

BANKING MARKET IN TURKEY, 2014-2016 REPORT



**by Inteliace Research
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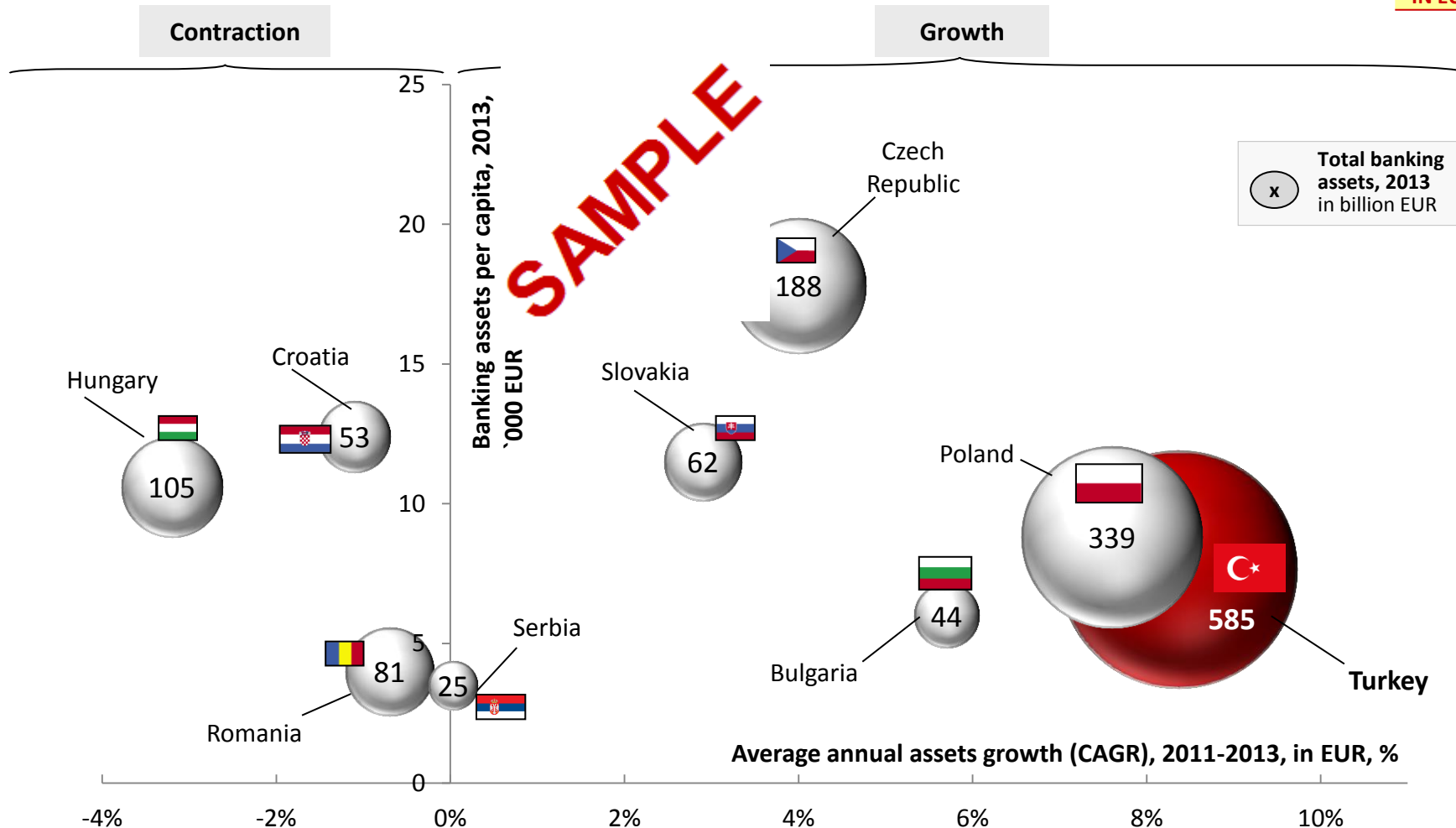
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TURKEY HAS A LARGE AND FAST GROWING BANKING MARKET

Banking market in Turkey vs. major CEE* countries - Size vs. growth matrix, 2011-2013

IN EUR



Banking Market in Turkey, 2014-2016

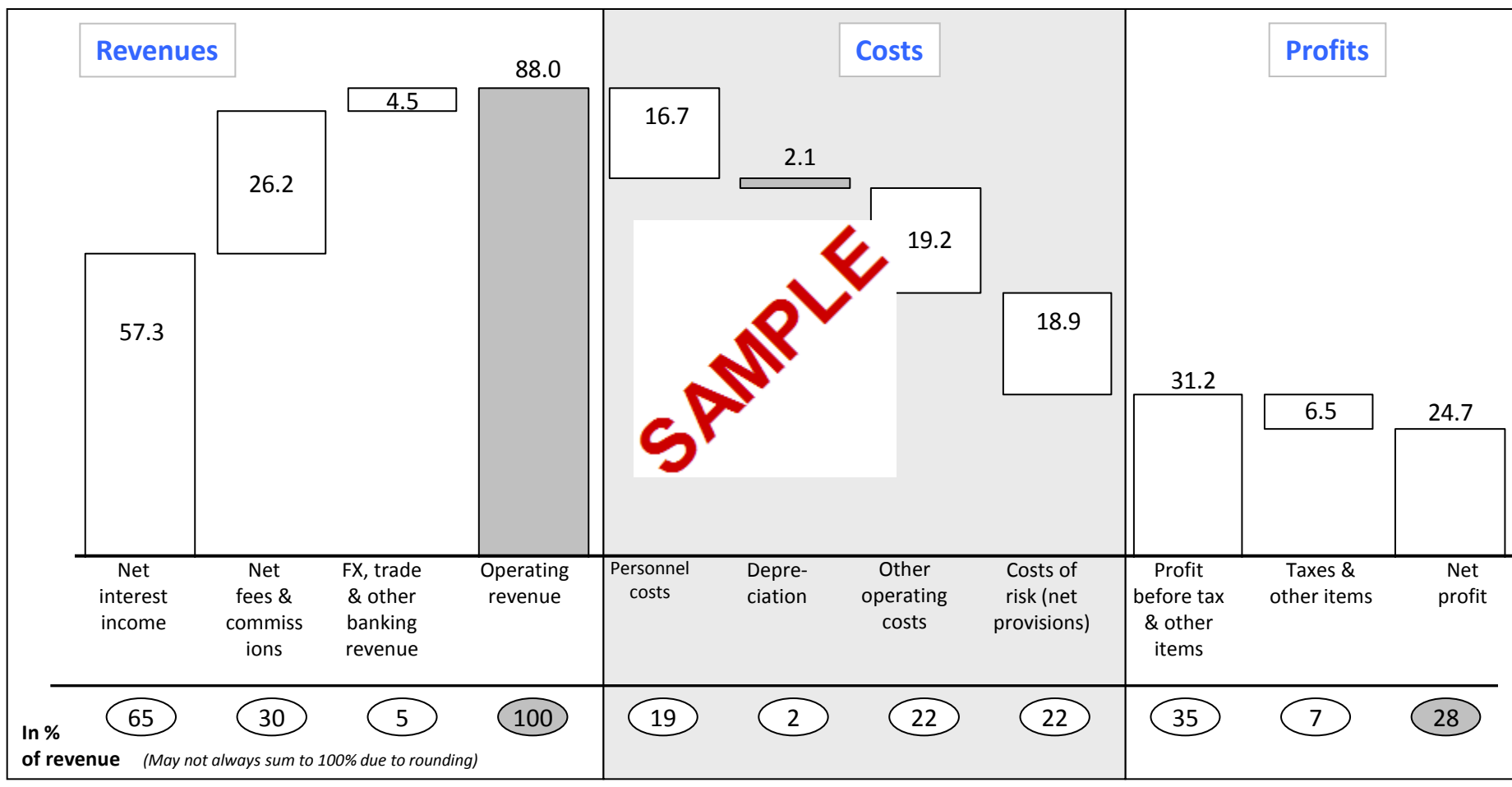
* Major CEE countries. Russia, Ukraine and Belarus not included
 Source: Central banks, IMF, Inteliace Research

IN 2013, BANKS RECORDED 88 BILLION TRY IN TOTAL REVENUES AND EARNED TRY 24.7 BILLION (EUR 9.7 BILLION) IN NET PROFITS

Profit and loss accounts of banks, 2013

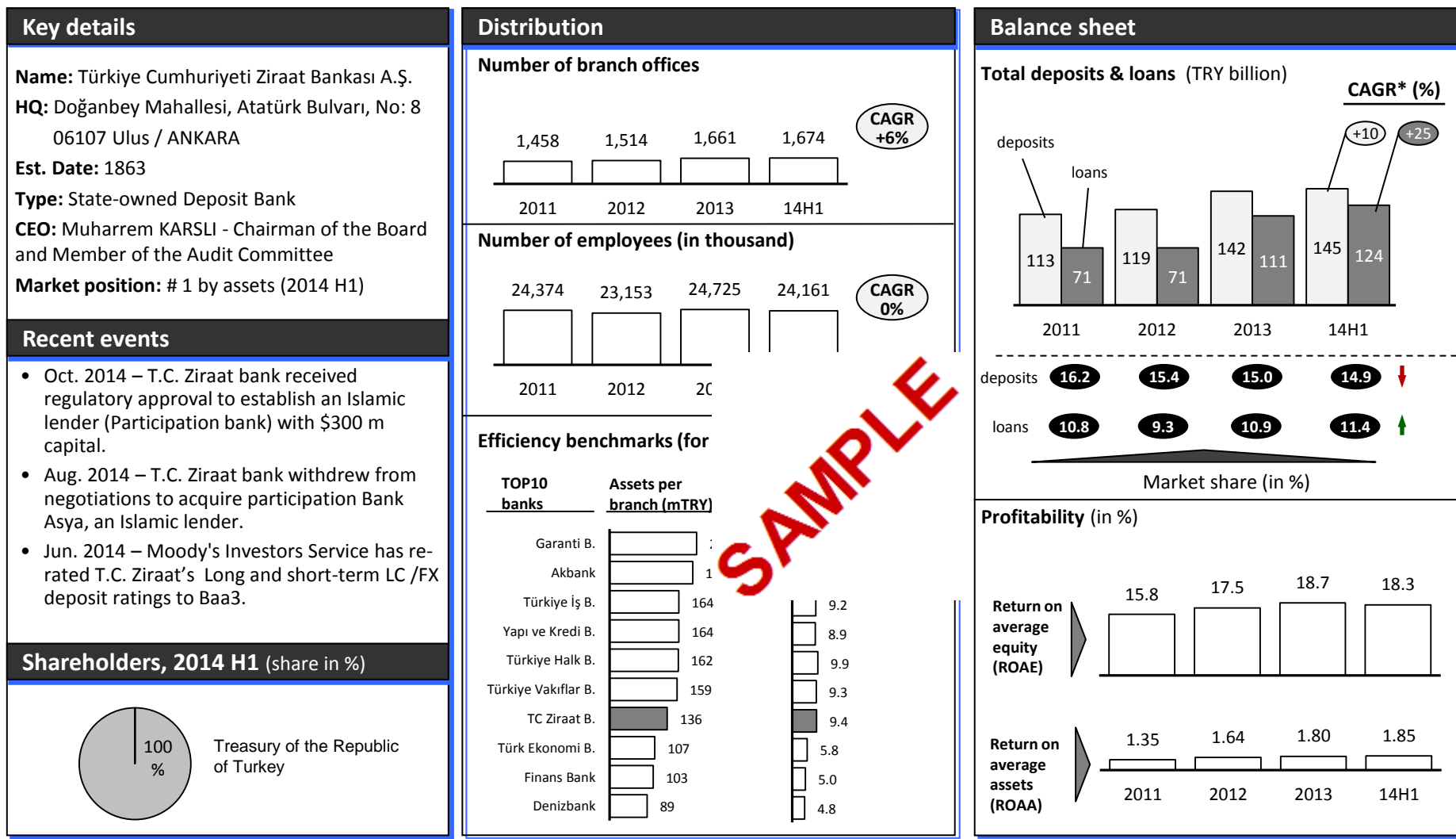
ALL BANKS

TRY billion



Banking Market in Turkey, 2014-2016

* Excluding foreign bank branches operating in Poland



SAMPLE

NOTES ON METHODOLOGY

FX rates:

- As a general rule, all “end of year” balances such as assets, deposits, loans, and similar volumes have been converted from the local currency using end of year (period) exchange rate
- All results achieved during a period of time like: profits, revenues, new sales etc. have been converted from the local currency into Euro using average exchange rate
- Exchange rates used in the report:

series	unit	2010	2011	2012	2013	14H1
EUR-TRY rate - EOP	TRY	2.06	2.44	2.36	2.96	2.90
EUR-TRY rate - AVG	TRY	2.00	2.34	2.31	2.53	2.96
USD-TRY rate - EOP	TRY	1.54	1.89	1.78	2.15	2.12
USD-TRY rate - AVG	TRY	1.51	1.68	1.80	1.90	2.16

Source: TCMB

Estimates and Forecasts:

- In some cases, recent or verified data was not available. Therefore, necessary short-term estimations have been done to fill the gaps. Estimates are always indicated with the letter “E”
- When preparing forecasts “F” we have built models using latest observed trends, available forecasts of main economic indicators, seasonal changes observed in the past, and other specific factors considered important.

Multiple sources:

- In some cases, multiple sources of similar data exist. In this situation we always try to select the most appropriate one /in our view/. The source is indicated in the footer area of each slide. Nevertheless, in specific cases before interpreting the data, we recommend that you get a good understanding of the methodology of data collection by contacting the authors.

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Our company specializes in value-added research services and tailored business intelligence solutions.

Through our customized research services we help our clients to better understand their customers, competitors and overall market dynamics.

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GĘSTOŚĆ SIECI PLACÓWEK BANKOWYCH W POLSCE (1/3)

Number of bank outlets per 1000 sq km, by region, 2011
Liczba placówek na 1000 km2 powierzchni wg. województw, 2011.

Srednia / Average = 58

The Southern and Central Poland have the largest density of bank outlets
Południowa oraz centralna Polska są najgęściej pokryte siecią placówek bankowych na km2.

BANK OUTLETS DENSITY IN POLAND (3/3)

GĘSTOŚĆ SIECI PLACÓWEK BANKOWYCH W POLSCE (3/3)

Number of outlets per 1 million inhabitants, by county „powiat”, 2011
Liczba placówek bankowych na 1 milion mieszkańców, wg. powiatów, 2011.

Minimum: 120
Mediana (Median): 443
Maximum: 947

Number of bank outlets per 1 million inhabitants varies a lot on county level
Na poziomie powiatów gęstość placówek jest bardzo zróżnicowana

GE MONEY BANK – OVERVIEW

As of March 2006

History & Background

Timeline

- In 1995, GE group purchased a small regional bank, Goldenrod Chase (C) Bank. Bank was transferred into GE Capital Bank.
- In 1998, GE group purchased another small bank (PMA) and converted it to a mortgage specialist GE Bank Mortgage.
- In 2000, GE group acquired POC lending specialist entity with a network of 1000 POS.
- Entity was merged to Dobry kredyt.
- In 2004, a credit card division network was created under GE Capital Bank, being the main channel for car loans sales.
- As of Jan. 2006, all GE companies in Poland were consolidated under one roof: GE Capital Bank.

Channels

- GE money bank - 48 branches
- GE card - 120 credit card dealers
- Dobry kredyt consumer finance - 12 outlets and 1000 POS
- Expander - 33 branches - financial products distributor

Shareholders

- Central Elastic Company
- Other

Concept Description

Target Clients

- Affluent individuals and professionals looking for mortgage, valuing quick processing and flexibility, sometimes not fulfilling lending criteria set by other banks (for example pile contract or own funds levels)
- Mass market clients looking for simple and quick consumer loans

Products

Only lending products on offer:

- mortgage
- refinance loan
- credit cards
- installment loans
- cash loans
- car loans

Partners: DobryKredyt, GE Card, GE Bank

Results

Assets PLN billion

2003	7.4
2004	8.5
2005	9.1

Market share (%)

2003	2.9
2004	3.6
2005	4.7

Loans PLN billion

2003	5.6
2004	7.6
2005	8.6

Net Profit PLN billion

2003	0.14
2004	0.30
2005	0.32

ROI (%)

2003	4.8
2004	6.8
2005	7.5

* Although Expander is distributing products from various banks, GE offer / for example mortgage / is reported to be favored
** Compound Annual Growth Rate
Source: Inteliace Analysis

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- May - Bank outlets database '13
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- September - Top 200 CEE banks '13
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