



(Convenience Translation of Consolidated Financial Report Originally Issued in Turkish)

## **Tekstil Bankası Anonim Şirketi**

Consolidated Interim Financial Statements

As of and for the Period Ended

30 September 2009

With Independent Auditor's Review Report Thereon

Akis Bağımsız Denetim ve Serbest  
Muhasebeci Mali Müşavirlik  
Anonim Şirketi  
11 November 2009

*This report contains 1 page of  
independent auditor's review report  
and 56 pages of consolidated financial  
statements together with their  
explanatory notes.*



**Akis Bağımsız Denetim ve Serbest  
Muhasebeci Mali Müşavirlik A.Ş.**  
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**Convenience Translation of the Independent Auditor's Review Report  
Originally Prepared and Issued in Turkish (See Note 3.I)**

**To the Board of Directors of Tekstil Bankası Anonim Şirketi:**

We have reviewed the consolidated financial statements of Tekstil Bankası Anonim Şirketi ("the Bank") and its subsidiaries, which comprise the consolidated balance sheet as at 30 September 2009, and the consolidated statements of income, changes in equity and cash flows for the interim period then ended, and a summary of significant accounting policies and other explanatory notes. These consolidated financial statements are the responsibility of the Bank's management. Our responsibility, as independent auditors, is to issue a report on these consolidated financial statements based on our review.

We conducted our review in accordance with the regulations related with the "Accounting and Recording Rules" and "Independent Auditing Standards" of the (Turkish) Banking Law No 5411. These regulations require that we plan and perform the review to obtain reasonable assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of the personnel of the Bank and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit, and accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly the financial position of Tekstil Bankası Anonim Şirketi and its subsidiaries as at 30 September 2009, and of the results of its operations and its cash flows for the nine-month period then ended in accordance with the accounting principles and standards that are based on the current regulations described in Article 37 and Article 38 of the (Turkish) Banking Law No 5411; and other communiqués, disclosures and directives announced by the Banking Regulation and Supervision Agency.

Istanbul,  
11 November 2009

Akis Bağımsız Denetim ve Serbest  
Muhasebeci Mali Müşavirlik  
Anonim Şirketi

Özkan Genç  
Partner

**Additional paragraph for convenience translation to English:**

As explained in Note 3.I, the accompanying consolidated financial statements are not intended to present the financial position and results of operations in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Turkey.

**TEKSTİL BANKASI A. Ş.**  
**CONSOLIDATED INTERIM FINANCIAL REPORT AS OF 30 SEPTEMBER 2009**

Address of the Bank's

Headquarters: : Büyükdere Caddesi No: 63 34398 Maslak - İstanbul  
Telephone Number : (0212) 335 53 35  
Fax Number : (0212) 328 13 28  
Website of the Bank : www.tekstilbank.com.tr

The interim consolidated financial report prepared in accordance with the statement "Financial Statements and Related Disclosures and Footnotes to be Announced to Public" as required by the Banking Regulation and Supervision Agency (BRSA), is comprised of the following sections:

- GENERAL INFORMATION ABOUT THE PARENT BANK
- CONSOLIDATED FINANCIAL STATEMENTS
- DISCLOSURES ON APPLIED ACCOUNTING POLICIES IN RELATED PERIOD
- INFORMATION RELATED TO FINANCIAL POSITION OF THE CONSOLIDATED GROUP
- DISCLOSURES AND FOOTNOTES TO CONSOLIDATED FINANCIAL STATEMENTS
- INDEPENDENT AUDITOR'S REVIEW REPORT

The subsidiaries, associates and jointly controlled companies included in the interim consolidated financial report are as follows:

1. **Tekstil Menkul Değerler A.Ş.**
2. **The Euro Textile International Banking Unit Ltd.**

The consolidated financial statements and related disclosures and footnotes that were subject to independent review, are prepared in accordance with the "Regulation on Accounting Principles and Documentations", Turkish Accounting Standards, Turkish Financial Reporting Standards and the related statements, and in compliance with the financial records of our Bank. Unless stated otherwise, the accompanying consolidated financial statements are presented in **thousands of Turkish Lira**.

|  |  |  |                                |                |
|--|--|--|--------------------------------|----------------|
| Akgün TÜRER  | İ.Sencan<br>DEREBEYOĞLU                                | H.Çim GÜZELAYDINLI   | Nuriye DİZDAR                  | M.Sercan ÇOBAN |
| Chairman of<br>Board of Directors<br>and Audit Committee | Member of Board<br>of Directors and<br>Audit Committee | Chief Executive Officer and<br>Member of Board<br>of Directors | Executive<br>Vice<br>President | Unit Manager   |

Contact information for questions on this financial report:

Name-Surname : M. Sercan Çoban  
Tel No : 0212 335 54 94  
Fax No : 0212 328 13 23

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SECTION ONE  
GENERAL INFORMATION

**I. Parent Bank's date of establishment, beginning statute, its history including changes on its statute**

Tekstil Bankası A.Ş. ("the Bank") was established on 29 April 1986, to carry out all types of banking activities according to the Banking Law and later changes in the laws and regulations, with the permission of the Council of Ministers in accordance with the resolution numbered 85/9890 and dated 24 June 1985 and started its operations on 13 October 1986. "Articles of Association" of the Bank was published in the Official Gazette dated 31 January 1986. The statute of the Parent Bank was not changed since its establishment.

**II. Capital structure, shareholders controlling the management and supervision of the Bank directly or indirectly, and if exists, changes on these issues and the Group that the Bank belongs to**

The capital of the Parent Bank is TL 420,000 as at 30 September 2009 and is fully paid. GSD Holding Anonim Şirketi ("GSD Holding") owns 75.50% of the outstanding shares of the Bank. The Bank is a subsidiary of GSD Holding. Remaining shares have been listed on Istanbul Stock Exchange since 23 May 1990.

The ultimate business of GSD Holding, which was initially established as a foreign trade company in 1986 and became a holding company to build a more efficient corporate structure for GSD Group Companies in 1996, is management of assets. GSD Holding also aims to manage the growth of the Group, finance and invest in profitable businesses. GSD Holding's shares have been listed on Istanbul Stock Exchange since November 1999. Almost all of its shares, which has nominal value of TL 250,000 as at 30 September 2009, are held by public.

Main operations of GSD Group Companies are;

|                            |  |
|----------------------------|--|
| <b>Foreign Trade:</b>      | GSD Dış Ticaret A.Ş.   |
| <b>Banking :</b>           | Tekstil Bankası A.Ş., GSD Yatırım Bankası A.Ş., The Euro Textile International Banking Unit Ltd ("ETB")  |
| <b>Financial Services:</b> | Tekstil Finansal Kiralama A.Ş., Tekstil Faktoring Hizmetleri A.Ş., Tekstil Menkul Değerler A.Ş.  |
| <b>Other:</b>              | Tekstil Bilişim Hizmetleri ve Ticaret A.Ş., GSD International Ltd., GSD Reklam ve Halkla İlişkiler Hizmetleri A.Ş., GSD Plan Proje Etüd A.Ş., GSD Gayrimenkul Yatırım ve Geliştirme A.Ş. |

**III. President and members of the Board of Directors, audit committee members, general manager and executive vice presidents, and if exists, changes in these positions and Bank's shares they hold**

| Title   | Name                  | Job Description  | Education      |
|---|-----------------------|--|----------------|
| Chairman of the Board of Directors ve Audit Committee | Akgün TÜRER           | Chairman of the Board of Directors and Audit Committee   | Graduate       |
| Member of Audit Committee:                            | I.Sencan DEREBEYOĞLU  | Member of Audit Committee and Board of Directors         | Graduate       |
| Member of Board of Directors:                         | I.Sühan ÖZKAN         | Vice Chairman of Board of Directors                      | Under-Graduate |
|   | Cezmi ÖZTÜRK          | Member   | Under-Graduate |
|   | Murat ATIM            | Member   | Under-Graduate |
| General Manager:                                      | H. Çim GÜZELAYDINLI   | Chief Executive Officer and Member of Board of Directors | Graduate       |
| Head of Board of Inspectors:                          | Senan DAĞAL           | President of Inspectors' Group                           | Under-Graduate |
| Executive Vice Presidents:                            | Ümit ALTINAY          | Information Technologies and Organization Group          | Graduate       |
|   | Yasef COYAŞ           | Operations Group   | Under-Graduate |
|   | Nuriye DİZDAR         | Financial Control Group                                  | Under-Graduate |
|   | D.Halit DÖVER         | International Relations Group                            | Graduate       |
|   | Ahmet İLERİGELEN      | Loans Group  | Graduate       |
|   | Hüseyin H. İMECE      | Treasury and Investor Relations Group                    | Under-Graduate |
|   | Başbuğ Y. SAMANCIOĞLU | Corporate and Commercial Banking Group                   | Under-Graduate |
| Statutory Auditors:                                   | M.Sedat ÖZKANLI       | Statutory Auditor  | Under-Graduate |
|   | Sedat TEMELTAŞ        | Statutory Auditor  | Under-Graduate |

These people mentioned above do not own any share of the Bank.

**IV. Type of services provided and the areas of operations of the Bank**

The operations of the Parent Bank consist of corporate and commercial banking services, fund management transactions (foreign currency, money market and securities trading), international banking services, retail banking services and credit card business. The Bank also operates, through its branches, as insurance agent of Güneş Sigorta A.Ş., Aviva Sigorta A.Ş., Vakıf Emeklilik A.Ş. and Acıbadem Sigorta A.Ş.

As at 30 September 2009, the Bank has 45 branches close to industrial zones of Turkey and a representative office in Berlin, Germany. The Bank has 997 employees as at 30 September 2009 (As at 31 December 2008 number of branches was 60, number of employees was 1,410).

**V. Other information**

|                                |  |
|--------------------------------|--|
| Bank's Official Title          | : Tekstil Bankası Anonim Şirketi                                     |
| Reporting Period               | : 1 January – 30 September 2009                                      |
| Address of Bank's Headquarters | : Büyükdere Caddesi No: 63 34398 Maslak - Istanbul                   |
| Telephone number               | : (0212) 335 53 35   |
| Fax number                     | : (0212) 328 13 28   |
| Bank's Internet Address        | : <a href="http://www.tekstilbank.com.tr">www.tekstilbank.com.tr</a> |
| Reporting currency             | : Thousands of TL – Turkish Lira                                     |

**TEKSTİL BANKASI A.Ş. AND ITS SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS (STATEMENT OF FINANCIAL POSITION)**  
**AS AT 30 SEPTEMBER 2009 AND 31 DECEMBER 2008**  
(Currency: Thousands of TL - Turkish Lira)

*Convenience Translation of  
Consolidated Financial Report  
Originally Issued in Turkish, See Note 3.1*

| ASSETS   | Footnotes<br>(Section 5) | THOUSANDS OF TURKISH LIRA |                |                  |                  |                |                  |
|--|--------------------------|---------------------------|----------------|------------------|------------------|----------------|------------------|
|  |                          | CURRENT PERIOD            |                |                  | PRIOR PERIOD     |                |                  |
|  |                          | 30/09/2009                |                |                  | 31/12/2008       |                |                  |
|  |                          | TL                        | FC             | Total            | TL               | FC             | Total            |
| <b>I. CASH AND BALANCES WITH THE CENTRAL BANK</b>                                      | (5.1.1)                  | 27,294                    | 78,690         | 105,984          | 41,528           | 114,558        | 156,086          |
| <b>II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Net)</b>                 | (5.1.2)                  | 464                       | 2,959          | 3,423            | 4,681            | 3,713          | 8,394            |
| 2.1 Trading Securities   |                          | 464                       | 2,959          | 3,423            | 4,681            | 3,713          | 8,394            |
| 2.1.1 Public Sector Debt Securities  |                          | 186                       | 385            | 571              | 591              | 373            | 964              |
| 2.1.2 Share Certificates   |                          | -                         | -              | -                | -                | -              | -                |
| 2.1.3 Positive Value of Trading Derivatives  |                          | 278                       | 2,574          | 2,852            | 4,090            | 3,340          | 7,430            |
| 2.1.4 Other Securities   |                          | -                         | -              | -                | -                | -              | -                |
| 2.2 Financial Assets Designated at Fair Value  |                          | -                         | -              | -                | -                | -              | -                |
| 2.2.1 Public Sector Debt Securities  |                          | -                         | -              | -                | -                | -              | -                |
| 2.2.2 Share Certificates   |                          | -                         | -              | -                | -                | -              | -                |
| 2.2.3 Loans  |                          | -                         | -              | -                | -                | -              | -                |
| 2.2.4 Other Securities   |                          | -                         | -              | -                | -                | -              | -                |
| <b>III. BANKS</b>  | (5.1.3)                  | 9,360                     | 177,444        | 186,804          | 60,034           | 178,892        | 238,926          |
| <b>IV. INTERBANK MONEY MARKET</b>  |                          | -                         | -              | -                | 369,154          | -              | 369,154          |
| 4.1 Interbank Money Market Placements  |                          | -                         | -              | -                | 369,154          | -              | 369,154          |
| 4.2 Istanbul Stock Exchange Money Market Placements                                    |                          | -                         | -              | -                | -                | -              | -                |
| 4.3 Receivables from Reverse Repurchase Agreements                                     |                          | -                         | -              | -                | -                | -              | -                |
| <b>V. INVESTMENT SECURITIES AVAILABLE FOR SALE (Net)</b>                               | (5.1.4)                  | 192,192                   | 19,944         | 212,136          | 1,882            | 21,095         | 22,977           |
| 5.1 Share Certificates   |                          | -                         | 274            | 274              | -                | 279            | 279              |
| 5.2 Public Sector Debt Securities  |                          | 192,192                   | 9,634          | 201,826          | 1,882            | 8,898          | 10,780           |
| 5.3 Other Securities   |                          | -                         | 10,036         | 10,036           | -                | 11,918         | 11,918           |
| <b>VI. LOANS</b>   | (5.1.5)                  | 1,149,959                 | 204,874        | 1,354,833        | 1,317,262        | 312,394        | 1,629,656        |
| 6.1 Loans  |                          | 1,103,057                 | 204,874        | 1,307,931        | 1,287,139        | 312,394        | 1,599,533        |
| 6.1.1 Loans Utilized to the Bank's Risk Group  |                          | 21,032                    | 7,415          | 28,447           | 18,066           | 22,866         | 40,932           |
| 6.1.2 Public Sector Debt Securities  |                          | -                         | -              | -                | -                | -              | -                |
| 6.1.3 Others   |                          | 1,082,025                 | 197,459        | 1,279,484        | 1,269,073        | 289,528        | 1,558,601        |
| 6.2 Loans under Follow-Up  |                          | 94,444                    | -              | 94,444           | 53,365           | -              | 53,365           |
| 6.3 Specific Provisions (-)  |                          | 47,542                    | -              | 47,542           | 23,242           | -              | 23,242           |
| <b>VII. FACTORING RECEIVABLES</b>  |                          | -                         | -              | -                | -                | -              | -                |
| <b>VIII. INVESTMENT SECURITIES HELD TO MATURITY (Net)</b>                              | (5.1.6)                  | -                         | -              | -                | 364,068          | -              | 364,068          |
| 8.1 Public Sector Debt Securities  |                          | -                         | -              | -                | 364,068          | -              | 364,068          |
| 8.2 Other Securities   |                          | -                         | -              | -                | -                | -              | -                |
| <b>IX. INVESTMENTS IN ASSOCIATES (Net)</b>   | (5.1.7)                  | 50                        | -              | 50               | 50               | -              | 50               |
| 9.1 Equity Method Associates   |                          | -                         | -              | -                | -                | -              | -                |
| 9.2 Unconsolidated Associates  |                          | 50                        | -              | 50               | 50               | -              | 50               |
| 9.2.1 Financial Associates   |                          | 50                        | -              | 50               | 50               | -              | 50               |
| 9.2.2 Non-Financial Associates   |                          | -                         | -              | -                | -                | -              | -                |
| <b>X. INVESTMENTS IN SUBSIDIARIES (Net)</b>  | (5.1.8)                  | 54                        | -              | 54               | 55               | -              | 55               |
| 10.1 Unconsolidated Financial Subsidiaries   |                          | -                         | -              | -                | -                | -              | -                |
| 10.2 Unconsolidated Non-Financial Subsidiaries   |                          | 54                        | -              | 54               | 55               | -              | 55               |
| <b>XI. JOINT VENTURES (Net)</b>  | (5.1.9)                  | -                         | -              | -                | -                | -              | -                |
| 11.1 Equity Method Joint Ventures  |                          | -                         | -              | -                | -                | -              | -                |
| 11.2 Unconsolidated Joint Ventures   |                          | -                         | -              | -                | -                | -              | -                |
| 11.2.1 Financial Joint Ventures  |                          | -                         | -              | -                | -                | -              | -                |
| 11.2.2 Non-Financial Joint Ventures  |                          | -                         | -              | -                | -                | -              | -                |
| <b>XII. LEASE RECEIVABLES (Net)</b>  | (5.1.10)                 | -                         | -              | -                | -                | -              | -                |
| 12.1 Financial Lease Receivables   |                          | -                         | -              | -                | -                | -              | -                |
| 12.2 Operational Lease Receivables   |                          | -                         | -              | -                | -                | -              | -                |
| 12.3 Others  |                          | -                         | -              | -                | -                | -              | -                |
| 12.4 Unearned Income (-)   |                          | -                         | -              | -                | -                | -              | -                |
| <b>XIII. HEDGING DERIVATIVES</b>   | (5.1.11)                 | -                         | -              | -                | -                | -              | -                |
| 13.1 Fair Value Hedge  |                          | -                         | -              | -                | -                | -              | -                |
| 13.2 Cash Flow Hedge   |                          | -                         | -              | -                | -                | -              | -                |
| 13.3 Hedging of a Net Investment in Foreign Subsidiaries                               |                          | -                         | -              | -                | -                | -              | -                |
| <b>XIV. TANGIBLE ASSETS (Net)</b>  |                          | 72,194                    | 2              | 72,196           | 76,700           | 2              | 76,702           |
| <b>XV. INTANGIBLE ASSETS (Net)</b>   |                          | 2,213                     | -              | 2,213            | 2,672            | -              | 2,672            |
| 15.1 Goodwill  |                          | -                         | -              | -                | -                | -              | -                |
| 15.2 Others  |                          | 2,213                     | -              | 2,213            | 2,672            | -              | 2,672            |
| <b>XVI. INVESTMENT PROPERTY (Net)</b>  | (5.1.12)                 | -                         | -              | -                | -                | -              | -                |
| <b>XVII. TAX ASSETS</b>  | (5.1.13)                 | 3,186                     | -              | 3,186            | 3,009            | -              | 3,009            |
| 17.1 Current Tax Assets  |                          | 1,184                     | -              | 1,184            | -                | -              | -                |
| 17.2 Deferred Tax Assets   |                          | 2,002                     | -              | 2,002            | 3,009            | -              | 3,009            |
| <b>XVIII. ASSETS HELD FOR SALE AND ASSETS RELATED TO DISCONTINUED OPERATIONS (Net)</b> | (5.1.14)                 | -                         | -              | -                | -                | -              | -                |
| 18.1 Held For Sale   |                          | -                         | -              | -                | -                | -              | -                |
| 18.2 Discontinued Operations   |                          | -                         | -              | -                | -                | -              | -                |
| <b>XIX. OTHER ASSETS</b>   | (5.1.15)                 | 43,458                    | 2,405          | 45,863           | 55,912           | 40,617         | 96,529           |
| <b>TOTAL ASSETS</b>  |                          | <b>1,500,424</b>          | <b>486,318</b> | <b>1,986,742</b> | <b>2,297,007</b> | <b>671,271</b> | <b>2,968,278</b> |

The accompanying notes are an integral part of these consolidated financial statements.

**TEKSTİL BANKASI A.Ş. AND ITS SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS (STATEMENT OF FINANCIAL POSITION)**  
**AS AT 30 SEPTEMBER 2009 AND 31 DECEMBER 2008**  
(Currency: Thousands of TL - Turkish Lira)

*Convenience Translation of  
Consolidated Financial Report  
Originally Issued in Turkish, See Note 3.1*

| LIABILITIES AND EQUITY  | Footnotes<br>(Section 5) | THOUSANDS OF TURKISH LIRA |                |                  |                  |                  |                  |
|---|--------------------------|---------------------------|----------------|------------------|------------------|------------------|------------------|
|   |                          | CURRENT PERIOD            |                |                  | PRIOR PERIOD     |                  |                  |
|   |                          | 30/09/2009                |                |                  | 31/12/2008       |                  |                  |
|   |                          | TL                        | FC             | Total            | TL               | FC               | Total            |
| <b>I. DEPOSITS</b>  | (5.II.1)                 | <b>622,117</b>            | <b>679,711</b> | <b>1,301,828</b> | <b>960,770</b>   | <b>571,395</b>   | <b>1,532,165</b> |
| 1.1 Deposits of the Bank's Risk Group                                       |                          | 19,129                    | 20,138         | 39,267           | 55,110           | 22,111           | 77,221           |
| 1.2 Others  |                          | 602,988                   | 659,573        | 1,262,561        | 905,660          | 549,284          | 1,454,944        |
| <b>II. NEGATIVE VALUE OF TRADING DERIVATIVES</b>                            | (5.II.2)                 | <b>1,158</b>              | <b>3,543</b>   | <b>4,701</b>     | <b>3,480</b>     | <b>9,470</b>     | <b>12,950</b>    |
| <b>III. FUNDS BORROWED</b>  | (5.II.3)                 | <b>5,851</b>              | <b>142,211</b> | <b>148,062</b>   | <b>22,660</b>    | <b>680,561</b>   | <b>703,221</b>   |
| <b>IV. DUE TO MONEY MARKETS</b>   |                          | <b>4,989</b>              | -              | <b>4,989</b>     | <b>207,019</b>   | -                | <b>207,019</b>   |
| 4.1 Interbank Money Market  |                          | -                         | -              | -                | -                | -                | -                |
| 4.2 Istanbul Stock Exchange   |                          | -                         | -              | -                | 376              | -                | 376              |
| 4.3 Obligations under Repurchase Agreements                                 |                          | 4,989                     | -              | 4,989            | 206,643          | -                | 206,643          |
| <b>V. SECURITIES ISSUED (Net)</b>   |                          | -                         | -              | -                | -                | -                | -                |
| 5.1 Bills   |                          | -                         | -              | -                | -                | -                | -                |
| 5.2 Asset Backed Securities   |                          | -                         | -              | -                | -                | -                | -                |
| 5.3 Bonds   |                          | -                         | -              | -                | -                | -                | -                |
| <b>VI. FUNDS</b>  |                          | -                         | -              | -                | -                | -                | -                |
| 6.1 Bank Borrowers' Funds   |                          | -                         | -              | -                | -                | -                | -                |
| 6.2 Others  |                          | -                         | -              | -                | -                | -                | -                |
| <b>VII. MISCELLANEOUS PAYABLES</b>  |                          | <b>10,425</b>             | <b>625</b>     | <b>11,050</b>    | <b>10,511</b>    | <b>2,936</b>     | <b>13,447</b>    |
| <b>VIII. OTHER EXTERNAL RESOURCES</b>                                       | (5.II.4)                 | <b>26,240</b>             | <b>5,965</b>   | <b>32,205</b>    | <b>25,555</b>    | <b>5,480</b>     | <b>31,035</b>    |
| <b>IX. FACTORING PAYABLES</b>   |                          | -                         | -              | -                | -                | -                | -                |
| <b>X. LEASE PAYABLES (Net)</b>  | (5.II.5)                 | -                         | <b>382</b>     | <b>382</b>       | -                | <b>1,366</b>     | <b>1,366</b>     |
| 10.1 Financial Lease Payables   |                          | -                         | 392            | 392              | -                | 1,430            | 1,430            |
| 10.2 Operational Lease Payables   |                          | -                         | -              | -                | -                | -                | -                |
| 10.3 Others   |                          | -                         | -              | -                | -                | -                | -                |
| 10.4 Deferred Financial Leasing Expenses ( - )                              |                          | -                         | 10             | 10               | -                | 64               | 64               |
| <b>XI. HEDGING PURPOSE DERIVATIVES</b>                                      | (5.II.6)                 | -                         | -              | -                | -                | -                | -                |
| 11.1 Fair Value Hedge   |                          | -                         | -              | -                | -                | -                | -                |
| 11.2 Cash Flow Hedge  |                          | -                         | -              | -                | -                | -                | -                |
| 11.3 Hedging of a Net Investment in Foreign Subsidiaries                    |                          | -                         | -              | -                | -                | -                | -                |
| <b>XII. PROVISIONS</b>  | (5.II.7)                 | <b>14,886</b>             | -              | <b>14,886</b>    | <b>15,985</b>    | -                | <b>15,985</b>    |
| 12.1 General Provisions   |                          | 8,248                     | -              | 8,248            | 10,290           | -                | 10,290           |
| 12.2 Restructuring Provisions   |                          | -                         | -              | -                | -                | -                | -                |
| 12.3 Reserve for Employee Benefits  |                          | 4,390                     | -              | 4,390            | 4,046            | -                | 4,046            |
| 12.4 Insurance Technical Provisions (Net)                                   |                          | -                         | -              | -                | -                | -                | -                |
| 12.5 Other Provisions   |                          | 2,248                     | -              | 2,248            | 1,649            | -                | 1,649            |
| <b>XIII. TAX LIABILITIES</b>  | (5.II.8)                 | <b>6,657</b>              | -              | <b>6,657</b>     | <b>9,613</b>     | <b>1</b>         | <b>9,614</b>     |
| 13.1 Current Tax Liability  |                          | 6,657                     | -              | 6,657            | 9,613            | 1                | 9,614            |
| 13.2 Deferred Tax Liability   |                          | -                         | -              | -                | -                | -                | -                |
| <b>XIV. PAYABLES RELATED TO HELD FOR SALE AND DISCONTINUED OPERATIONS</b>   |                          | -                         | -              | -                | -                | -                | -                |
| 14.1 Held For Sale  |                          | -                         | -              | -                | -                | -                | -                |
| 14.2 Discontinued Operations  |                          | -                         | -              | -                | -                | -                | -                |
| <b>XV. SUBORDINATED LOANS</b>   |                          | -                         | -              | -                | -                | -                | -                |
| <b>XVI. SHAREHOLDERS' EQUITY</b>  | (5.II.9)                 | <b>461,790</b>            | <b>192</b>     | <b>461,982</b>   | <b>442,078</b>   | <b>(602)</b>     | <b>441,476</b>   |
| 16.1 Paid-In Capital  |                          | 420,000                   | -              | 420,000          | 420,000          | -                | 420,000          |
| 16.2 Supplementary Capital  |                          | 8,377                     | 192            | 8,569            | 3,721            | (602)            | 3,119            |
| 16.2.1 Share Premium  |                          | (814)                     | -              | (814)            | (814)            | -                | (814)            |
| 16.2.2 Share Cancellation Profits   |                          | -                         | -              | -                | -                | -                | -                |
| 16.2.3 Valuation Differences of Securities                                  |                          | 4,164                     | 192            | 4,356            | (361)            | (602)            | (963)            |
| 16.2.4 Revaluation Fund on Tangible Assets                                  |                          | 5,027                     | -              | 5,027            | 4,896            | -                | 4,896            |
| 16.2.5 Revaluation Fund on Intangible Assets                                |                          | -                         | -              | -                | -                | -                | -                |
| 16.2.6 Revaluation Fund on Investment Property                              |                          | -                         | -              | -                | -                | -                | -                |
| 16.2.7 Capital Bonus of Associates, Subsidiaries and Joint Ventures         |                          | -                         | -              | -                | -                | -                | -                |
| 16.2.8 Hedging Funds (Effective Portion)                                    |                          | -                         | -              | -                | -                | -                | -                |
| 16.2.9 Revaluation Fund on Assets Held for Sale and Discontinued Operations |                          | -                         | -              | -                | -                | -                | -                |
| 16.2.10 Other Supplementary Capital   |                          | -                         | -              | -                | -                | -                | -                |
| 16.3 Profit Reserves  |                          | 18,357                    | -              | 18,357           | 13,091           | -                | 13,091           |
| 16.3.1 Legal Reserves   |                          | 4,252                     | -              | 4,252            | 3,623            | -                | 3,623            |
| 16.3.2 Status Reserves  |                          | -                         | -              | -                | -                | -                | -                |
| 16.3.3 Extraordinary Reserves   |                          | 14,105                    | -              | 14,105           | 9,468            | -                | 9,468            |
| 16.3.4 Other Profit Reserves  |                          | -                         | -              | -                | -                | -                | -                |
| 16.4 Profit or Loss   |                          | 15,056                    | -              | 15,056           | 5,266            | -                | 5,266            |
| 16.4.1 Prior Periods' Profit or Loss  |                          | -                         | -              | -                | -                | -                | -                |
| 16.4.2 Current Period Profit or Loss  |                          | 15,056                    | -              | 15,056           | 5,266            | -                | 5,266            |
| 16.5 Minority Shares  |                          | -                         | -              | -                | -                | -                | -                |
| <b>TOTAL LIABILITIES AND EQUITY</b>   |                          | <b>1,154,113</b>          | <b>832,629</b> | <b>1,986,742</b> | <b>1,697,671</b> | <b>1,270,607</b> | <b>2,968,278</b> |

The accompanying notes are an integral part of these consolidated financial statements.

**TEKSTİL BANKASI A.Ş. AND ITS SUBSIDIARIES**  
**CONSOLIDATED OFF BALANCE SHEET ITEMS STATEMENTS**  
**AS AT 30 SEPTEMBER 2009 AND 31 DECEMBER 2008**  
(Currency: Thousands of TL - Turkish Lira)

Convenience Translation of  
Consolidated Financial Report  
Originally Issued in Turkish, See Note 3.1

|   | Footnotes<br>(Section 5) | THOUSANDS OF TURKISH LIRA    |                  |                  |                            |                  |                  |
|---|--------------------------|------------------------------|------------------|------------------|----------------------------|------------------|------------------|
|   |                          | CURRENT PERIOD<br>30/09/2009 |                  |                  | PRIOR PERIOD<br>31/12/2008 |                  |                  |
|   |                          | TL                           | FC               | Total            | TL                         | FC               | Total            |
| <b>A. OFF BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I+II+III)</b>                |                          | <b>1,059,940</b>             | <b>1,472,672</b> | <b>2,532,612</b> | <b>1,128,912</b>           | <b>1,378,359</b> | <b>2,507,271</b> |
| <b>I. GUARANTEES</b>  | (5.IV.1)                 | <b>372,364</b>               | <b>378,726</b>   | <b>751,090</b>   | <b>453,492</b>             | <b>550,677</b>   | <b>1,004,169</b> |
| 1.1. Letters of Guarantee   |                          | 372,353                      | 284,698          | 657,051          | 453,481                    | 368,734          | 822,215          |
| 1.1.1. Guarantees Subject to State Tender Law                                       |                          | -                            | -                | -                | -                          | -                | -                |
| 1.1.2. Guarantees Given for Foreign Trade Operations                                |                          | -                            | -                | -                | -                          | -                | -                |
| 1.1.3. Other Letters of Guarantee   |                          | 372,353                      | 284,698          | 657,051          | 453,481                    | 368,734          | 822,215          |
| 1.2. Bank Acceptances   |                          | -                            | 345              | 345              | -                          | 9,813            | 9,813            |
| 1.2.1. Import Letter of Acceptance  |                          | -                            | 345              | 345              | -                          | 9,813            | 9,813            |
| 1.2.2. Other Bank Acceptances   |                          | -                            | -                | -                | -                          | -                | -                |
| 1.3. Letters of Credit  |                          | 11                           | 66,518           | 66,529           | 11                         | 135,115          | 135,126          |
| 1.3.1. Documentary Letters of Credit  |                          | -                            | 45,638           | 45,638           | -                          | 107,969          | 107,969          |
| 1.3.2. Other Letters of Credit  |                          | 11                           | 20,880           | 20,891           | 11                         | 27,146           | 27,157           |
| 1.4. Prefinancing Given As Guarantee  |                          | -                            | 1,380            | 1,380            | -                          | 1,408            | 1,408            |
| 1.5. Endorsements   |                          | -                            | -                | -                | -                          | -                | -                |
| 1.5.1. Endorsements to the Central Bank of Turkey                                   |                          | -                            | -                | -                | -                          | -                | -                |
| 1.5.2. Other Endorsements   |                          | -                            | -                | -                | -                          | -                | -                |
| 1.6. Purchase Guarantees for Securities Issued                                      |                          | -                            | -                | -                | -                          | -                | -                |
| 1.7. Factoring Related Guarantees   |                          | -                            | -                | -                | -                          | -                | -                |
| 1.8. Other Collaterals  |                          | -                            | 25,785           | 25,785           | -                          | 35,607           | 35,607           |
| 1.9. Other Sureties   |                          | -                            | -                | -                | -                          | -                | -                |
| <b>II. COMMITMENTS</b>  | (5.IV.1)                 | <b>296,328</b>               | <b>6,692</b>     | <b>303,020</b>   | <b>303,463</b>             | -                | <b>303,463</b>   |
| 2.1. Irrevocable Commitments  |                          | 296,328                      | 6,692            | 303,020          | 303,463                    | -                | 303,463          |
| 2.1.1. Asset Purchase and Sale Commitments  |                          | -                            | -                | -                | -                          | -                | -                |
| 2.1.2. Deposit Purchase and Sales Commitments                                       |                          | -                            | -                | -                | -                          | -                | -                |
| 2.1.3. Share Capital Commitments to Associates and Subsidiaries                     |                          | -                            | -                | -                | -                          | -                | -                |
| 2.1.4. Loan Granting Commitments  |                          | 35,307                       | -                | 35,307           | 36,784                     | -                | 36,784           |
| 2.1.5. Securities Issuance Brokerage Commitments                                    |                          | -                            | -                | -                | -                          | -                | -                |
| 2.1.6. Commitments for Reserve Deposit Requirements                                 |                          | -                            | 6,692            | 6,692            | -                          | -                | -                |
| 2.1.7. Commitments for Cheque Payments  |                          | 56,162                       | -                | 56,162           | 59,289                     | -                | 59,289           |
| 2.1.8. Tax and Fund Obligations from Export Commitments                             |                          | 4                            | -                | 4                | 11                         | -                | 11               |
| 2.1.9. Commitments for Credit Card Limits   |                          | 204,083                      | -                | 204,083          | 206,354                    | -                | 206,354          |
| 2.1.10. Commitments for Promotional Operations Re-Credit Cards and Banking Services |                          | 772                          | -                | 772              | 1,025                      | -                | 1,025            |
| 2.1.11. Receivables from "Short" Sale Commitments On Securities                     |                          | -                            | -                | -                | -                          | -                | -                |
| 2.1.12. Payables for "Short" Sale Commitments On Securities                         |                          | -                            | -                | -                | -                          | -                | -                |
| 2.1.13. Other Irrevocable Commitments   |                          | -                            | -                | -                | -                          | -                | -                |
| 2.2. Revocable Commitments  |                          | -                            | -                | -                | -                          | -                | -                |
| 2.2.1. Revocable Loan Granting Commitments  |                          | -                            | -                | -                | -                          | -                | -                |
| 2.2.2. Other Revocable Commitments  |                          | -                            | -                | -                | -                          | -                | -                |
| <b>III. DERIVATIVE FINANCIAL INSTRUMENTS</b>  |                          | <b>391,248</b>               | <b>1,087,254</b> | <b>1,478,502</b> | <b>371,957</b>             | <b>827,682</b>   | <b>1,199,639</b> |
| 3.1. Hedging Purpose Derivatives  |                          | -                            | -                | -                | -                          | -                | -                |
| 3.1.1. Fair Value Hedge   |                          | -                            | -                | -                | -                          | -                | -                |
| 3.1.2. Cash Flow Hedge  |                          | -                            | -                | -                | -                          | -                | -                |
| 3.1.3. Hedging of a Net Investment in Foreign Subsidiaries                          |                          | -                            | -                | -                | -                          | -                | -                |
| 3.2. Trading Purpose Derivatives  |                          | 391,248                      | 1,087,254        | 1,478,502        | 371,957                    | 827,682          | 1,199,639        |
| 3.2.1. Forward Foreign Currency Purchases/Sales                                     |                          | 108,710                      | 432,527          | 541,237          | 160,659                    | 378,865          | 539,524          |
| 3.2.1.1. Forward Foreign Currency Purchases   |                          | 46,625                       | 224,074          | 270,699          | 78,864                     | 191,539          | 270,403          |
| 3.2.1.2. Forward Foreign Currency Sales   |                          | 62,085                       | 208,453          | 270,538          | 81,795                     | 187,326          | 269,121          |
| 3.2.2. Currency and Interest Rate Swaps   |                          | 96,868                       | 438,580          | 535,448          | 191,713                    | 305,591          | 497,304          |
| 3.2.2.1. Currency Swaps-Purchases   |                          | -                            | 266,828          | 266,828          | 2,236                      | 244,529          | 246,765          |
| 3.2.2.2. Currency Swaps-Sales   |                          | 96,868                       | 171,752          | 268,620          | 189,477                    | 61,062           | 250,539          |
| 3.2.2.3. Interest Rate Swaps-Purchases  |                          | -                            | -                | -                | -                          | -                | -                |
| 3.2.2.4. Interest Rate Swaps-Sales  |                          | -                            | -                | -                | -                          | -                | -                |
| 3.2.3. Currency, Interest Rate and Security Options                                 |                          | 185,670                      | 216,147          | 401,817          | 19,585                     | 22,242           | 41,827           |
| 3.2.3.1. Currency Options-Purchases   |                          | 95,815                       | 105,230          | 201,045          | 9,762                      | 11,152           | 20,914           |
| 3.2.3.2. Currency Options-Sales   |                          | 89,855                       | 110,917          | 200,772          | 9,823                      | 11,090           | 20,913           |
| 3.2.3.3. Interest Rate Options-Purchases  |                          | -                            | -                | -                | -                          | -                | -                |
| 3.2.3.4. Interest Rate Options-Sales  |                          | -                            | -                | -                | -                          | -                | -                |
| 3.2.3.5. Securities Options-Purchases   |                          | -                            | -                | -                | -                          | -                | -                |
| 3.2.3.6. Securities Options-Sales   |                          | -                            | -                | -                | -                          | -                | -                |
| 3.2.4. Currency Futures   |                          | -                            | -                | -                | -                          | -                | -                |
| 3.2.4.1. Currency Futures-Purchases   |                          | -                            | -                | -                | -                          | -                | -                |
| 3.2.4.2. Currency Futures-Sales   |                          | -                            | -                | -                | -                          | -                | -                |
| 3.2.5. Interest Rate Futures  |                          | -                            | -                | -                | -                          | -                | -                |
| 3.2.5.1. Interest Rate Futures-Purchases  |                          | -                            | -                | -                | -                          | -                | -                |
| 3.2.5.2. Interest Rate Futures-Sales  |                          | -                            | -                | -                | -                          | -                | -                |
| 3.2.6. Others   |                          | -                            | -                | -                | -                          | 120,984          | 120,984          |
| <b>B. CUSTODY AND PLEDGED SECURITIES (IV+V+VI)</b>                                  |                          | <b>1,406,969</b>             | <b>501,230</b>   | <b>1,908,199</b> | <b>1,428,770</b>           | <b>517,144</b>   | <b>1,945,914</b> |
| <b>IV. ITEMS HELD IN CUSTODY</b>  |                          | <b>292,333</b>               | <b>26,963</b>    | <b>319,296</b>   | <b>328,346</b>             | <b>44,842</b>    | <b>373,188</b>   |
| 4.1. Customers' Securities and Portfolios Held                                      |                          | -                            | -                | -                | -                          | -                | -                |
| 4.2. Securities Held in Custody   |                          | 86,014                       | 10,474           | 96,488           | 94,311                     | 10,834           | 105,145          |
| 4.3. Checks Received for Collection   |                          | 186,219                      | 8,585            | 194,804          | 207,401                    | 28,040           | 235,441          |
| 4.4. Commercial Notes Received for Collection                                       |                          | 13,099                       | 1,844            | 14,943           | 16,786                     | 3,352            | 20,138           |
| 4.5. Other Assets Received for Collection   |                          | -                            | -                | -                | -                          | -                | -                |
| 4.6. Assets Received for Public Offering  |                          | -                            | -                | -                | -                          | -                | -                |
| 4.7. Other Items under Custody  |                          | 82                           | -                | 82               | 277                        | -                | 277              |
| 4.8. Custodians   |                          | 6,919                        | 6,060            | 12,979           | 9,571                      | 2,616            | 12,187           |
| <b>V. PLEDGED ITEMS</b>   |                          | <b>1,114,636</b>             | <b>474,267</b>   | <b>1,588,903</b> | <b>1,100,424</b>           | <b>472,302</b>   | <b>1,572,726</b> |
| 5.1. Securities   |                          | 6,472                        | -                | 6,472            | 4,220                      | -                | 4,220            |
| 5.2. Guarantee Notes  |                          | 3,183                        | 13,087           | 16,270           | 6,622                      | 21,772           | 28,394           |
| 5.3. Commodities  |                          | 56,032                       | 40,638           | 96,670           | 81,037                     | 48,204           | 129,241          |
| 5.4. Warrants   |                          | -                            | -                | -                | -                          | -                | -                |
| 5.5. Immovables   |                          | 999,217                      | 343,322          | 1,342,539        | 961,697                    | 341,020          | 1,302,717        |
| 5.6. Other Pledged Items  |                          | 49,732                       | 77,220           | 126,952          | 46,848                     | 61,306           | 108,154          |
| 5.7. Pledged Items-Depository   |                          | -                            | -                | -                | -                          | -                | -                |
| <b>VI. CONFIRMED BILLS OF EXCHANGE AND SURETIES</b>                                 |                          | -                            | -                | -                | -                          | -                | -                |
| <b>TOTAL OFF BALANCE SHEET ITEMS (A+B)</b>  |                          | <b>2,466,909</b>             | <b>1,973,902</b> | <b>4,440,811</b> | <b>2,557,682</b>           | <b>1,895,503</b> | <b>4,453,185</b> |

The accompanying notes are an integral part of these consolidated financial statements.

**TEKSTİL BANKASI A.Ş. AND ITS SUBSIDIARIES**  
**CONSOLIDATED INCOME STATEMENTS**  
**FOR THE INTERIM PERIODS ENDED 30 SEPTEMBER 2009 AND 2008**  
(Currency: Thousands of TL - Turkish Lira)

*Convenience Translation of  
Consolidated Financial Report  
Originally Issued in Turkish, See Note 3.1*

| INCOME AND EXPENSE ITEMS   | Footnotes<br>(Section 5) | THOUSANDS OF TURKISH LIRA |                           |                           |                           |
|--|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
|  |                          | CURRENT PERIOD            | PRIOR PERIOD              | CURRENT PERIOD            | PRIOR PERIOD              |
|  |                          | (01/01/2009 - 30/09/2009) | (01/01/2008 - 30/09/2008) | (01/07/2009 - 30/09/2009) | (01/07/2008 - 30/09/2008) |
| <b>I. INTEREST INCOME</b>  | (5.III.1)                | <b>205,015</b>            | <b>332,761</b>            | <b>59,161</b>             | <b>120,532</b>            |
| 1.1 Interest from Loans  |                          | 163,039                   | 270,169                   | 46,055                    | 94,112                    |
| 1.2 Interest from Reserve Deposits                                   |                          | 74                        | 1,045                     | -                         | 229                       |
| 1.3 Interest from Banks  |                          | 5,988                     | 13,187                    | 1,051                     | 5,295                     |
| 1.4 Interest from Money Market Transactions                          |                          | 4,849                     | -                         | 96                        | -                         |
| 1.5 Interest from Securities Portfolio                               |                          | 30,992                    | 48,331                    | 11,890                    | 20,884                    |
| 1.5.1 Trading Securities   |                          | 87                        | 11,801                    | 23                        | 4,601                     |
| 1.5.2 Financial Assets at Fair Value Through Profit or Loss          |                          | -                         | -                         | -                         | -                         |
| 1.5.3 Available for Sale Securities                                  |                          | 28,575                    | 34,126                    | 11,867                    | 14,484                    |
| 1.5.4 Held to Maturity Securities                                    |                          | 2,330                     | 2,404                     | -                         | 1,799                     |
| 1.6 Interest from Financial Leases                                   |                          | -                         | -                         | -                         | -                         |
| 1.7 Other Interest Income  |                          | 73                        | 29                        | 69                        | 12                        |
| <b>II. INTEREST EXPENSE</b>  | (5.III.2)                | <b>103,263</b>            | <b>207,425</b>            | <b>26,235</b>             | <b>76,378</b>             |
| 2.1 Interest on Deposits   |                          | 88,571                    | 161,649                   | 24,121                    | 58,997                    |
| 2.2 Interest on Funds Borrowed                                       |                          | 13,712                    | 25,624                    | 1,928                     | 7,350                     |
| 2.3 Interest on Money Market Transactions                            |                          | 814                       | 19,873                    | 175                       | 10,000                    |
| 2.4 Interest on Securities Issued                                    |                          | -                         | -                         | -                         | -                         |
| 2.5 Other Interest Expense   |                          | 166                       | 279                       | 11                        | 31                        |
| <b>III. NET INTEREST INCOME (I - II)</b>                             |                          | <b>101,752</b>            | <b>125,336</b>            | <b>32,926</b>             | <b>44,154</b>             |
| <b>IV. NET FEE AND COMMISSION INCOME</b>                             |                          | <b>16,147</b>             | <b>20,450</b>             | <b>4,998</b>              | <b>6,828</b>              |
| 4.1 Fees and Commissions Received                                    |                          | 19,429                    | 23,523                    | 6,176                     | 7,916                     |
| 4.1.1 Non-Cash Loans   |                          | 8,487                     | 10,962                    | 2,426                     | 3,485                     |
| 4.1.2 Other  |                          | 10,942                    | 12,561                    | 3,750                     | 4,431                     |
| 4.2 Fees and Commissions Paid  |                          | 3,282                     | 3,073                     | 1,178                     | 1,088                     |
| 4.2.1 Non-Cash Loans   |                          | 245                       | 56                        | 136                       | 23                        |
| 4.2.2 Other  |                          | 3,037                     | 3,017                     | 1,042                     | 1,065                     |
| <b>V. DIVIDEND INCOME</b>  |                          | -                         | -                         | -                         | -                         |
| <b>VI. TRADING INCOME/LOSS (Net)</b>                                 | (5.III.3)                | <b>16,238</b>             | <b>(14,579)</b>           | <b>3,712</b>              | <b>(2,327)</b>            |
| 6.1 Profit / Loss on Trading Account Securities                      |                          | 10,509                    | 2,208                     | 1,901                     | 632                       |
| 6.2 Derivative Instruments Gain / Loss                               |                          | (4,309)                   | (14,926)                  | (2,773)                   | (1,790)                   |
| 6.3 Foreign Exchange Gain / Loss                                     |                          | 10,038                    | (1,861)                   | 4,584                     | (1,169)                   |
| <b>VII. OTHER OPERATING INCOME</b>                                   | (5.III.4)                | <b>9,560</b>              | <b>8,446</b>              | <b>1,983</b>              | <b>5,347</b>              |
| <b>VIII. TOTAL OPERATING INCOME (III+IV+V+VI+VII)</b>                |                          | <b>143,697</b>            | <b>139,653</b>            | <b>43,619</b>             | <b>54,002</b>             |
| <b>IX. IMPAIRMENT ON LOANS AND OTHER RECEIVABLES (-)</b>             | (5.III.5)                | <b>45,403</b>             | <b>32,803</b>             | <b>15,681</b>             | <b>17,268</b>             |
| <b>X. OTHER OPERATING EXPENSES (-)</b>                               | (5.III.6)                | <b>80,448</b>             | <b>96,314</b>             | <b>24,527</b>             | <b>32,311</b>             |
| <b>XI. NET OPERATING PROFIT/LOSS (VIII-IX-X)</b>                     |                          | <b>17,846</b>             | <b>10,536</b>             | <b>3,411</b>              | <b>4,423</b>              |
| <b>XII. NEGATIVE GOODWILL</b>  |                          | -                         | -                         | -                         | -                         |
| <b>XIII. PROFIT / LOSS FROM EQUITY METHOD INVESTMENTS</b>            |                          | -                         | -                         | -                         | -                         |
| <b>XIV. GAIN/LOSS ON NET MONETARY POSITION</b>                       |                          | -                         | -                         | -                         | -                         |
| <b>XV. P/L BEFORE TAXES FROM CONTINUING OPERATIONS (XI+...+XIV)</b>  |                          | <b>17,846</b>             | <b>10,536</b>             | <b>3,411</b>              | <b>4,423</b>              |
| <b>XVI. TAXES ON INCOME FROM CONTINUING OPERATIONS (±)</b>           | (5.III.7)                | <b>(2,790)</b>            | <b>(3,122)</b>            | <b>(503)</b>              | <b>(747)</b>              |
| 16.1 Current Tax Provision   |                          | (1,790)                   | -                         | (820)                     | -                         |
| 16.2 Deferred Tax Provision  |                          | (1,000)                   | (3,122)                   | 317                       | (747)                     |
| <b>XVII. NET PROFIT / LOSS FROM CONTINUING OPERATIONS (XV±XVI)</b>   |                          | <b>15,056</b>             | <b>7,414</b>              | <b>2,908</b>              | <b>3,676</b>              |
| <b>XVIII. PROFIT FROM DISCONTINUED OPERATIONS</b>                    |                          | -                         | -                         | -                         | -                         |
| 18.1 Assets Held for Sale  |                          | -                         | -                         | -                         | -                         |
| 18.2 Profit on Sale of Associates, Subsidiaries and Joint Ventures   |                          | -                         | -                         | -                         | -                         |
| 18.3 Others  |                          | -                         | -                         | -                         | -                         |
| <b>XIX. LOSS FROM DISCONTINUED OPERATIONS (-)</b>                    |                          | -                         | -                         | -                         | -                         |
| 19.1 Assets Held for Sale  |                          | -                         | -                         | -                         | -                         |
| 19.2 Loss on Sale of Associates, Subsidiaries and Joint Ventures     |                          | -                         | -                         | -                         | -                         |
| 19.3 Others  |                          | -                         | -                         | -                         | -                         |
| <b>XX. P/L BEFORE TAXES FROM DISCONTINUED OPERATIONS (XVIII-XIX)</b> |                          | -                         | -                         | -                         | -                         |
| <b>XXI. TAXES ON INCOME FROM DISCONTINUED OPERATIONS (±)</b>         |                          | -                         | -                         | -                         | -                         |
| 21.1 Current Tax Provision   |                          | -                         | -                         | -                         | -                         |
| 21.2 Deferred Tax Provision  |                          | -                         | -                         | -                         | -                         |
| <b>XXII. NET PROFIT / LOSS FROM DISCONTINUED OPERATIONS (XX±XXI)</b> |                          | -                         | -                         | -                         | -                         |
| <b>XXIII. NET PROFIT/LOSS (XVII+XXII)</b>                            | (5.III.8)                | <b>15,056</b>             | <b>7,414</b>              | <b>2,908</b>              | <b>3,676</b>              |
| 23.1 Group's Profit / Loss   |                          | 15,056                    | 7,414                     | 2,908                     | 3,676                     |
| 23.2 Minority Shares   |                          | -                         | -                         | -                         | -                         |
| Earnings / Losses per Share (Full TL)                                |                          | 0.0036                    | 0.0018                    | 0.0007                    | 0.0009                    |

The accompanying notes are an integral part of these consolidated financial statements.

**TEKSTIL BANKASI A.Ş. AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF RECOGNIZED INCOME AND EXPENSE UNDER EQUITY**  
**FOR THE INTERIM PERIODS ENDED 30 SEPTEMBER 2009 AND 2008**  
(Currency: Thousands of TL - Turkish Lira)

*Convenience Translation of  
Consolidated Financial Report  
Originally Issued in Turkish, See Note 3.1*

| PROFIT/LOSS ITEMS RECOGNIZED IN EQUITY   | THOUSANDS OF TURKISH LIRA    |                            |
|--|------------------------------|----------------------------|
|  | CURRENT PERIOD<br>30/09/2009 | PRIOR PERIOD<br>30/09/2008 |
| I. ADDITIONS TO VALUATION DIFF. ON SECURITIES FROM AVAILABLE FOR SALE INVESTMENTS  | 5,319                        | (3,138)                    |
| II. REVALUATION ON TANGIBLE ASSETS   | 138                          | -                          |
| III. REVALUATION ON INTANGIBLE ASSETS  | -                            | -                          |
| IV. FOREIGN EXCHANGE DIFFERENCES   | -                            | -                          |
| V. PROFIT/LOSS RELATED TO DERIVATIVES USED IN CASH FLOW HEDGES (Effective portion)                                       | -                            | -                          |
| VI. PROFIT/LOSS RELATED TO DERIVATIVES USED IN HEDGE OF A NET INVESTMENT IN FOREIGN SUBSIDIARIES (Effective portion)     | -                            | -                          |
| VII. EFFECT OF CHANGES IN ACCOUNTING POLICIES OR CORRECTION OF ERRORS  | -                            | -                          |
| VIII. OTHER PROFIT/LOSS ITEMS RECOGNIZED IN EQUITY PER TURKISH ACCOUNTING STANDARDS                                      | -                            | (147)                      |
| IX. DEFERRED TAXES ON VALUATION DIFFERENCES  | (7)                          | -                          |
| X. NET PROFIT/LOSS RECOGNIZED IN EQUITY (I+II+...+IX)  | 5,450                        | (3,285)                    |
| XI. CURRENT PERIOD PROFIT/LOSS   | 15,056                       | 7,414                      |
| 11.1 Net Change in Fair Value of Securities (Transfer to Profit & Loss)  | (952)                        | 68                         |
| 11.2 Ineffective Portion of Profit/Loss Related to Derivatives Used in Cash Flow Hedges                                  | -                            | -                          |
| 11.3 Ineffective Portion of Profit/Loss Related to Derivatives Used in Hedge of a Net Investment in Foreign Subsidiarie: | -                            | -                          |
| 11.4 Others  | 16,008                       | 7,346                      |
| XII. TOTAL RECOGNIZED INCOME AND EXPENSE FOR THE PERIOD (X±XI)   | 20,506                       | 4,129                      |

The accompanying notes are an integral part of these consolidated financial statements.

TEKSTİL BANKASI A.Ş. AND ITS SUBSIDIARIES  
**CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE INTERIM PERIODS ENDED 30 SEPTEMBER 2009 AND 2008**  
(Currency: Thousands of TL - Turkish Lira)

Convenience Translation of  
Consolidated Financial Report  
Originally Issued in Turkish, See Note 1.1

| CHANGES IN SHAREHOLDERS' EQUITY  | Paid-In Capital | Capital Reserves from Inflation Adjustments to Paid-In Capital | Share Premium | Share Cancellation Profits | Legal Reserves | Status Reserves | Extraordinary Reserves | Other Reserves | Current Period Net Profit / (Loss) | Prior Period Net Profit / (Loss) | Valuation Difference of Securities | Revaluation Surplus | Securities Value Increase Fund | Hedge Funds | Rev. Fund on Assets Held for Sale and Discontinued Operations | Total Equity Attributable to Equity Holders of the Parent | Minority Interest | Total Shareholders' Equity |
|--|-----------------|--|---------------|----------------------------|----------------|-----------------|------------------------|----------------|------------------------------------|----------------------------------|------------------------------------|---------------------|--------------------------------|-------------|---|---|-------------------|----------------------------|
| <b>PRIOIR PERIOD</b>   |                 |  |               |                            |                |                 |                        |                |                                    |                                  |                                    |                     |                                |             |   |   |                   |                            |
| <b>30/09/2008</b>  |                 |  |               |                            |                |                 |                        |                |                                    |                                  |                                    |                     |                                |             |   |   |                   |                            |
| <b>I. Balances at the Beginning of Period-01/01/2008</b>                       | <b>300,000</b>  | <b>9,449</b>   | <b>(618)</b>  | -                          | <b>1,500</b>   | -               | <b>21,046</b>          | -              | <b>41,943</b>                      | <b>(847)</b>                     | <b>910</b>                         | <b>5,948</b>        | -                              | -           | -   | <b>379,331</b>  | -                 | <b>379,331</b>             |
| <b>II. Corrections According to Turkish Accounting Standard No.8</b>           | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| 2.1 Corrections of Errors  | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| 2.2 Changes in Accounting Policies   | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>III. Adjusted Beginning Balance (I + II)</b>                                | <b>300,000</b>  | <b>9,449</b>   | <b>(618)</b>  | -                          | <b>1,500</b>   | -               | <b>21,046</b>          | -              | <b>41,943</b>                      | <b>(847)</b>                     | <b>910</b>                         | <b>5,948</b>        | -                              | -           | -   | <b>379,331</b>  | -                 | <b>379,331</b>             |
| <b>Changes in the Period</b>   |                 |  |               |                            |                |                 |                        |                |                                    |                                  |                                    |                     |                                |             |   |   |                   |                            |
| <b>IV. Increase / Decrease Related to Mergers</b>                              | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>V. Valuation Difference of Available-for-Sale Securities</b>                | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>VI. Hedging Transactions (Effective Portion)</b>                            | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | (3,138)                            | -                   | -                              | -           | -   | (3,138)   | -                 | (3,138)                    |
| 6.1 Cash Flow Hedge  | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| 6.2 Hedging of a Net Investment in Foreign Subsidiaries                        | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>VII. Revaluation fund on tangible assets</b>                                | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>VIII. Revaluation fund on intangible assets</b>                             | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>IX. Capital Bonus of Associates,Subsidiaries and Joint Ventures</b>         | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>X. Foreign Exchange Differences</b>   | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>XI. Changes Related to Sale of Assets</b>                                   | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>XII. Changes Related to Reclassification of Assets</b>                      | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>XIII. Effect of Changes in Equities of Associates</b>                       | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>XIV. Capital Increase</b>   | 120,000         | (9,449)  | -             | -                          | -              | -               | (50,551)               | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | 60,000  | -                 | 60,000                     |
| 14.1 Cash  | 60,000          | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | 60,000  | -                 | 60,000                     |
| 14.2 Domestic sources  | 60,000          | (9,449)  | -             | -                          | -              | -               | (50,551)               | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>XV. Issuances of Share Certificates</b>                                     | -               | -  | (147)         | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | (147)             | (147)                      |
| <b>XVI. Abolition profit of Share Certificates</b>                             | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>XVII. Capital Reserves from Inflation Adjustments to Paid-In Capital</b>    | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>XVIII. Others</b>   | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>XIX. Current Period Net Profit / Loss</b>                                   | -               | -  | -             | -                          | -              | -               | -                      | -              | 7,414                              | -                                | -                                  | -                   | -                              | -           | -   | 7,414   | -                 | 7,414                      |
| <b>XX. Profit Distribution</b>   | -               | -  | -             | -                          | 2,123          | -               | 38,973                 | -              | (41,943)                           | 847                              | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| 20.1 Dividends   | -               | -  | -             | -                          | 2,123          | -               | 38,973                 | -              | (41,943)                           | 847                              | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| 20.2 Transferred to Reserves   | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| 20.3 Others  | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>Balances at the End of Period (III+IV+V...+XVIII+XIX+XX) - 30/09/2008</b>   | <b>420,000</b>  | -  | <b>(765)</b>  | -                          | <b>3,623</b>   | -               | <b>9,468</b>           | -              | <b>7,414</b>                       | -                                | <b>(2,228)</b>                     | <b>5,948</b>        | -                              | -           | -   | <b>443,460</b>  | -                 | <b>443,460</b>             |
| <b>CURRENT PERIOD</b>  |                 |  |               |                            |                |                 |                        |                |                                    |                                  |                                    |                     |                                |             |   |   |                   |                            |
| <b>30/09/2009</b>  |                 |  |               |                            |                |                 |                        |                |                                    |                                  |                                    |                     |                                |             |   |   |                   |                            |
| <b>I. Balances at the Beginning of Period-01/01/2009</b>                       | <b>420,000</b>  | -  | <b>(814)</b>  | -                          | <b>3,623</b>   | -               | <b>9,468</b>           | -              | <b>5,266</b>                       | -                                | <b>(963)</b>                       | <b>4,896</b>        | -                              | -           | -   | <b>441,476</b>  | -                 | <b>441,476</b>             |
| <b>Changes in the Period</b>   |                 |  |               |                            |                |                 |                        |                |                                    |                                  |                                    |                     |                                |             |   |   |                   |                            |
| <b>II. Increase / Decrease Related to Mergers</b>                              | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>III. Valuation Difference of Available-for-Sale Securities</b>              | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | 5,319                              | -                   | -                              | -           | -   | 5,319   | -                 | 5,319                      |
| <b>IV. Hedging Transactions (Effective Portion)</b>                            | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| 4.1 Cash Flow Hedge  | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| 4.2 Hedging of a Net Investment in Foreign Subsidiaries                        | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>V. Revaluation fund on tangible assets</b>                                  | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | 131   | -                 | 131                        |
| <b>VI. Revaluation fund on intangible assets</b>                               | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>VII. Capital Bonus of Associates,Subsidiaries and Joint Ventures</b>        | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>VIII. Foreign Exchange Differences</b>                                      | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>IX. Changes Related to Sale of Assets</b>                                   | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>X. Changes Related to Reclassification of Assets</b>                        | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>XI. Effect of Changes in Equities of Associates</b>                         | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>XII. Capital Increase</b>   | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| 12.1 Cash  | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| 12.2 Domestic sources  | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>XIII. Issuances of Share Certificates</b>                                   | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>XIV. Abolition profit of Share Certificates</b>                             | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>XV. Capital Reserves from Inflation Adjustments to Paid-In Capital</b>      | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>XVI. Others</b>   | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>XVII. Current Period Net Profit / Loss</b>                                  | -               | -  | -             | -                          | -              | -               | -                      | -              | 15,056                             | -                                | -                                  | -                   | -                              | -           | -   | 15,056  | -                 | 15,056                     |
| <b>XVIII. Profit Distribution</b>  | -               | -  | -             | -                          | 629            | -               | 4,637                  | -              | (5,266)                            | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| 18.1 Dividends   | -               | -  | -             | -                          | 629            | -               | 4,637                  | -              | (5,266)                            | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| 18.2 Transferred to Reserves   | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| 18.3 Others  | -               | -  | -             | -                          | -              | -               | -                      | -              | -                                  | -                                | -                                  | -                   | -                              | -           | -   | -   | -                 | -                          |
| <b>Balances at the End of Period (I+II+III...+XVI+XVII+XVIII) - 30/09/2009</b> | <b>420,000</b>  | -  | <b>(814)</b>  | -                          | <b>4,252</b>   | -               | <b>14,105</b>          | -              | <b>15,056</b>                      | -                                | <b>4,356</b>                       | <b>5,027</b>        | -                              | -           | -   | <b>461,982</b>  | -                 | <b>461,982</b>             |

The accompanying notes are an integral part of these consolidated financial statements.

**TEKSTİL BANKASI A.Ş. AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE INTERIM PERIODS ENDED 30 SEPTEMBER 2009 AND 2008**  
(Currency: Thousands of TL - Turkish Lira)

*Convenience Translation of  
Consolidated Financial Report  
Originally Issued in Turkish, See Note 3.1*

|             |   | THOUSANDS OF TURKISH LIRA    |                            |
|-------------|---|------------------------------|----------------------------|
|             |   | CURRENT PERIOD<br>30/09/2009 | PRIOR PERIOD<br>30/09/2008 |
| <b>A.</b>   | <b>CASH FLOWS FROM BANKING OPERATIONS</b>                                     |                              |                            |
| <b>1.1</b>  | <b>Operating Profit before Changes in Operating Assets and Liabilities</b>    | <b>99,900</b>                | <b>20,803</b>              |
| 1.1.1       | Interest Received   | 244,552                      | 323,095                    |
| 1.1.2       | Interest Paid   | (115,462)                    | (209,684)                  |
| 1.1.3       | Dividend Received   | -                            | -                          |
| 1.1.4       | Fees And Commissions Received   | 16,147                       | 20,450                     |
| 1.1.5       | Other Income  | 17,669                       | 4,907                      |
| 1.1.6       | Collections from Non-performing Loans   | 15,077                       | 6,111                      |
| 1.1.7       | Payments to Personnel and Service Suppliers                                   | (50,316)                     | (62,956)                   |
| 1.1.8       | Taxes Paid  | (1,314)                      | (1,927)                    |
| 1.1.9       | Other   | (26,453)                     | (59,193)                   |
| <b>1.2</b>  | <b>Changes in Operating Assets and Liabilities</b>                            | <b>(698,385)</b>             | <b>16,496</b>              |
| 1.2.1       | Net (Increase) Decrease in Trading Securities                                 | 370                          | 36,230                     |
| 1.2.2       | Net (Increase) Decrease in Financial Assets Designated at FV                  | -                            | -                          |
| 1.2.3       | Net (Increase) Decrease in Banks  | 21,849                       | (10,655)                   |
| 1.2.4       | Net (Increase) Decrease in Loans  | 241,086                      | (168,254)                  |
| 1.2.5       | Net (Increase) Decrease in Other Assets                                       | 16,785                       | (63,989)                   |
| 1.2.6       | Net Increase (Decrease) in Bank Deposits                                      | 22,575                       | (16,893)                   |
| 1.2.7       | Net Increase (Decrease) in Other Deposits                                     | (248,609)                    | 89,930                     |
| 1.2.8       | Net Increase (Decrease) in Funds Borrowed                                     | (749,293)                    | 120,270                    |
| 1.2.9       | Net Increase (Decrease) in Due Payables                                       | -                            | -                          |
| 1.2.10      | Net Increase (Decrease) in Other Liabilities                                  | (3,148)                      | 29,857                     |
| <b>I.</b>   | <b>Net Cash (Used in)/Provided by Banking Operations</b>                      | <b>(598,485)</b>             | <b>37,299</b>              |
| <b>B.</b>   | <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                   |                              |                            |
| <b>II.</b>  | <b>Net Cash Provided by / (Used in) Investing Activities</b>                  | <b>151,200</b>               | <b>(112,081)</b>           |
| 2.1         | Cash Paid for Purchase of Investments, Associates and Subsidiaries            | -                            | -                          |
| 2.2         | Cash Obtained From Sale of Investments, Associates And Subsidiaries           | -                            | -                          |
| 2.3         | Fixed Assets Purchases  | (466)                        | (4,193)                    |
| 2.4         | Fixed Assets Sales  | 89                           | 99                         |
| 2.5         | Cash Paid for Purchase of Investments Available for Sale                      | (1,129)                      | (68,303)                   |
| 2.6         | Cash Obtained From Sale of Investments Available for Sale                     | -                            | -                          |
| 2.7         | Cash Paid for Purchase of Investment Securities                               | -                            | (39,684)                   |
| 2.8         | Cash Obtained from Sale of Investment Securities                              | 152,706                      | -                          |
| 2.9         | Other   | -                            | -                          |
| <b>C.</b>   | <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                                   |                              |                            |
| <b>III.</b> | <b>Net Cash from Financing Activities</b>                                     | <b>(984)</b>                 | <b>59,400</b>              |
| 3.1         | Cash Obtained from Funds Borrowed and Securities Issued                       | -                            | -                          |
| 3.2         | Cash Used for Repayment of Funds Borrowed and Securities Issued               | -                            | -                          |
| 3.3         | Capital Increase  | -                            | 60,000                     |
| 3.4         | Dividends Paid  | -                            | -                          |
| 3.5         | Payments for Finance Leases   | (984)                        | (453)                      |
| 3.6         | Other   | -                            | (147)                      |
| <b>IV.</b>  | <b>Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents</b> | <b>-</b>                     | <b>-</b>                   |
| <b>V.</b>   | <b>Net Increase (Decrease) in Cash and Cash Equivalents (I+II+III+IV)</b>     | <b>(448,269)</b>             | <b>(15,382)</b>            |
| <b>VI.</b>  | <b>Cash and Cash Equivalents at the Beginning of Period</b>                   | <b>693,667</b>               | <b>263,074</b>             |
| <b>VII.</b> | <b>Cash and Cash Equivalents at the End of Period (V+VI)</b>                  | <b>245,398</b>               | <b>247,692</b>             |

The accompanying notes are an integral part of these consolidated financial statements.

## SECTION THREE

### ACCOUNTING POLICIES

#### I. Basis of presentation

**Preparation of the financial statements and the accompanying footnotes in accordance with Turkish Accounting Standards and Regulation on Principles Related to Banks' Accounting Applications and Preserving the Documents:**

The Turkish Banking Law No. 5411 is published in the Official Gazette No. 25983 dated 1 November 2005. The Bank prepared the accompanying consolidated financial statements and the related disclosures and footnotes in accordance with accounting and valuation standards as described in the "Regulation on Principles Related to Banks' Accounting Applications and Preserving the Documents", dated 1 November 2006 which is published in the Official Gazette No.26333, "Communique on Financial Statements and the Accompanying Explanations and Footnotes to be Announced to the Public", dated 10 February 2007 which is published in the Official Gazette No. 26430, Turkish Accounting Standards ("TAS") and Turkish Financial Reporting Standards ("TFRS").

Unless stated otherwise, the consolidated financial statements and balances in related information and disclosures are presented in thousands of Turkish Lira.

#### **Additional paragraph for convenience translation to English**

The differences between accounting principles, as described in the preceding paragraphs, and the accounting principles generally accepted in countries, in which the accompanying consolidated financial statements are to be distributed, and International Financial Reporting Standards ("IFRS"), may have significant influence on the accompanying consolidated financial statements. Accordingly, the accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

#### **Accounting policies and valuation principles used in the preparation of the consolidated financial statements**

Accounting policies and valuation principles used in the preparation of the consolidated financial statements are explained in footnotes II through XXVII in the following pages.

## **II. Strategy for the use of financial instruments and the foreign currency operations**

### **Strategy for the use of financial instruments**

The Parent Bank's main area of activities consist corporate, commercial and retail banking, fund management transactions and international banking services. The Parent Bank gives loans mainly to domestic customers by external sources of funds comprised mainly of domestic deposits and foreign borrowings and invests in marketable securities and banks placements to maintain liquidity.

The liability side of the balance sheet is intensively composed of short-term deposits and medium/long term borrowings in line with the general trend in the banking sector. Foreign currency borrowings are predominately floating rate and thus, the Parent Bank aims to minimize the effects of fluctuations in currency and interest rates in the market. Deposits collected are fixed rate and balanced with fixed rate loans and other investments. The fundamental strategy to manage the liquidity risk is to expand the deposit base through customer-oriented banking philosophy, and to increase customer transactions and retention rates.

The Parent Bank invests some of its resources to domestic government bonds and short-term placements to reduce liquidity risk.

In order to avoid currency risk, the Parent Bank aims to balance foreign currency assets and liabilities through currency swaps. Currency risk, interest rate risk and liquidity risk are monitored and measured instantly by various risk management systems, and the balance sheet is managed under the limits set by these systems and the limits legally required. Asset-liability management and value at risk models, stress tests and scenario analysis are used for this purpose.

The Parent Bank designates its loan strategy considering international and national economic data and expectations, market conditions, interest, liquidity, currency, credit and other risks. Loan portfolio of the Bank is not concentrated on a specific segment and concentration risk is taken in consideration as much as possible.

### **Transactions denominated in foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated by using currency exchange rates on the balance sheet date. The resulting exchange differences are recorded in the income statement as "Foreign Exchange Gain/Loss".

There is no goodwill related to the Parent Bank's foreign operations.

No foreign operation has been disposed of during the period.

## **III. Presentation of information regarding the Bank and consolidated subsidiaries and associates**

The Bank has no consolidating associate.

Tekstil Menkul and ETB which are financial subsidiaries of the Bank are consolidated to accompanying financial statements by using "Full Consolidation" method as of 30 September 2009 and 31 December 2008.

The Parent Bank and the consolidated companies are named as "Group".

The carrying amount of the Parent Bank's investment in each subsidiary and the Bank's portion of equity of each subsidiary are eliminated. All intercompany transactions and intercompany balances between the consolidated subsidiaries and the Parent Bank are eliminated. The financial statements which have been used in the consolidation are prepared as at 30 September 2009 and appropriate adjustments are made to financial statements to use uniform accounting policies for similar transactions and events in same circumstances.

Tekstil Bilişim, subsidiary of the Parent Bank, is not consolidated for three month quarters in consideration of not being a financial subsidiary as per the BRSA Communiqué published on the Official Gazette no.26340 dated 6 November 2006.

**IV. Forward transactions, options and derivative instruments:**

The derivative transactions of the Parent Bank mainly consist of foreign currency swaps, foreign currency options and forward contacts.

Derivatives are classified as held for trading in accordance with TAS 39 "Financial Instruments: Recognition and Measurement". The Parent Bank and its financial subsidiaries do not have any embedded derivatives.

The liabilities and receivables arising from the derivative transactions are recorded as off-balance sheet items at their contract values.

The derivative transactions are valued at fair value subsequent to initial recognition and are presented in the "Positive Value of Trading Derivatives" under the "Financial Assets at Fair Value Through Profit or Loss" and "Negative Value of Trading Derivatives" items of the balance sheet depending on the resulting positive or negative amounts of the computed value. Gains and losses arising from a change in the fair value of trading purpose derivatives are recognized in the consolidated income statement. Fair values of derivatives are determined using quoted market prices in active markets or using discounted cash flow techniques within current market interest rates.

**V. Interest income and expense:**

Interest is recognized using the effective interest method (the effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability) defined in TAS 39. Interest income and expense computed by using internal rate of return are recognized on an accrual basis. In accordance with the related legislation, the Parent Bank ceases to accrue interest income on loans that become non-performing. Interest accrual does not start until such loans become performing and are classified as performing loans or until collection.

**VI. Fees and commissions:**

Except for commissions received for cash loans, commission income and banking service income are recognized as income when collected. Commissions received for cash loans are recognized on accrual basis.

**VII. Financial assets:**

**1. Financial assets at fair value through profit or loss:**

Financial assets at fair value through profit or loss consist of "trading securities" and "financial assets designated at fair value". The Bank does not have any financial assets classified as "financial assets designated at fair value".

Trading securities are financial assets acquired for generating a profit from short term fluctuations in price or dealer's margin.

Trading securities are recognized and derecognized on settlement date basis when purchased and disposed of. Trading securities are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, trading securities are measured at fair value and gains and losses arising from a change in the fair value are recognized in the income statement. Interest earned whilst holding trading securities is reported as interest income.

## 2. Investment securities available-for-sale

Available-for-sale assets are financial assets other than financial assets held for trading, loans and advances to banks and customers, or financial assets held to maturity.

Financial assets available-for-sale are measured at their fair values subsequently following the initial recognition at cost. However, assets for which fair values could not be determined reliably are valued using discounting method with internal rate of return for the ones with a fixed maturity; and using valuation models or discounted cash flow techniques for the ones which do not have a fixed maturity. Unrecognized gain/losses derived from the difference between their fair value and the discounted values are recorded in "securities value increase fund" under the shareholders' equity. In case of sales, the realized gain/losses are recognized directly in the income statement.

## 3. Loans and receivables:

Loans and receivables arise when the Bank provides money, goods or services directly to a debtor. Such assets are initially recognized at cost and are carried at amortized cost using the effective interest method. Duties paid, transaction expenditures and other similar expenses on assets received against such risks are not considered as a part of transaction cost and are recorded as expense.

Based on the regular reviews of the loan portfolio by the Bank management, loans that are identified as being impaired are transferred to "loans under follow-up" accounts. Thereby, specific allowances are made against the carrying amount of these loans in accordance with the "Regulation on the Principles and Procedures Related to the Determination of the Loans and Other Receivables for which Provisions Shall be Set Aside by Banks and to the Provisions to be Set Aside" published on the Official Gazette no.2633 dated 1 November 2006. Provisions are deducted from the income of the current year. When collections are made on loans that have been provided for, they are credited to the income statement accounts "Provision for Loan Losses or Other Receivables" if the provision was made in the current year, otherwise such collections are credited to "Other Operating Income" account with respect to allowances made in the prior years. Loans and receivables which are not possible to be collected are written off after the resolution of the Parent Bank's top management.

## 4. Investment securities held-to-maturity:

Held-to-maturity securities are financial assets with fixed maturities and pre-determined payment schedules that the Bank has the intent and ability to hold until maturity, excluding loans and receivables. Investment securities held-to-maturity and loans are initially recognized at cost. Investment securities held-to-maturity are accounted for by using a discounting method based on internal rate of return applied on the net investment amounts after the deduction of provision for impairments. Interest earned on held-to-maturity securities are recognized as interest income in the consolidated income statement.

In the first quarter of 2009, the Parent Bank has sold a significant portion of its securities classified in held to maturity portfolio before the maturity dates of such securities. As at 30 September 2009, the book value of such financial assets which can not be classified as held to maturity securities for two years due to violation of classification rules is TL 188,793 (31 December 2008: None).

## VIII. Impairment of financial assets:

Financial asset or group of financial assets are reviewed at each balance sheet date to determine whether there is an objective indicator of impairment. If any such indicator exists, the Parent Bank estimates the amount of impairment.

Impairment loss incurs if, and only if, there is an objective evidence that the expected future cash flows of financial asset or group of financial assets are adversely affected by an event(s) (“loss event(s)”) incurred subsequent to recognition. The losses expected to incur due to future events are not recognized even if the probability of loss is high.

If there is an objective evidence that certain loans will not be collected, for such loans; the Bank provides specific and general allowances for loan and other receivables classified in accordance with the “Regulation on the Principles and Procedures Related to the Determination of the Loans and Other Receivables for which Provisions Shall be Set Aside by Banks and to the Provisions to be Set Aside” published on the Official Gazette no.26333 dated 1 November 2006. The allowances are recorded in the income statement of the related period.

**IX. Offsetting financial instruments:**

Financial assets and liabilities are offset and the net amount reported in the consolidated balance sheet only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

**X. Sale And Repurchase Agreements And Transactions Related To The Lending Of Securities**

Securities sold under repurchase agreements (“repo”) are classified as “trading”, “available for sale” or “held to maturity” based on the Banks management’s intention and measured with the same valuation principles of the portfolio above. Funds received through repurchase agreements are classified separately under liability accounts and the related interest expenses are accounted on an accrual basis based on the difference between selling and repurchase prices using effective interest rate method.

Securities purchased under resale agreements are classified under “Receivables from Reverse Repurchase Agreements. An income accrual using the effective interest rate method is accounted for the positive difference between the purchase and resale prices earned during the period. The Parent Bank does not have any securities related to the lending.

**XI. Assets held for sale and discontinued operations:**

Assets held for sale consist of assets with high probability of sale, have been planned to sell, and started an active programme to complete the plan by determining the buyers. The asset should be actively marketed with a price compatible with its fair value. Furthermore, the sale is expected to be accounted as a sale within a year after the classification of the asset and also the necessary actions taken to complete the sales plan, should indicate that the possibility of having significant change in the plan or the cancelation of the plan is low.

The Group does not have any assets held for sale.

The Group does not have any discontinued operations.

**XII. Goodwill and other intangible assets:**

There is no goodwill in the accompanying consolidated financial statements as at 30 September 2009 and 31 December 2008.

Intangible assets are initially recognized at their cost that includes expenditures that are directly attributable to the acquisition of the asset. Intangibles are reflected in the consolidated balance sheet at cost less amortization and any accumulated impairment losses.

According to the resolution of the BRSA No. 1623 dated 21 April 2005, the banks and financial subsidiaries are no longer required to prepare their financial statements in accordance with the Regulation on Accounting Principles (“RAP”) No.14 “Accounting Standard for Financial Reporting in Hyperinflationary Periods” since the indicators of hyperinflation as disclosed in Article 5 of RAP 14 are no longer existing in Turkey. In line with this resolution, intangible assets have been restated for the effects of inflation, until 31 December 2004. Any currency exchange differences, financing expenses and revaluation surplus that might have been capitalized are eliminated and only the acquisition cost of the intangible assets are restated until 31 December 2004. The new additions to intangible assets after 31 December 2004 are recorded with their historic costs excluding any currency exchange differences and financing expenses capitalized.

Intangible assets are amortized on amortization rates between 2% and 33%.

Intangible assets are amortized on a straight-line basis. Useful life of an asset is estimated by assessment of the expected life span of the asset, technical, technological wear outs, of the asset. The amortization rates used approximate the useful lives of the assets.

### **XIII. Tangible assets:**

Tangible assets are initially recognized at their cost that includes expenditures that are directly attributable to the acquisition of the asset. Tangible assets (except buildings as stated below) are reflected in the consolidated financial statements at cost less accumulated depreciation and any accumulated impairment.

According to the resolution of the BRSA No. 1623 dated 21 April 2005, the banks and financial subsidiaries are no longer required to prepare their financial statements in accordance with RAP 14 “Accounting Standard for Financial Reporting in Hyperinflationary Periods” since the indicators of hyperinflation as disclosed in Article 5 of RAP 14 are no longer existing in Turkey. In line with this resolution, tangible assets have been restated for the effects of inflation, until 31 December 2004. Any currency exchange differences, financing expenses and revaluation surplus that might have been capitalized are eliminated and only the acquisition cost of the tangible assets are restated until 31 December 2004. The new additions to tangible assets after 31 December 2004 are shown with their historic costs excluding any currency exchange differences and financing expenses capitalized.

Tangible assets are depreciated on a straight-line basis. The estimated useful lives are as follows:

|                        |              |
|------------------------|--------------|
| Buildings              | 50 years     |
| Furniture and fixtures | 3 – 50 years |
| Leasehold improvements | 5 years      |

The depreciation of an asset held for a period less than a full financial year is calculated as a proportion of the full year depreciation charge from the date of acquisition to the financial year end.

In cases where the expected future benefits of the assets are less than their book values, the book values of such assets are reduced to their net realizable values and impairment losses are recorded as expense.

As at 31 December 2007, the Parent Bank has started to implement revaluation model for the buildings as permitted by TAS 16 “Property, Plant and Equipment”. For this purpose, fair value of the buildings are determined by a third party appraiser. The fair value difference is recognized in “Revaluation Fund on Tangible Assets” within the equity items. As at 30 September 2009, revaluation difference on tangible assets amounts to TL 5,292 (31 December 2008: TL 5,154).

**XIV. Leasing activities:**

Leased assets are recognized by recording an asset and a liability at the same amount. In the determination of the related asset and liability amounts, the lower of the fair value of the leased asset and the present value of leasing payments is considered. Tangible assets acquired by way of financial leasing are recognized in tangible assets and depreciated in line with tangible assets group they relate to. In cases where leased assets are impaired or the expected future benefits of the assets are less than their book values, the book values of such leased assets are reduced to their net realizable values. The obligations under financial leases arising from the lease contracts are presented under "Financial Lease Payables" account in the balance sheet. Interest expense and currency exchange rate differences related to leasing activities are recognized in the income statement. The Parent Bank does not enter into financial lease transactions by acting as the "lessor".

In operating leases, the rent payments are charged to the income statement in accrual basis.

**XV. Provisions and contingencies:**

Provisions, other than specific and general provisions for loans and other receivables, and contingent liabilities are provided for in accordance with TAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

Provisions are accounted for immediately when obligations arise as a result of past events and a reliable estimate of the obligation is made by the Parent Bank management. Whenever the amount of such obligations cannot be measured, they are regarded as "Contingent". If the possibility of an outflow of resources embodying economic benefits becomes probable and the amount of the obligation can be measured with sufficient reliability, a provision is recognized. If the amount of the obligation cannot be measured with sufficient reliability or the possibility of an outflow of resources embodying economic benefits is remote, such liabilities are disclosed in the notes to the consolidated financial statements.

**XVI. Contingent assets:**

The contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the Bank or its subsidiaries. If an inflow of economic benefits has become probable, then the contingent asset is disclosed in the notes to the consolidated financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the consolidated financial statements of the period in which the change occurs.

**XVII. Obligations concerning employee rights:**

Obligations concerning employee severance indemnities and vacation pay are accounted in accordance with the Turkish Accounting Standard 19 ("TAS 19") "Employee Benefits".

In accordance with existing legislation in Turkey, the banks have to make certain lump-sum payments to employees who has completed one year of service with the Bank and whose employment is terminated due to retirement or reasons other than resignation or misconduct. Provision for employee severance benefits has been accounted for using discounting total provision and reflected to the consolidated financial statements.

**XVIII. Taxation:**

**a. Current taxes:**

In accordance with the amendments made to the tax legislation by Law No. 5520, effective 21 June 2006, the corporate tax rate is levied at the rate 20%, beginning from 2006. This rate is applied to accounting income modified for certain exemptions (like dividend income) and deductions (like investment incentives), and additions for certain non-tax deductible expenses and allowances for tax purposes. If there is no dividend distribution planned, no further tax charges are made.

Dividends paid to the resident institutions and the institutions working through local offices or representatives in Turkey are not subject to withholding tax. As per the decision no.2006/10731 of the Council of Ministers published in the Official Gazette no.26237 dated 23 July 2006, certain duty rates included in the articles no.15 and 30 of the new Corporate Tax Law no.5520 are revised. Accordingly, the withholding tax rate on the dividend payments other than the ones paid to the nonresident institutions generating income in Turkey through their operations or permanent representatives and the resident institutions is 15%. In applying the withholding tax rates on dividend payments to the nonresident institutions and the individuals, the withholding tax rates covered in the related Double Tax Treaty Agreements are taken into account. Appropriation of the retained earnings to capital is not considered as profit distribution and therefore is not subject to withholding tax.

The foreign subsidiary of the Parent Bank, ETB, is entitled to corporate tax rate of 2%.

In accordance with the tax legislation, corporate taxes are paid in advance based on the tax base calculated on the quarterly earnings of the companies at the rate of 20%. These payments can be deducted from the annual corporate tax calculated for the whole year earnings. Such taxes paid in advance are deducted from the final corporate tax liability.

In accordance with the Turkish tax legislation, the tax losses can be carried forward to offset against future taxable income for up to 5 years. Tax losses cannot be carried back to offset profits from previous periods.

In Turkey, there is no procedure for a final and definite agreement on tax assessments. Companies file their tax returns with their tax offices by the end of 25th of the fourth month following the close of the accounting period to which they relate. Tax returns are open for five years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

#### **b. Deferred taxes:**

In accordance with TAS 12 "Income Taxes", the Parent Bank accounts for deferred taxes based on the tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred taxes are based on tax rates (and tax laws) that have been enacted at the balance sheet date.

Deferred income tax assets are recognized for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry-forward of unused tax credits and unused tax losses can be utilized.

Deferred tax assets and liabilities have been offset in the Parent Bank's financial statements.

Deferred taxes directly related to equity items are recognized and offset in related equity accounts.

As at 30 September 2009 and 31 December 2008, the Parent Bank has calculated deferred tax and reflected to the consolidated financial statements.

#### **c. Transfer pricing**

In Turkey, the transfer pricing provisions have been stated under the Article 13 of Corporate Tax Law with the heading of "disguised profit distribution via transfer pricing". The General Communiqué on disguised profit distribution via Transfer Pricing, dated November 18, 2007 sets details about implementation.

If a taxpayer enters into transactions regarding sale or purchase of goods and services with related parties, where the prices are not set in accordance with arm's length principle, then related profits are considered to be distributed in a disguised manner through transfer pricing. Such disguised profit distributions through transfer pricing are not accepted as tax deductible for corporate income tax purposes.

Corporate tax-payers required in “section 7.1 annual documentation” part of related communiqué, have to fill the “form relating to transfer pricing, controlled foreign companies and thin capitalization” (“the Form”) as associated with purchasing and selling goods or services with related parties in an accounting period and send it to the tax office submitted as an appendix to the corporate tax return. The Parent Bank fills the related form and submits to tax office within the required time.

**XIX. Additional explanations on borrowings:**

Financial liabilities held for trading and negative value of derivative instruments are carried at fair value and all other financial liabilities are carried at amortized cost using effective interest rate method.

**XX. Issued shares:**

There is no issued share in the current period.

**XXI. Acceptances:**

Acceptances are realized simultaneously with the customer payments and recorded in off-balance sheet accounts, if any.

**XXII. Government grants:**

As at 30 September 2009 and 31 December 2008, the Group does not have any government grants.

**XXIII. Reserves and profit distribution:**

Retained earnings at statutory books are allowed for distribution except for the following clause on legal reserves.

The legal reserves consist of first and second reserves, in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of the statutory profit at the rate of 5% until the total reserve reaches a maximum of 20% of the Company’s paid-in capital. The second legal reserve is appropriated at the rate of 10% of all distributions in excess of 5% of the Company’s share capital. The first and second legal reserves are not available for distribution unless they exceed 50% of the share capital.

**XXIV. Related parties:**

For the purpose of the consolidated financial statements, shareholders, top management and members of board of directors, related companies managed by their own and families, associates and jointly controlled entities are accepted as related party in accordance with TAS 24 “Related Party Disclosures”.

**XXV. Cash and cash equivalents**

For the purposes of the consolidated statement of cash flows, cash and cash equivalents comprise cash and balances with central banks, deposits with banks and other financial institutions and other money market placements with an original maturity of three months or less.

**XXVI. Segment reporting:**

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. Segment reporting is presented in Section Four, Footnote VI.

**XXVII. Reclassifications:**

Assets acquired from non-performing loans presented under “Assets Held for Sale and Discontinued Operations” in the previous period are presented under “Other Assets”. There is not any other material reclassification in the accompanying consolidated financial statements and related notes.

## SECTION FOUR

### CONSOLIDATED FINANCIAL POSITION

#### I. Consolidated capital adequacy ratio

As at 30 September 2009, the Groups's consolidated capital adequacy ratio is 21.80% (31 December 2008: 17.51%).

Risk measurement methods used in the calculation of consolidated capital adequacy ratio is the sum of risk weighted assets and non-cash loans weighted based on the regulation; and market risk on marketable securities, specific risk and foreign currency exchange risk also based on the regulation, which are aggregately defined as Value at Risk calculated by standardized method. The following tables present details of "risk weighted assets" and determination of "capital" which are basis for the calculation of capital adequacy ratio of the Bank.

#### Consolidated Capital Adequacy Ratio:

|  | Risk Weights   |                |                |                  |            |          | Risk Weights   |                |                |                  |            |          |
|--|----------------|----------------|----------------|------------------|------------|----------|----------------|----------------|----------------|------------------|------------|----------|
|  | Unconsolidated |                |                |                  |            |          | Consolidated   |                |                |                  |            |          |
|  | 0%             | 20%            | 50%            | 100%             | 150%       | 200%     | 0%             | 20%            | 50%            | 100%             | 150%       | 200%     |
| <b>Credit Risk Based</b>   |                |                |                |                  |            |          |                |                |                |                  |            |          |
| Balance Sheet Items (Net)  | 333,354        | 187,259        | 304,985        | 1,139,402        | 801        | 7        | 344,133        | 187,266        | 304,985        | 1,134,248        | 801        | 7        |
| Cash in Vault  | 17,744         | -              | -              | -                | -          | -        | 17,744         | -              | -              | -                | -          | -        |
| Due Dated Financial Assets   | -              | -              | -              | -                | -          | -        | -              | -              | -              | -                | -          | -        |
| Central Bank of Turkey   | 40,858         | -              | -              | -                | -          | -        | 40,858         | -              | -              | -                | -          | -        |
| Domestic and Foreign Banks,<br>Foreign Branches                        | -              | 186,789        | -              | -                | -          | -        | -              | 186,796        | -              | -                | -          | -        |
| Interbank Money Market   | -              | -              | -              | -                | -          | -        | -              | -              | -              | -                | -          | -        |
| Receivables from Reverse Repos   | -              | -              | -              | -                | -          | -        | -              | -              | -              | -                | -          | -        |
| Reserve Deposits   | 46,706         | -              | -              | -                | -          | -        | 46,706         | -              | -              | -                | -          | -        |
| Loans  | 24,683         | -              | 304,985        | 920,933          | 801        | 7        | 32,093         | -              | 304,985        | 926,106          | 801        | 7        |
| Non-performing Loans (Net)   | -              | -              | -              | 46,902           | -          | -        | -              | -              | -              | 46,902           | -          | -        |
| Receivables from Leasing<br>Operations                                 | -              | -              | -              | -                | -          | -        | -              | -              | -              | -                | -          | -        |
| Investments Available-for-Sale   | 194,098        | -              | -              | 10,151           | -          | -        | 196,959        | -              | -              | 10,151           | -          | -        |
| Investments Held-to-Maturity   | -              | -              | -              | -                | -          | -        | -              | -              | -              | -                | -          | -        |
| Receivables from Sale of Assets  | -              | -              | -              | -                | -          | -        | -              | -              | -              | -                | -          | -        |
| Miscellaneous Receivables  | 463            | 344            | -              | 3,633            | -          | -        | 463            | 344            | -              | 3,704            | -          | -        |
| Accrued Interest and Other Income                                      | 5,047          | 126            | -              | 44,094           | -          | -        | 5,543          | 126            | -              | 44,283           | -          | -        |
| Investments in Associates,<br>Subsidiaries and Joint Ventures<br>(Net) | -              | -              | -              | 10,848           | -          | -        | -              | -              | -              | 104              | -          | -        |
| Tangible Assets  | -              | -              | -              | 88,332           | -          | -        | -              | -              | -              | 88,486           | -          | -        |
| Other Assets   | 3,755          | -              | -              | 14,509           | -          | -        | 3,767          | -              | -              | 14,512           | -          | -        |
| Off-Balance Sheet Items  | 8,615          | 43,358         | 34,106         | 397,476          | -          | -        | 8,615          | 40,871         | 34,106         | 401,413          | -          | -        |
| Non-Cash Loans and Commitments   | 8,615          | 37,287         | 34,106         | 394,776          | -          | -        | 8,615          | 37,287         | 34,106         | 396,226          | -          | -        |
| Derivatives  | -              | 6,071          | -              | 2,700            | -          | -        | -              | 3,584          | -              | 5,187            | -          | -        |
| <b>Accounts Not Risk Weighted</b>                                      | -              | -              | -              | -                | -          | -        | -              | -              | -              | -                | -          | -        |
| <b>Total Risk Weighted Assets</b>                                      | <b>341,969</b> | <b>230,617</b> | <b>339,091</b> | <b>1,536,878</b> | <b>801</b> | <b>7</b> | <b>352,748</b> | <b>228,137</b> | <b>339,091</b> | <b>1,535,661</b> | <b>801</b> | <b>7</b> |

**Summary information related to consolidated and unconsolidated capital adequacy ratio:**

|  | Unconsolidated |              | Consolidated   |              |
|--|----------------|--------------|----------------|--------------|
|  | Current Period | Prior Period | Current Period | Prior Period |
| Risk Weighted Assets (RWA)             | 1,753,762      | 2,088,988    | 1,752,049      | 2,095,143    |
| Market Risk (MR)                       | 18,288         | 87,563       | 21,988         | 86,925       |
| Operational Risk (OR)                  | 301,371        | 245,194      | 304,612        | 250,759      |
| Shareholders' Equity                   | 459,808        | 434,460      | 453,190        | 426,066      |
| Shareholders' Equity /(RWA+MR+OR) *100 | 22.18          | 17.94        | 21.80          | 17.51        |

**Components of shareholders' equity :**

|   | Current Period | Prior Period |
|---|----------------|--------------|
| <b>CORE CAPITAL</b>   |                |              |
| Paid-in Capital   | 420,000        | 420,000      |
| Nominal Capital   | 420,000        | 420,000      |
| Capital Commitments (-)   | -              | -            |
| Capital Reserves Arising From Inflation Adjustments to Paid-in Capital                                      | -              | -            |
| Share Premium   | (814)          | (814)        |
| Share Cancellation Profit   | -              | -            |
| Legal Reserves  | 4,252          | 3,623        |
| I. Legal Reserve (Turkish Commercial Code 466/1)  | 4,252          | 3,623        |
| II. Legal Reserve (Turkish Commercial Code 466/2)   | -              | -            |
| Other Legal Reserve per Special Legislation   | -              | -            |
| Status Reserves   | -              | -            |
| Extraordinary Reserves  | 14,105         | 9,468        |
| Reserve Allocated at the General Assembly   | -              | -            |
| Retained Earnings   | 14,105         | 9,468        |
| Accumulated Losses  | -              | -            |
| Foreign Currency Translation Differences  | -              | -            |
| Inflation Component of Legal Reserves, Status Reserves and Extraordinary Reserves                           | -              | -            |
| Profit  | 15,056         | 5,266        |
| Current Period Profit   | 15,056         | 5,266        |
| Prior Periods' Profit   | -              | -            |
| Free Provisions Booked for Possible Losses (Up to 25% of the Core Capital)                                  | -              | -            |
| Gain on Sale of Real Estate and Investments in Associates and Subsidiaries to be Added to the Share Capital | -              | -            |
| Primary Subordinated Loans (Up to 15% of the Core Capital)  | -              | -            |
| Accumulated Losses (-)  | -              | -            |
| Current Period Loss   | -              | -            |
| Prior Periods' Loss   | -              | -            |
| Leasehold Improvements (-) (*)  | 1,336          | -            |
| Prepaid Expenses (-)  | 2,666          | 4,120        |
| Intangible Assets (-)   | 2,213          | 2,672        |
| Deferred Tax Assets (Amount Exceeding 10% of the Core Capital) (-)  | -              | -            |
| Amount Excess of Article 56/3 of the Law (-)  | -              | -            |

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|  |                |                |
|--|----------------|----------------|
| <b>Total Core Capital</b>  | 452,599        | 437,543        |
| <b>SUPPLEMENTARY CAPITAL</b>   |                |                |
| General Loan Loss Reserves   | 8,248          | 10,290         |
| 45% of Revaluation Fund of Securities  | -              | -              |
| 45% of Revaluation Fund of Real Estate   | 2,262          | 2,203          |
| Bonus Shares from Subsidiaries and Joint Ventures  | -              | -              |
| Amount not Included in Core Capital for Primary Subordinated Loans   | -              | -              |
| Secondary Subordinated Loans (*)   | -              | -              |
| 45% of Securities Value Increase Fund (100% in case of a deficit)  | 1,960          | (963)          |
| Associates and Subsidiaries  | -              | -              |
| Investments Available-for-Sale   | 1,960          | (963)          |
| Inflation Component of Capital Reserves, Profit Reserves and Prior Period Profits  | -              | -              |
| <b>Total Supplementary Capital</b>   | 12,470         | 11,530         |
| <b>TIER III CAPITAL</b>  | -              | -              |
| <b>CAPITAL</b>   | <b>465,069</b> | <b>449,073</b> |
| <b>DEDUCTIONS FROM CAPITAL</b>   | <b>11,879</b>  | <b>23,007</b>  |
| Shares in Unconsolidated Banks and Financial Institutions  | -              | -              |
| Secondary Subordinated Loans Granted to Banks, Financial Institutions (Foreign and Domestic), or Preferred Shareholders, and Primary/Secondary Subordinated Loans Obtained from Them   | -              | -              |
| Shares in Banks and Financial Institutions Accounted under the Equity Method   | -              | -              |
| Loans Granted in Violation of the Articles 50 and 51 of the Law  | -              | -              |
| Amount in Excess of 50% of the Equities of the Net Book Value of the Real Estate of the Banks, and Net Book Value of the Assets Held for Sale that Should Be Disposed of According to the Article 57 of the Law which is not Disposed of in Five Years | 5,664          | 16,215         |
| Others   | -              | -              |
| <b>TOTAL SHAREHOLDERS' EQUITY</b>  | <b>453,190</b> | <b>426,066</b> |

(\*) According to Article of Banking Regulations and Supervision Agency dated 18 March 2009 and numbered BDDK.UYI/44.3-5379, the leasehold improvements are included in the deductions from capital as at and after 31 March 2009.

## II. Consolidated market risk

Consolidated market risk is the potential risk of loss arising from changes in interest rates, foreign currency exchange rates and equity prices regarding the assets and liabilities of the Parent Bank's on-off balance sheet.

Standard method defined in the "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks" published in Official Gazette no. 26333 dated 1 November 2006 is used in calculating the market risk. The criteria for the standard method have been set by the BRSA and are reported on a monthly basis.

Market risk is calculated by employing the Standard Method and internal risk measurement models using value at risk (VaR) methodology. VaR represents the potential losses from adverse changes in market factors for a specified time period and confidence level.

The internal methods used by the Parent Bank are Parametric Method, Historical Simulation and Monte Carlo Simulation. In calculating VaR, a one-tailed 99% confidence level is used regarding one-day holding period. The results are regularly reported to the Senior Level Risk Committee and Asset-Liability Committee.

**Consolidated market risk:**

|   | Amount        |
|---|---------------|
| (I) Capital Obligation against General Market Risk - Standard Method                        | 1,366         |
| (II) Capital Obligation against Specific Risk - Standard Method                             | 25            |
| (III) Capital Obligation against Currency Risk - Standard Method                            | 362           |
| (IV) Capital Obligation against Commodity Risk - Standard Method                            | -             |
| (V) Capital Obligation against Clearing Risk - Standard Method                              | -             |
| (VI) Capital Obligation against Options Subject to Market Risk – Standard Method            | 6             |
| (VII) Capital Obligation against Market Risk at the Banks calculating Risk Measuring Models | -             |
| (VIII) Total Capital Obligation against Market Risk (I+II+III+IV+V+VI)                      | 1,759         |
| <b>(IX) Value-At-Risk Amount (12.5 x VIII) or (12.5 x VII)</b>                              | <b>21,988</b> |

(\*) Value at Risk does not represent all of TL 21,988 but 8% of which is TL 1,759 as the market risk. This amount, TL 1,759, is also the minimum capital obligation to eliminate the market risk.

**III. Consolidated foreign currency exchange rate risk**

Foreign currency risk indicates the possibilities of the potential losses that banks are subject to due to adverse movements between currencies. The Parent Bank monitors foreign currency exchange rate risk in currency/TL and parity basis and uses different risk methods and tools for each. The Parent Bank hedges parity risks through spot/arbitrage and future transactions.

The Parent Bank's foreign currency exchange rate risk is measured by Standard Method and Value at Risk Method.

The Parent Bank considers all foreign currency assets and liabilities and currency forward transactions in measuring capital obligation against currency risk. Net short and long positions of TL equivalents of all types of currencies are calculated. Position with the higher absolute value, which is the basis for the capital obligation, is used measuring the capital obligation for currency risk.

The Bank's Board of Directors, determines the Parent Bank's limits, within regulatory limitations, related to short/long positions at any period. The Treasury Department of the Parent Bank is responsible from the management of price and liquidity risks on Turkish Lira or foreign currency in the domestic and international markets. Risk Management Department, exercise continuous control on risks in the money markets and transactions creating these risks and reports to the Assets-Liability Committee of the Bank weekly.

The Parent Bank's spot foreign exchange bid rates as of the balance sheet date and for each of the five days prior to that date (TL full):

|             | 23/09/09 | 24/09/09 | 25/09/09 | 28/09/09 | 29/09/09 | 30/09/09 |
|-------------|----------|----------|----------|----------|----------|----------|
| <b>USD</b>  | 1.4683   | 1.4732   | 1.4740   | 1.4809   | 1.4859   | 1.4820   |
| <b>GBP</b>  | 2.3970   | 2.4160   | 2.3901   | 2.3696   | 2.3581   | 2.3549   |
| <b>EURO</b> | 2.1573   | 2.1786   | 2.1768   | 2.1740   | 2.1747   | 2.1603   |
| <b>JPY</b>  | 0.0161   | 0.0161   | 0.0162   | 0.0163   | 0.0166   | 0.0165   |

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The basic arithmetical average of the Bank's foreign exchange bid rate for the last thirty days from 30 September 2009 (TL full):

|      | Monthly Average<br>FC Exchange Bid<br>Rates |
|------|---|
| USD  | 1.4833                                      |
| GBP  | 2.4277                                      |
| EURO | 2.1592                                      |
| JPY  | 0.0162                                      |

Information on consolidated exchange rate risk:

| Current Period   | EURO            | USD              | JPY             | OTHER FC       | TOTAL            |
|--|-----------------|------------------|-----------------|----------------|------------------|
| <b>Assets</b>  |                 |                  |                 |                |                  |
| Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey. | 3,524           | 74,803           | 6               | 357            | 78,690           |
| Due from Banks and Other Financial Institutions  | 57,180          | 114,386          | 304             | 5,574          | 177,444          |
| Financial Assets at Fair Value Through Profit or Loss (*)  | 46              | 339              | -               | -              | 385              |
| Interbank Money Market Placements  | -               | -                | -               | -              | -                |
| Investment Securities Available-for-Sale   | -               | 19,944           | -               | -              | 19,944           |
| Loans (**)   | 113,178         | 281,186          | 39,308          | 2,847          | 436,519          |
| Investments in Subsidiaries and Associates   | -               | -                | -               | -              | -                |
| Investment Securities Held-to-Maturity   | -               | -                | -               | -              | -                |
| Hedging Purpose Financial Derivatives  | -               | -                | -               | -              | -                |
| Tangible Assets  | -               | 2                | -               | -              | 2                |
| Intangible Assets  | -               | -                | -               | -              | -                |
| Other Assets   | 25              | 2,378            | -               | 2              | 2,405            |
| <b>Total Assets(*)</b>   | <b>173,953</b>  | <b>493,038</b>   | <b>39,618</b>   | <b>8,780</b>   | <b>715,389</b>   |
| <b>Liabilities</b>   |                 |                  |                 |                |                  |
| Bank Deposits  | -               | 1,526            | -               | -              | 1,526            |
| Foreign Currency Deposits  | 194,397         | 478,994          | 94              | 4,700          | 678,185          |
| Interbank Money Markets  | -               | -                | -               | -              | -                |
| Funds Borrowed from Other Financial Institutions   | 24,629          | 117,582          | -               | -              | 142,211          |
| Marketable Securities Issued   | -               | -                | -               | -              | -                |
| Miscellaneous Payables   | 346             | 279              | -               | -              | 625              |
| Hedging Purpose Financial Derivatives  | -               | -                | -               | -              | -                |
| Other Liabilities (*) (***)  | 2,658           | 3,530            | -               | 159            | 6,347            |
| <b>Total Liabilities (*) (***)</b>   | <b>222,030</b>  | <b>601,911</b>   | <b>94</b>       | <b>4,859</b>   | <b>828,894</b>   |
| <b>Net On Balance Sheet Position</b>   | <b>(48,077)</b> | <b>(108,873)</b> | <b>39,524</b>   | <b>3,921</b>   | <b>(113,505)</b> |
| <b>Net Off Balance Sheet Position</b>  | <b>47,348</b>   | <b>100,007</b>   | <b>(39,031)</b> | <b>(3,314)</b> | <b>105,010</b>   |
| Financial Derivatives (Assets)   | 139,764         | 326,351          | 58,565          | 71,452         | 596,132          |
| Financial Derivatives (Liabilities)  | 92,416          | 226,344          | 97,596          | 74,766         | 491,122          |
| Non-cash Loans (****)  | 90,312          | 286,001          | 631             | 1,782          | 378,726          |
| <b>Prior Period</b>  |                 |                  |                 |                |                  |
| <b>Total Assets (*) (**)</b>   | <b>342,791</b>  | <b>674,281</b>   | <b>47,359</b>   | <b>8,060</b>   | <b>1,072,491</b> |
| <b>Total Liabilities (*) (***)</b>   | <b>404,803</b>  | <b>855,406</b>   | <b>909</b>      | <b>4,233</b>   | <b>1,265,351</b> |
| <b>Net On Balance Sheet Position</b>   | <b>(62,012)</b> | <b>(181,125)</b> | <b>46,450</b>   | <b>3,827</b>   | <b>(192,860)</b> |
| <b>Net Off Balance Sheet Position</b>  | <b>61,864</b>   | <b>175,777</b>   | <b>(46,457)</b> | <b>(3,442)</b> | <b>187,742</b>   |
| Financial Derivatives (Assets)   | 103,889         | 319,483          | 15,260          | 8,588          | 447,220          |
| Financial Derivatives (Liabilities)  | 42,025          | 143,706          | 61,717          | 12,030         | 259,478          |
| Non-cash Loans (****)  | 112,164         | 430,228          | 5,106           | 3,179          | 550,677          |

(\*) As at 30 September 2009 there is an accrual difference in "Financial Assets At Fair Value Through Profit Or Loss" and "Negative Value Of Trading Derivatives" amounting to TL 2,574 and TL 3,543, respectively (31 December 2008: TL 3,340 and TL 5,858). Accrual of CDS amounting to TL 3,612 has been included as at 31 December 2008.

(\*\*) As at 30 September 2009 "Loans" balance includes, in addition to the balance sheet amount, foreign currency indexed loans amounting to TL 231,645 (31 December 2008: TL 404,560).

(\*\*\*) As at 30 September 2009 "Security valuation differences" in equity amounting to TL 192 (31 December 2008: TL(602)) not included.

(\*\*\*\*) Has no effect on net off balance sheet position.

The table below demonstrates prospective increase and decrease in equities and profit/loss as at 30 September 2009 and 31 December 2008 (excluding tax effect) on condition that 10 percent revaluation/devaluation of the foreign currencies below against TL. This analysis has been prepared under the circumstances of assumption of other variables, especially interest rates, to be constant.

|                   | 30 September 2009 |                 |                 |                 | 31 December 2008 |                 |                 |                 |
|-------------------|-------------------|-----------------|-----------------|-----------------|------------------|-----------------|-----------------|-----------------|
|                   | Income Statement  |                 | Equity (*)      |                 | Income Statement |                 | Equity (*)      |                 |
|                   | 10%<br>increase   | 10%<br>decrease | 10%<br>increase | 10%<br>decrease | 10%<br>increase  | 10%<br>decrease | 10%<br>increase | 10%<br>decrease |
| USD               | (906)             | 906             | (887)           | 887             | (475)            | 475             | (535)           | 535             |
| EURO              | (73)              | 73              | (73)            | 73              | (15)             | 15              | (15)            | 15              |
| Other FC          | 110               | (110)           | 110             | (110)           | 38               | (38)            | 38              | (38)            |
| <b>Total, net</b> | <b>(869)</b>      | <b>869</b>      | <b>(850)</b>    | <b>850</b>      | <b>(452)</b>     | <b>452</b>      | <b>(512)</b>    | <b>512</b>      |

\* Equity effect consists of income statement effect in the table.

#### IV. Consolidated interest rate risk

Consolidated interest rate risk is the probability of loss due to changes in interest rates depending on the Parent Bank's position regarding the interest bearing financial instruments.

Interest rate risk arises as a result of timing differences on the re-pricing of assets and liabilities, changes in correlation of interest rates between different financial instruments and, unexpected changes in the shape and slope of yield curves. Exposure to interest rate movements arises when there is a mismatch between rate sensitive assets and liabilities.

Interest rate risk is a key component of the Bank's market risk and asset and liability management.

As part of asset and liability management, duration and sensitivity analysis are used to measure the effects of changes in yield curves on the balance sheet. The Parent Bank daily monitors interest rate movements in the market and revises the Parent Bank's interest rates.

Interest sensitivity of assets, liabilities and off-balance sheet items (based on reprising dates)

|   | Up to 1<br>Month | 1 – 3<br>Months  | 3 – 12<br>Months | 1 – 5<br>Years | 5 Years and<br>Over | Non-Interest<br>Bearing (*) | Total            |
|---|------------------|------------------|------------------|----------------|---------------------|-----------------------------|------------------|
| <b>Current Period</b>   |                  |                  |                  |                |                     |                             |                  |
| <b>Assets</b>   |                  |                  |                  |                |                     |                             |                  |
| Cash (Cash in Vault, Foreign Currencies,<br>Cash in Transit, Cheques Purchased) and<br>Balances with the Central Bank of Turkey | 18,158           | -                | -                | -              | -                   | 87,826                      | 105,984          |
| Due from Banks and Other Fin.Inst.  | 179,630          | 2,825            | -                | -              | -                   | 4,349                       | 186,804          |
| Financial Assets at Fair Value Through<br>Profit or Loss  | 2,362            | 552              | 146              | 96             | 267                 | -                           | 3,423            |
| Interbank Money Market Placements   | -                | -                | -                | -              | -                   | -                           | -                |
| Investment Securities Av.-for-Sale  | -                | 2,119            | 191,112          | 8,996          | 9,635               | 274                         | 212,136          |
| Loans   | 705,452          | 182,959          | 166,949          | 210,607        | 41,964              | 46,902                      | 1,354,833        |
| Investment Securities Held-to-Mat.  | -                | -                | -                | -              | -                   | -                           | -                |
| Other Assets  | 305              | -                | -                | -              | -                   | 123,257                     | 123,562          |
| <b>Total Assets</b>   | <b>905,907</b>   | <b>188,455</b>   | <b>358,207</b>   | <b>219,699</b> | <b>51,866</b>       | <b>262,608</b>              | <b>1,986,742</b> |
| <b>Liabilities</b>  |                  |                  |                  |                |                     |                             |                  |
| Bank Deposits   | 1,486            | -                | -                | -              | -                   | 70                          | 1,556            |
| Other Deposits  | 996,834          | 201,160          | 21,424           | 32             | -                   | 80,822                      | 1,300,272        |
| Interbank Money Market Placements   | 4,989            | -                | -                | -              | -                   | -                           | 4,989            |
| Miscellaneous Payables  | -                | -                | -                | -              | -                   | 11,050                      | 11,050           |
| Marketable Securities Issued  | -                | -                | -                | -              | -                   | -                           | -                |
| Funds Borrowed from Other Fin.Inst.   | 9,363            | 104,305          | 34,394           | -              | -                   | -                           | 148,062          |
| Other Liabilities   | 3,574            | 2,470            | 279              | 5              | -                   | 514,485                     | 520,813          |
| <b>Total Liabilities</b>  | <b>1,016,246</b> | <b>307,935</b>   | <b>56,097</b>    | <b>37</b>      | <b>-</b>            | <b>606,427</b>              | <b>1,986,742</b> |
| Balance Sheet Long Position   | -                | -                | 302,110          | 219,662        | 51,866              | -                           | 573,638          |
| Balance Sheet Short Position  | (110,339)        | (119,480)        | -                | -              | -                   | (343,819)                   | (573,638)        |
| Off Balance Sheet Long Position   | -                | -                | -                | -              | -                   | -                           | -                |
| Off Balance Sheet Short Position  | -                | -                | -                | -              | -                   | -                           | -                |
| <b>Total Interest Sensitivity Gap</b>   | <b>(110,339)</b> | <b>(119,480)</b> | <b>302,110</b>   | <b>219,662</b> | <b>51,866</b>       | <b>(343,819)</b>            | <b>-</b>         |

(\*) Tangible and intangible assets amounting to TL 74,409, subsidiaries amounting to TL 104, assets held for sale amounting to TL 23,290, tax assets amounting to TL 3,186 and other assets amounting to TL 22,268 are presented within other assets as non-interest bearing; provisions amounting to TL 14,886, tax liability amounting to TL 6,657, other liabilities amounting to TL 30,960 and equity amounting to TL 461,982 are presented within other liabilities as non-interest bearing.

Average interest rates applied to monetary financial instruments:

|  | EURO<br>% | USD<br>% | JPY<br>% | TRY<br>% |
|--|-----------|----------|----------|----------|
| <b>Current Period (*)</b>  |           |          |          |          |
| <b>Assets</b>  |           |          |          |          |
| Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques<br>Purchased) and Balances with the Central Bank of Turkey | -         | -        | -        | 5.93     |
| Due from Banks and Other Financial Institutions  | 0.24      | 0.29     | -        | 7.79     |
| Financial Assets at Fair Value Through Profit or Loss  | 4.59      | 4.80     | -        | 7.78     |
| Interbank Money Market Placements  | -         | -        | -        | -        |
| Investment Securities Available-for-Sale   | -         | 6.39     | -        | 9.04     |
| Loans  | 8.33      | 7.47     | 7.73     | 16.92    |
| Investment Securities Held-to-Maturity   | -         | -        | -        | -        |
| <b>Liabilities</b>   |           |          |          |          |
| Bank Deposits  | -         | 3.04     | -        | -        |
| Other Deposits   | 3.04      | 2.93     | -        | 10.50    |
| Interbank Money Market Placements  | -         | -        | -        | 7.51     |
| Miscellaneous Payables   | -         | -        | -        | -        |
| Marketable Securities Issued   | -         | -        | -        | -        |
| Funds Borrowed from Other Financial Institutions   | 4.48      | 2.65     | -        | 11.98    |

(\*) Stated at compound interest rates.

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|  | Up to 1<br>Month | 1 – 3<br>Months  | 3 – 12<br>Months | 1 – 5 Years    | 5 Years and<br>Over | Non-Interest<br>Bearing (*) | Total            |
|--|------------------|------------------|------------------|----------------|---------------------|-----------------------------|------------------|
| <b>Prior Period</b>  |                  |                  |                  |                |                     |                             |                  |
| <b>Assets</b>  |                  |                  |                  |                |                     |                             |                  |
| Cash (Cash in Vault, Foreign Currencies,<br>Cash in Transit, Cheques Purchased) and<br>Balances with the Central Bank of<br>Turkey | 100,790          | -                | -                | -              | -                   | 55,296                      | 156,086          |
| Due from Banks and Other Fin.Inst.   | 234,732          | -                | -                | -              | -                   | 4,194                       | 238,926          |
| Financial Assets at Fair Value Through<br>Profit or Loss   | 4,350            | 2,778            | 764              | 265            | 237                 | -                           | 8,394            |
| Interbank Money Market Placements  | 369,154          | -                | -                | -              | -                   | -                           | 369,154          |
| Investment Securities Av.-for-Sale   | 12,197           | -                | -                | 1,882          | 8,898               | -                           | 22,977           |
| Loans  | 740,782          | 256,842          | 252,696          | 295,613        | 53,600              | 30,123                      | 1,629,656        |
| Investment Securities Held-to-Mat.   | 68,434           | 127,523          | 91,051           | 77,060         | -                   | -                           | 364,068          |
| Other Assets   | 105              | -                | -                | -              | -                   | 178,912                     | 179,017          |
| <b>Total Assets</b>  | <b>1,530,544</b> | <b>387,143</b>   | <b>344,511</b>   | <b>374,820</b> | <b>62,735</b>       | <b>268,525</b>              | <b>2,968,278</b> |
| <b>Liabilities</b>   |                  |                  |                  |                |                     |                             |                  |
| Bank Deposits  | 16,207           | -                | -                | -              | -                   | 492                         | 16,699           |
| Other Deposits   | 1,156,575        | 242,370          | 29,951           | 20             | -                   | 86,550                      | 1,515,466        |
| Interbank Money Market Placements  | 207,019          | -                | -                | -              | -                   | -                           | 207,019          |
| Miscellaneous Payables   | -                | -                | -                | -              | -                   | 13,447                      | 13,447           |
| Marketable Securities Issued   | -                | -                | -                | -              | -                   | -                           | -                |
| Funds Borrowed from Other Fin.Inst.  | 59,771           | 467,719          | 175,036          | 695            | -                   | -                           | 703,221          |
| Other Liabilities  | 12,730           | 4,176            | 1,217            | 137            | -                   | 494,166                     | 512,426          |
| <b>Total Liabilities</b>   | <b>1,452,302</b> | <b>714,265</b>   | <b>206,204</b>   | <b>852</b>     | <b>-</b>            | <b>594,655</b>              | <b>2,968,278</b> |
| Balance Sheet Long Position  | 78,242           | -                | 138,307          | 373,968        | 62,735              | -                           | 653,252          |
| Balance Sheet Short Position   | -                | (327,122)        | -                | -              | -                   | (326,130)                   | (653,252)        |
| Off Balance Sheet Long Position  | -                | -                | -                | -              | -                   | -                           | -                |
| Off Balance Sheet Short Position   | -                | -                | -                | -              | -                   | -                           | -                |
| <b>Total Interest Sensitivity Gap</b>  | <b>78,242</b>    | <b>(327,122)</b> | <b>138,307</b>   | <b>373,968</b> | <b>62,735</b>       | <b>(326,130)</b>            | <b>-</b>         |

(\*) Tangible and intangible assets amounting to TL 79,374, subsidiaries amounting to TL 105, assets held for sale amounting to TL 33,881, tax assets amounting to TL 3,009 and other assets amounting to TL 62,543 are presented within other assets as non-interest bearing; provisions amounting to TL 15,985, tax liability amounting to TL 9,614, other liabilities amounting to TL 27,091 and equity amounting to TL 441,476 are presented within other liability as non-interest bearing.

**Average interest rates applied to monetary financial instruments:**

|  | EURO<br>% | USD<br>% | JPY<br>% | TRY<br>% |
|--|-----------|----------|----------|----------|
| <b>Prior Period (*)</b>  |           |          |          |          |
| <b>Assets</b>  |           |          |          |          |
| Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques<br>Purchased) and Balances with the Central Bank of Turkey | 1.18      | 0.15     | -        | 12.55    |
| Due from Banks and Other Financial Institutions  | 2.18      | 0.30     | -        | 16.18    |
| Financial Assets at Fair Value Through Profit or Loss  | 7.33      | 6.83     | -        | 16.69    |
| Interbank Money Market Placements  | -         | -        | -        | 16.18    |
| Investment Securities Available-for-Sale   | -         | 8.27     | -        | 20.66    |
| Loans  | 9.50      | 8.30     | 7.51     | 28.63    |
| Investment Securities Held-to-Maturity   | -         | -        | -        | 19.19    |
| <b>Liabilities</b>   |           |          |          |          |
| Bank Deposits  | -         | -        | -        | 15.89    |
| Other Deposits   | 5.66      | 5.66     | 0.50     | 23.23    |
| Interbank Money Market Placements  | -         | -        | -        | 16.36    |
| Miscellaneous Payables   | -         | -        | -        | -        |
| Marketable Securities Issued   | -         | -        | -        | -        |
| Funds Borrowed from Other Financial Institutions   | 6.29      | 3.95     | 1.82     | 16.23    |

(\*) Stated at compound interest rates.

**Possible effects of sensitivity to interest rates on net income and equity**

The interest rate sensitivity of the income statement as at 30 September 2009 and 31 December 2008 is calculated by the effect of possible changes in interest rates on the floating rate, non-trading financial assets and liabilities. The sensitivity of the equity is calculated by the revaluation of the available for sale securities portfolio based on possible interest rate changes. Tax effects are ignored during calculations. Other variables, especially foreign exchange rates are held constant in the analysis.

|   | Income Statement |                 | Equity (*)      |                 |
|---|------------------|-----------------|-----------------|-----------------|
|   | 100 bp increase  | 100 bp decrease | 100 bp increase | 100 bp decrease |
| <b>30 September 2009</b>                              |                  |                 |                 |                 |
| Financial assets at fair value through profit or loss | (19)             | 19              | (19)            | 19              |
| Financial assets available for sale                   | -                | -               | (1,597)         | 1,610           |
| Floating rate financial liabilities                   | (544)            | 514             | (544)           | 514             |
| <b>Total, net</b>                                     | <b>(563)</b>     | <b>533</b>      | <b>(2,160)</b>  | <b>2,143</b>    |
|   |                  |                 |                 |                 |
|   | Income Statement |                 | Equity (*)      |                 |
|   | 100 bp increase  | 100 bp decrease | 100 bp increase | 100 bp decrease |
| <b>31 December 2008 (**)</b>                          |                  |                 |                 |                 |
| Financial assets at fair value through profit or loss | (1,287)          | 1,313           | (1,287)         | 1,313           |
| Financial assets available for sale                   | -                | -               | (4,445)         | 4,554           |
| Floating rate financial liabilities                   | (1,742)          | 1,748           | (1,742)         | 1,748           |
| <b>Total, net</b>                                     | <b>(3,029)</b>   | <b>3,061</b>    | <b>(7,474)</b>  | <b>7,615</b>    |

(\*) Equity effect includes the sensitivity of income statement when interest rate increases or decreases 100 bp.

(\*\*)The amounts at 31 December 2008 include effects of changes in interest rates held to maturity securities and available for sale securities.

**V. Consolidated liquidity risk**

Liquidity risk occurs when there is an insufficient amount of cash or cash inflows to fulfill the cash outflows in full and on time, resulting from the unstable cash inflows.

Liquidity risk may occur when there is an inadequate market penetration and the open positions cannot be closed on a timely basis with an appropriate price and sufficient amount due to barriers and break-ups at the markets.

The Parent Bank monitors the liquidity position on a daily basis. Cash flow pojections are examined and accordingly appropriate amounts of positions are determined in the weekly Asset-Liability Commission meetings. Alternative strategies are evaluated in case of a liquidity shortage. The available free lines in the ISE Settlement and Custody Bank's Stock Exchange Money Market, Interbank and secondary market are monitored frequently. Regarding maturity mismatch risk in the balance sheet, the maximum limits have been set by the Board of Directors.

Major part of the liquidity has been maintained by the deposits in the Parent Bank. Additionally, the volume of deposits has retained a stable path during the period. On the contrary, the parent Bank executes the strategy of increasing long-term loans from international markets rather than loans from domestic secondary market.

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**Presentation of assets and liabilities according to their residual maturities:**

| Current Period  | Demand          | Up to 1 month    | 1-3 months     | 3-12 months      | 1-5 years      | 5 years and over | Undist. (*)      | Total            |
|---|-----------------|------------------|----------------|------------------|----------------|------------------|------------------|------------------|
| <b>Assets</b>   |                 |                  |                |                  |                |                  |                  |                  |
| Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey | 87,826          | 18,158           | -              | -                | -              | -                | -                | 105,984          |
| Due from Banks and Other Financial Institutions   | 4,349           | 179,630          | 2,825          | -                | -              | -                | -                | 186,804          |
| Financial Assets at Fair Value Through Profit or Loss   | -               | 2,362            | 552            | 146              | 96             | 267              | -                | 3,423            |
| Interbank Money Market Placements   | -               | -                | -              | -                | -              | -                | -                | -                |
| Investment Securities Available-for-Sale  | 274             | -                | -              | 36,437           | 155,755        | 19,670           | -                | 212,136          |
| Loans   | -               | 511,276          | 272,494        | 259,112          | 223,085        | 41,964           | 46,902           | 1,354,833        |
| Investment Securities Held-to-Maturity  | -               | -                | -              | -                | -              | -                | -                | -                |
| Other Assets  | -               | 21,846           | 1,196          | 86               | 61             | 2,002            | 98,371           | 123,562          |
| <b>Total Assets</b>   | <b>92,449</b>   | <b>733,272</b>   | <b>277,067</b> | <b>295,781</b>   | <b>378,997</b> | <b>63,903</b>    | <b>145,273</b>   | <b>1,986,742</b> |
| <b>Liabilities</b>  |                 |                  |                |                  |                |                  |                  |                  |
| Bank Deposits   | 70              | 1,486            | -              | -                | -              | -                | -                | 1,556            |
| Other Deposits  | 80,822          | 996,834          | 201,160        | 21,424           | 32             | -                | -                | 1,300,272        |
| Funds Borrowed from Other Financial Institutions  | -               | 6,504            | 3,798          | 102,792          | 34,968         | -                | -                | 148,062          |
| Interbank Money Markets   | -               | 4,989            | -              | -                | -              | -                | -                | 4,989            |
| Marketable Securities Issued  | -               | -                | -              | -                | -              | -                | -                | -                |
| Miscellaneous Payables  | 9,502           | 1,548            | -              | -                | -              | -                | -                | 11,050           |
| Other Liabilities   | 30,958          | 7,301            | 5,403          | 278              | 5              | -                | 476,868          | 520,813          |
| <b>Total Liabilities</b>  | <b>121,352</b>  | <b>1,018,662</b> | <b>210,361</b> | <b>124,494</b>   | <b>35,005</b>  | <b>-</b>         | <b>476,868</b>   | <b>1,986,742</b> |
| <b>Net Liquidity Gap</b>  | <b>(28,903)</b> | <b>(285,390)</b> | <b>66,706</b>  | <b>171,287</b>   | <b>343,992</b> | <b>63,903</b>    | <b>(331,595)</b> | <b>-</b>         |
| <b>Prior Period</b>   |                 |                  |                |                  |                |                  |                  |                  |
| Total Assets  | 59,769          | 1,322,383        | 390,136        | 403,454          | 538,636        | 109,808          | 144,092          | 2,968,278        |
| Total Liabilities   | 127,581         | 1,435,344        | 284,153        | 549,208          | 114,531        | -                | 457,461          | 2,968,278        |
| <b>Net Liquidity Gap</b>  | <b>(67,812)</b> | <b>(112,961)</b> | <b>105,983</b> | <b>(145,754)</b> | <b>424,105</b> | <b>109,808</b>   | <b>(313,369)</b> | <b>-</b>         |

(\*) Assets on the balance sheet which are not convertible into cash in short period; tangible and intangible assets amounting TL to 74,409, subsidiaries amounting to TL 104, stationary supplies amounting to TL 568, assets held for sale amounting to TL 23,290, loans in follow-up amounting to TL 46,902 and liabilities on the balance sheet which are necessary for the banking operations; provisions amounting to TL 14,886 and equity amounting to TL 461,982 are included.

As per the BRSA Communiqué published on the Official Gazette no.26333 dated 1 November 2006 and became effective starting from 1 January 2007, "Measurement and Assessment of the Adequacy of Banks' Liquidity", the weekly and monthly liquidity ratios on a bank-only basis for foreign currency assets/liabilities and total assets/liabilities should be minimum 80% and 100%, respectively. The Parent Bank's liquidity ratios for the first nine months of 2009 are as follows:

| Liquidity Ratios  | First Maturity Bracket      |                                | Second Maturity Bracket     |                                |
|-------------------|-----------------------------|--------------------------------|-----------------------------|--------------------------------|
|                   | FC Liquidity Adequacy Ratio | Total Liquidity Adequacy Ratio | FC Liquidity Adequacy Ratio | Total Liquidity Adequacy Ratio |
| 30 September 2009 | 170.6                       | 187.5                          | 123.2                       | 138.0                          |
| Average (%)       | 308.3                       | 273.7                          | 177.3                       | 172.5                          |
| Max. (%)          | 481.1                       | 348.4                          | 266.0                       | 218.1                          |
| Min. (%)          | 144.8                       | 185.2                          | 108.5                       | 130.7                          |

The undiscounted cash outflows of the residual contractual maturities of the Parent Bank's financial liabilities are shown below.

Residual contractual maturities of financial liabilities.

| 30 September 2009       | Book Value       | Gross Nominal Disposal | Undated       | Up to 1 month    | 1-3 months     | 3-12 months    | 1-5 years     | 5 years and more |
|-------------------------|------------------|------------------------|---------------|------------------|----------------|----------------|---------------|------------------|
| Bank Deposits           | 1,556            | 1,556                  | 70            | 1,486            | -              | -              | -             | -                |
| Deposits from Customers | 1,300,272        | 1,304,724              | 80,822        | 999,157          | 202,792        | 21,905         | 48            | -                |
| Due to Money Markets    | 4,989            | 4,989                  | -             | 4,989            | -              | -              | -             | -                |
| Funds Borrowed          | 148,062          | 151,509                | -             | 6,586            | 3,863          | 104,373        | 36,687        | -                |
| <b>Total</b>            | <b>1,454,879</b> | <b>1,462,778</b>       | <b>80,892</b> | <b>1,012,218</b> | <b>206,655</b> | <b>126,278</b> | <b>36,735</b> | <b>-</b>         |

| 31 December 2008        | Book Value       | Gross Nominal Disposal | Undated       | Up to 1 month    | 1-3 months     | 3-12 months    | 1-5 years      | 5 years and more |
|-------------------------|------------------|------------------------|---------------|------------------|----------------|----------------|----------------|------------------|
| Bank Deposits           | 16,699           | 16,705                 | 492           | 16,213           | -              | -              | -              | -                |
| Deposits from Customers | 1,515,466        | 1,528,019              | 86,550        | 1,164,276        | 246,167        | 31,002         | 24             | -                |
| Due to Money Markets    | 207,019          | 207,105                | -             | 207,105          | -              | -              | -              | -                |
| Funds Borrowed          | 703,221          | 725,272                | -             | 38,274           | 36,507         | 530,889        | 119,602        | -                |
| <b>Total</b>            | <b>2,442,405</b> | <b>2,477,101</b>       | <b>87,042</b> | <b>1,425,868</b> | <b>282,674</b> | <b>561,891</b> | <b>119,626</b> | <b>-</b>         |

Presentation of residual maturities of the derivative financial assets and liabilities.

| Current Period                                   | Up to 1 month    | 1-3 months     | 3-12 months   | 1-5 years | 5 years and more | Total            |
|--|------------------|----------------|---------------|-----------|------------------|------------------|
| <b>Currency Derivative Instruments (I)</b>       | <b>1,126,155</b> | <b>270,050</b> | <b>82,297</b> | -         | -                | <b>1,478,502</b> |
| Forward Foreign Currency Purchases               | 201,948          | 62,598         | 6,153         | -         | -                | 270,699          |
| Forward Foreign Currency Sales                   | 202,118          | 62,411         | 6,009         | -         | -                | 270,538          |
| Currency Swaps-Purchases                         | 215,687          | 46,431         | 4,710         | -         | -                | 266,828          |
| Currency Swaps-Sales                             | 217,098          | 46,675         | 4,847         | -         | -                | 268,620          |
| Currency Futures-Purchases                       | -                | -              | -             | -         | -                | -                |
| Currency Futures-Sales                           | -                | -              | -             | -         | -                | -                |
| Currency Options-Purchases                       | 144,788          | 25,968         | 30,289        | -         | -                | 201,045          |
| Currency Options-Sales                           | 144,516          | 25,967         | 30,289        | -         | -                | 200,772          |
| <b>Interest Rate Derivative Instruments (II)</b> | -                | -              | -             | -         | -                | -                |
| Forward Foreign Currency Purchases/Sales         | -                | -              | -             | -         | -                | -                |
| Interest Rate Swaps-Purchases/Sales              | -                | -              | -             | -         | -                | -                |
| Interest Rate Options-Purchases/Sales            | -                | -              | -             | -         | -                | -                |
| Interest Rate Futures-Purchases/Sales            | -                | -              | -             | -         | -                | -                |
| <b>Others (III)</b>                              | -                | -              | -             | -         | -                | -                |
| <b>Total (I+II+III)</b>                          | <b>1,126,155</b> | <b>270,050</b> | <b>82,297</b> | -         | -                | <b>1,478,502</b> |

## VI. Consolidated Segment Reporting:

The Group is active in three areas, namely, retail banking, corporate banking and investment banking and treasury.

Corporate banking offers TL and foreign currency loans, corporate deposit operations, cash management, foreign currency purchases and sales, non-cash transactions (letters of credit, letters of guarantee, prefinancing, bills of exchange) and custody services.

Treasury department is consisted of marketing, foreign currency-TL and securities units and markets, both in the name of the Bank and its customers, bonds, foreign exchange transactions and hedging purpose derivative products including swaps and options. Tekstil Menkul gives agency services in capital markets products and provides investment fund and portfolio management services.

Servicing the middle-upper segment of retail customers who require sophisticated banking and investment services falls within the scope of retail banking. Credit card services is also within the activities of retail banking.

**Information related to the Segments of the Group:**

Segment reporting is prepared as at 30 June 2007 for the first time according to the 28th article of the BRSA's "Communique on Financial Statements and the Accompanying Explanations and Footnotes to be Announced to the Public", dated 1 November 2006 which is published in the Official Gazette No. 26333.

| <b>Current Period</b>          | Retail<br>Banking | Corporate<br>Banking | Investment Banking<br>and Others | Total<br>Operations |
|--------------------------------|-------------------|----------------------|----------------------------------|---------------------|
| Operating income               | 20,253            | 78,387               | 45,057                           | 143,697             |
| Others                         | -                 | -                    | -                                | -                   |
| <b>Operating Income</b>        | <b>20,253</b>     | <b>78,387</b>        | <b>45,057</b>                    | <b>143,697</b>      |
| Operating profit of segment    | 2,029             | 16,334               | (517)                            | 17,846              |
| Costs not distributed          | -                 | -                    | -                                | -                   |
| Operating profit               | -                 | -                    | -                                | -                   |
| Income from subsidiaries       | -                 | -                    | -                                | -                   |
| Profit before tax              | 2,029             | 16,334               | (517)                            | 17,846              |
| Tax provision                  | -                 | -                    | 2,790                            | 2,790               |
| Profit after tax               | 2,029             | 16,334               | (3,307)                          | 15,056              |
| Minority interests             | -                 | -                    | -                                | -                   |
| <b>Net Profit</b>              | <b>2,029</b>      | <b>16,334</b>        | <b>(3,307)</b>                   | <b>15,056</b>       |
| Segment assets (*)             | 196,902           | 1,157,931            | 631,805                          | 1,986,638           |
| Investments in subsidiaries    | -                 | -                    | 104                              | 104                 |
| <b>Total Assets</b>            | <b>196,902</b>    | <b>1,157,931</b>     | <b>631,909</b>                   | <b>1,986,742</b>    |
| Segment liabilities (*)        | 896,234           | 405,594              | 222,932                          | 1,524,760           |
| Equity                         | -                 | -                    | 461,982                          | 461,982             |
| <b>Total Liabilities</b>       | <b>896,234</b>    | <b>405,594</b>       | <b>684,914</b>                   | <b>1,986,742</b>    |
| <b>Other Segment Items</b>     | <b>390</b>        | <b>874</b>           | <b>11,182</b>                    | <b>12,446</b>       |
| Capital expenditure            | -                 | -                    | 466                              | 466                 |
| Depreciation and amortization  | 390               | 874                  | 3,393                            | 4,657               |
| Impairment losses (**)         | -                 | -                    | 7,323                            | 7,323               |
| Other non-cash income-expenses | -                 | -                    | -                                | -                   |
| Restructuring costs            | -                 | -                    | -                                | -                   |

(\*) Assets in others column contain tangible assets, intangible assets, assets held for sale, deferred tax assets and assets not distributed. Liabilities in others column contain general provisions, reserve for employee benefits, current tax liabilities and liabilities not distributed.

(\*\*) Includes loss in value of marketable securities, fixed assets and associates.

In the table above, corporate banking, retail banking, investment banking and others represent 58%, 10%, 32%, respectively, of the balance sheet. Corporate banking, investment banking and others, and retail banking represent 55%, 31% and 14%, respectively, of the operating income.

## SECTION FIVE

### DISCLOSURES AND FOOTNOTES ON CONSOLIDATED FINANCIAL STATEMENTS

#### I. Information and disclosures related to assets

##### 1. Information related to cash and balances with the Central Bank of Turkey:

###### a) Cash and balances with the Central Bank of Turkey:

|                        | Current Period |               | Prior Period  |                |
|------------------------|----------------|---------------|---------------|----------------|
|                        | TL             | FC            | TL            | FC             |
| Cash                   | 9,114          | 8,630         | 9,328         | 11,660         |
| Central Bank of Turkey | 18,180         | 70,060        | 32,200        | 102,898        |
| Others                 | -              | -             | -             | -              |
| <b>Total</b>           | <b>27,294</b>  | <b>78,690</b> | <b>41,528</b> | <b>114,558</b> |

###### b) Balances with the Central Bank of Turkey:

|                              | Current Period |               | Prior Period  |                |
|------------------------------|----------------|---------------|---------------|----------------|
|                              | TL             | FC            | TL            | FC             |
| Unrestricted Demand Deposits | 18,180         | 23,354        | 32,200        | 34,342         |
| Unrestricted Time Deposits   | -              | -             | -             | -              |
| Restricted Time Deposits     | -              | 46,706        | -             | 68,556         |
| <b>Total</b>                 | <b>18,180</b>  | <b>70,060</b> | <b>32,200</b> | <b>102,898</b> |

###### c) Explanation related to reserve deposits:

According to the circular no. 2005/1 of the Central Bank of Turkey, "Circular on Reserve Deposits", all banks operating in Turkey should provide a reserve amounting to 6% of the liabilities in Turkish Lira and 9% of the liabilities in foreign currencies beginning from 5 December 2008. The Central Bank of Turkey makes interest payments on a quarterly basis. As at 30 September 2009, the interest rates applied for Turkish Lira reserve deposits by the Central Bank is 5.8% and interest rate is nil for foreign currency reserve deposits after 5 December 2008.

##### 2. Financial assets at fair value through profit or loss:

###### a) Financial assets at fair value through profit or loss given as collateral/blocked and subject to repurchase agreements:

As at 30 September 2009 and 31 December 2008, the financial assets at fair value through profit or loss are kept under the restricted account.

b) Positive value of trading derivatives:

| Trading Derivatives  | Current Period |              | Prior Period |              |
|----------------------|----------------|--------------|--------------|--------------|
|                      | TL             | FC           | TL           | FC           |
| Forward transactions | 165            | 1,500        | 3,982        | 2,434        |
| Swap transactions    | -              | 1,049        | -            | 901          |
| Futures              | -              | -            | -            | -            |
| Options              | 113            | 25           | 108          | 5            |
| Other                | -              | -            | -            | -            |
| <b>Total</b>         | <b>278</b>     | <b>2,574</b> | <b>4,090</b> | <b>3,340</b> |

3. Information on banks:

|                  | Current Period |                | Prior Period  |                |
|------------------|----------------|----------------|---------------|----------------|
|                  | TL             | FC             | TL            | FC             |
| <b>Banks</b>     | <b>9,360</b>   | <b>177,444</b> | <b>60,034</b> | <b>178,892</b> |
| Domestic         | 9,360          | 160,467        | 60,034        | 31,094         |
| Foreign          | -              | 16,977         | -             | 147,798        |
| Foreign branches | -              | -              | -             | -              |
| <b>Total</b>     | <b>9,360</b>   | <b>177,444</b> | <b>60,034</b> | <b>178,892</b> |

4. Information on investment securities available-for-sale (net):

a) Investment securities available-for-sale given as collateral or blocked:

|                                  | Current Period |              | Prior Period |              |
|----------------------------------|----------------|--------------|--------------|--------------|
|                                  | TL             | FC           | TL           | FC           |
| Given as collateral or blocked   | 30,238         | 9,634        | -            | 8,898        |
| Subject to repurchase agreements | 5,097          | -            | -            | -            |
| <b>Total</b>                     | <b>35,335</b>  | <b>9,634</b> | <b>-</b>     | <b>8,898</b> |

Investment securities available-for-sale other than those given as collateral or subject to repurchase agreements amounting to TL 167,167 (31 December 2008 – TL 14,079).

b) Available-for-sale securities

|                          | Current Period | Prior Period  |
|--------------------------|----------------|---------------|
| Debt instruments         | 218,160        | 23,346        |
| Listed                   | 208,124        | 11,428        |
| Unlisted                 | 10,036         | 11,918        |
| Equity instruments       | 274            | 279           |
| Listed                   | 274            | 279           |
| Unlisted                 | -              | -             |
| Impairment provision (-) | (6,298)        | (648)         |
| <b>Total</b>             | <b>212,136</b> | <b>22,977</b> |

5. Information related to loans:

a) Information on all types of loans and advances given to shareholders and employees of the Bank

|  | Current Period |              | Prior Period  |              |
|--|----------------|--------------|---------------|--------------|
|  | Cash           | Non-Cash     | Cash          | Non-Cash     |
| Direct loans granted to shareholders   | 7,412          | -            | 8,392         | -            |
| Corporate shareholders                 | 7,412          | -            | 8,392         | -            |
| Individual shareholders                | -              | -            | -             | -            |
| Indirect loans granted to shareholders | 21,035         | 4,500        | 32,540        | 5,722        |
| Loans granted to employees             | 1,410          | -            | 1,190         | -            |
| <b>Total</b>                           | <b>29,857</b>  | <b>4,500</b> | <b>42,122</b> | <b>5,722</b> |

b) Information about loans classified in groups I and II and other receivables and loans that have been restructured or rescheduled.

| Cash Loans                      | Standard Loans and Other Receivables |                             | Loans and Other Receivables Under Close Monitoring |                                 |
|---------------------------------|--------------------------------------|-----------------------------|--|---------------------------------|
|                                 | Loans and Other Receivables          | Restructured or Rescheduled | Loans and Other Receivables                        | Restructured or Rescheduled (*) |
| Non-specialized Loans           | 1,259,874                            | 86                          | 36,085   | 11,886                          |
| Discount Notes                  | 16,313                               | -                           | -  | -                               |
| Export Loans                    | 188,871                              | -                           | 1,460  | 986                             |
| Import Loans                    | -                                    | -                           | -  | -                               |
| Loans Given to Financial Sector | 133,454                              | -                           | -  | -                               |
| Foreign Loans                   | -                                    | -                           | -  | -                               |
| Consumer Loans                  | 146,607                              | -                           | 16,062   | -                               |
| Credit Cards                    | 31,139                               | -                           | 4,900  | -                               |
| Precious Metal Loans            | -                                    | -                           | -  | -                               |
| Other                           | 743,490                              | 86                          | 13,663   | 10,900                          |
| Specialization Loans            | -                                    | -                           | -  | -                               |
| Other Receivables               | -                                    | -                           | -  | -                               |
| <b>Total</b>                    | <b>1,259,874</b>                     | <b>86</b>                   | <b>36,085</b>                                      | <b>11,886</b>                   |

(\*) Loans which are classified in group II have been restructured or rescheduled in accordance with the "Regulation on the Principles and Procedures Related to the Determination of the Loans and Other Receivables for which Provisions Shall be Set Aside by Banks and to the Provisions to be Set Aside".

c) Information on consumer loans, credit cards, loans given to employees and employee credit cards:

|   | Short Term    | Medium or Long Term | Total          |
|---|---------------|---------------------|----------------|
| <b>Consumer Loans-TL</b>                        | <b>11,414</b> | <b>119,877</b>      | <b>131,291</b> |
| Real estate Loans                               | 3,749         | 56,220              | 59,969         |
| Automotive Loans                                | 1,048         | 10,962              | 12,010         |
| Consumer Loans                                  | 6,293         | 50,915              | 57,208         |
| Other   | 324           | 1,780               | 2,104          |
| <b>Consumer Loans-Indexed to FC</b>             | <b>346</b>    | <b>27,515</b>       | <b>27,861</b>  |
| Real estate Loans                               | 346           | 24,691              | 25,037         |
| Automotive Loans                                | -             | 897                 | 897            |
| Consumer Loans                                  | -             | 1,927               | 1,927          |
| Other   | -             | -                   | -              |
| <b>Consumer Loans-FC</b>                        | <b>-</b>      | <b>-</b>            | <b>-</b>       |
| Real estate Loans                               | -             | -                   | -              |
| Automotive Loans                                | -             | -                   | -              |
| Consumer Loans                                  | -             | -                   | -              |
| Other   | -             | -                   | -              |
| <b>Credit Cards-TL</b>                          | <b>33,390</b> | <b>-</b>            | <b>33,390</b>  |
| Installment                                     | 5,447         | -                   | 5,447          |
| Non installment                                 | 27,943        | -                   | 27,943         |
| <b>Credit Cards-FC</b>                          | <b>225</b>    | <b>-</b>            | <b>225</b>     |
| With Installment                                | -             | -                   | -              |
| Without Installment                             | 225           | -                   | 225            |
| <b>Loans Given to Employees-TL</b>              | <b>181</b>    | <b>303</b>          | <b>484</b>     |
| Real estate Loans                               | -             | 37                  | 37             |
| Automotive Loans                                | -             | -                   | -              |
| Consumer Loans                                  | 181           | 266                 | 447            |
| Other   | -             | -                   | -              |
| <b>Loans Given to Employees – Indexed to FC</b> | <b>-</b>      | <b>-</b>            | <b>-</b>       |
| Real estate Loans                               | -             | -                   | -              |
| Automotive Loans                                | -             | -                   | -              |
| Consumer Loans                                  | -             | -                   | -              |
| Other   | -             | -                   | -              |
| <b>Loans Given to Employees – FC</b>            | <b>-</b>      | <b>-</b>            | <b>-</b>       |
| Real estate Loans                               | -             | -                   | -              |
| Automotive Loans                                | -             | -                   | -              |
| Consumer Loans                                  | -             | -                   | -              |
| Other   | -             | -                   | -              |
| <b>Employee Credit Cards-TL</b>                 | <b>917</b>    | <b>-</b>            | <b>917</b>     |
| With Installment                                | 276           | -                   | 276            |
| Without Installment                             | 641           | -                   | 641            |
| <b>Employee Credit Cards-FC</b>                 | <b>9</b>      | <b>-</b>            | <b>9</b>       |
| Without Installment                             | -             | -                   | -              |
| Without Installment                             | 9             | -                   | 9              |
| <b>Overdraft Account-TL (Individual)</b>        | <b>3,033</b>  | <b>-</b>            | <b>3,033</b>   |
| <b>Overdraft Account-FC (Individual)</b>        | <b>-</b>      | <b>-</b>            | <b>-</b>       |
| <b>Total</b>                                    | <b>49,515</b> | <b>147,695</b>      | <b>197,210</b> |

d) Information on installment corporate loans and corporate credit cards:

|  | Short Term    | Medium or Long Term | Total          |
|--|---------------|---------------------|----------------|
| <b>Installment Corporate Loans – TL</b>            | <b>27,544</b> | <b>73,153</b>       | <b>100,697</b> |
| Real Estate Loans                                  | -             | 1,846               | 1,846          |
| Automotive Loans                                   | 565           | 15,488              | 16,053         |
| Consumer Loans                                     | 2,913         | -                   | 2,913          |
| Other  | 24,066        | 55,819              | 79,885         |
| <b>Installment Corporate Loans – Indexed to FC</b> | <b>6,526</b>  | <b>38,407</b>       | <b>44,933</b>  |
| Real Estate Loans                                  | 46            | 144                 | 190            |
| Automotive Loans                                   | 160           | 10,191              | 10,351         |
| Consumer Loans                                     | 5,186         | 2,679               | 7,865          |
| Other  | 1,134         | 25,393              | 26,527         |
| <b>Installment Corporate Loans – FC</b>            | <b>-</b>      | <b>-</b>            | <b>-</b>       |
| Real Estate Loans                                  | -             | -                   | -              |
| Automotive Loans                                   | -             | -                   | -              |
| Consumer Loans                                     | -             | -                   | -              |
| Other  | -             | -                   | -              |
| <b>Corporate Credit Cards – TL</b>                 | <b>1,436</b>  | <b>-</b>            | <b>1,436</b>   |
| With Installment                                   | 163           | -                   | 163            |
| Without Installment                                | 1,273         | -                   | 1,273          |
| <b>Corporate Credit Cards – FC</b>                 | <b>62</b>     | <b>-</b>            | <b>62</b>      |
| With Installment                                   | -             | -                   | -              |
| Without Installment                                | 62            | -                   | 62             |
| <b>Overdraft Account-TL (Individual)</b>           | <b>7,634</b>  | <b>-</b>            | <b>7,634</b>   |
| <b>Overdraft Account-FC (Individual)</b>           | <b>-</b>      | <b>-</b>            | <b>-</b>       |
| <b>Total</b>                                       | <b>43,202</b> | <b>111,560</b>      | <b>154,762</b> |

e) Loan concentration according to counterparty:

|                | Current Period   | Prior Period     |
|----------------|------------------|------------------|
| Domestic loans | 1,307,931        | 1,598,515        |
| Foreign loans  | -                | 1,018            |
| <b>Total</b>   | <b>1,307,931</b> | <b>1,599,533</b> |

f) Loans granted to subsidiaries and associates: None.

g) Specific provisions for loans:

|  | Current Period | Prior Period  |
|--|----------------|---------------|
| Specific Provisions                                |                |               |
| Loans and Receivables with Limited Collectibility  | 3,454          | 5,774         |
| Loans and Receivables with Doubtful Collectibility | 19,454         | 8,200         |
| Uncollectible Loans and Receivables                | 24,634         | 9,268         |
| <b>Total</b>                                       | <b>47,542</b>  | <b>23,242</b> |

h) Information on non-performing loans (Net):

h.1) Information on loans under follow-up, loans and other receivables those are restructured/rescheduled: None.

h.2) Information on total non-performing loans:

|  | Group III<br>Loans and receivables<br>with limited<br>collectibility | Group IV<br>Loans and<br>receivables with<br>doubtful<br>collectibility | Group V<br>Uncollectible<br>loans and<br>receivables |
|--|--|---|--|
| <b>Balances at Beginning of Period</b>                       | 23,410   | 17,443  | 12,512   |
| Additions (+)  | 60,558   | 5,615   | 1,355  |
| Transfers from Other Categories of Non- Performing Loans (+) | -  | 57,060  | 34,703   |
| Transfers to Other Categories of Non-Performing Loans (-)    | 57,060   | 34,703  | -  |
| Collections (-)  | 5,424  | 2,619   | 7,035  |
| Write-offs (-)   | 1,181  | 5,078   | 5,112  |
| Corporate and Commercial Loans                               | 1,181  | 5,078   | 5,112  |
| Retail Loans   | -  | -   | -  |
| Credit Cards   | -  | -   | -  |
| Other  | -  | -   | -  |
| <b>Balances at End of the Period</b>                         | <b>20,303</b>  | <b>37,718</b>   | <b>36,423</b>  |
| Specific Provisions (-)                                      | 3,454  | 19,454  | 24,634   |
| <b>Net Balance on Balance Sheet</b>                          | <b>16,849</b>  | <b>18,264</b>   | <b>11,789</b>  |

h.3) Information on non-performing loans in foreign currencies: None.

h.4) Information on non-performing loans according to beneficiary group:

|  | Group III<br>Loans and<br>receivables with<br>limited collectibility | Group IV<br>Loans and<br>receivables with<br>doubtful<br>collectibility | Group V<br>Uncollectible<br>loans and<br>receivables |
|--|--|---|--|
| <b>Current Period (Net)</b>                                | <b>16,849</b>  | <b>18,264</b>   | <b>11,789</b>  |
| Loans Allowed to Real Persons and Corporate Bodies (Gross) | 20,303   | 37,718  | 36,423   |
| Specific provision (-)                                     | 3,454  | 19,454  | 24,634   |
| Loans Allowed to Real Persons and Corporate Bodies (Net)   | 16,849   | 18,264  | 11,789   |
| Banks (Gross)  | -  | -   | -  |
| Specific provision (-)                                     | -  | -   | -  |
| Banks (Net)  | -  | -   | -  |
| Other Loan and Receivables (Gross)                         | -  | -   | -  |
| Specific provision (-)                                     | -  | -   | -  |
| Other Loan and Receivables (Net)                           | -  | -   | -  |
| <b>Prior Period (Net)</b>                                  | <b>17,636</b>  | <b>9,243</b>  | <b>3,244</b>   |
| Loans Allowed to Real Persons and Corporate Bodies (Gross) | 23,410   | 17,443  | 12,512   |
| Specific provision (-)                                     | 5,774  | 8,200   | 9,268  |
| Loans Allowed to Real Persons and Corporate Bodies (Net)   | 17,636   | 9,243   | 3,244  |
| Banks (Gross)  | -  | -   | -  |
| Specific provision (-)                                     | -  | -   | -  |
| Banks (Net)  | -  | -   | -  |
| Other Loan and Receivables (Gross)                         | -  | -   | -  |
| Specific provision (-)                                     | -  | -   | -  |
| Other Loan and Receivables (Net)                           | -  | -   | -  |

**6. Information on investment securities held-to-maturity (Net):**

a) Information on subject to repurchase agreement and given as collateral or blocked:

|                                 | Current Period |    | Prior Period   |    |
|---------------------------------|----------------|----|----------------|----|
|                                 | TL             | FC | TL             | FC |
| Given as collateral or blocked  | -              | -  | 3,801          | -  |
| Subject to Repurchase Agreement | -              | -  | 220,212        | -  |
| <b>Total</b>                    | -              | -  | <b>224,013</b> | -  |

As at 31 December 2008, investment securities held-to-maturity other than those subject to repurchase agreements and given as collateral or blocked is TL 140,055.

b) Information on accounts in which government securities held-to-maturity are reflected :

|                             | Current Period | Prior Period   |
|-----------------------------|----------------|----------------|
| Government Bonds            | -              | 364,068        |
| Tresury Bills               | -              | -              |
| Other Government Securities | -              | -              |
| <b>Total</b>                | <b>-</b>       | <b>364,068</b> |

c) Information on investment securities held-to-maturity:

|                 | Current Period | Prior Period   |
|-----------------|----------------|----------------|
| Debt Securities | -              | 365,346        |
| Listed          | -              | 365,346        |
| Unlisted        | -              | -              |
| Impairment(-)   | -              | (1,278)        |
| <b>Total</b>    | <b>-</b>       | <b>364,068</b> |

d) Information on the movement of investment securities held-to-maturity during the period :

|   | Current Period | Prior Period   |
|---|----------------|----------------|
| Balance at the beginning of the period    | 364,068        | -              |
| Foreign exchange differences              | -              | -              |
| Purchases                                 | -              | 365,346        |
| Sales and redemptions                     | (174,536)      | -              |
| Transfers to available for sale portfolio | (189,532)      | -              |
| Impairment (-)                            | -              | (1,278)        |
| <b>Balance at the end of the period</b>   | <b>-</b>       | <b>364,068</b> |

The Parent Bank has sold a significant portion of its securities amounting to TL 364,068 classified in held to maturity portfolio before the maturity dates of such securities. For this reason, the Parent Bank can not classify its financial assets as held to maturity securities for the following two years beginning from 1 January 2009. The book value of the such financial assets is TL 189,532 as at 31 March 2009, whereas the book value of such financial assets classified as available for sale securities is TL 188,793 as at 30 September 2009.

#### 7. Investments in associates (Net):

Tekstil Menkul Değerler A.Ş., the subsidiary of the Parent Bank, participated in “Gelişen İşletmeler Piyasaları A.Ş.” with TL 100 which is 1% of its share capital and paid TL 50 in cash and recorded in consolidated financial statements.

8. Investments in subsidiaries (Net):

Information related to subsidiaries:

a) Information on subsidiaries not consolidated:

| Description   | Address<br>(City/Country) | Bank's share percentage-<br>If different from voting<br>percentage(%) | Bank's Risk<br>Group<br>Share Percentage (%) |
|---|---------------------------|---|--|
| Tekstil Bilişim Hizmetleri ve Ticaret A.Ş. (*)<br>(Bilişim) | Istanbul/Turkey           | 99.97   | 100.00                                       |

(\*)As explained in third section note III Bilişim is not consolidated.

b) Information on subsidiaries according to information above:

| Total Assets | Shareholders'<br>Equity | Total Fixed<br>Assets | Interest<br>Income | Trading<br>Income | Current<br>Period Profit<br>/ Loss | Prior<br>Period<br>Profit /<br>Loss | Fair value |
|--------------|-------------------------|-----------------------|--------------------|-------------------|------------------------------------|-------------------------------------|------------|
| 54           | 54                      | 1                     | 4                  | -                 | (1)                                | (3)                                 | -          |

c) Movement of subsidiaries:

|   | Current Period | Prior Period |
|---|----------------|--------------|
| Balance at the Beginning of the Period    | 55             | 107          |
| Movements during the Period               | (1)            | (52)         |
| Purchases                                 | -              | -            |
| Bonus shares received                     | -              | -            |
| Dividends from Current Year Profit        | -              | -            |
| Sales                                     | -              | -            |
| Revaluation Increase                      | -              | -            |
| Impairment Provision (+)                  | (1)            | (52)         |
| <b>Balance at the End of the Period</b>   | <b>54</b>      | <b>55</b>    |
| Capital Commitments                       | -              | -            |
| Share Percentage at the end of Period (%) | -              | -            |

d) Sectoral distribution of subsidiaries:

|                                  | Current Period | Prior Period |
|----------------------------------|----------------|--------------|
| Subsidiaries                     |                |              |
| Banks                            | -              | -            |
| Insurance Companies              | -              | -            |
| Factoring Companies              | -              | -            |
| Leasing Companies                | -              | -            |
| Finance Companies                | -              | -            |
| Other Financial Subsidiaries     | -              | -            |
| Other Non Financial Subsidiaries | 54             | 55           |
| <b>Total</b>                     | <b>54</b>      | <b>55</b>    |

e) Information on consolidated subsidiaries:

| Description   | Address<br>(City/Country) | Bank's share percentage-<br>If different from voting<br>percentage | Banks Risk<br>Group<br>Share Percentage (%) |
|---|---------------------------|--|---|
| Tekstil Menkul Değerler A.Ş. (Tekstil Menkul)             | Istanbul/Turkey           | 99.92  | 100.00                                      |
| The Euro Textile International Banking Unit Ltd.<br>(ETB) | Lefkoşa/Cyprus            | 99.99  | 100.00                                      |

f) Information on subsidiaries according to information above:

| Total Assets | Shareholders'<br>Equity | Total Fixed<br>Assets | Interest<br>Income | Trading<br>Income | Current<br>Period<br>Profit / Loss | Prior<br>Period<br>Profit /<br>Loss | Fair value |
|--------------|-------------------------|-----------------------|--------------------|-------------------|------------------------------------|-------------------------------------|------------|
| 7,614        | 5,574                   | 160                   | 413                | 3,078             | 2,198                              | 46                                  | -          |
| 14,896       | (1,214)                 | 2                     | 2,462              | -                 | (375)                              | (2,775)                             | -          |

g) Movement of consolidated subsidiaries:

There is no movement in the parent bank's subsidiaries for the nine months period ended 30 September 2009 and for the year ended 31 December 2008.

h) Sectoral distribution of consolidated subsidiaries:

|                                  | Current Period | Prior Period  |
|----------------------------------|----------------|---------------|
| Subsidiaries                     |                |               |
| Banks                            | 5,310          | 5,310         |
| Insurance Companies              | -              | -             |
| Factoring Companies              | -              | -             |
| Leasing Companies                | -              | -             |
| Finance Companies                | -              | -             |
| Other Financial Subsidiaries     | 5,484          | 5,484         |
| Other Non Financial Subsidiaries | -              | -             |
| <b>Total</b>                     | <b>10,794</b>  | <b>10,794</b> |

i) Listed subsidiaries: None.

j) Subsidiaries disposed during the current period: None.

k) Subsidiaries purchased in the current period: None.

**9. Information on Joint Ventures:**

None.

**10. Information on Financial Lease Receivables (net):**

None.

**11. Information on hedging purpose derivatives:**

None.

**12. Information on investment properties:**

None.

**13. Information on deferred tax assets:**

a) Amount of deferred tax asset recognized in the balance sheet in respect of each type of deductible temporary differences, unused tax credits:

The Parent Bank has net deferred tax asset amounting TL 2,002 (31 December 2008: TL 3,009) which was calculated on deductible temporary differences except general provisions and tax losses at 30 September 2009.

Deferred tax effects of items charged or credited to equity are also charged or credited directly to equity.

b) Amount and expiry date of deductible temporary differences, unused tax losses, unused tax credits for which no deferred tax asset is recognized in the balance sheet: None

**14. Information on assets held for sale and discontinued operations**

The Parent Bank has no asset held for sale and discontinued operation as of 30 September 2009 and 31 December 2008.

**15. Other Assets**

The Group has property and real assets acquired against non-performing loans. Such assets are recorded “under assets to be disposed-of” account and presented under “other assets” in the accompanying financial statements.

Movement of such assets are as follows:

|                                | Current Period | Prior Period  |
|--------------------------------|----------------|---------------|
| Opening Balance, net           | 33,881         | 28,244        |
| Purchases                      | 4,963          | 12,008        |
| Disposals, net (-)             | 17,502         | 4,857         |
| Impairment (-)                 | (2,607)        | 1,198         |
| Current Period Depreciation(-) | 659            | 316           |
| <b>Closing Net Book Value</b>  | <b>23,290</b>  | <b>33,881</b> |

Assets held for sale include commodities amounting to TL 4,865 (net) (31 December 2008: TL 5,556).

**II. Information and disclosures related to liabilities**

**1. Information on deposits:**

a) Information on maturity profile of deposits:

The Parent Bank does not have any deposits callable in 7 days informed deposits.

a.1) Current Period:

|                           | Demand        | Up to 1 month  | 1-3 Months     | 3-6 Months    | 6 Months-<br>1 Year | 1 Year<br>and Over | Cummulative<br>Deposits | Total            |
|---------------------------|---------------|----------------|----------------|---------------|---------------------|--------------------|-------------------------|------------------|
| Saving Deposits           | 7,474         | 172,097        | 302,848        | 12,527        | 2,501               | 1                  | 29                      | 497,477          |
| Foreign Currency Deposits | 35,841        | 236,489        | 363,931        | 23,913        | 17,076              | 932                | 3                       | 678,185          |
| Residents in Turkey       | 34,746        | 227,854        | 356,145        | 10,167        | 7,860               | 563                | 3                       | 637,338          |
| Residents Abroad          | 1,095         | 8,635          | 7,786          | 13,746        | 9,216               | 369                | -                       | 40,847           |
| Public Sector Deposits    | 12,195        | 4              | -              | -             | -                   | -                  | -                       | 12,199           |
| Commercial Deposits       | 24,460        | 35,115         | 48,707         | 2,022         | 312                 | 2                  | -                       | 110,618          |
| Other Ins. Deposits       | 852           | 366            | 563            | 8             | 4                   | -                  | -                       | 1,793            |
| Precious Metal Deposits   | -             | -              | -              | -             | -                   | -                  | -                       | -                |
| Bank Deposits             | 70            | 1,486          | -              | -             | -                   | -                  | -                       | 1,556            |
| Central Bank              | -             | -              | -              | -             | -                   | -                  | -                       | -                |
| Domestic Banks            | 28            | 1,486          | -              | -             | -                   | -                  | -                       | 1,514            |
| Foreign Banks             | 42            | -              | -              | -             | -                   | -                  | -                       | 42               |
| Special Financial Inst.   | -             | -              | -              | -             | -                   | -                  | -                       | -                |
| Other                     | -             | -              | -              | -             | -                   | -                  | -                       | -                |
| <b>Total</b>              | <b>80,892</b> | <b>445,557</b> | <b>716,049</b> | <b>38,470</b> | <b>19,893</b>       | <b>935</b>         | <b>32</b>               | <b>1,301,828</b> |

a.2) Prior Period:

|                           | Demand        | Up to 1 month  | 1-3 Months     | 3-6 Months    | 6 Months-<br>1 Year | 1 Year<br>and Over | Cummulative<br>Deposits | Total            |
|---------------------------|---------------|----------------|----------------|---------------|---------------------|--------------------|-------------------------|------------------|
| Saving Deposits           | 6,153         | 253,875        | 469,475        | 1,595         | 3,378               | 365                | -                       | 734,841          |
| Foreign Currency Deposits | 38,053        | 244,852        | 237,678        | 19,780        | 21,319              | 9,410              | -                       | 571,092          |
| Residents in Turkey       | 36,142        | 235,069        | 225,578        | 15,214        | 11,487              | 677                | -                       | 524,167          |
| Residents Abroad          | 1,911         | 9,783          | 12,100         | 4,566         | 9,832               | 8,733              | -                       | 46,925           |
| Public Sector Deposits    | 10,457        | 3              | -              | -             | -                   | -                  | -                       | 10,460           |
| Commercial Deposits       | 30,356        | 123,424        | 39,295         | 2,817         | 1                   | 1                  | -                       | 195,894          |
| Other Ins. Deposits       | 1,531         | 270            | 1,360          | 9             | 9                   | -                  | -                       | 3,179            |
| Precious Metal Deposits   | -             | -              | -              | -             | -                   | -                  | -                       | -                |
| Bank Deposits             | 492           | 16,207         | -              | -             | -                   | -                  | -                       | 16,699           |
| Central Bank              | -             | -              | -              | -             | -                   | -                  | -                       | -                |
| Domestic Banks            | 492           | 16,207         | -              | -             | -                   | -                  | -                       | 16,699           |
| Foreign Banks             | -             | -              | -              | -             | -                   | -                  | -                       | -                |
| Special Financial Inst.   | -             | -              | -              | -             | -                   | -                  | -                       | -                |
| Other                     | -             | -              | -              | -             | -                   | -                  | -                       | -                |
| <b>Total</b>              | <b>87,042</b> | <b>638,631</b> | <b>747,808</b> | <b>24,201</b> | <b>24,707</b>       | <b>9,776</b>       | <b>-</b>                | <b>1,532,165</b> |

b) Information on Deposit Insurance:

b.1) Information on savings deposits insured by the Saving Deposit Insurance Fund and the total amount of the deposits exceeding the insurance coverage limit:

| Saving Deposits   | Covered by             | Covered by             | Exceeding the           | Exceeding the           |
|---|------------------------|------------------------|-------------------------|-------------------------|
|   | Deposit Insurance Fund | Deposit Insurance Fund | Deposit Insurance Limit | Deposit Insurance Limit |
|   | Current Period         | Prior Period           | Current Period          | Prior Period            |
| Saving Deposits   | 239,245                | 291,546                | 248,897                 | 424,177                 |
| Foreign Currency Savings Deposits                           | 111,788                | 109,440                | 274,454                 | 262,169                 |
| Other Saving Deposits                                       | -                      | -                      | -                       | -                       |
| Foreign branches' Deposits Under Foreign Insurance Coverage | -                      | -                      | -                       | -                       |
| Off-Shore Deposits Under Foreign Insurance Coverage         | -                      | -                      | -                       | -                       |
| <b>Total</b>  | <b>351,033</b>         | <b>400,986</b>         | <b>523,351</b>          | <b>686,346</b>          |

b.2) Saving deposits not covered by deposit insurance: TL 26,117 (31 December 2008: TL 41,432)

Saving deposits that are not covered under the guarantee of deposit insurance fund:

|  | Current Period | Prior Period |
|--|----------------|--------------|
| Deposits and Other Accounts at Foreign Branches  | -              | -            |
| Deposits and Other Accounts belong to Major Shareholders with Their Parents, Spouse and Children under Their Wardship                                | 10,314         | 10,154       |
| Deposits and Other Accounts belong to Members of Board of Directors, CEO and Deputy CEO with Their Parents, Spouse and Children under Their Wardship | 10,516         | 9,680        |
| Deposits and Other Accounts linked to Crimes Mentioned in 282 <sup>nd</sup> Article of 5237 Numbered Turkish Crime Legislation dated on 26/09/2004   | -              | -            |
| Deposits belong to Off-shore Banks which are established in Turkey.  | 5,287          | 21,598       |

2. Information on derivative financial liabilities held for trading:

Negative difference on derivatives held for trading:

| Derivatives held for trading | Current Period |              | Prior Period |              |
|------------------------------|----------------|--------------|--------------|--------------|
|                              | TL             | FC           | TL           | FC           |
| Forwards                     | 353            | 1,186        | 3,355        | 1,892        |
| Swaps                        | 499            | 2,337        | -            | 3,961        |
| Futures                      | -              | -            | -            | -            |
| Options                      | 306            | 20           | 125          | 5            |
| Other                        | -              | -            | -            | 3,612        |
| <b>Total</b>                 | <b>1,158</b>   | <b>3,543</b> | <b>3,480</b> | <b>9,470</b> |

**3. Information on funds borrowed:**

a) Information on banks and other financial institutions:

|                                       | Current Period |                | Prior Period  |                |
|---------------------------------------|----------------|----------------|---------------|----------------|
|                                       | TL             | FC             | TL            | FC             |
| Central Bank of Turkey                | -              | -              | -             | -              |
| Domestic Banks and Institutions       | 5,851          | 32,920         | 22,660        | 49,081         |
| Foreign Banks, Institutions and Funds | -              | 109,291        | -             | 631,480        |
| <b>Total</b>                          | <b>5,851</b>   | <b>142,211</b> | <b>22,660</b> | <b>680,561</b> |

b) Maturities of funds borrowed:

|                      | Current Period |                | Prior Period  |                |
|----------------------|----------------|----------------|---------------|----------------|
|                      | TL             | FC             | TL            | FC             |
| Short-Term           | 5,851          | 64,533         | 22,660        | 551,483        |
| Medium and Long-Term | -              | 77,678         | -             | 129,078        |
| <b>Total</b>         | <b>5,851</b>   | <b>142,211</b> | <b>22,660</b> | <b>680,561</b> |

**4. Information on other liabilities:**

Other liabilities are amounting to TL 32,205 (31 December 2008: TL 31,035) and do not exceed 10% of total liabilities excluding the off-balance sheet items.

**5. Obligations under financial leases:**

Lease rent payments are determined according to related asset's cost, market interest rates and lease term. The Group does not have significant obligations on financial lease agreements.

Obligations under financial leases:

|                   | Current Period |            | Prior Period |              |
|-------------------|----------------|------------|--------------|--------------|
|                   | Gross          | Net        | Gross        | Net          |
| Less than 1 year  | 386            | 377        | 1,289        | 1,229        |
| Between 1-4 years | 6              | 5          | 141          | 137          |
| More than 4 years | -              | -          | -            | -            |
| <b>Total</b>      | <b>392</b>     | <b>382</b> | <b>1,430</b> | <b>1,366</b> |

**6. Information on liabilities arising from hedging purpose derivatives:**

None.

7. Information on provisions:

a) Information on general provisions:

|  | Current Period | Prior Period  |
|--|----------------|---------------|
| General Provisions                               |                |               |
| Provisions for Loans and Receivables in Group I  | 6,149          | 8,083         |
| Provisions for Loans and Receivables in Group II | 947            | 828           |
| Provisions for Non Cash Loans                    | 1,044          | 1,324         |
| Other  | 108            | 55            |
| <b>Total</b>                                     | <b>8,248</b>   | <b>10,290</b> |

b) Information on reserve for employee rights:

In accordance with existing legislation in Turkey, the Bank and its subsidiary in Turkey have to make certain lump-sum payments to employees who has completed one year of service with the Bank and whose employment is terminated due to retirement or reasons other than resignation or misconduct. Provision for employee severance benefits has been accounted for using discounting total provision and reflected to the consolidated financial statements.

Such payments are calculated on the basis of 30 days' pay, as at 30 September 2009, at ceiling amount of TL 2.37 (31 December 2008: TL 2.17), per year of employment at the rate of pay applicable at the date of retirement or termination. The liability is not funded, since there is no funding requirement.

The Bank reserved for employee severance indemnities in the accompanying financial statements using actuarial method in accordance with the Turkish Accounting Standard 19 (TAS 19) "Employee Benefits". The major actuarial assumptions used in the calculation of the total liability are as follows:

|   | Current Period | Prior Period |
|---|----------------|--------------|
| Discount Ratio (%)                                      | 6.26           | 6.26         |
| Expected Salary/ETI Liability Ceiling Increase Rate (%) | 5.40           | 5.40         |

It is assumed that the ceiling amount would increase by the rate of inflation.

Movement of ETI liability is below:

|  | Current Period | Prior Period |
|--|----------------|--------------|
| Balance at prior period end                      | 1,456          | 1,455        |
| Current year provision / (reversal of provision) | 2,135          | 2,279        |
| Paid during the year                             | (1,566)        | (2,278)      |
| <b>Balance at current period end</b>             | <b>2,025</b>   | <b>1,456</b> |

The Group also has vacation pay liability amounting TL 2,365 (31 December 2008: TL 2,590) as at 30 September 2009.

c) Provision for foreign exchange gain/loss on foreign currency indexed loans:

Foreign exchange differences on foreign currency indexed loans amounting TL 1,303 (31 December 2008: TL 757) are netted with loans on the asset side.

d) Information on other provisions:

d.1) Information on provision for possible risks: None

d.2) Information on provision for promotions related with banking services:

As at 30 September 2009, the Parent Bank has provision for credit card service promotions amounting TL 381 (31 December 2008: TL 528).

8. Taxation:

a) Current tax liability: As at 30 September 2009, corporate taxes payable of the Parent Bank is TL 1,790 (31 December 2008: TL 130).

b) Information on taxes payable:

|  | Current Period | Prior Period |
|--|----------------|--------------|
| Corporate taxes payable                  | 1,790          | 130          |
| Taxation on securities                   | 1,377          | 3,325        |
| Capital gains tax on property            | 96             | 109          |
| Banking Insurance Transaction Tax (BITT) | 1,260          | 3,211        |
| Taxes on foreign exchange transactions   | -              | -            |
| Value added tax payable                  | 27             | 59           |
| Other                                    | 1,182          | 1,570        |
| <b>Total</b>                             | <b>5,732</b>   | <b>8,404</b> |

c) Information on premiums payable:

|   | Current Period | Prior Period |
|---|----------------|--------------|
| Social security premiums- employee share                    | 404            | 530          |
| Social security premiums- employer share                    | 433            | 568          |
| Bank pension fund premium- employee share                   | -              | -            |
| Bank pension fund premium- employer share                   | -              | -            |
| Pension fund membership fees and provisions- employee share | -              | -            |
| Pension fund membership fees and provisions- employer share | -              | -            |
| Unemployment insurance- employee share                      | 29             | 38           |
| Unemployment insurance- employer share                      | 55             | 74           |
| Other   | 4              | -            |
| <b>Total</b>  | <b>925</b>     | <b>1,210</b> |

d) Information on deferred tax liabilities:

Deferred tax liability is netted off with deferred tax assets.

9. Information on shareholders' equity:

a) Paid in capital:

|                 | Current Period | Prior Period |
|-----------------|----------------|--------------|
| Common Stock    | 420,000        | 420,000      |
| Preferred Stock | -              | -            |

The paid-in share capital of the Bank is represented by 4,200 million registered shares of one 0.1 Turkish Liras each.

b) Paid-in capital amount, explanation as to whether the registered share capital system is applicable at bank; if so the amount of registered share capital: Not applicable at the Bank.

c) Information on share capital increases and their sources; other information on any increase in capital shares during the current period:

None.

d) Information on share capital increases from revaluation funds:

None.

e) Capital commitments for current financial year and following period: None.

f) Prior period indicators of the Bank's income, profitability and liquidity; and possible effects of the predictions on equity, considering the ambiguity of the indicators: None

g) Information on the privileges given to stocks representing the capital: None.

h) Information on valuation of securities:

|  | Current Period |            | Prior Period |              |
|--|----------------|------------|--------------|--------------|
|  | TL             | FC         | TL           | FC           |
| Associates and subsidiaries                          | -              | -          | -            | -            |
| Financial assets available-for-sale                  | 4,164          | 192        | (361)        | (602)        |
| Marketable securities subject to structural position | -              | -          | -            | -            |
| <b>Total</b>   | <b>4,164</b>   | <b>192</b> | <b>(361)</b> | <b>(602)</b> |

Information on portion of foreign currency securities that are related to marketable securities valuation funds:

Portion of foreign currency securities which are related with the marketable securities valuation funds is presented as difference between fair values and amortized costs of the government bonds classified as investment securities available-for-sale.

**III. Information on disclosures related to consolidated income statement**

**1. Interest income:**

a) Information on interest income received from loans:

|   | Current Period |               | Prior Period   |               |
|---|----------------|---------------|----------------|---------------|
|   | TL             | FC            | TL             | FC            |
| Interest income received from loans (*) |                |               |                |               |
| Short Term                              | 113,651        | 12,991        | 215,353        | 19,379        |
| Medium and Long Term                    | 32,083         | 2,362         | 31,158         | 2,931         |
| Loans Under Follow-Up                   | 1,952          | -             | 1,348          | -             |
| Source Utilization Support Fund         | -              | -             | -              | -             |
| <b>Total</b>                            | <b>147,686</b> | <b>15,353</b> | <b>247,859</b> | <b>22,310</b> |

(\*) Includes fees and commissions from cash loans.

b) Information on interest income received from banks

|                        | Current Period |              | Prior Period |              |
|------------------------|----------------|--------------|--------------|--------------|
|                        | TL             | FC           | TL           | FC           |
| Central Bank of Turkey | 2,825          | -            | 5,307        | 385          |
| Domestic Banks         | 1,617          | 54           | 1,535        | 1,535        |
| Foreign Banks          | 375            | 1,117        | -            | 4,425        |
| Foreign Branches       | -              | -            | -            | -            |
| <b>Total</b>           | <b>4,817</b>   | <b>1,171</b> | <b>6,842</b> | <b>6,345</b> |

c) Information on interest income received from associates and subsidiaries: None.

**2. Interest expense:**

a) Information on interest expense related to funds borrowed:

|                        | Current Period |               | Prior Period |               |
|------------------------|----------------|---------------|--------------|---------------|
|                        | TL             | FC            | TL           | FC            |
| <b>Banks (*)</b>       | 1,352          | 12,360        | 3,722        | 21,902        |
| Central Bank of Turkey | -              | -             | -            | -             |
| Domestic Banks         | 1,352          | 1,122         | 3,599        | 1,937         |
| Foreign Banks          | -              | 11,238        | 123          | 19,965        |
| Foreign Branches       | -              | -             | -            | -             |
| Other Institutions     | -              | -             | -            | -             |
| <b>Total</b>           | <b>1,352</b>   | <b>12,360</b> | <b>3,722</b> | <b>21,902</b> |

(\*) Includes fees and commission expenses related with funds borrowed.

b) Information on interest expense paid to associates and subsidiaries:

|  | Current Period | Prior Period |
|--|----------------|--------------|
| Interest paid to associates and subsidiaries | 4              | 7            |

**3. Trading income / loss (net)**

|   | Current Period   | Prior Period     |
|---|------------------|------------------|
| <b>Profit</b>                             | <b>290,713</b>   | <b>298,910</b>   |
| Gains on Capital Market Transactions      | 10,621           | 2,713            |
| Gains on Derivative Transactions          | 185,041          | 159,800          |
| Gains on Foreign Exchange Transactions    | 95,051           | 136,397          |
| <b>Loss (-)</b>                           | <b>(274,475)</b> | <b>(313,489)</b> |
| Losses from Capital Market Transactions   | (112)            | (505)            |
| Losses from Derivative Transactions       | (189,350)        | (174,726)        |
| Losses from Foreign Exchange Transactions | (85,013)         | (138,258)        |

Net loss from foreign exchange rate changes of derivatives is amounted to TL 6,076.

**4. Other operating income:**

There is not any extraordinary event that would have significantly effected the Parent Bank's other operating income.

**5. Impairment on loans and other receivables:**

|   | Current Period | Prior Period  |
|---|----------------|---------------|
| Specific Provisions on Loans and Other Receivables: | 38,779         | 24,990        |
| <i>Loans and Receivables in Group III</i>           | 4,582          | 6,200         |
| <i>Loans and Receivables in Group IV</i>            | 22,219         | 13,903        |
| <i>Loans and Receivables in Group V</i>             | 11,978         | 4,887         |
| General Provision Expenses                          | -              | 2,533         |
| Provision for Possible Losses                       | -              | -             |
| Impairment Losses on Securities:                    | 6,623          | 5,280         |
| <i>Trading securities</i>                           | -              | 870           |
| <i>Investment Securities Available-for-Sale</i>     | 6,623          | 4,410         |
| Other Impairment Losses:                            | 1              | -             |
| <i>Associates</i>                                   | -              | -             |
| <i>Subsidiaries</i>                                 | 1              | -             |
| <i>Joint Ventures</i>                               | -              | -             |
| <i>Investment Securities Held-to-Maturity</i>       | -              | -             |
| Other   | -              | -             |
| <b>Total</b>  | <b>45,403</b>  | <b>32,803</b> |

**6. Information related to other operating expenses:**

|  | Current Period | Prior Period  |
|--|----------------|---------------|
| Personnel Expenses   | 48,693         | 62,957        |
| Reserve for Employee Termination Indemnity Benefits          | 344            | 522           |
| Reserve for Bank's Social Aid Fund Deficit                   | -              | -             |
| Impairment of Tangible Assets                                | 699            | -             |
| Depreciation Expenses of Tangible Assets                     | 3,422          | 3,641         |
| Impairment of Intangible Assets                              | -              | -             |
| Depreciation Expenses of Intangible Assets                   | 576            | 562           |
| Impairment of Investments in Associates                      | -              | -             |
| Impairment of Securities Held for Sale                       | -              | -             |
| Depreciation of Securities Held for Sale (*)                 | 659            | 84            |
| Impairment of Assets Held for Sale and Discounted Operations | -              | -             |
| Other Operating Expenses                                     | 18,807         | 22,905        |
| <i>Operational Leases</i>                                    | 7,306          | 7,310         |
| <i>Repair and Maintenance</i>                                | 830            | 1,213         |
| <i>Advertising</i>   | 497            | 972           |
| <i>Other Expenses</i>  | 10,174         | 13,410        |
| Loss on Sales of Assets                                      | 2,062          | 101           |
| Other  | 5,186          | 5,542         |
| <b>Total</b>   | <b>80,448</b>  | <b>96,314</b> |

**7. Profit / loss before taxes for continued and discontinued operations:**

a) Information on calculated current tax income or expense and deferred tax income or expense:

For the interim period ended 30 September 2009, tax expense is TL 1,790 (30 September 2008- None).

For the interim period ended 30 September 2009 deferred tax expense is TL 1,000 (30 September 2008- TL 3,122 expense).

- b) Deferred tax charge arising from origination or reversal of temporary differences:

For the interim period ended 30 September 2009 deferred tax expense arising from temporary differences amounting TL 1,000 (30 September 2008- TL 3,659, expense).

Besides, the change in the deferred tax liabilities consist of the revaluation of buildings amounting to TL 7 (30 September 2008: None) is not reflected on the income statement, net-off from revaluation fund on tangible assets under the liabilities.

- c) Information on deferred tax income or expense by temporary difference, statutory loss and tax deduction and exception reflected to income table.

For the interim period ended 30 September 2009 deferred tax expense arising from temporary differences is TL 1,000 (30 September 2008: TL 3,659 expense).

For the interim period ended 30 September 2009, there is no deferred tax income resulted from statutory loss (30 September 2008: TL 537 income).

**8. Information on net profit and loss:**

- a) Any further explanation on operating results needed for better understanding of the Bank's performance: None
- b) Any changes in estimations that might have a material effect on current and subsequent period results: None

**9. Information related to the components of other items in the income statement exceeding 10% of the group total, or 20% of the sub-accounts belonging to this group:**

None.

#### IV. Information and disclosures related to consolidated off-balance sheet items

##### 1. Disclosures related to other contingent liabilities

- a) Type and amount of irrevocable commitments: As at 30 September 2009, loan granting commitments amount to TL 35,307 (31 December 2008: TL 36,784), commitments for credit card limits amount to TL 204,083 (31 December 2008: TL 206,354) commitments for cheque payments amount to TL 56,162 (31 December 2008: TL 59,289), commitments for promotional operations re-credit cards amount to TL 772 (31 December 2008: TL 1,025), tax and fund obligations from export commitments is TL 4 (31 December 2008: TL 11) and undertaking to pay statutory provision TL 6,692 (31 December 2008: None).
- b) Type and amount of possible losses and commitments from off-balance sheet items: None.

Guarantees from off-balance sheet commitments are shown in Off-balance Sheet Commitments and Contingencies" table.

As at 30 September 2009, the Parent Bank has letters of guarantees amounting to TL 657,051 (31 December 2008- TL 822,215), bills of exchange and acceptances amounting to TL 345 (31 December 2008- TL 9,813), letters of credit amounting to TL 66,529 (31 December 2008- TL 135,126), prefinancing given as guarantee amounting to TL 1,380 (31 December 2008- TL 1,408) and other guarantees amounting to TL 25,785 (31 December 2008- TL 35,607).

##### c) Non-cash loans

|  | Current Period | Prior Period     |
|--|----------------|------------------|
| Non-Cash Loans Given for Cash Loan Risks   | 61,771         | 90,224           |
| With Original Maturity of 1 Year or Less   | -              | 2,984            |
| With Original Maturity of More Than 1 Year | 61,771         | 87,240           |
| Other Non-Cash Loans                       | 689,319        | 913,945          |
| <b>Total</b>                               | <b>751,090</b> | <b>1,004,169</b> |

- d) There is not any fiduciary service rendered on behalf of third parties.

**V. Information and disclosures related to the Parent Bank's risk group**

**1. Information on the volume of transactions with the Parent Bank's risk group, lending and deposits outstanding at period end and income and expenses in the current period:**

a) Current Period:

| Bank's Risk Group (*)                   | Associates and subsidiaries |          | Bank's Direct and Indirect Shareholders |          | Other Components in Risk Group |          |
|---|-----------------------------|----------|---|----------|--------------------------------|----------|
|   | Cash                        | Non-Cash | Cash                                    | Non-Cash | Cash                           | Non-Cash |
| <u>Loans and Other Receivables</u>      |                             |          |   |          |                                |          |
| Balance at the Beginning of the Period  | -                           | -        | 40,932                                  | 5,722    | -                              | -        |
| Balance at the End of the Period        | -                           | -        | 28,447                                  | 4,500    | -                              | -        |
| Interest and Commission Income Received | -                           | -        | 3,458                                   | 70       | -                              | -        |

(\*) As described in the Article 49 of Banking Law no.5411.

The Parent Bank also has placements at the banks in its risk group amounting to TL 10,073 (31 December 2008- None).

b) Prior Period:

| Bank's Risk Group (*)                   | Associates and subsidiaries |          | Bank's Direct and Indirect Shareholders |          | Other Components in Risk Group |          |
|---|-----------------------------|----------|---|----------|--------------------------------|----------|
|   | Cash                        | Non-Cash | Cash                                    | Non-Cash | Cash                           | Non-Cash |
| <u>Loans and Other Receivables</u>      |                             |          |   |          |                                |          |
| Balance at the Beginning of the Period  | -                           | -        | 40,185                                  | 16,750   | -                              | -        |
| Balance at the End of the Period        | -                           | -        | 40,932                                  | 5,722    | -                              | -        |
| Interest and Commission Income Received | -                           | -        | 4,274                                   | 157      | -                              | -        |

(\*) As described in the Article 49 of Banking Law no.5411.

c) Information on deposits held by the Bank's risk group:

| Bank's Risk Group (*)                  | Associates and subsidiaries |              | Bank's Direct and Indirect Shareholders |              | Other Components in Risk Group |              |
|--|-----------------------------|--------------|---|--------------|--------------------------------|--------------|
|  | Current Period              | Prior Period | Current Period                          | Prior Period | Current Period                 | Prior Period |
| Deposit                                |                             |              |   |              |                                |              |
| Balance at the beginning of the Period | 52                          | 56           | 77,169                                  | 43,810       | -                              | -            |
| Balance at the End of the Period       | 53                          | 52           | 39,214                                  | 77,169       | -                              | -            |
| Interest on Deposits                   | 4                           | 7            | 4,355                                   | 3,466        | -                              | -            |

(\*) As described in the Article 49 of Banking Law no.5411.

d) Information on forward transactions and option agreements and similar other agreements related with the Bank's risk group:

As at 30 September 2009 the Parent Bank has forward and foreign currency swap transactions amounting to TL 24,077 and TL 24,318 (31 December 2008: TL 2,293 and TL 2,323, respectively) with the Bank's risk group.

**VI. Domestic, foreign and off-shore banking branches and foreign representatives**

|                                      | Number | Number of<br>Employees |                             |              |                            |
|--------------------------------------|--------|------------------------|-----------------------------|--------------|----------------------------|
| Domestic branches                    | 45     | 997                    |                             |              |                            |
|                                      |        |                        | Country of<br>Incorporation |              |                            |
| Foreign representation               | 1      | 2                      | Berlin, Germany             | Total Assets | Statutory Share<br>Capital |
| Foreign branch                       | -      | -                      | -                           | -            | -                          |
| Off-shore banking region<br>branches | -      | -                      | -                           | -            | -                          |

**VII. Information and disclosure related to subsequent events**

Transactions that have not been finalized and their effect on the consolidated financial statements:

According to the Official Gazette that is published on 16 October 2009, reserve requirement ratio for TL liabilities is decreased from 6% to 5%. For FC liabilities, reserve requirement ratio is remained at 9%.

## SECTION SIX

### INDEPENDENT AUDITORS' REVIEW REPORT

#### I. Information on the independent auditor's review report

The consolidated financial statements of the Bank as at and for the interim period ended 30 September 2009 have been reviewed by Akis Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (the member firm of KPMG International) and their review report dated 11 November 2009 has been presented before the consolidated financial statements in this financial report.

#### II. Information and disclosures prepared by the independent auditors

None.