

Finansbank Overview with Q2 2012 Financial Results

Investor Relations
September 2012



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NBG Group

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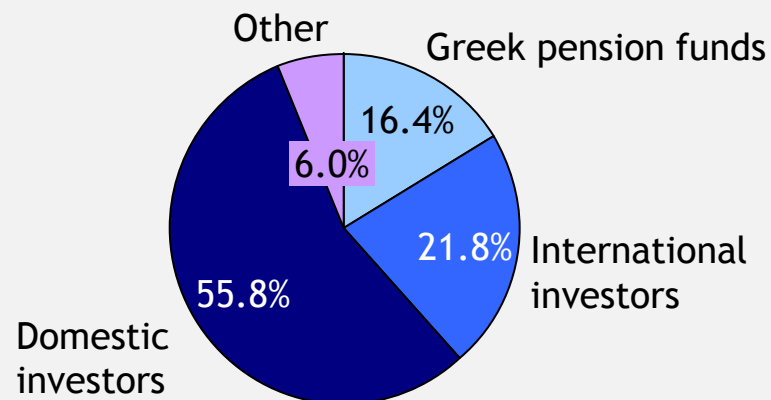
The NBG Group

Corporate information

- National Bank of Greece, the oldest Greek commercial bank, heads the largest and strongest financial group in Greece
- The Bank has 528 domestic branches and 1,131 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 8 banks and more than 58 companies (as of Q1 2012)
- 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, June 30, 2012

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



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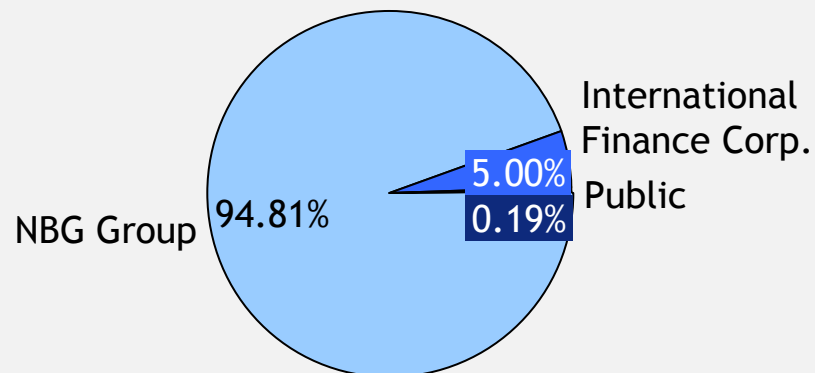
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At a glance

Ratings and shareholder structure, July 3, 2012

Foreign currency	Moody's	Fitch	CI
• Long-term	Ba2	BBB-	BB
• Short-term	NP	F3	B
• Financial strength/ Viability	D+	bbb-	BBB+



Corporate information

- Turkey's 5th largest private bank with USD 25.8bn of assets*
- One of the highest capital adequacy ratio in the sector at 16.7%
- Core Tier 1 ratio is at 12.6%

(Million)	June 30, 2012
Paid-in capital	TRY 2,565 (USD 1,413)
Shareholders' equity	TRY 6,289 (USD 3,465)

* According to bank only data

Efficient branch network

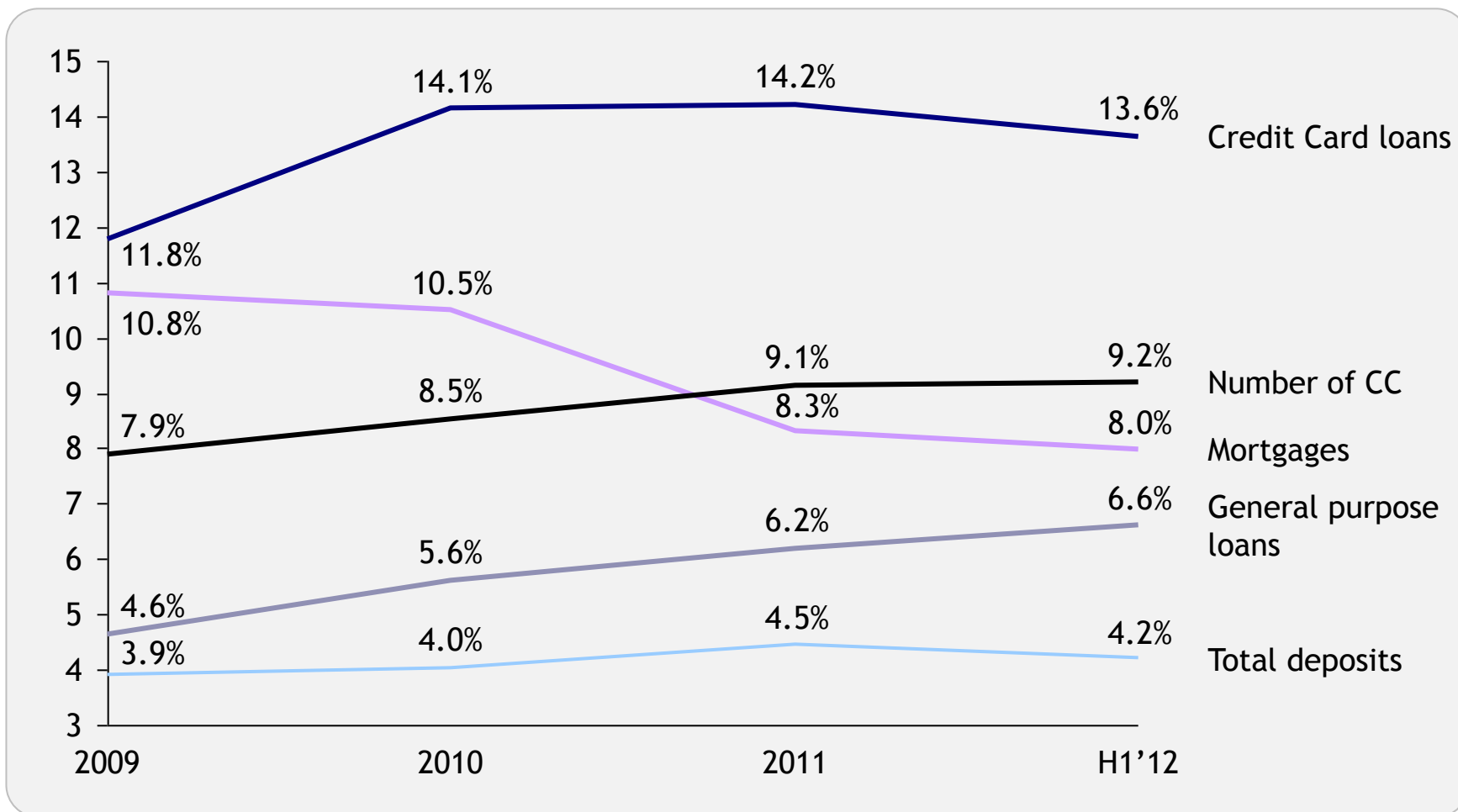
- Comprehensive Turkish network covering 96% of GDP
- One of the youngest networks: 6.5 years average age
- Most productive among peers: TRY 38.4mn retail loans per branch

	2008	2009	2010	2011	Q2'12
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	508
In-store	6	6	11	7	4
Collection points	41	41	32	29	3
Free Trade Zone	1	1	1	1	1
International	1	1	1	1	1
Mobile	1	1	1	1	1
Total	458	461	502	522	522



Strong presence in retail products

Selected market shares



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H1 2012 financial highlights

B/S

- Total loans increased 8% year to date, in line with the growth in the sector, and comprising 71% of assets
- Market share in general purpose loans expanded by 20bps to reach 6.6% QoQ
- Commercial loans soared faster than sector boosted by the robust 9% increase in FX loans
- Customer deposits stayed flat at TRY 28.6bn after having grown 23% in 2011, while FX deposits increased by 15% year to date, beating the sector's growth of 10%
- Two 6-months TRY bonds worth 400mn and 700mn were issued in May and June 2012, respectively

P&L

- NIM expanded by another 22bps to reach 664bps QoQ, bringing the 6 months NIM improvement to 56bps
- Net fees and commissions income grew by a record 11% QoQ and 43% YoY, reaching TRY 267mn in 2Q' 12
- Net income reached TRY 223mn, 8% higher than in Q1'12 due to the 13% increase in NII together with the strong fee income growth

Solid financial performance

B/S

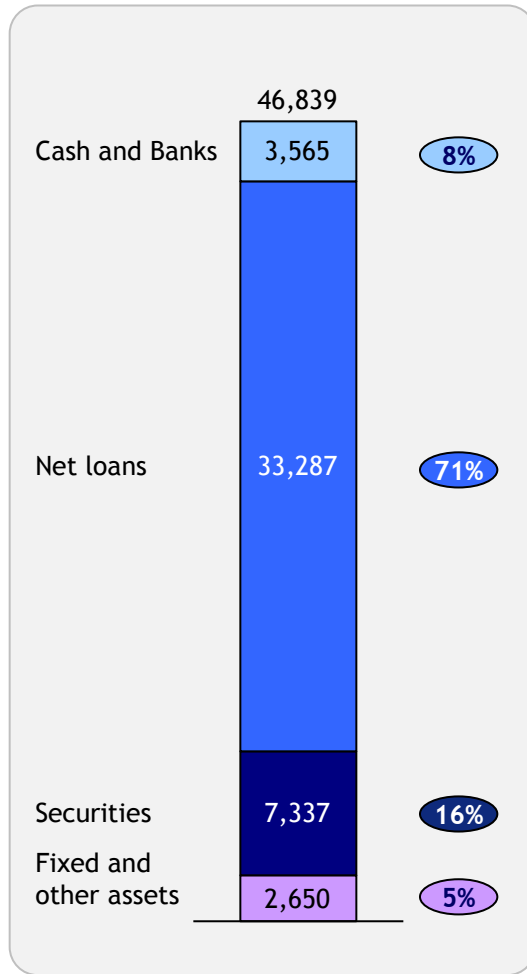
	2011		H1 2012	
	USD million	TRY million	USD million	TRY million
• Total assets	24,232	46,199	25,802	46,839
• Securities	3,645	6,949	4,042	7,337
• Loans, net	16,175	30,838	18,337	33,287
• Customer deposits	15,206	28,989	15,749	28,589
• Funds borrowed	2,902	5,534	3,044	5,525
• Shareholders' equity	2,988	5,696	3,465	6,289

P&L

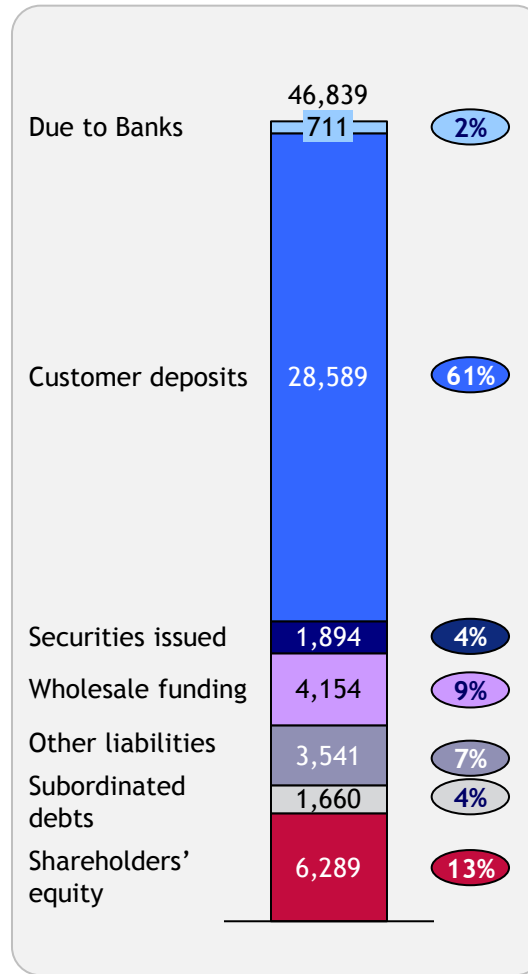
	H1 2011		H1 2012	
	USD million	TRY million	USD million	TRY million
• Net interest income	676	1,103	736	1,336
• Provisions	-73	-118	-193	-351
• Net fees and commissions	218	356	280	508
• Opex	474	772	459	833
• Net Income	293	477	236	429

Diversified funding with strong deposit base

Asset structure TRY million



Funding structure TRY million



Liquidity reserves

- Cash & CB reserves > TRY 3.4bn
- Unrepoed securities > TRY 4.9bn

Borrowing and issuances

- Date: May 2011
- Size: USD 500mn
- Type: Sr. unsecured Eurobond
- Tenor: 5 years
- Coupon: 5.50%

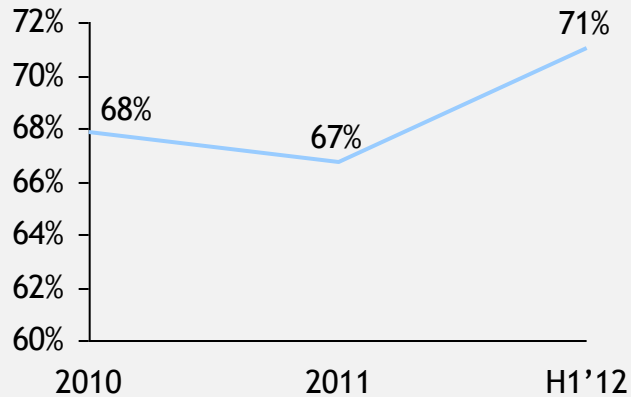
- Date: December 2011
- Size: USD 220.50mn + EUR 210.75mn
- Type: Syndication
- Tenor: 1 year
- Coupon: Libor/Euribor + 1.3% (All in)

- Date: May 2012
- Size: TRY 400mn
- Type: TRY bond
- Tenor: 178 days
- Coupon: 10.47%

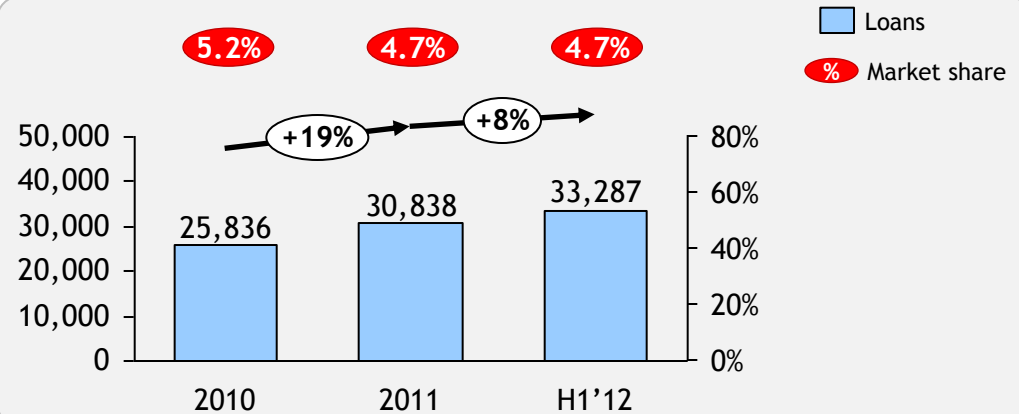
- Date: June 2012
- Size: TRY 700mn
- Type: TRY bond
- Tenor: 179 days
- Coupon: 10.72%

Focused on real banking

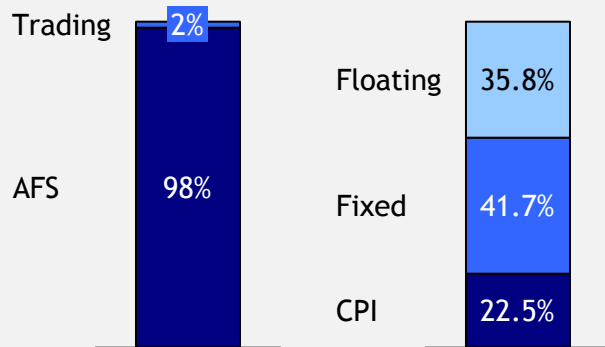
Loans/Assets



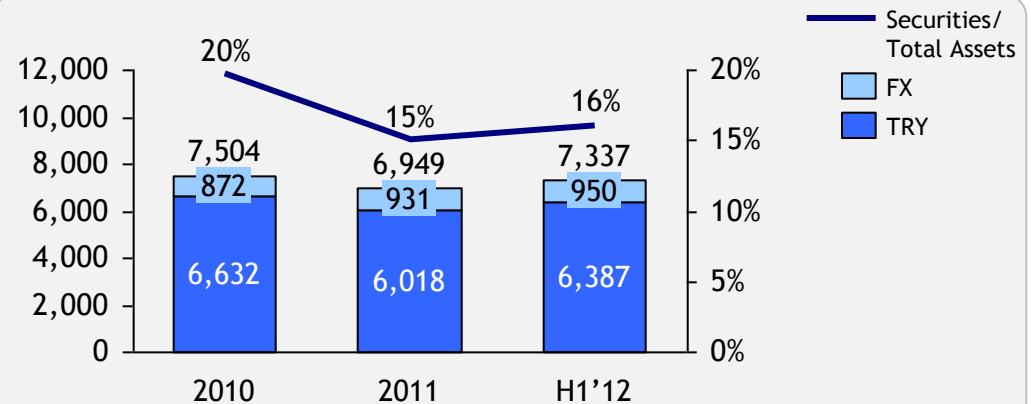
Net loans (TRY million)



Securities breakdown



Securities/Assets (TRY million)



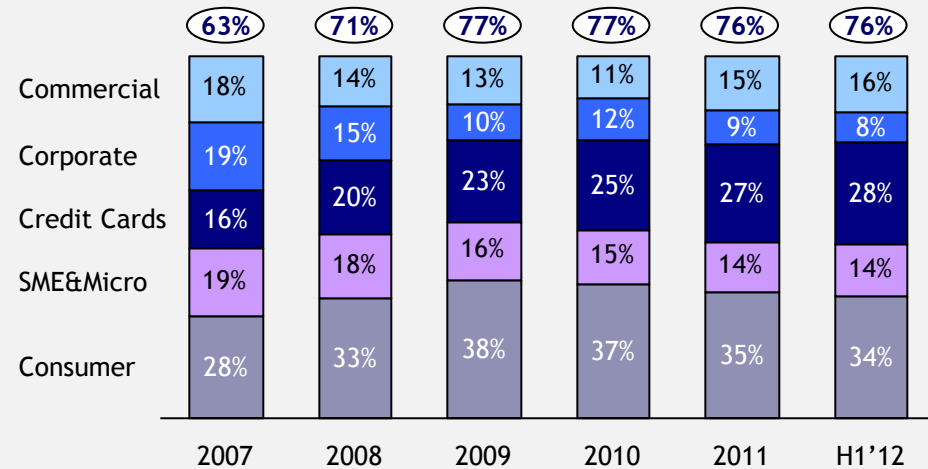
Significant presence in high margin segments

Ⓢ CC + SME +
Consumer

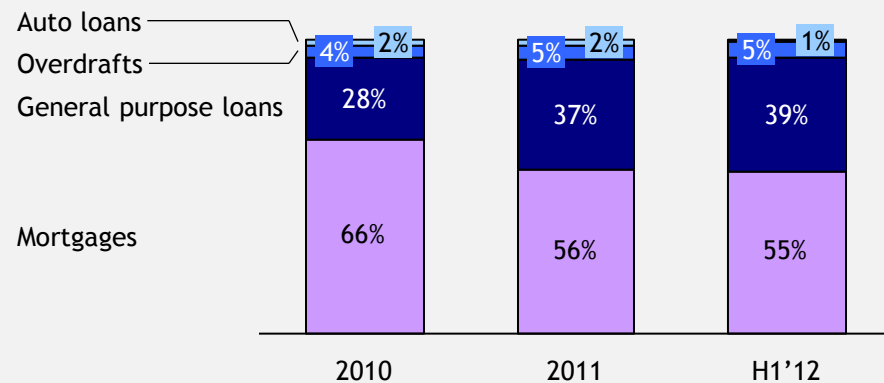
Business segmentation (By annual turnover)

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

Loan breakdown



Retail loans

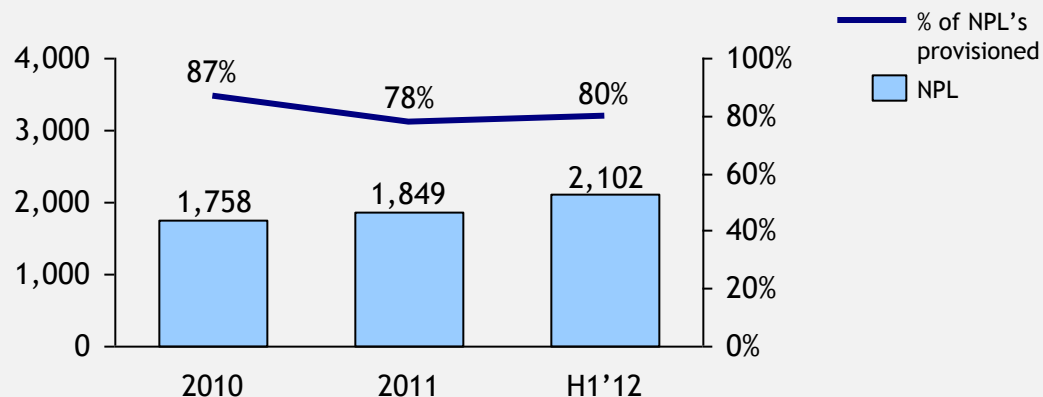


- General purpose loans
contribute 39% of retail loans
- Mortgage loan growth slowing
in line with the strategy of the
Bank

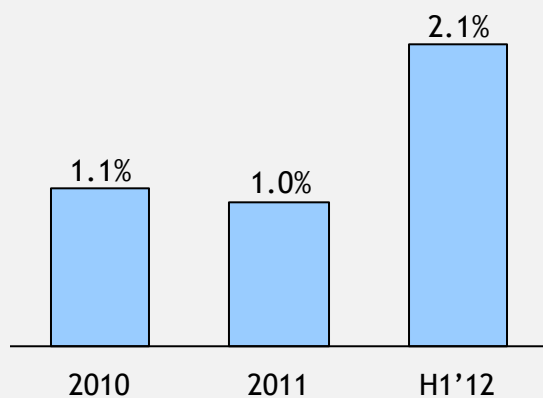
Maintaining asset quality across the board

NPL provisioning

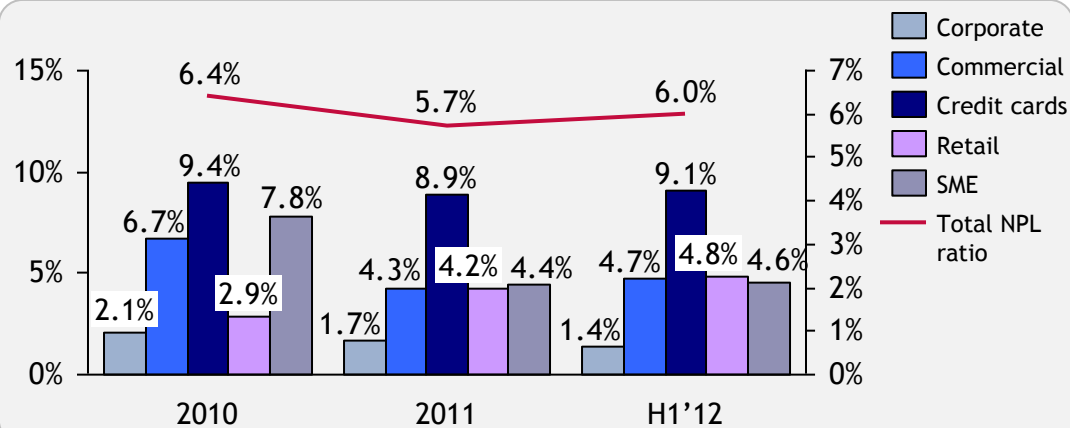
- TRY 492mn reserved in general provisions
- TRY 92mn in general provisions spared for possible loan losses
- Very limited loan write-off of TRY 2.2mn in 2011 and TRY 2.8mn in H1 2012
- First time NPL sales of TRY 237mn in Sep'11, which lowered the NPL ratio by 0.5%



Cost of risk



NPL ratio by segments

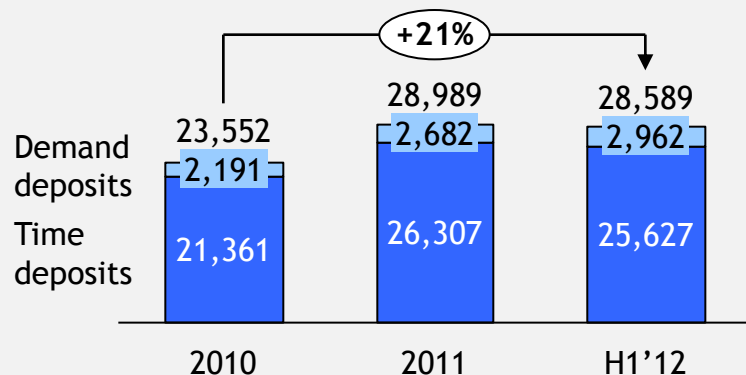


Growing deposit base

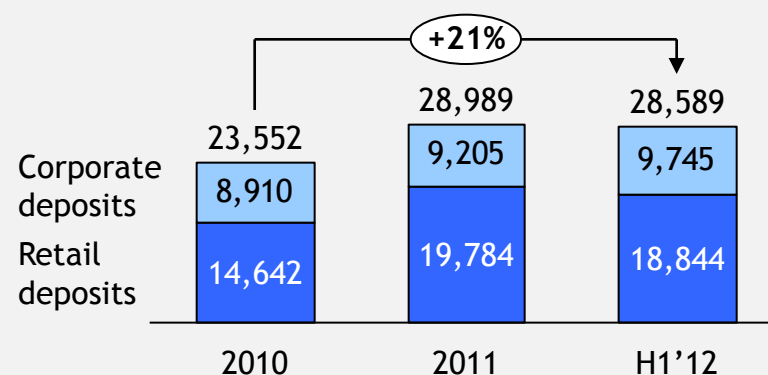
Loans
Deposits
Loans-to-Deposits

TRY million

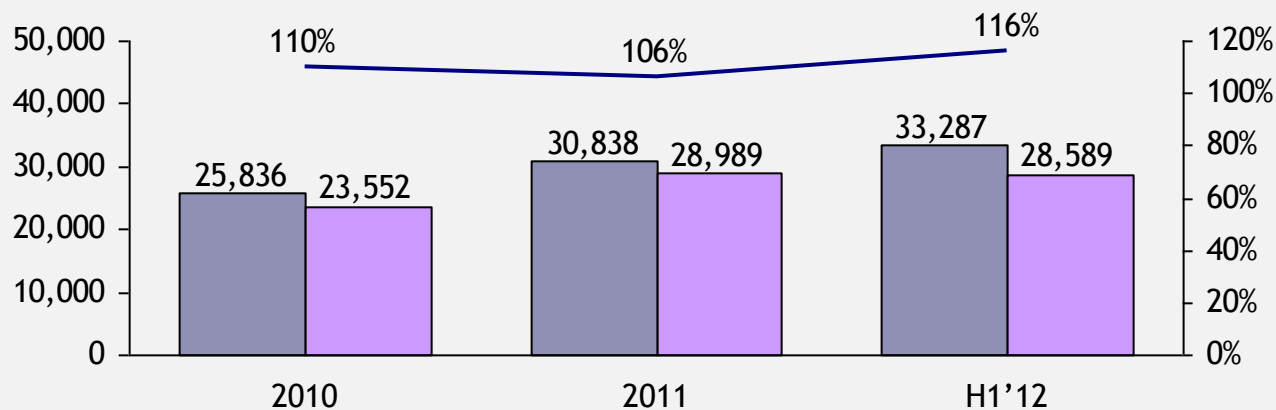
By type



By segment



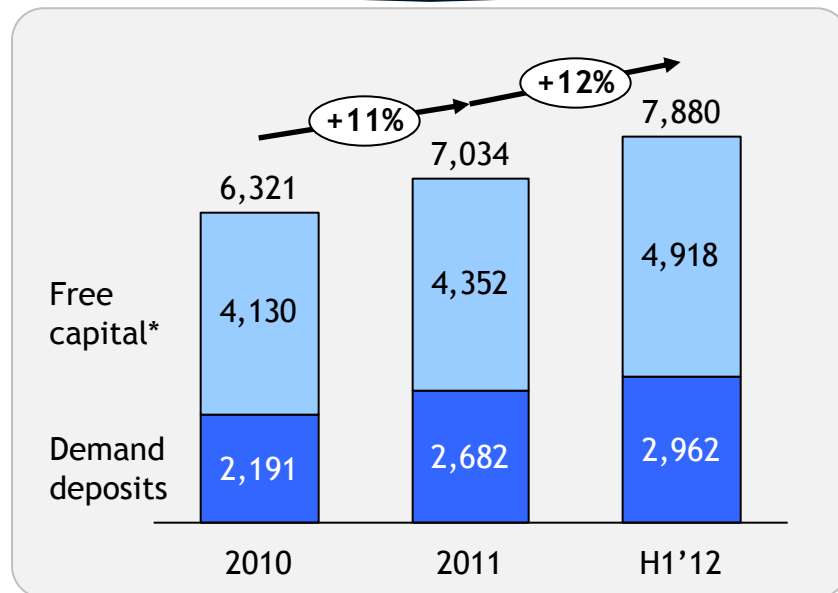
Loans/Deposits



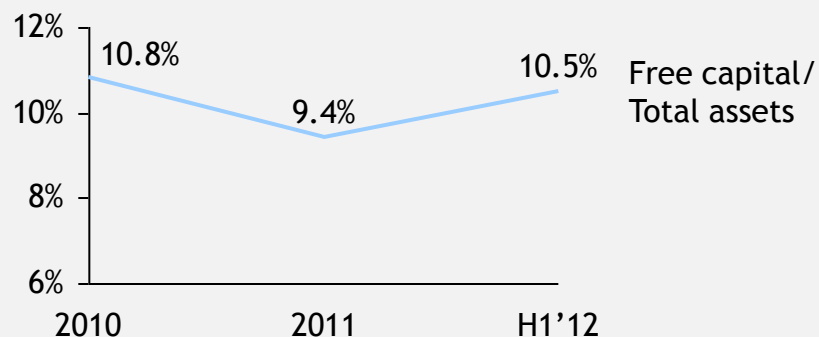
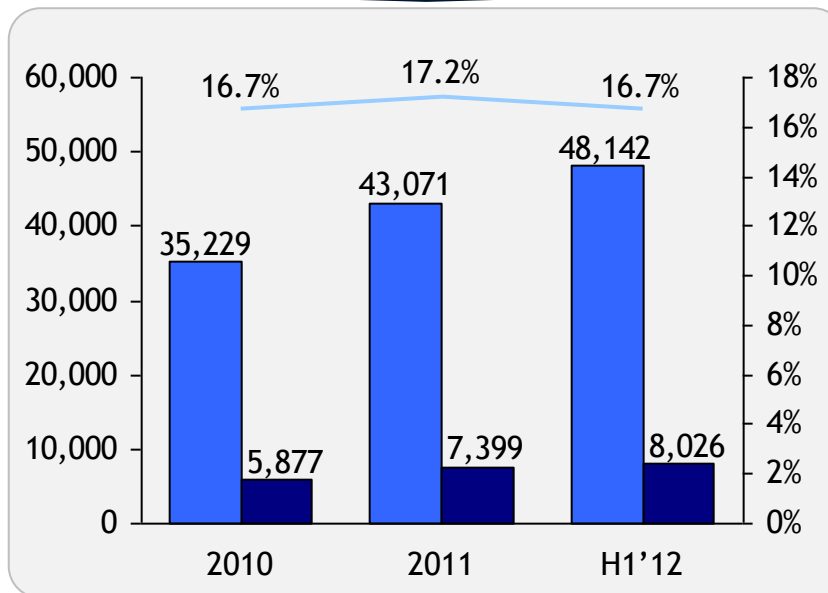
Strong capital and high liquidity

■ RWA+Market risk+Operational risk
■ Total Tier I and Tier II capital
— CAR

Free funds



Capital adequacy ratio (TRY million)

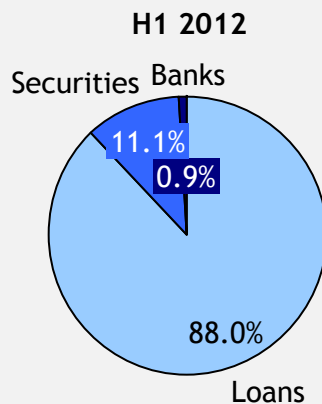
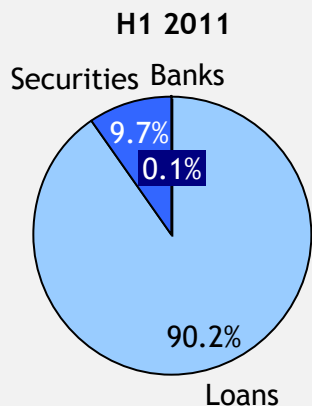


- Although the new Basel II compliance is expected to lower the CARs of the Turkish Banking sector, it will increase Finansbank's CAR up to 100bps
- Core Tier 1 ratio is 12.6%

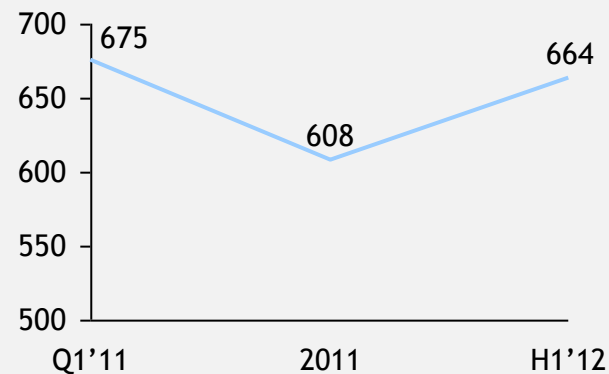
* Free capital = Shareholders' Equity - (Subsidiaries + Fixed Assets + Unprovisioned NPL)

Robust margins supported by high fee income

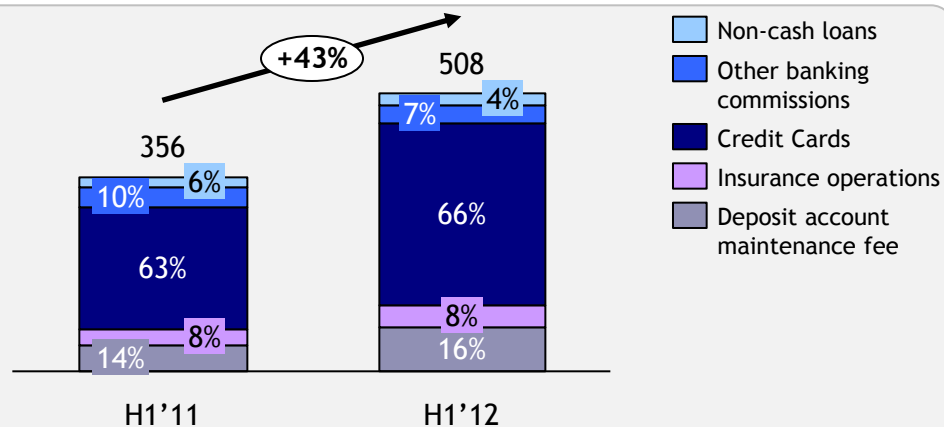
Breakdown of interest income



NIM evolution (bps)

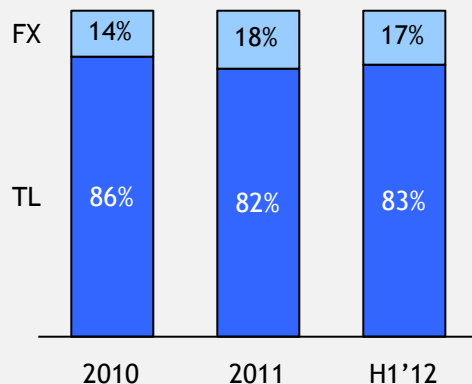


Net fee income (TRY million)

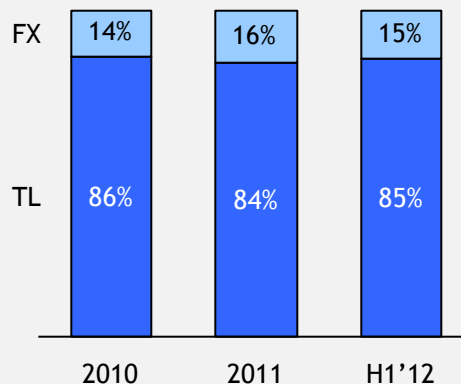


Higher spread due to TRY dominated balance sheet

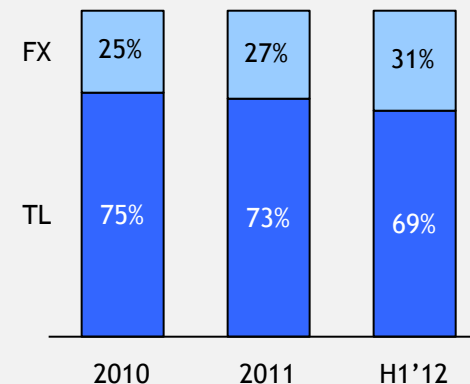
Currency breakdown; Assets



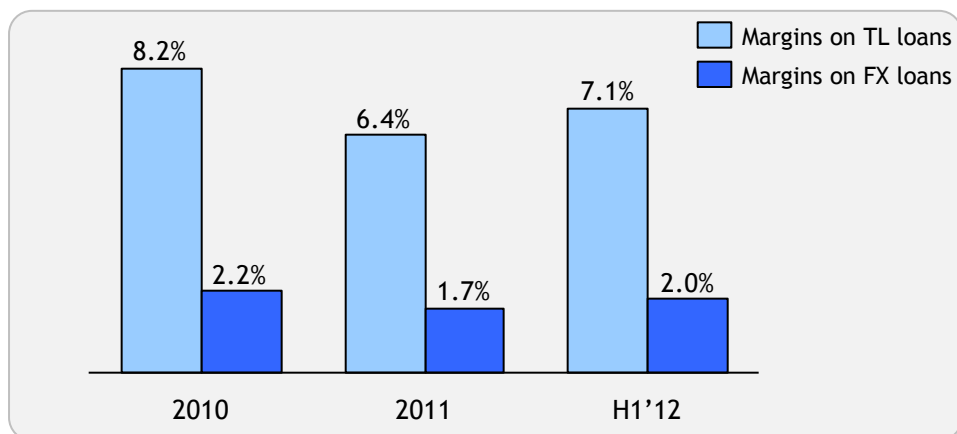
Currency breakdown; Cash loans



Currency breakdown; Deposits



Impact of TRY on asset profitability*



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

Borrowings & Issuances, August 2012

Type of borrowing	Maturity		Outstanding principal Million		Tenor Years
Proparco	October	2012	EUR	0.8	7
Syndicated Term Loan USD Tranche	November	2012	USD	220.5	1
Syndicated Term Loan EUR Tranche	November	2012	EUR	210.8	1
TRY Bond	November	2012	TRY	400	0.5
TRY Bond	December	2012	TRY	700	0.5
Bond/Swap (USD/TRY)	March	2013	USD	110	7
DPR Securitization	February	2015	USD	1	3
Eurobond	May	2016	USD	500	5
EIB	May	2017	EUR	79	7
Subordinated Debt from NBG in 2008	October	2018	USD	325	10
Subordinated Debt from NBG in 2009	October	2019	USD	200	10
	December	2019	USD	125	10
Subordinated Debt from NBG in 2011	December	2021	USD	260	10
Total			USD	2,709.1	

* EUR/USD = 1.2444 (Finansbank) as of 30/06/2012

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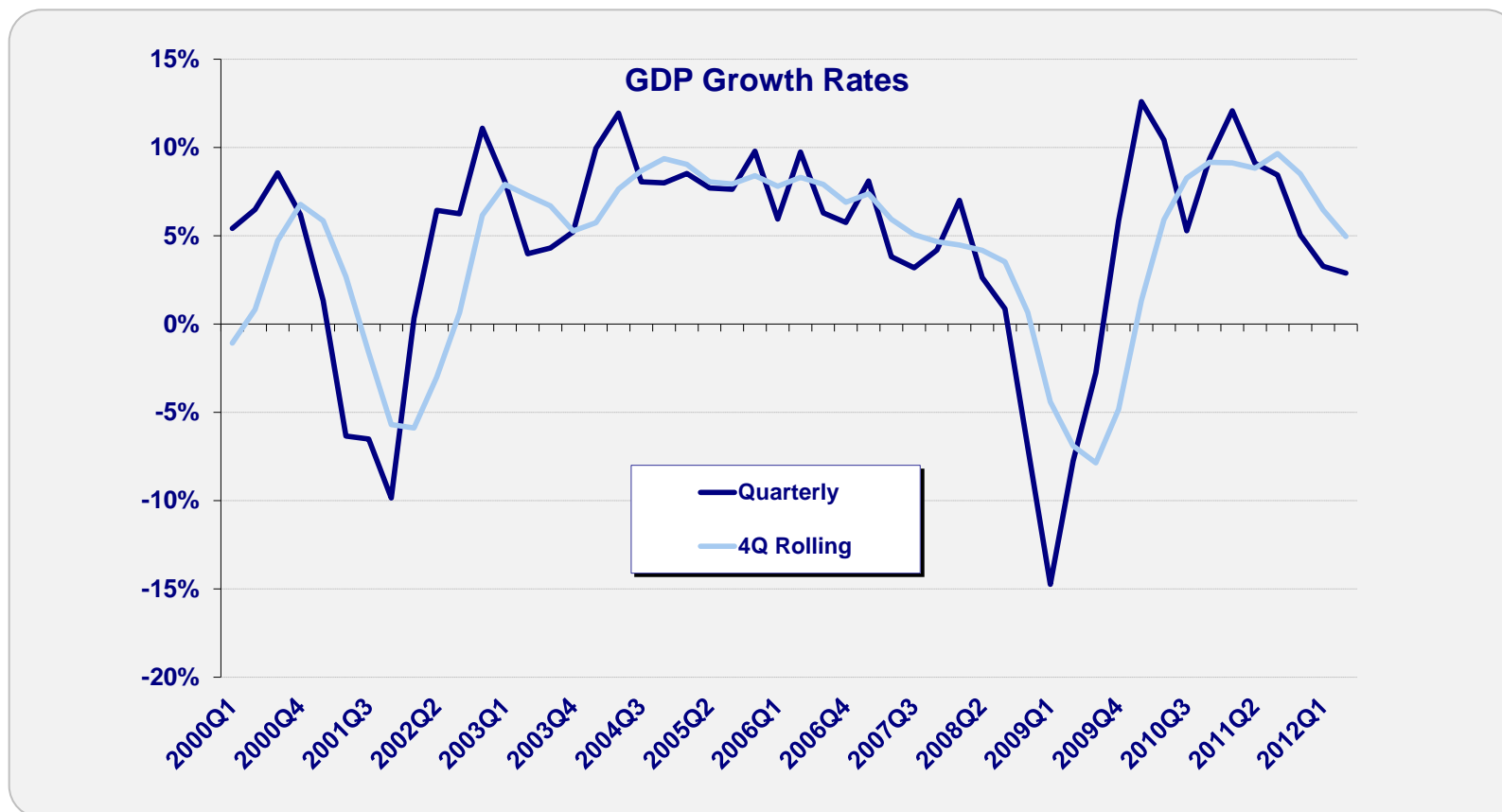
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Key macroeconomic data

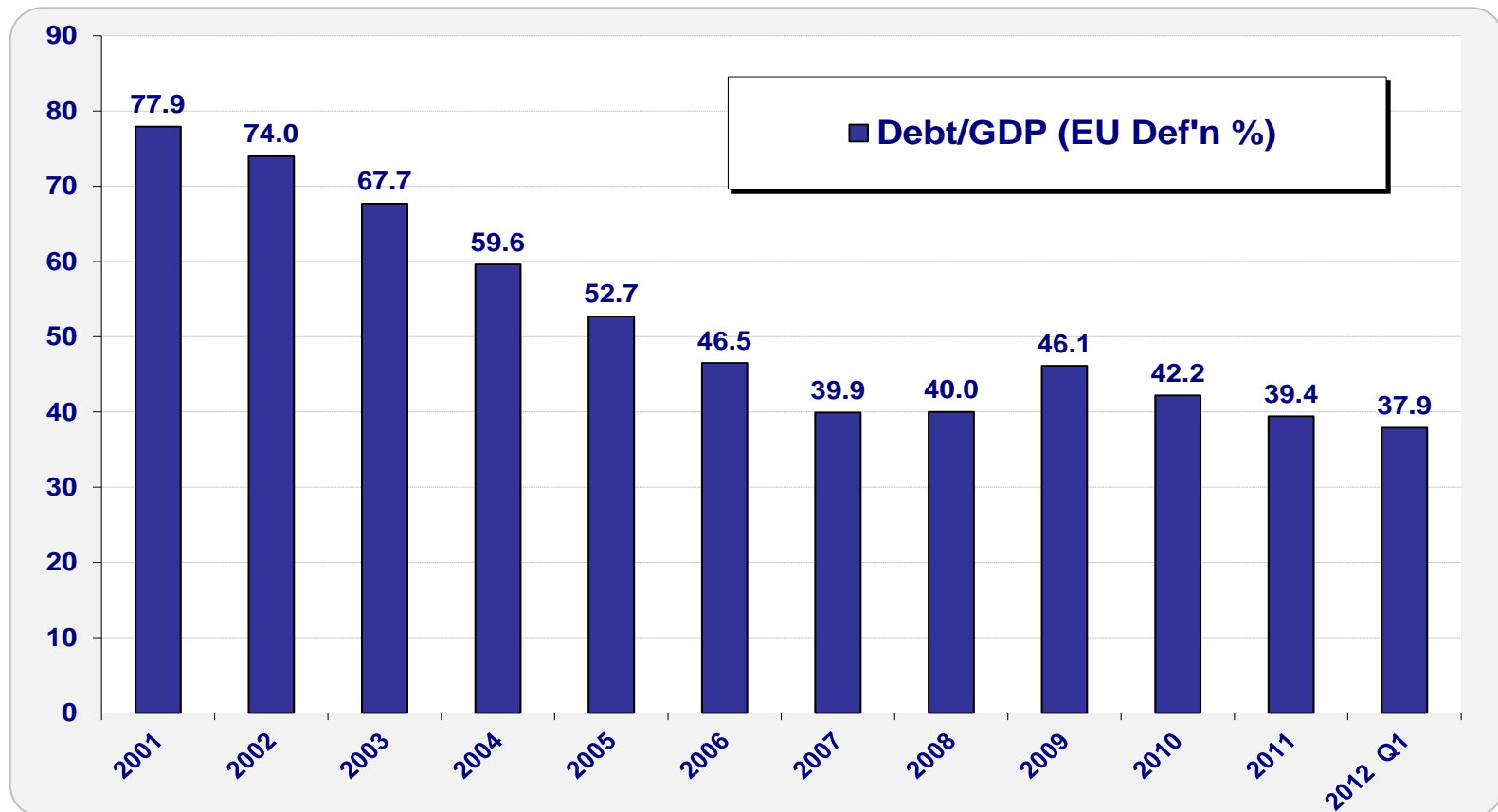
	30.06.2012	31.03.2012	31.12.2011
USD/TRY	1.8083	1.7826	1.8909
EUR/TRY	2.2905	2.3797	2.4498
Central Bank Policy Rate	5.75%	5.75%	5.75%
Nominal treasury bill interest rate (eop)	8.58%	9.43%	10.95%
PPI	6.44%	8.22%	13.33%
CPI	8.87%	10.43%	10.45%
Consumer Confidence Index	91.80	93.90	92.00
<i>in USD (mn)</i>			
GDP	763,937	773,008	774,188
Exports (Goods) Y-o-Y	143,665	138,801	134,907
Imports (Goods) Y-o-Y	(238,264)	(240,469)	(240,842)
Trade Balance on Goods Y-o-Y	(94,590)	(101,688)	(105,535)
Current Account Deficit Y-o-Y	63,456	71,893	77,141
Primary Surplus (TRY mn) Y-t-D	19,957	10,892	24,774
Central Bank FX Reserves	83,050	80,149	78,330
TURKISH BANKING SYSTEM (in TRY bn)	30.06.2012	31.03.2012	31.12.2011
Assets	1273.7	1228.9	1217.7
Loans to Assets	57.88%	56.88%	56.08%
Securities to Assets	22.32%	23.19%	23.40%

Economic activity



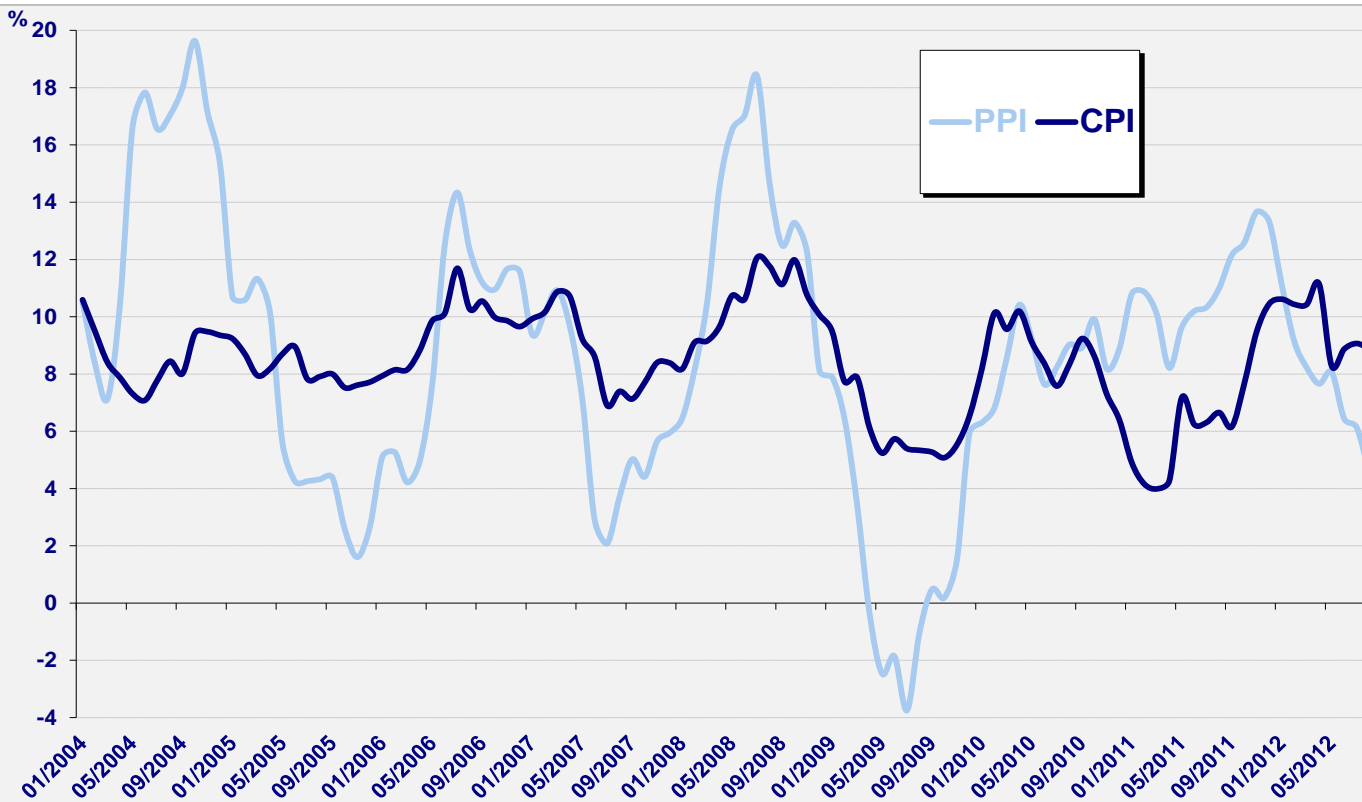
- Following the 4.8% contraction in 2009, growth returned at a rapid pace and GDP expanded by 9.2% YoY in 2010. Strong growth performance maintained in 2011 as well when FY GDP growth was at 8.5%
- GDP growth stands at 3.1% in 1H 2012. Given the ongoing mild trend in economic activity in 3Q, we see a FY GDP growth of 2.9% which is more conservative than official target at 4%

Debt outlook



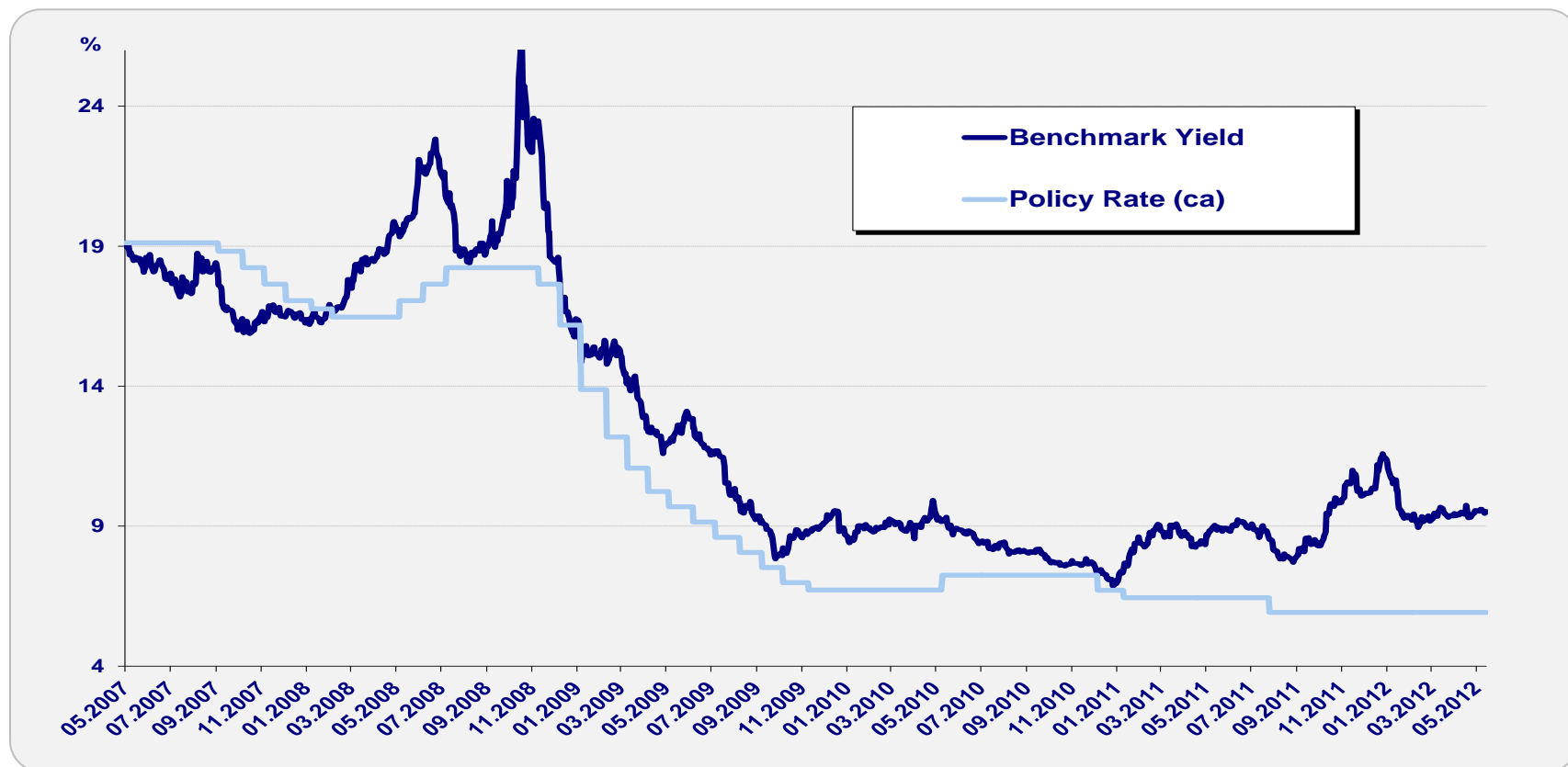
- Thanks to strong economic growth and commitment to fiscal discipline, gross public debt burden declined from a peak of 77.9% to 39.9% as of end-2007. Yet, global economic crisis weighed on debt outlook with gross public debt to GDP ratio beginning to increase in 2008 and ending 2009 at 46.1%. However, this trend has reversed in 2010, and debt burden eased down to 39.4% in 2011 and 37.9% in Q1 2012

Inflation outlook



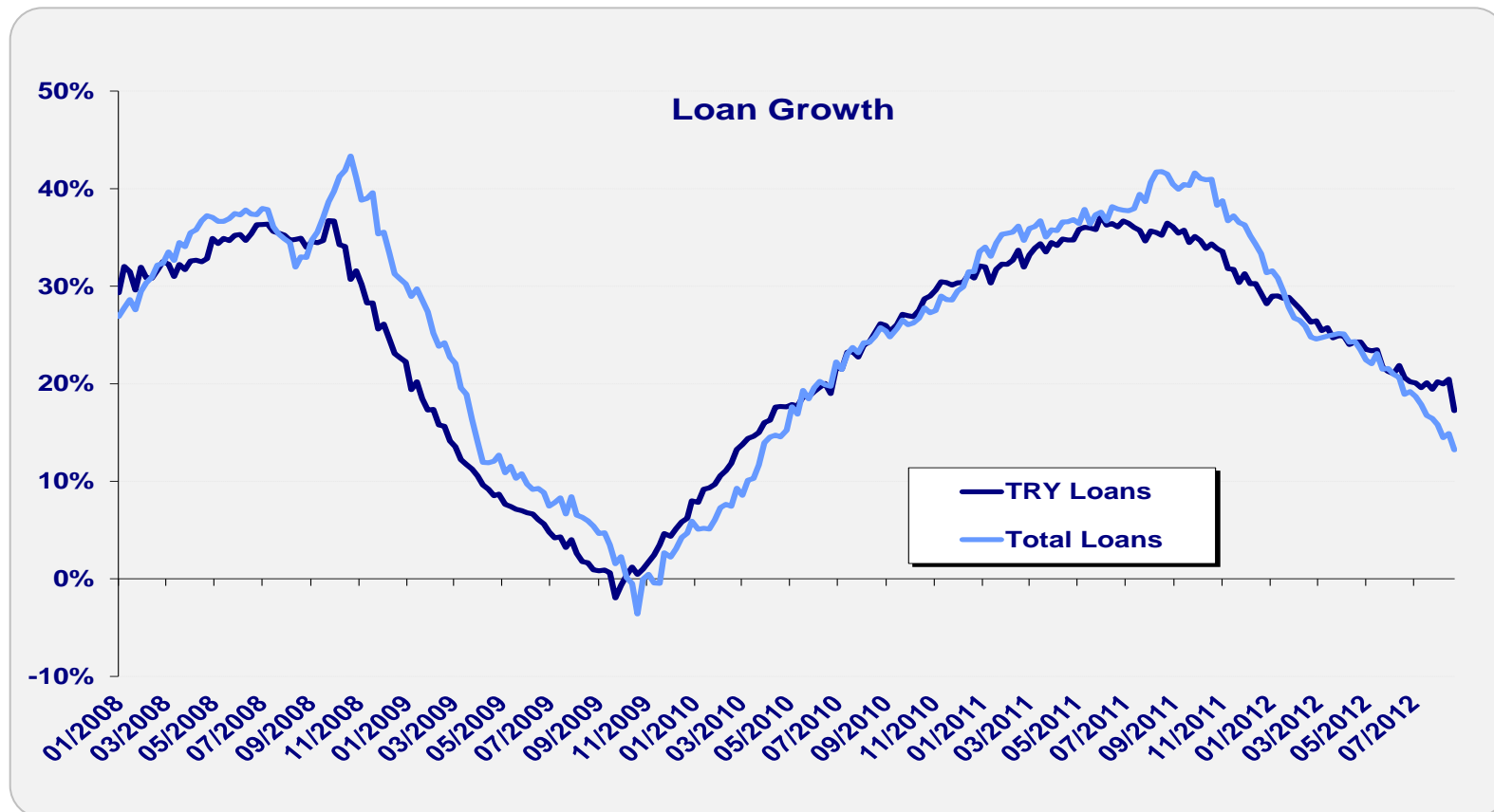
- After easing to 3.99% as of end-Q1 2011 lowest level of last four decades, YoY inflation climbed to 10.45% by end-2011 on the back of administrated price hikes and currency weakness. Annual inflation stood at double digits in the first four months of 2012 and hit 11.14% in April, highest level since October 2008
- Headline CPI returned to single digit as of May and has hovered around 9% since then. We expect annual CPI to decline at a faster pace in the final quarter and ease to 6.7% at the end of the year

Monetary policy



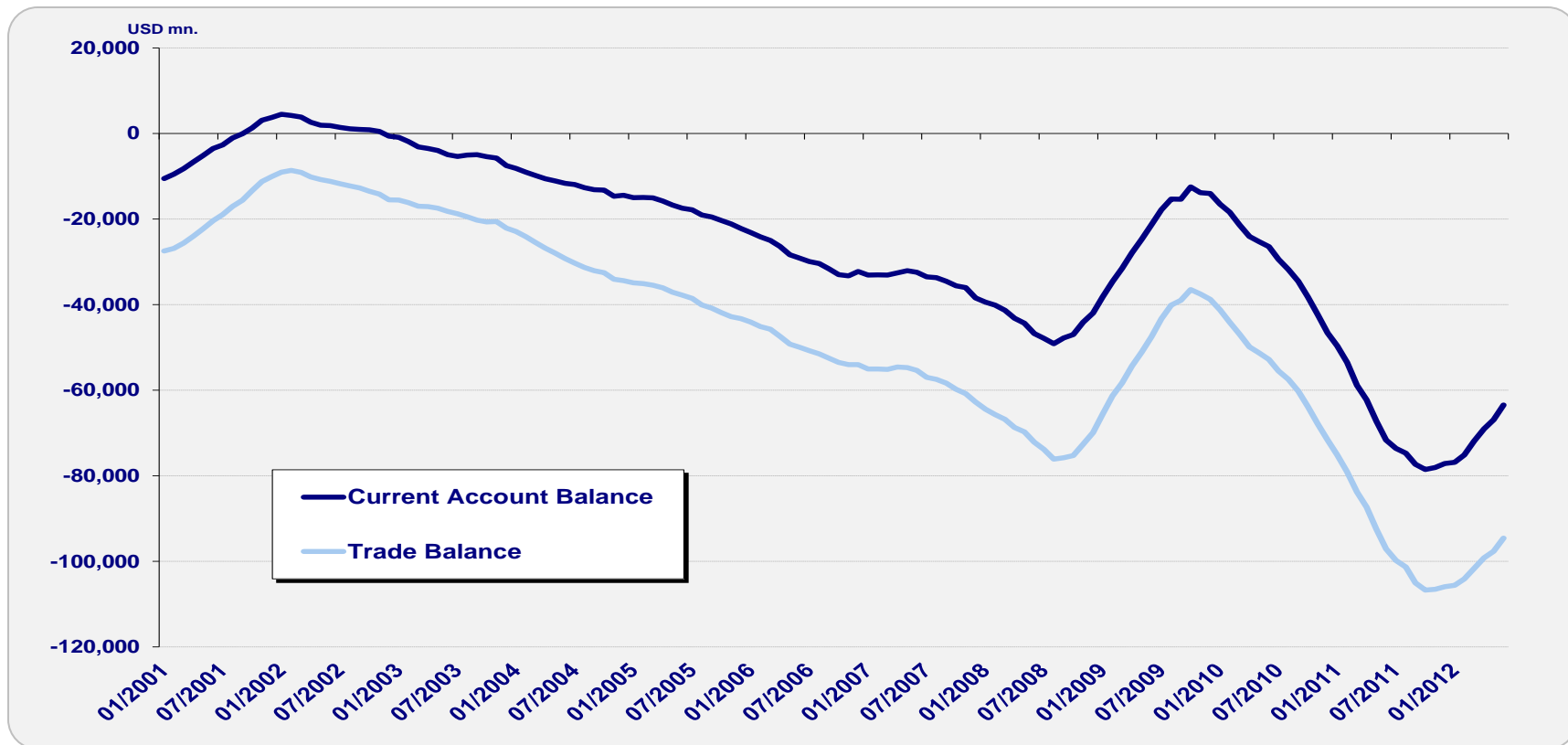
- As a net lender to the market, CBRT adjusts the amount of liquidity it provides to banking system via weekly and monthly repo auctions by using interest rate corridor. During late December 2011- early June 2012 period, CBRT implemented additional monetary tightening measures in exceptional days and support currency by halting its funding at policy rate (5.75%) to contain deterioration in pricing behavior and inflation expectations. CBRT eased funding conditions of banks by letting the effective funding rate decline to 6-6.5% interval in August, from Q2 average at 9.23% on the back of the benign inflation outlook and milder trend in economic activity

Credit growth



- Having bottomed out in Q4 2009, credit growth reaccelerated very rapidly and was at 32.1% in 2010. In addition to 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 see further deceleration in loan growth this year

External balance



- Both exports and imports volume contracted sharply in 2009 on the back of global financial crisis with drop in imports being deeper than that of exports resulting in a contraction in 12-month rolling current account deficit. However, external deficit started to widen rapidly again as the economy recovered while CA deficit reaching USD 46.6bn and USD 77.1bn in 2010 and 2011, respectively
- Looking ahead, we expect the adjustment in external balance to continue in cumulative terms until final quarter of the year on the back of the favorable base effect and see FY CA deficit/GDP narrowing to 7.4% (USD 59.1 bn), down from 10% in 2011 and 9.3% in Q1 2012

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