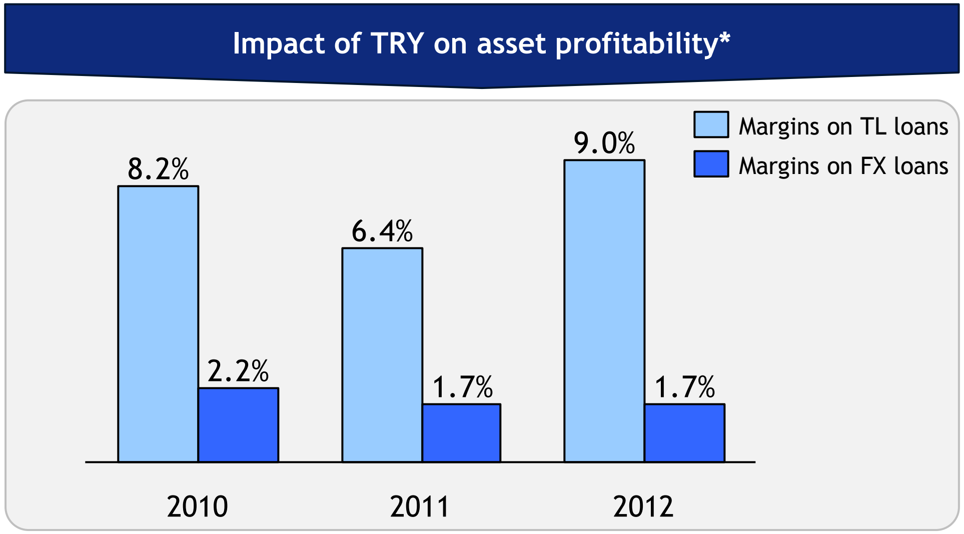


TRY dominated balance sheet









* Margins calculated by the deduction of last months time deposit rate from term-end loan book yield

FINANSBANK Believe in possibility.

Borrowings and issuances

Type of borrowing	Maturity		Outstanding principal Million	Tenor Years
TRY Bond	March 2013	TRY	900	0.5
Bond/Swap (USD / TL)	March 2013	USD	110	7
TRY Bond	April 2013	TRY	600	0.3
TRY Bond	May 2013	TRY	750	0.5
TRY Bond	June 2013	TRY	650	0.5
Syndicated Term Loan USD Tranche	November 2013	USD	188	1
Syndicated Term Loan EUR Tranche	November 2013	EUR	212	1
Eurobond	May 2016	USD	500	5
EIB	October 2017	EUR	71	7
Eurobond	November 2017	USD	350	5
DPR Securitisation	November 2017	USD	75	5
DPR Securitisation	November 2017	EUR	10	5
Subordinated Debt from NBG	October 2018	USD	325	10
Subordinated Debt from NBG	October 2019	USD	200	10
EIB	November 2019	USD	13	7
Subordinated Debt from NBG	December 2019	USD	125	10
Subordinated Debt from NBG	December 2021	USD	260	10
DPR Securitisation	November 2024	EUR	50	12

Source: Finansbank (March 2013). USD/TL = 1.7826; EUR/TL = 2.3517 as of 31.12.2012, CBRT

FINANSBANK Believe in possibility

Index

NBG Group

Finansbank overview

Financials

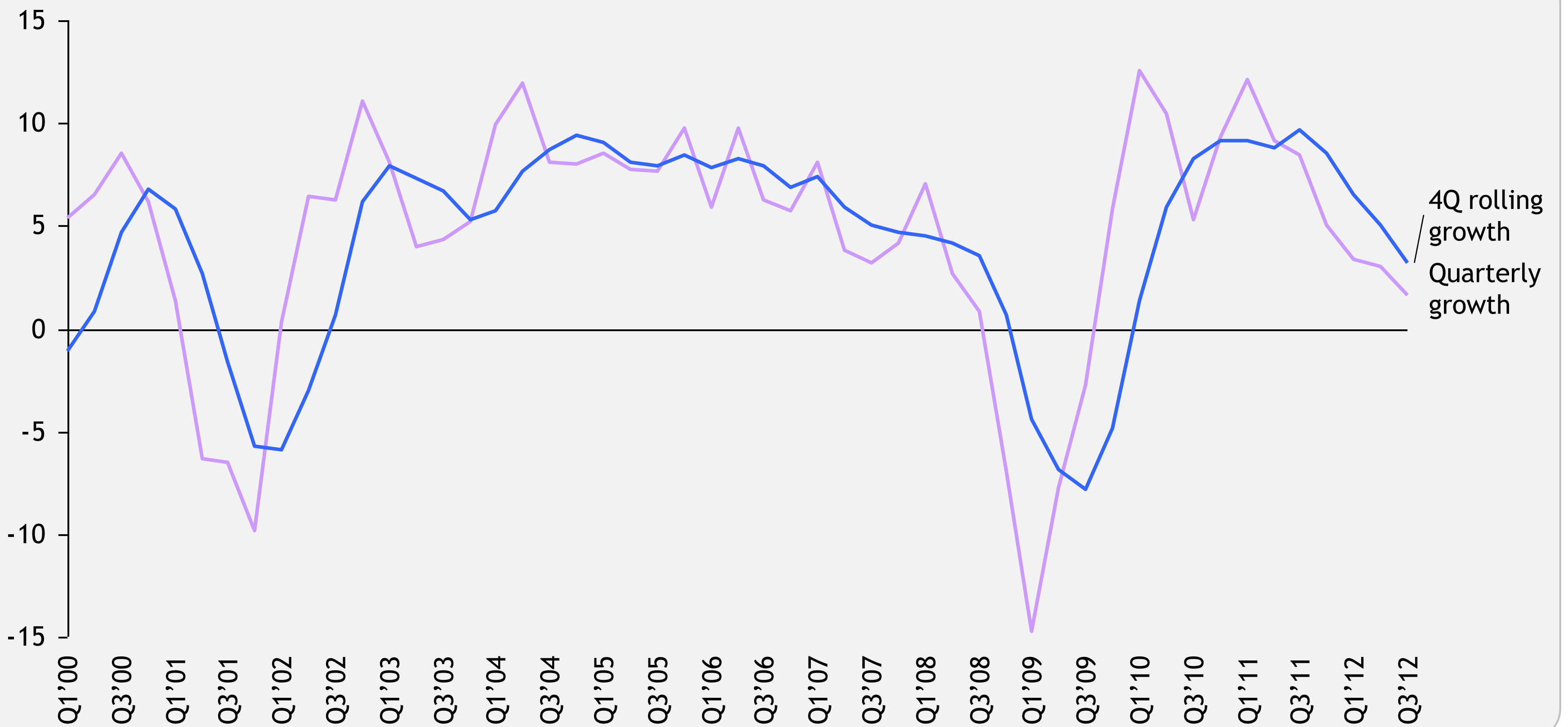
Macroeconomic indicators

Key macroeconomic data

		31.12.2012	30.09.2012	31.12.2011
USD/TRY		1.7840	1.7971	1.8909
EUR/TRY		2.3547	2.3108	2.4498
Central Bank Policy Rate		5.50%	5.75%	5.75%
Nominal treasury bill interest rate (eop)		6.16%	7.56%	10.95%
PPI		2.45%	4.03%	13.33%
CPI		6.16%	9.19%	10.45%
Consumer Confidence Index		73.59	72.12	N/A*
USD (mn)				
GDP		808,151**	771,705	774,188
Exports (Goods)	Y-o-Y	152,537	148,395	134,907
Imports (Goods)	Y-o-Y	(236,544)	(236,145)	(240,842)
Trade Balance on Goods	Y-o-Y	(84,008)	(87,750)	(105,935)
Current Account Deficit	Y-o-Y	46,935	55,399	75,092
Primary Surplus *(TRY mn)*	Y-t-D	19,625	25,183	24,774
Central Bank FX Reserves		100,320	94,800	78,330
TURKISH BANKING SYSTEM *(TRY bn)*		31.12.2012	30.09.2012	31.12.2011
Assets		1,370.7	1,308.5	1,217.7
Loans to Assets		57.98%	57.74%	56.08%
Securities to Assets		19.70%	21.24%	23.40%

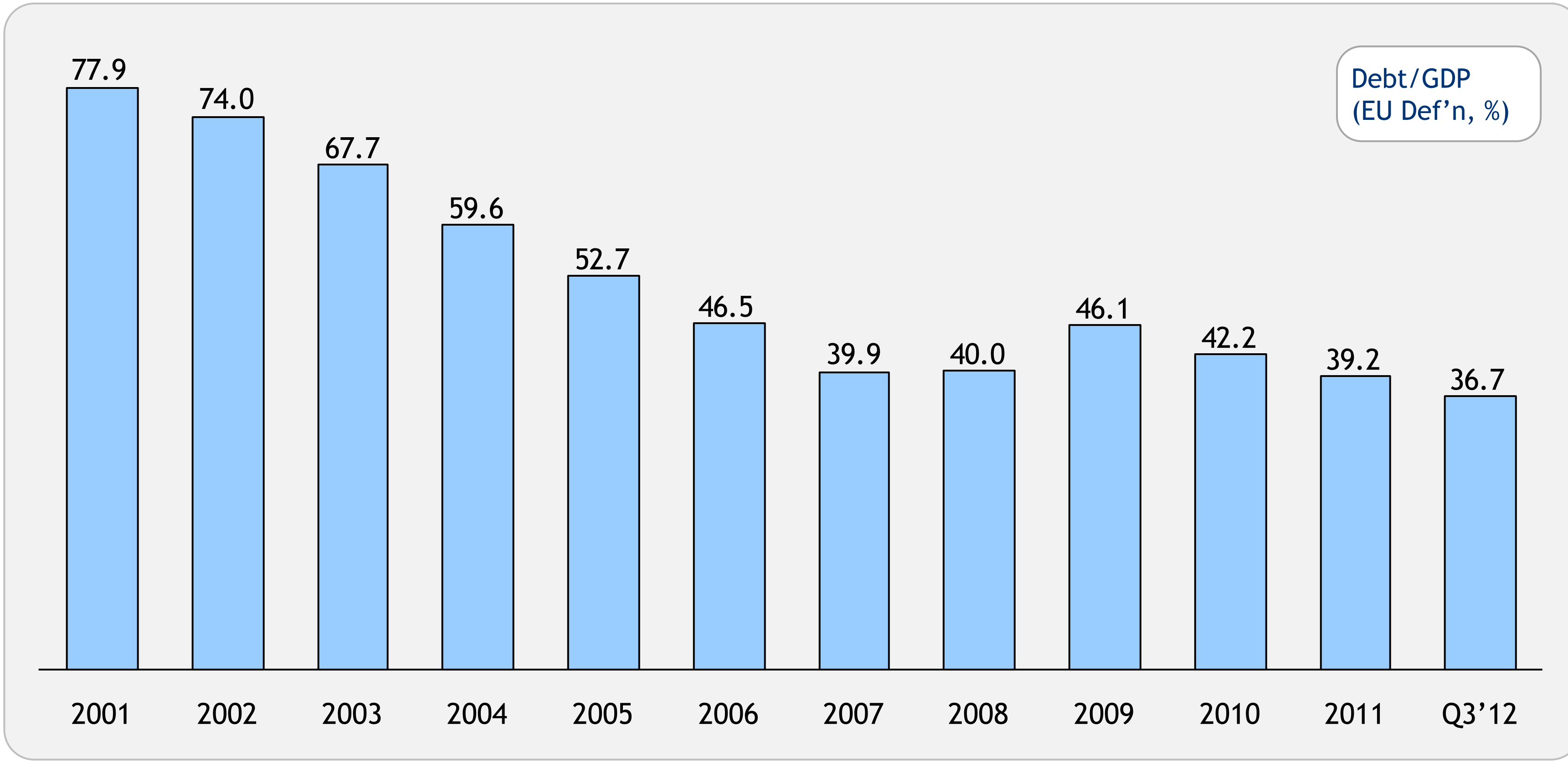
*Turkstat renewed this index and new series is available only as of January 2012
**As 4Q 2012 GDP growth rate is to be announced yet, this reflects Finansbank's forecast

Economic activity - GDP growth rates



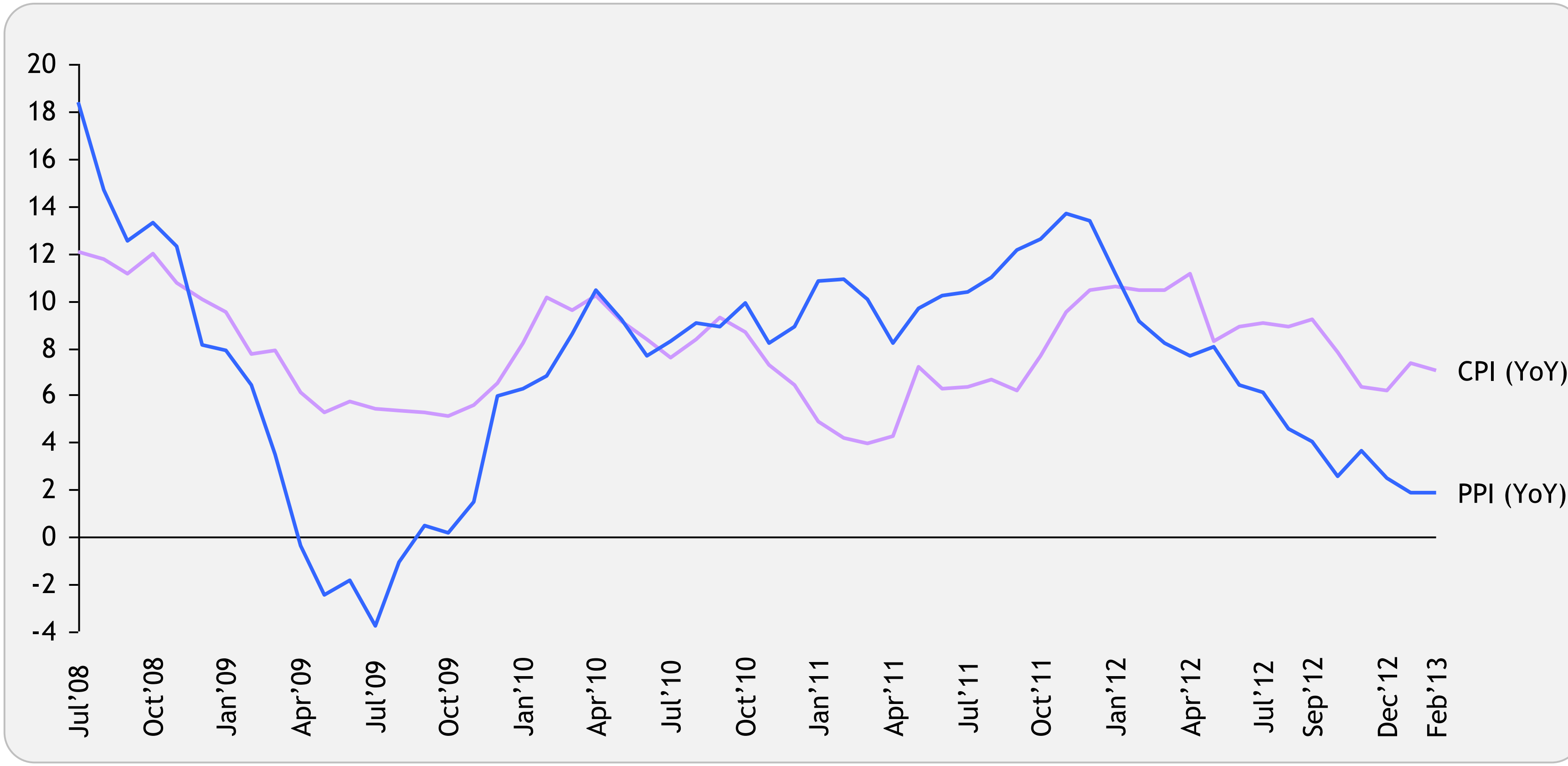
- GDP growth stands at 2.6% in the first three quarters of 2012 after having expanded by 8.5% in 2011. Anticipating a pick-up in economic activity in the final quarter, we see a FY GDP growth of 2.9% which is more conservative than official target at 3.2%
- On the other hand, we are more bullish regarding growth prospects in 2013, and we see next year's growth rate at 5.3%, above official forecast at 4%

Debt outlook



Thanks to strong economic growth and commitment to fiscal discipline, gross public debt burden declined from a peak of 77.9% to 39.9% as of end-2007. Yet, global economic crisis weighed on debt outlook with gross public debt to GDP ratio beginning to increase in 2008 and ending 2009 at 46.1%. However, this trend has reversed in 2010, and debt burden eased down to 39.4% in 2011 and 36.7% in Q3'12

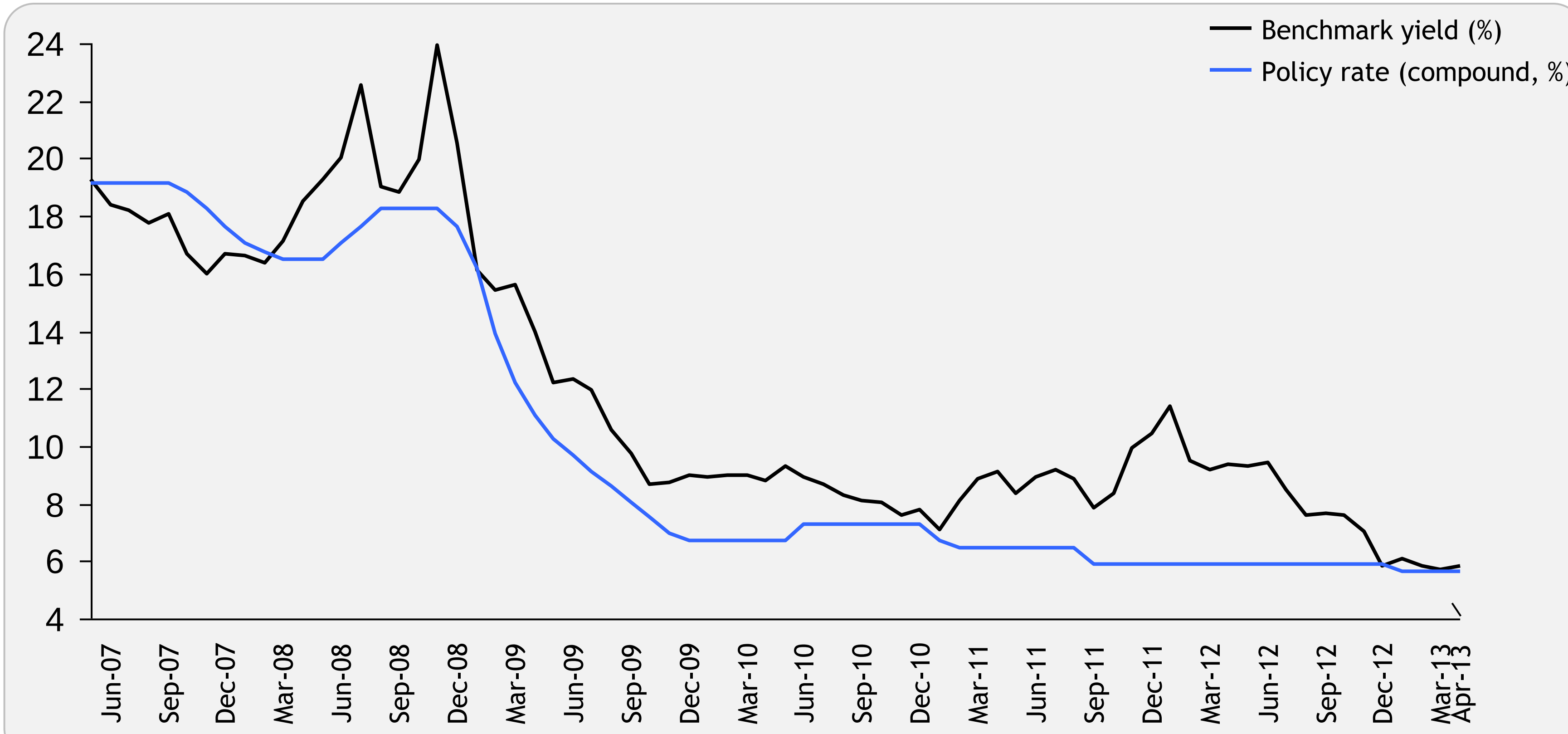
Inflation outlook



- After easing to 3.99% as of end-Q1'11 to the lowest level of last four decades, YoY inflation climbed to 10.45% by end-2011 on the back of administrated price hikes and currency weakness. Annual inflation stood at double digits in the first four months of 2012 and hit 11.14% in April, highest level since October 2008, before trending down and easing to 6.16% at the end of 2012
- Annual inflation stood above 7% in the first two months of 2013 on the back of the benign course in food prices reversing administrated price hikes. We see year-end inflation at 6.45%, considerably above CBRT's projection at 5.3%

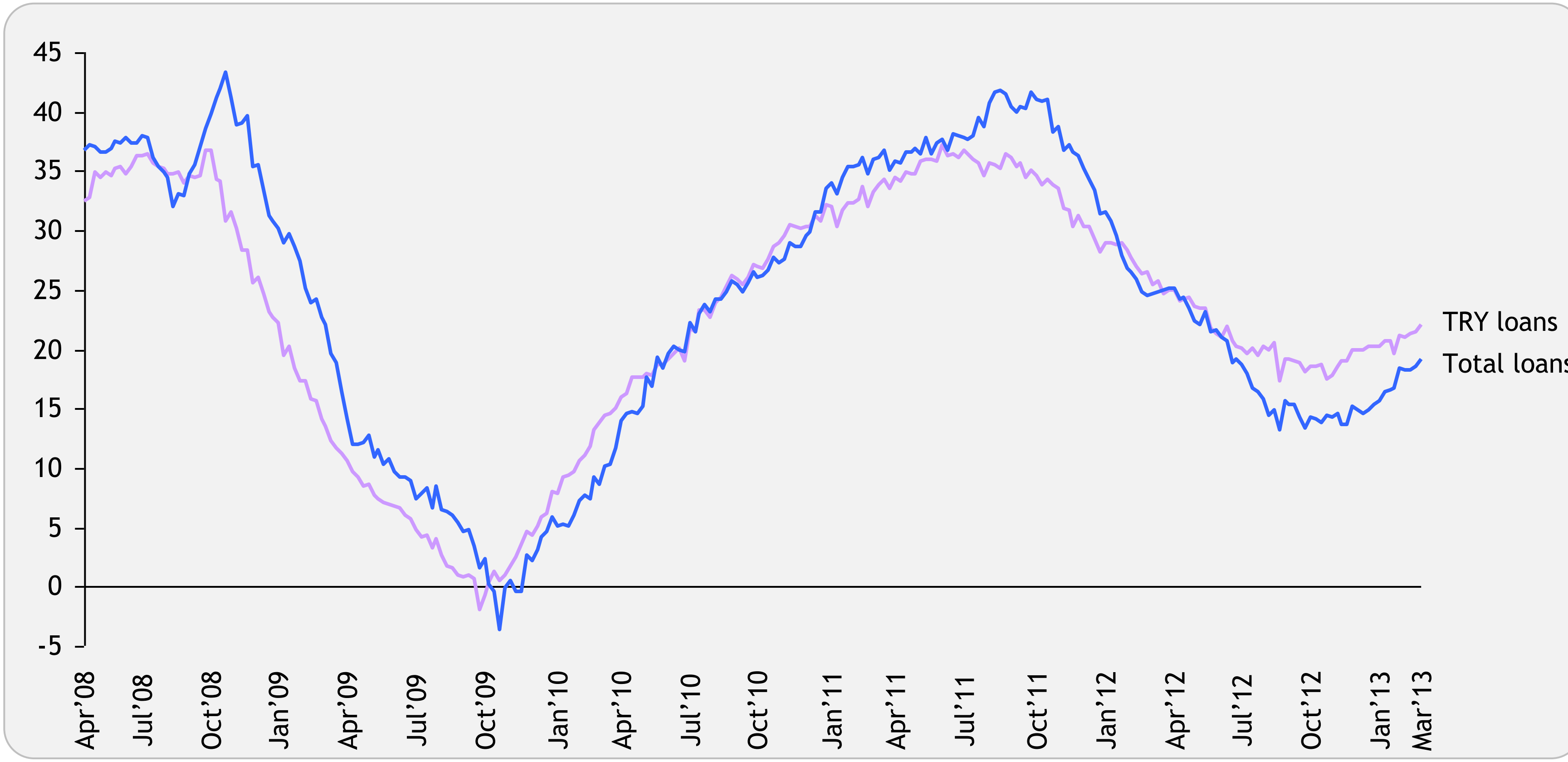
FINANSBANK Believe in possibility

Monetary policy



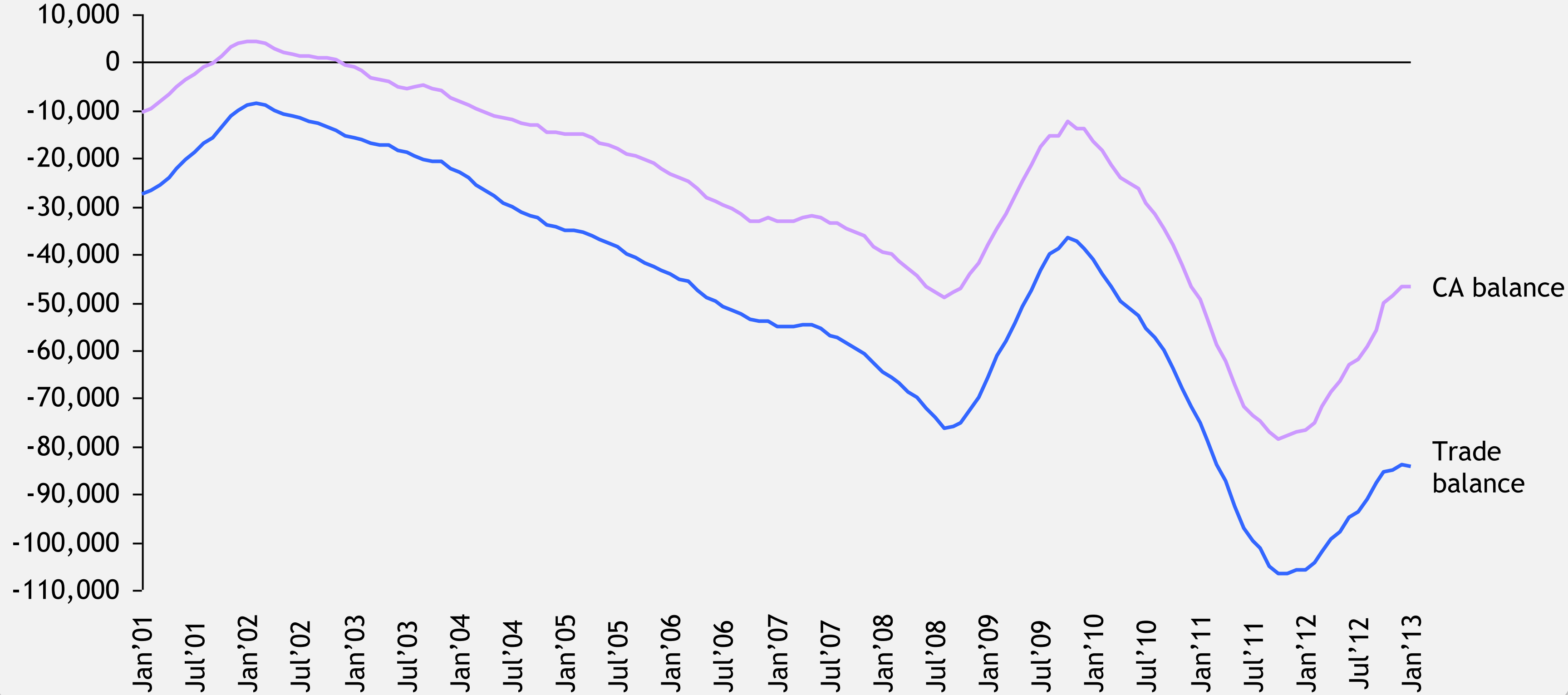
As a net lender to the market, CBRT adjusts the amount of liquidity via weekly and monthly repo auctions by using interest rate corridor. During late December 2011- early June 2012 period, CBRT implemented additional monetary tightening measures to contain deterioration in pricing behavior and inflation expectations. Yet, as inflation outlook improved and economic activity followed a mild trend, CBRT eased funding conditions through 2H 2012. Following Turkey's rating upgrade in November, CBRT cut the policy rate by 25 bps to 5.50% in December and then lowered the whole interest rate corridor by a total of 50 bps in the first two months of 2013 in order to eliminate the appreciation pressures on the currency. These cuts were accompanied by required reserve ratio hikes so as to curb the excessive loan growth. Going forward, we see CBRT's policy stance relying on low short term interest rates and tighter macroprudential measures

Credit growth



- CBRT's policy mix that includes substantial increases in RRRs and regulatory measures from BRSA curbed the rapid pace of growth in loans to 28.2% in 2011. Given tighter monetary stance and slowdown in economic activity, we saw further deceleration in loan growth in the first three quarters 2012, although the momentum started to rise in 4Q and brought YoY growth to 18.2% in 2012
- CBRT projects a YoY growth rate of 15% in 2013. Yet, the current trend in loans signals a much stronger performance which we foresee to continue on the back of the recovery in domestic demand unless CBRT comes forward with more drastic RRR hikes

External balance



- As Turkish economy recovered vigorously from the 2008-09 crisis, external deficit started to widen. CA deficit reached 6.4% and 10% of GDP in 2010 and 2011, respectively
- CA deficit / GDP narrowed to 5.8% in 2012 thanks to the rebalancing in the economy and strong gold exports which was temporary and is not likely to maintain its positive contribution in 2013. Moreover, given the accelerating domestic demand which has already started to weigh in on import bill, we see 2013 CA deficit/GDP ratio widening to 7.2%

Disclaimer

Finansbank A.Ş. (the "Bank") has prepared this Presentation for the sole purposes of providing information which include forward looking projections and statements relating to the Bank (the "Information"). No representation or warranty is made by the Bank for the accuracy or completeness of the Information contained herein. The Information is subject to change without any notice. Neither the Presentation nor the Information can construe any investment advise, or an offer to buy or sell the Bank's shares. This Presentation and/or the Information cannot be copied, disclosed or distributed to any person other than the person to whom the Presentation and/or Information delivered or sent by the Bank or who required a copy of the same from the Bank. Finansbank A.Ş. expressly disclaims any and all liability for any statements including any forward looking projections and statements, expressed, implied, contained herein, or for any omissions from Information or any other written or oral communication transmitted or made available