



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

Tekstil Bankası Anonim Şirketi

Consolidated Interim Financial Statements
As at and for the Interim Period Ended
30 September 2011
With Independent Auditors' Review Report Thereon

Akis Bağımsız Denetim ve Serbest
Muhasebeci Mali Müşavirlik
Anonim Şirketi
10 November 2011

*This report contains 1 page of
independent auditors' review report
and 61 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 Auditors' Review Report
Originally Prepared and Issued in Turkish (See Note 3.I)**

INDEPENDENT AUDITORS' REVIEW REPORT

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 2011, and the consolidated statements of income, changes in equity and cash flows for the nine-month 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 2011, 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.

İstanbul,
10 November 2011

Akis Bağımsız Denetim ve Serbest
Muhasebeci Mali Müşavirlik
Anonim Şirketi

Orhan Akova
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 2011

Address of the Bank's

Headquarters: : Maslak Mah. Büyükdere Caddesi No: 247 34398 Şişli - 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 financial statements of the subsidiary “**Tekstil Yatırım Menkul Değerler A.Ş.**” is consolidated in this interim consolidated financial report.

The interim 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 DEREBEYOĞLU	H.Çim GÜZELAYDINLI	Güliden AKDEMİR	M.Sercan ÇOBAN
Chairman of Board of Directors and Audit Committee	Member of Board of Directors and Audit Committee	Chief Executive Officer and Member of Board of Directors	Executive Vice President	Unit Manager

Contact information for questions on this financial report:

Name-Surname : M. Sercan Çoban
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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 Parent 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 and information about the persons and institutions that have qualified shares in the Parent Bank

The capital of the Parent Bank is TL 420,000 as at 30 September 2011 and is fully paid. GSD Holding Anonim Şirketi ("GSD Holding") owns 75.50%, GSD Dış Ticaret Anonim Şirketi owns 1% and GSD Denizcilik Gayrimenkul İnşaat San. ve Tic. Anonim Şirketi owns 0.04% 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 11 November 1999. Almost all of its shares, which have nominal value of TL 250,000 as at 30 September 2011, are held by public.

Main operations of GSD Group Companies are;

Foreign Trade:	GSD Dış Ticaret A.Ş.
Banking:	Tekstil Bankası A.Ş., GSD Yatırım Bankası A.Ş.
Financial Services:	Tekstil Factoring Hizmetleri A.Ş., Tekstil Yatırım Menkul Değerler A.Ş. ("Tekstil Yatırım")
Other:	Tasfiye Halinde Tekstil Bilişim Hizmetleri ve Ticaret A.Ş., GSD Denizcilik Gayrimenkul İnşaat San. ve Tic. 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 and Audit Committee:	Akgün TÜRER	Chairman of the Board of Directors and Audit Committee	Graduate
Member of Audit Committee:	İ.Sencan DEREBEYOĞLU	Member of Board of Directors and Audit Committee	Graduate
Member of Board of Directors:	İ. 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 Operations Group	Graduate
	Gülden AKDEMİR (*)	Financial Control Group	Under-Graduate
	D.Halit DÖVER	International Relations Group	Graduate
	Bozok EVRENOSOĞLU	Loans Group	Under-Graduate
	Hüseyin H. İMECE	Treasury and Investors 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

(*) Nuriye Plotkin, Executive Vice President of the Financial Control Group, has resigned in May 2011. Gülden Akdemir was appointed as the Executive Vice President of the Financial Control Group in May 2011.

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 Sampo Japan Sigorta A.Ş., Aviva Sigorta A.Ş., Vakıf Emeklilik A.Ş. and Ergo Emeklilik ve Hayat A.Ş.

As at 30 September 2011, the Bank has 44 branches close to industrial zones of Turkey and a representative office in Berlin, Germany. The Bank has 882 employees as at 30 September 2011 (As at 31 December 2010 number of branches was 44, number of employees was 903).

The Parent Bank and its subsidiary, Tekstil Yatırım Menkul Değerler A.Ş. have been consolidated. The Parent Bank and its subsidiaries are named as "the Group" as a whole.

V. Other information

Bank's Official Title	: Tekstil Bankası Anonim Şirketi
Reporting Period	: 1 January – 30 September 2011
Address of Bank's Headquarters	: Maslak Mah.Büyükdere Cad. No:247 34398 Şişli - İstanbul
Telephone number	: (0212) 335 53 35
Fax number	: (0212) 328 13 28
Bank's Internet Address	: www.tekstilbank.com.tr
Reporting currency	: Thousands of Turkish Lira

TEKSTİL BANKASI A.Ş. AND ITS SUBSIDIARIES					Convenience Translation of			
CONSOLIDATED BALANCE SHEETS (STATEMENTS OF FINANCIAL POSITION)					Consolidated Financial Report			
AS AT 30 SEPTEMBER 2011 AND 31 DECEMBER 2010					Originally Issued in Turkish, See Note 3.1			
(Currency: Thousands of TL - Turkish Lira)								
ASSETS		Footnotes (Section 5)	THOUSANDS OF TURKISH LIRA					
			CURRENT PERIOD			PRIOR PERIOD		
			30/09/2011			31/12/2010		
			TL	FC	Total	TL	FC	Total
I.	CASH AND BALANCES WITH THE CENTRAL BANK	(5.1.1)	212,963	153,294	366,257	87,146	87,779	174,925
II.	FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Net)	(5.1.2)	30,750	3,947	34,697	4,182	574	4,756
2.1	Trading Securities		30,750	3,947	34,697	4,182	574	4,756
2.1.1	Public Sector Debt Securities		-	395	395	13	347	360
2.1.2	Share Certificates		469	-	469	-	-	-
2.1.3	Positive Value of Trading Derivatives		29,612	3,552	33,164	4,169	227	4,396
2.1.4	Other Securities		669	-	669	-	-	-
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		-	-	-	-	-	-
III.	BANKS	(5.1.3)	7,008	73,978	80,986	105	76,039	76,144
IV.	INTERBANK MONEY MARKET		-	-	-	-	-	-
4.1	Interbank Money Market Placements		-	-	-	-	-	-
4.2	Istanbul Stock Exchange Money Market Placements		-	-	-	-	-	-
4.3	Receivables from Reverse Repurchase Agreements		-	-	-	-	-	-
V.	INVESTMENT SECURITIES AVAILABLE FOR SALE (Net)	(5.1.4)	252,417	22,342	274,759	302,960	20,403	323,363
5.1	Share Certificates		-	540	540	-	371	371
5.2	Public Sector Debt Securities		240,399	12,545	252,944	296,828	10,746	307,574
5.3	Other Securities		12,018	9,257	21,275	6,132	9,286	15,418
VI.	LOANS	(5.1.5)	1,800,089	456,755	2,256,844	1,490,447	382,582	1,873,029
6.1	Loans		1,772,585	456,755	2,229,340	1,455,228	382,582	1,837,810
6.1.1	Loans Utilized to the Bank's Risk Group		51,443	73	51,516	17,714	19	17,733
6.1.2	Public Sector Debt Securities		-	-	-	-	-	-
6.1.3	Others		1,721,142	456,682	2,177,824	1,437,514	382,563	1,820,077
6.2	Loans under Follow-Up		87,380	-	87,380	93,965	-	93,965
6.3	Specific Provisions (-)		59,876	-	59,876	58,746	-	58,746
VII.	FACTORING RECEIVABLES		-	-	-	-	-	-
VIII.	INVESTMENT SECURITIES HELD TO MATURITY (Net)	(5.1.6)	-	-	-	-	-	-
8.1	Public Sector Debt Securities		-	-	-	-	-	-
8.2	Other Securities		-	-	-	-	-	-
IX.	INVESTMENTS IN ASSOCIATES (Net)	(5.1.7)	1	-	1	1	-	1
9.1	Equity Method Associates		-	-	-	-	-	-
9.2	Unconsolidated Associates		1	-	1	1	-	1
9.2.1	Financial Associates		1	-	1	1	-	1
9.2.2	Non-Financial Associates		-	-	-	-	-	-
X.	INVESTMENTS IN SUBSIDIARIES (Net)	(5.1.8)	42	-	42	47	-	47
10.1	Unconsolidated Financial Subsidiaries		-	-	-	-	-	-
10.2	Unconsolidated Non-Financial Subsidiaries		42	-	42	47	-	47
XI.	JOINT VENTURES (Net)	(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		-	-	-	-	-	-
XII.	LEASE RECEIVABLES (Net)	(5.1.10)	-	-	-	-	-	-
12.1	Financial Lease Receivables		-	-	-	-	-	-
12.2	Operational Lease Receivables		-	-	-	-	-	-
12.3	Others		-	-	-	-	-	-
12.4	Unearned Income (-)		-	-	-	-	-	-
XIII.	HEDGING DERIVATIVES	(5.1.11)	-	-	-	-	-	-
13.1	Fair Value Hedge		-	-	-	-	-	-
13.2	Cash Flow Hedge		-	-	-	-	-	-
13.3	Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-
XIV.	TANGIBLE ASSETS (Net)		75,005	-	75,005	77,146	-	77,146
XV.	INTANGIBLE ASSETS (Net)		1,554	-	1,554	1,667	-	1,667
15.1	Goodwill		-	-	-	-	-	-
15.2	Others		1,554	-	1,554	1,667	-	1,667
XVI.	INVESTMENT PROPERTY (Net)	(5.1.12)	-	-	-	-	-	-
XVII.	TAX ASSETS	(5.1.13)	2,045	-	2,045	1,617	-	1,617
17.1	Current Tax Assets		-	-	-	-	-	-
17.2	Deferred Tax Assets		2,045	-	2,045	1,617	-	1,617
XVIII.	ASSETS HELD FOR SALE AND ASSETS RELATED TO DISCONTINUED OPERATIONS (Net)	(5.1.14)	-	-	-	-	-	-
18.1	Held For Sale		-	-	-	-	-	-
18.2	Discontinued Operations		-	-	-	-	-	-
XIX.	OTHER ASSETS	(5.1.15)	78,786	43,640	122,426	34,139	4,546	38,685
TOTAL ASSETS			2,460,660	753,956	3,214,616	1,999,457	571,923	2,571,380

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

TEKSTİL BANKASI A.Ş. AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (STATEMENTS OF FINANCIAL POSITION)
AS AT 30 SEPTEMBER 2011 AND 31 DECEMBER 2010
(Currency: Thousands of TL - Turkish Lira)

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

LIABILITIES AND EQUITY	Footnotes (Section 5)	THOUSANDS OF TURKISH LIRA					
		CURRENT PERIOD			PRIOR PERIOD		
		30/09/2011			31/12/2010		
		TL	FC	Total	TL	FC	Total
I. DEPOSITS	(5.II.1)	1,321,839	931,244	2,253,083	1,063,713	719,034	1,782,747
1.1 Deposits of the Bank's Risk Group		57,570	38,366	95,936	38,181	36,233	74,414
1.2 Others		1,264,269	892,878	2,157,147	1,025,532	682,801	1,708,333
II. NEGATIVE VALUE OF TRADING DERIVATIVES	(5.II.2)	31,684	4,187	35,871	5,101	1,805	6,906
III. FUNDS BORROWED	(5.II.3)	38,925	192,833	231,758	16,947	50,379	67,326
IV. DUE TO MONEY MARKETS		50,973	-	50,973	143,166	-	143,166
4.1 Interbank Money Market		-	-	-	-	-	-
4.2 Istanbul Stock Exchange		-	-	-	-	-	-
4.3 Obligations under Repurchase Agreements		50,973	-	50,973	143,166	-	143,166
V. SECURITIES ISSUED (Net)		-	-	-	-	-	-
5.1 Bills		-	-	-	-	-	-
5.2 Asset Backed Securities		-	-	-	-	-	-
5.3 Bonds		-	-	-	-	-	-
VI. FUNDS		-	-	-	-	-	-
6.1 Bank Borrowers' Funds		-	-	-	-	-	-
6.2 Others		-	-	-	-	-	-
VII. MISCELLANEOUS PAYABLES		14,306	1,188	15,494	10,781	899	11,680
VIII. OTHER EXTERNAL RESOURCES	(5.II.4)	70,770	9,653	80,423	25,930	7,316	33,246
IX. FACTORING PAYABLES		-	-	-	-	-	-
X. LEASE PAYABLES (Net)	(5.II.5)	-	-	-	-	2	2
10.1 Financial Lease Payables		-	-	-	-	2	2
10.2 Operational Lease Payables		-	-	-	-	-	-
10.3 Others		-	-	-	-	-	-
10.4 Deferred Financial Leasing Expenses (-)		-	-	-	-	-	-
XI. HEDGING PURPOSE DERIVATIVES	(5.II.6)	-	-	-	-	-	-
11.1 Fair Value Hedge		-	-	-	-	-	-
11.2 Cash Flow Hedge		-	-	-	-	-	-
11.3 Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-
XII. PROVISIONS	(5.II.7)	29,536	-	29,536	22,376	-	22,376
12.1 General Provisions		18,276	-	18,276	12,378	-	12,378
12.2 Restructuring Provisions		-	-	-	-	-	-
12.3 Reserve for Employee Benefits		6,061	-	6,061	5,401	-	5,401
12.4 Insurance Technical Provisions (Net)		-	-	-	-	-	-
12.5 Other Provisions		5,199	-	5,199	4,597	-	4,597
XIII. TAX LIABILITIES	(5.II.8)	7,505	-	7,505	7,387	-	7,387
13.1 Current Tax Liability		7,505	-	7,505	7,387	-	7,387
13.2 Deferred Tax Liability		-	-	-	-	-	-
XIV. PAYABLES RELATED TO HELD FOR SALE AND DISCONTINUED OPERATIONS		-	-	-	-	-	-
14.1 Held For Sale		-	-	-	-	-	-
14.2 Discontinued Operations		-	-	-	-	-	-
XV. SUBORDINATED LOANS		-	-	-	-	-	-
XVI. SHAREHOLDERS' EQUITY	(5.II.9)	509,150	823	509,973	495,609	935	496,544
16.1 Paid-In Capital		420,000	-	420,000	420,000	-	420,000
16.2 Supplementary Capital		17,052	823	17,875	21,051	935	21,986
16.2.1 Share Premium		(814)	-	(814)	(814)	-	(814)
16.2.2 Share Cancellation Profits		-	-	-	-	-	-
16.2.3 Valuation Differences of Securities		3,286	823	4,109	7,285	935	8,220
16.2.4 Revaluation Fund on Tangible Assets		14,580	-	14,580	14,580	-	14,580
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		54,558	-	54,558	34,516	-	34,516
16.3.1 Legal Reserves		5,830	-	5,830	4,929	-	4,929
16.3.2 Status Reserves		-	-	-	-	-	-
16.3.3 Extraordinary Reserves		48,728	-	48,728	29,587	-	29,587
16.3.4 Other Profit Reserves		-	-	-	-	-	-
16.4 Profit or Loss		17,540	-	17,540	20,042	-	20,042
16.4.1 Prior Periods' Profit or Loss		-	-	-	-	-	-
16.4.2 Current Period Profit or Loss		17,540	-	17,540	20,042	-	20,042
16.5 Minority Shares		-	-	-	-	-	-
TOTAL LIABILITIES AND EQUITY		2,074,688	1,139,928	3,214,616	1,791,010	780,370	2,571,380

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 2011 AND 31 DECEMBER 2010
(Currency: Thousands of TL - Turkish Lira)

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

	Footnotes (Section 5)	THOUSANDS OF TURKISH LIRA					
		CURRENT PERIOD			PRIOR PERIOD		
		30/09/2011			31/12/2010		
		TL	FC	Total	TL	FC	Total
A. OFF BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I+II+III)		1,957,255	2,240,484	4,197,739	1,243,199	1,399,418	2,642,617
I. GUARANTEES	(5.IV.1)	502,453	615,725	1,118,178	406,901	481,320	888,221
1.1. Letters of Guarantee		501,868	333,904	835,772	406,901	311,345	718,246
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		501,868	333,904	835,772	406,901	311,345	718,246
1.2. Bank Acceptances		-	7,866	7,866	-	3,169	3,169
1.2.1. Import Letter of Acceptance		-	7,866	7,866	-	3,169	3,169
1.2.2. Other Bank Acceptances		-	-	-	-	-	-
1.3. Letters of Credit		-	238,323	238,323	-	147,933	147,933
1.3.1. Documentary Letters of Credit		-	142,758	142,758	-	89,627	89,627
1.3.2. Other Letters of Credit		-	95,565	95,565	-	58,306	58,306
1.4. Prefinancing Given As Guarantee		-	-	-	-	1,440	1,440
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		585	35,632	36,217	-	17,433	17,433
1.9. Other Sureties		-	-	-	-	-	-
II. COMMITMENTS	(5.IV.1)	405,248	77,387	482,635	331,815	55,105	386,920
2.1. Irrevocable Commitments		405,248	77,387	482,635	331,815	55,105	386,920
2.1.1. Asset Purchase and Sale Commitments		69,851	77,387	147,238	17,533	55,105	72,638
2.1.2. Deposit Purchase and Sales Commitments		-	-	-	-	-	-
2.1.3. Share Capital Commitments to Associates and Subsidiaries		-	-	-	-	-	-
2.1.4. Loan Granting Commitments		51,721	-	51,721	43,871	-	43,871
2.1.5. Securities Issuance Brokerage Commitments		-	-	-	-	-	-
2.1.6. Commitments for Reserve Deposit Requirements		-	-	-	-	-	-
2.1.7. Commitments for Cheque Payments		79,701	-	79,701	75,425	-	75,425
2.1.8. Tax and Fund Obligations from Export Commitments		-	-	-	-	-	-
2.1.9. Commitments for Credit Card Limits		203,388	-	203,388	194,383	-	194,383
2.1.10. Commitments for Promotional Operations Re-Credit Cards and Banking Services		587	-	587	603	-	603
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		-	-	-	-	-	-
III. DERIVATIVE FINANCIAL INSTRUMENTS		1,049,554	1,547,372	2,596,926	504,483	862,993	1,367,476
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		1,049,554	1,547,372	2,596,926	504,483	862,993	1,367,476
3.2.1. Forward Foreign Currency Purchases/Sales		153,451	224,198	377,649	76,573	218,101	294,674
3.2.1.1. Forward Foreign Currency Purchases		83,437	105,354	188,791	31,515	115,504	147,019
3.2.1.2. Forward Foreign Currency Sales		70,014	118,844	188,858	45,058	102,597	147,655
3.2.2. Currency and Interest Rate Swaps		152,995	322,869	475,864	82,496	250,190	332,686
3.2.2.1. Currency Swaps-Purchases		13,961	223,843	237,804	80,248	85,188	165,436
3.2.2.2. Currency Swaps-Sales		139,034	99,026	238,060	2,248	165,002	167,250
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		743,108	1,000,305	1,743,413	345,414	394,702	740,116
3.2.3.1. Currency Options-Purchases		379,692	491,572	871,264	175,717	194,299	370,016
3.2.3.2. Currency Options-Sales		363,416	508,733	872,149	169,697	200,403	370,100
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		-	-	-	-	-	-
B. CUSTODY AND PLEDGED SECURITIES (IV+V+VI)		2,280,301	921,304	3,201,605	1,692,066	784,935	2,477,001
IV. ITEMS HELD IN CUSTODY		194,161	23,406	217,567	150,864	19,196	170,060
4.1. Customers' Securities and Portfolios Held		-	-	-	-	-	-
4.2. Securities Held in Custody		110,362	9,380	119,742	90,314	7,764	98,078
4.3. Checks Received for Collection		60,215	5,487	65,702	42,731	2,592	45,323
4.4. Commercial Notes Received for Collection		13,639	4,989	18,628	11,716	4,454	16,170
4.5. Other Assets Received for Collection		-	-	-	-	-	-
4.6. Assets Received for Public Offering		-	-	-	-	-	-
4.7. Other Items under Custody		399	-	399	359	-	359
4.8. Custodians		9,546	3,550	13,096	5,744	4,386	10,130
V. PLEDGED ITEMS		2,062,324	897,529	2,959,853	1,541,202	765,430	2,306,632
5.1. Securities		8,671	-	8,671	3,481	-	3,481
5.2. Guarantee Notes		2,298	14,848	17,146	4,242	11,300	15,542
5.3. Commodities		61,844	44,259	106,103	54,924	21,314	76,238
5.4. Warrants		112	-	112	102	-	102
5.5. Immovables		1,350,877	677,421	2,028,298	1,117,398	621,867	1,739,265
5.6. Other Pledged Items		638,522	161,001	799,523	361,055	110,949	472,004
5.7. Pledged Items-Depository		-	-	-	-	-	-
VI. CONFIRMED BILLS OF EXCHANGE AND SURETIES		23,816	369	24,185	-	309	309
TOTAL OFF BALANCE SHEET ITEMS (A+B)		4,237,556	3,161,788	7,399,344	2,935,265	2,184,353	5,119,618

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 2011 AND 2010
(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 (Section 5)	THOUSANDS OF TURKISH LIRA			
		CURRENT PERIOD	PRIOR PERIOD	CURRENT PERIOD	PRIOR PERIOD
		(01/01/2011 - 30/09/2011)	(01/01/2010 - 30/09/2010)	(01/07/2011 - 30/09/2011)	(01/07/2010 - 30/09/2010)
I. INTEREST INCOME	(5.III.1)	177,469	141,807	67,661	47,587
1.1 Interest from Loans		158,647	116,416	61,426	38,256
1.2 Interest from Reserve Deposits		-	-	-	-
1.3 Interest from Banks		1,050	2,158	450	722
1.4 Interest from Money Market Transactions		-	38	-	6
1.5 Interest from Securities Portfolio		17,522	21,767	5,698	7,903
1.5.1 Trading Securities		18	50	7	24
1.5.2 Financial Assets at Fair Value Through Profit or Loss		-	-	-	-
1.5.3 Available for Sale Securities		17,504	21,717	5,691	7,879
1.5.4 Held to Maturity Securities		-	-	-	-
1.6 Interest from Financial Leases		-	-	-	-
1.7 Other Interest Income		250	1,428	87	700
II. INTEREST EXPENSE	(5.III.2)	104,887	65,197	43,465	23,157
2.1 Interest on Deposits		93,817	58,140	39,144	20,975
2.2 Interest on Funds Borrowed		4,354	2,970	2,264	751
2.3 Interest on Money Market Transactions		6,618	3,980	2,055	1,430
2.4 Interest on Securities Issued		-	-	-	-
2.5 Other Interest Expense		98	107	2	1
III. NET INTEREST INCOME (I - II)		72,582	76,610	24,196	24,430
IV. NET FEE AND COMMISSION INCOME		14,377	12,738	4,462	4,397
4.1 Fees and Commissions Received		17,358	15,555	5,409	5,257
4.1.1 Non-Cash Loans		8,011	5,596	2,875	2,276
4.1.2 Other		9,347	9,959	2,534	2,981
4.2 Fees and Commissions Paid		2,981	2,817	947	860
4.2.1 Non-Cash Loans		245	104	106	37
4.2.2 Other		2,736	2,713	841	823
V. DIVIDEND INCOME		5	-	-	-
VI. TRADING INCOME/LOSS (Net)	(5.III.3)	12,167	8,107	3,141	3,329
6.1 Profit / Loss on Trading Account Securities		8,228	5,741	1,927	1,292
6.2 Derivative Instruments Gain / Loss		9,928	(13,795)	(288)	2,546
6.3 Foreign Exchange Gain / Loss		(5,989)	16,161	1,502	(509)
VII. OTHER OPERATING INCOME	(5.III.4)	14,866	14,484	4,083	4,200
VIII. TOTAL OPERATING INCOME (III+IV+V+VI+VII)		113,997	111,939	35,882	36,356
IX. IMPAIRMENT ON LOANS AND OTHER RECEIVABLES (-)	(5.III.5)	16,169	14,999	5,099	6,208
X. OTHER OPERATING EXPENSES (-)	(5.III.6)	76,483	75,194	25,423	25,602
XI. NET OPERATING PROFIT/LOSS (VIII-IX-X)		21,345	21,746	5,360	4,546
XII. NEGATIVE GOODWILL		-	-	-	-
XIII. PROFIT /LOSS FROM EQUITY METHOD INVESTMENTS		-	-	-	-
XIV. GAIN/LOSS ON NET MONETARY POSITION		-	-	-	-
XV. P/L BEFORE TAXES FROM CONTINUING OPERATIONS (XI+...+XIV)		21,345	21,746	5,360	4,546
XVI. TAXES ON INCOME FROM CONTINUING OPERATIONS (±)	(5.III.7)	(3,805)	(5,761)	31	(2,207)
16.1 Current Tax Provision		(4,197)	(5,392)	(757)	(1,982)
16.2 Deferred Tax Provision		392	(369)	788	(225)
XVII. NET PROFIT / LOSS FROM CONTINUING OPERATIONS (XV±XVI)		17,540	15,985	5,391	2,339
XVIII. PROFIT FROM DISCONTINUED OPERATIONS		-	-	-	-
18.1 Assets Held for Sale		-	-	-	-
18.2 Profit on Sale of Associates, Subsidiaries and Joint Ventures		-	-	-	-
18.3 Others		-	-	-	-
XIX. LOSS FROM DISCONTINUED OPERATIONS (-)		-	-	-	-
19.1 Assets Held for Sale		-	-	-	-
19.2 Loss on Sale of Associates, Subsidiaries and Joint Ventures		-	-	-	-
19.3 Others		-	-	-	-
XX. P/L BEFORE TAXES FROM DISCONTINUED OPERATIONS (XVIII-XIX)		-	-	-	-
XXI. TAXES ON INCOME FROM DISCONTINUED OPERATIONS (±)	(5.III.7)	-	-	-	-
21.1 Current Tax Provision		-	-	-	-
21.2 Deferred Tax Provision		-	-	-	-
XXII. NET PROFIT / LOSS FROM DISCONTINUED OPERATIONS (XX±XXI)		-	-	-	-
XVIII. NET PROFIT/LOSS (XVII+XXII)	(5.III.8)	17,540	15,985	5,391	2,339
23.1 Group's Profit / Loss		17,540	15,985	5,391	2,339
23.2 Minority Shares		-	-	-	-
Earnings / Losses per Share (Full TL)		0.0042	0.0038	0.0013	0.0006

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

TEKSTİL BANKASI A.Ş. AND ITS SUBSIDIARIES
**CONSOLIDATED STATEMENTS OF INCOME AND EXPENSES RECOGNIZED UNDER EQUITY
FOR THE INTERIM PERIODS ENDED 30 SEPTEMBER 2011 AND 2010**

(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 (01/01/2011 - 30/09/2011)	PRIOR PERIOD (01/01/2010 - 30/09/2010)
I. ADDITIONS TO VALUATION DIFF. ON SECURITIES FROM AVAILABLE FOR SALE INVESTMENTS	(5,126)	2,924
II. REVALUATION ON TANGIBLE ASSETS	-	-
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	-	-
IX. DEFERRED AND CURRENT TAXES ON VALUATION DIFFERENCES	1,015	(222)
X. NET PROFIT/LOSS RECOGNIZED IN EQUITY (I+II+...+IX)	(4,111)	2,702
XI. CURRENT PERIOD PROFIT/LOSS	17,540	15,985
11.1 Net Change in Fair Value of Securities (Transfer to Profit & Loss)	808	338
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 Subsidiaries	-	-
11.4 Others	16,732	15,647
XII. TOTAL RECOGNIZED INCOME AND EXPENSE FOR THE PERIOD (X+XI)	13,429	18,687

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 2011 AND 2010
(Currency: Thousands of TL - Turkish Lira)

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

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 Fund on Tangible Assets	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 Shares	Total Shareholders' Equity
PRIOR PERIOD																			
30/09/2010																			
I.	Balances at the Beginning of Period-01/01/2010	420,000	-	(814)	-	4,252	-	14,105	-	16,159	-	4,082	5,027	-	-	-	462,811	-	462,811
II.	Corrections According to Turkish Accounting Standard No.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1	Corrections of Errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Adjusted Beginning Balance (I + II)	420,000	-	(814)	-	4,252	-	14,105	-	16,159	-	4,082	5,027	-	-	-	462,811	-	462,811
Changes in the Period																			
IV.	Increase / Decrease Related to Mergers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V.	Valuation Difference of Available-for-Sale Securities	-	-	-	-	-	-	-	-	-	-	2,702	-	-	-	-	2,702	-	2,702
VI.	Hedging Transactions (Effective Portion)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.1	Cash Flow Hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.2	Hedging of a Net Investment in Foreign Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Revaluation fund on tangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Revaluation fund on intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Capital Bonus of Associates,Subsidiaries and Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Foreign Exchange Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	Changes Related to Sale of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII.	Changes Related to Reclassification of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII.	Effect of Changes in Equities of Associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV.	Capital Increase	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.1	Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.2	Domestic sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV.	Issuances of Share Certificates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.	Abolition profit of Share Certificates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII.	Capital Reserves from Inflation Adjustments to Paid-In Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVIII.	Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIX.	Current Period Net Profit / Loss	-	-	-	-	-	-	-	-	15,985	-	-	-	-	-	-	15,985	-	15,985
XX.	Profit Distribution	-	-	-	-	677	-	15,482	-	(16,159)	-	-	-	-	-	-	-	-	-
20.1	Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20.2	Transferred to Reserves	-	-	-	-	677	-	15,482	-	(16,159)	-	-	-	-	-	-	-	-	-
20.3	Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances at the End of Period (III+IV+V...+XVIII+XIX+XX) - 30/09/2010		420,000	-	(814)	-	4,929	-	29,587	-	15,985	-	6,784	5,027	-	-	-	481,498	-	481,498
CURRENT PERIOD																			
30/09/2011																			
I.	Balances at the Beginning of Period-01/01/2011	420,000	-	(814)	-	4,929	-	29,587	-	20,042	-	8,220	14,580	-	-	-	496,544	-	496,544
Changes in the Period																			
II.	Increase / Decrease Related to Mergers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Valuation Difference of Available-for-Sale Securities	-	-	-	-	-	-	-	-	-	-	(4,111)	-	-	-	-	(4,111)	-	(4,111)
IV.	Hedging Transactions (Effective Portion)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1	Cash Flow Hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2	Hedging of a Net Investment in Foreign Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V.	Revaluation fund on tangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Revaluation fund on intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Capital Bonus of Associates,Subsidiaries and Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Foreign Exchange Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Changes Related to Sale of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Changes Related to Reclassification of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	Effect of Changes in Equities of Associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII.	Capital Increase	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.1	Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2	Domestic sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII.	Issuances of Share Certificates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV.	Abolition profit of Share Certificates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV.	Capital Reserves from Inflation Adjustments to Paid-In Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.	Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII.	Current Period Net Profit / Loss	-	-	-	-	-	-	-	-	17,540	-	-	-	-	-	-	17,540	-	17,540
XVIII.	Profit Distribution	-	-	-	-	901	-	19,141	-	(20,042)	-	-	-	-	-	-	-	-	-
18.1	Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18.2	Transferred to Reserves	-	-	-	-	901	-	19,141	-	(20,042)	-	-	-	-	-	-	-	-	-
18.3	Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances at the End of Period (I+II+III+...+XVI+XVII+XVIII) - 30/09/2011		420,000	-	(814)	-	5,830	-	48,728	-	17,540	-	4,109	14,580	-	-	-	509,973	-	509,973

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 2011 AND 2010
(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 (01/01/2011 - 30/09/2011)	PRIOR PERIOD (01/01/2010 - 30/09/2010)
A.	CASH FLOWS FROM BANKING OPERATIONS		
1.1	Operating Profit before Changes in Operating Assets and Liabilities	34,084	55,360
1.1.1	Interest Received	167,194	143,776
1.1.2	Interest Paid	(95,415)	(64,776)
1.1.3	Dividend Received	5	-
1.1.4	Fees And Commissions Received	14,592	13,833
1.1.5	Other Income	12,206	13,134
1.1.6	Collections from Non-performing Loans	12,453	21,827
1.1.7	Payments to Personnel and Service Suppliers	(47,221)	(44,488)
1.1.8	Taxes Paid	(9,564)	(7,500)
1.1.9	Other	(20,166)	(20,446)
1.2	Changes in Operating Assets and Liabilities	75,160	9,379
1.2.1	Net (Increase) Decrease in Trading Securities	(1,504)	(197)
1.2.2	Net (Increase) Decrease in Financial Assets Designated at FV	-	-
1.2.3	Net (Increase) Decrease in Banks	(32,177)	3,345
1.2.4	Net (Increase) Decrease in Loans	(399,984)	7,604
1.2.5	Net (Increase) Decrease in Other Assets	(75,357)	(58)
1.2.6	Net Increase (Decrease) in Bank Deposits	(7,811)	1,688
1.2.7	Net Increase (Decrease) in Other Deposits	470,538	(58,082)
1.2.8	Net Increase (Decrease) in Funds Borrowed	70,376	40,670
1.2.9	Net Increase (Decrease) in Due Payables	-	-
1.2.10	Net Increase (Decrease) in Other Liabilities	51,079	14,409
I.	Net Cash Provided by Banking Operations	109,244	64,739
B.	CASH FLOWS FROM INVESTING ACTIVITIES		
II.	Net Cash Provided by / (Used in) Investing Activities	47,760	(81,246)
2.1	Cash Paid for Purchase of Investments, Associates and Subsidiaries	-	-
2.2	Cash Obtained From Sale of Investments, Associates And Subsidiaries	-	49
2.3	Fixed Asset Purchases	(770)	(329)
2.4	Fixed Asset Sales	125	11
2.5	Cash Paid for Purchase of Investments Available for Sale	(122,796)	(163,268)
2.6	Cash Obtained From Sale of Investments Available for Sale	171,201	82,291
2.7	Cash Paid for Purchase of Investment Securities	-	-
2.8	Cash Obtained from Sale of Investment Securities	-	-
2.9	Other	-	-
C.	CASH FLOWS FROM FINANCING ACTIVITIES		
III.	Net Cash (Used in) Financing Activities	(2)	(131)
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	-	-
3.4	Dividends Paid	-	-
3.5	Payments for Finance Leases	(2)	(131)
3.6	Other	-	-
IV.	Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents	6,982	(1,476)
V.	Net Increase/(Decrease) in Cash and Cash Equivalents (I+II+III+IV)	163,984	(18,114)
VI.	Cash and Cash Equivalents at the Beginning of Period	194,817	152,182
VII.	Cash and Cash Equivalents at the End of Period (V+VI)	358,801	134,068

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 accompanying consolidated financial statements and the related disclosures and footnotes are prepared in accordance within the framework of standards as described in the Regulation on Procedures and Principles for Accounting Practices and Retention of Documents by Banks ("Regulation"), dated 1 November 2006 which is published in the Official Gazette No.26333, in accordance with the Turkish Accounting Standards ("TAS"), Turkish Financial Reporting Standards ("TFRS") and interpretations of these standards (totally "Turkish Accounting Standards" or "TAS") promulgated by the Turkish Accounting Standards Board ("TASB") and in accordance with all other regulations, explanations and circulars related to the accounting and reporting promulgated by the Banking Regulation and Supervision Agency ("BRSA").

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

Preparation of financial statements according to TAS requires the Bank management to make assumptions and forecasts about assets and liabilities in the balance sheet. These assumptions and forecasts are regularly revised, adjusted and the effects of these adjustments is reflected to income statement.

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.

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

The Parent Bank has no consolidating associate.

Tekstil Yatırım which is financial subsidiary of the Bank is consolidated to accompanying financial statements by using "Full Consolidation" method as of 30 September 2011.

Tekstil Yatırım and "The Euro Textile International Banking Unit Ltd." (ETB) which are financial subsidiaries of the Bank are consolidated to accompanying financial statements as of 31 December 2010. ETB, subsidiary of Parent Bank established in abroad, has been liquidated as at 18 July 2011.

The Parent Bank and its consolidated subsidiary are named as "the 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 2011 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 in consideration of not being a financial subsidiary as per the BRSA Communiqué; “Regulation on Preparation of Banks’ Consolidated Financial Statements” article 5, division 1 published on the Official Gazette no.26340 dated 6 November 2006.

Stated in the same Communiqué article 5, division 8, all the banks have to prepare consolidated financial statements including all subsidiaries according to TAS within a content determined by the BRSA and publish these financial statements on their web sites. The Parent Bank publishes consolidated financial statements, in which Tekstil Bilişim is included in consolidation, within the required periods on its web site.

IV. Forward transactions, options and derivative instruments

The derivative transactions of the Group mainly consist of foreign currency swaps, foreign currency options and forward contracts. Spot currency buying-selling transactions and currency swaps with two days value date of the Group are classified under assets purchase and sale commitments.

Derivatives are classified as held for trading in accordance with TAS 39 “Financial Instruments: Recognition and Measurement”. The Parent Bank does 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 initially recognized at fair value and measured 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” or “Negative Value of Trading Derivatives” items of the balance sheet depending on the resulting positive or negative amounts of the fair 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.

Fair values of option agreements are calculated using option pricing models and unrealized profit and loss amounts are presented in income statement for the current period.

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

Fee and commission income and expenses are accounted on accrual or cash basis relatively, depending on the nature of the transaction. Upfront commissions from non-cash loans are allocated to related periods. Upfront commissions from personal loans are discounted with effective interest rate method and allocated to related period’s income statement.

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”. Group 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 at fair value through profit or loss, loans and advances to banks and customers, or financial assets held to maturity.

Financial assets available-for-sale is measured at their fair values subsequently following the initial recognition. 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 “valuation differences of securities” 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.26333 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 legal procedures are completed.

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 are initially recognized at cost. Subsequent to initial recognition, they are measured at amortised cost using the effective interest rate method. 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. The Parent Bank can not classify financial assets under held to maturity portfolio in 2010 and 2011.

VIII. Impairment of financial assets

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

Subsequent to the change in the regulation on "Change in the Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves" published in the Official Gazette No. 27947 dated 28 May 2011; in case of changing the conditions of the payment plan of the loans which are followed under loans and receivables, the general loan loss provision ratio for standard (first group) loans and receivables should not be less than 5 times and for closely monitored (second group) loans and receivables should not be less than 2,5 times of the current effective rates.

As a consequence of the regulation published in Official Gazette No. 27968 dated 18 June 2011 amending the "Change in the Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves", for the banks, of which the consumer loans exceed 20% of total loans, and of which the non-performing consumer loans (excluding housing and car loans) exceed 8% of performing consumer loans (excluding housing and car loans), general loan loss provision ratio is 4% for consumer loans which are followed under standard loans and receivables except car and housing loans; and is 8% for the loans under close monitoring except car and housing loans.

Since the consumer loans of the Parent Bank do not exceed the ratios mentioned above as of 30 September 2011, additional general loan loss provision has not been calculated.

IX. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is 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 that have high sales probability, have been planned to be sold, and an active program has been started to complete the plan and determine the buyers. Asset should be marketed the price compatible with fair value. Furthermore, the sales, starting from the day of classifications as held for sale, should be expected to be completed at within a year and the necessary activities should demonstrate that the possibility of having significant change in the plan or the cancellation 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 2011 and 31 December 2010.

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.

Intangible assets have been restated for the effects of inflation, 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 6.66% and 33.33%.

Intangible assets are amortized on a straight-line basis based on their estimated useful lives. Useful life of an asset is estimated by assessment of the expected life span of the asset and technical and 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.

Tangible assets that are acquired before 31 December 2004 have been restated for the effects of inflation, 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 based on the in estimated useful lives. The estimated useful lives are as follows:

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

Leasehold improvements for buildings acquired through operating lease prior to 31 December 2009 are depreciated over their useful lives. Leasehold improvements acquired after this date are depreciated over lease period up to five years based on "Communiqué to Change Unified Accounting System and Explanatory Notes" dated 11 December 2009 and BRSA article numbered B.02.1.BDK.0.06.00.00/2/13/1-a/524 dated 10 January 2011.

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.

Gains and losses on disposal of an item of assets are determined by deducting the carrying amount of the asset from the proceeds from disposal.

The regular maintenance and repair expenditures are accounted as expense. The investment expenditures, made to increase the future benefits of the asset by improving the capacity of the asset, are added to the cost of the asset. Investment expenditures comprised of the costs which increase the useful life of the asset, improve the capacity of the asset, increase the quality or decrease the cost of production.

The Parent Bank applies revaluation model for the buildings as permitted by TAS 16 "Property, Plant and Equipment". For this purpose, fair values of the buildings are determined by a third party appraiser, which is commissioned by BRSA and Capital Markets Board. The fair value difference is recognized in "Revaluation Fund on Tangible Assets" within the equity items. As at 30 September 2011, revaluation difference on tangible assets amounts to TL 15,347 (31 December 2010: TL 15,347).

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. Group does not enter into financial lease transactions by acting as the “lessor”.

In operating leases, the rent payments are charged to the income statement on an 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 Group. 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, Group 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 Turkey, the corporate tax rate is 20%. 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. 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%. Appropriation of the retained earnings to capital is not considered as profit distribution and therefore is not subject to withholding tax.

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 that have been enacted at the balance sheet date.

If transactions and other occurrences are accounted at profit or loss; tax effects which are related to these transactions and other occurrences are also accounted at profit or loss. If transactions and other occurrences are directly accounted at equity balances; tax effects which are related to these transactions and other occurrences are also accounted at equity accounts. Tax provision of items that are directly related to equity is offsetted with related equity accounts.

Deferred tax liabilities are recognized for all deductible temporary differences, however deferred tax assets are accounted with considering that it is probable that taxable profit will be available and such deductible temporary differences can be utilized.

Deferred tax assets and liabilities of the Parent Bank have been offset in the Parent Bank's financial statements. Net deferred tax assets or liabilities of the subsidiaries in the Group which are calculated individually have not been offset.

The Parent Bank has calculated deferred tax based on the principles above 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 18 November 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” 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 in 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 stock

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 2011 and 31 December 2010, 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. The reserve requirements blocked at the Central Bank of Turkey are not recognized as “cash equivalent assets” in the statements of cash flow.

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

In order to achieve convenience of presentation of financial statements as at 30 September 2011; some reclassifications have been made in the consolidated income statement and consolidated statement of cash flows for the interim period ended 30 September 2010.

SECTION FOUR

CONSOLIDATED FINANCIAL POSITION

I. Consolidated capital adequacy ratio

As at 30 September 2011, the Group's consolidated capital adequacy ratio is 17.04% (31 December 2010: 19.50%). The ratio is considerably higher than the minimum required ratio defined by legislation.

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.

Consolidated Capital Adequacy Ratio:

	Risk Weights						Risk Weights					
	Unconsolidated						Consolidated					
	0%	20%	50%	100%	150%	200%	0%	20%	50%	100%	150%	200%
Credit Risk Based												
Balance Sheet Items (Net)	678,999	133,000	562,955	1,759,257	7,371	21,354	683,417	147,645	562,955	1,754,492	7,371	21,354
Cash in Vault	28,043	-	-	-	-	-	28,043	-	-	-	-	-
Due Dated Financial Assets	-	-	-	-	-	-	-	-	-	-	-	-
Central Bank of Turkey	249,787	-	-	-	-	-	249,787	-	-	-	-	-
Domestic and Foreign Banks, Foreign Branches	-	80,605	-	-	-	-	-	80,972	-	-	-	-
Interbank Money Market	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Reverse Repos	-	-	-	-	-	-	-	-	-	-	-	-
Reserve Deposits	88,427	-	-	-	-	-	88,427	-	-	-	-	-
Loans	61,672	-	562,955	1,510,559	7,371	21,354	61,672	-	562,955	1,517,914	7,371	21,354
Non-performing Loans (Net)	-	-	-	27,504	-	-	-	-	-	27,504	-	-
Receivables from Leasing Operations	-	-	-	-	-	-	-	-	-	-	-	-
Investments Available-for-Sale	238,408	10,911	-	9,466	-	-	242,643	11,821	-	9,466	-	-
Investments Held-to-Maturity	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Sale of Assets	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Receivables	-	41,228	-	5,301	-	-	-	54,560	-	5,966	-	-
Accrued Interest and Other Income	10,301	256	-	58,405	-	-	10,301	292	-	58,405	-	-
Investments in Associates, Subsidiaries and Joint Ventures (Net)	-	-	-	13,128	-	-	-	-	-	43	-	-
Tangible Assets	-	-	-	88,029	-	-	-	-	-	88,239	-	-
Other Assets	2,361	-	-	46,865	-	-	2,544	-	-	46,955	-	-
Off-Balance Sheet Items	17,799	33,239	21,632	555,243	-	-	17,799	33,239	21,632	555,242	-	-
Non-Cash Loans and Commitments	17,799	30,007	21,632	544,533	-	-	17,799	30,007	21,632	544,532	-	-
Derivatives	-	3,232	-	10,710	-	-	-	3,232	-	10,710	-	-
Accounts Not Risk Weighted	-	-	-	-	-	-	-	-	-	-	-	-
Total Risk Weighted Assets	696,798	166,239	584,587	2,314,500	7,371	21,354	701,216	180,884	584,587	2,309,734	7,371	21,354

Summary information related to consolidated and unconsolidated capital adequacy ratios:

	Unconsolidated		Consolidated	
	Current Period	Prior Period	Current Period	Prior Period
Risk Weighted Assets (RWA)	2,693,806	2,172,903	2,691,969	2,163,063
Market Risk (MR)	32,050	26,200	34,113	26,463
Operational Risk (OR)	293,344	323,371	299,319	327,543
Shareholders' Equity	512,535	490,345	515,552	490,810
Shareholders' Equity /(RWA+MR+OR) *100	16.98	19.44	17.04	19.50

Components of shareholders' equity:

	Current Period	Prior Period
CORE CAPITAL		
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	5,830	4,929
I. Legal Reserve (Turkish Commercial Code 466/1)	5,830	4,929
II. Legal Reserve (Turkish Commercial Code 466/2)	-	-
Other Legal Reserve per Special Legislation	-	-
Status Reserves	-	-
Extraordinary Reserves	48,728	29,587
Reserve Allocated at the General Assembly	-	-
Retained Earnings	48,728	29,587
Accumulated Losses	-	-
Foreign Currency Translation Differences	-	-
Inflation Component of Legal Reserves, Status Reserves and Extraordinary Reserves	-	-
Profit	17,540	20,042
Current Period Profit	17,540	20,042
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 (-)	631	857
Prepaid Expenses (-) (*)	-	1,082
Intangible Assets (-)	1,554	1,667
Deferred Tax Assets (Amount Exceeding 10% of the Core Capital) (-)	-	-

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Amount Excess of Article 56/3 of the Law (-)	-	-
Total Core Capital	489,099	470,138
SUPPLEMENTARY CAPITAL		
General Loan Loss Reserves	18,276	12,378
45% of Revaluation Fund of Securities	-	-
45% of Revaluation Fund of Real Estate	6,561	6,561
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)	1,849	3,699
Associates and Subsidiaries	-	-
Investments Available-for-Sale	1,849	3,699
Inflation Component of Capital Reserves, Profit Reserves and Prior Period Profits	-	-
Total Supplementary Capital	26,686	22,638
TIER III CAPITAL	-	-
CAPITAL	515,785	492,776
DEDUCTIONS FROM CAPITAL	233	1,966
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	233	1,966
Others	-	-
TOTAL SHAREHOLDERS' EQUITY	515,552	490,810

(*) In accordance with the change in communiqué regarding "Measurement and Assessment of Capital Adequacy Ratios of Banks" published on the Official Gazette no.27870 dated 10 March 2011, prepaid expenses are deducted from measurement of shareholders' equity and included in the measurement of credit risk.

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 models 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	2,288
(II) Capital Obligation against Specific Risk - Standard Method	132
(III) Capital Obligation against Currency Risk - Standard Method	227
(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	82
(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) (*)	2,729
(IX) Value-At-Risk Amount (12.5 x VIII) or (12.5 x VII)	34,113

(*) Value at Risk does not represent all of TL 34,113 but 8% of which is TL 2,729 as the market risk. This amount, TL 2,729, 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 Group 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 Parent 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):

	23/09/11	26/09/11	27/09/11	28/09/11	29/09/11	30/09/11
USD	1.8183	1.8262	1.8425	1.8410	1.8375	1.8453
GBP	2.8052	2.8187	2.8544	2.8647	2.8739	2.8884
EURO	2.4524	2.4646	2.4822	2.4911	2.5058	2.5157
JPY	0.0238	0.0239	0.0241	0.0240	0.0240	0.0241

The basic arithmetical average of the Bank's foreign exchange bid rate for the last thirty days from 30 September 2011 (TL full):

	Monthly Average FC Exchange Bid Rates
USD	1.7818
GBP	2.8213
EURO	2.4677
JPY	0.0232

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Information on consolidated exchange rate risk :

Current Period	EURO	USD	JPY	OTHER FC	TOTAL
Assets					
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	6,721	145,824	39	710	153,294
Banks	5,857	66,983	437	701	73,978
Financial Assets at Fair Value Through Profit or Loss (*)	52	343	-	-	395
Interbank Money Market Placements	-	-	-	-	-
Investment Securities Available-for-Sale	-	22,342	-	-	22,342
Loans (**)	227,415	470,049	36,049	2,235	735,748
Investments in Subsidiaries and Associates	-	-	-	-	-
Investment Securities Held-to-Maturity	-	-	-	-	-
Hedging Purpose Financial Derivatives	-	-	-	-	-
Tangible Assets	-	-	-	-	-
Intangible Assets	-	-	-	-	-
Other Assets (*)	14,284	29,324	27	-	43,635
Total Assets (**)	254,329	734,865	36,552	3,646	1,029,392
Liabilities					
Bank Deposits	-	230	-	-	230
Foreign Currency Deposits	259,957	665,084	150	5,823	931,014
Interbank Money Markets	-	-	-	-	-
Funds Borrowed from Other Financial Institutions	64,604	126,921	-	1,308	192,833
Marketable Securities Issued	-	-	-	-	-
Miscellaneous Payables	225	905	-	58	1,188
Hedging Purpose Financial Derivatives	-	-	-	-	-
Other Liabilities (*)	5,157	4,211	63	209	9,640
Total Liabilities (*) (***)	329,943	797,351	213	7,398	1,134,905
Net On Balance Sheet Position	(75,614)	(62,486)	36,339	(3,752)	(105,513)
Net Off Balance Sheet Position	74,934	50,236	(35,835)	7,830	97,165
Financial Derivatives (Assets) (****)	204,629	526,915	29,028	100,390	860,962
Financial Derivatives (Liabilities) (****)	129,695	476,679	64,863	92,560	763,797
Non-cash Loans (****)	179,154	435,482	476	613	615,725
Prior Period					
Total Assets (*) (**)	199,463	594,191	36,495	5,456	835,605
Total Liabilities (*) (***)	183,125	580,040	122	14,343	777,630
Net On Balance Sheet Position	16,338	14,151	36,373	(8,887)	57,975
Net Off Balance Sheet Position	(17,179)	(20,432)	(35,878)	9,019	(64,470)
Financial Derivatives (Assets) (****)	110,193	296,686	473	19,446	426,798
Financial Derivatives (Liabilities) (****)	127,372	317,118	36,351	10,427	491,268
Non-cash Loans (****)	151,539	328,994	688	99	481,320

(*) As at 30 September 2011, accrual differences of derivative transactions presented in "Financial Assets At Fair Value Through Profit Or Loss" and "Negative Value Of Trading Derivatives" amounting to TL 3,552 and TL 4,187, respectively, (31 December 2010: TL 227 and TL 1,805) and accrual differences of value dated transactions presented under assets in "Other Assets" and under liabilities in "Other Liabilities" amounting to TL 5 and TL 13, respectively, are not included in the table.

(**) As at 30 September 2011, "Loans" balance includes, in addition to the balance sheet amount, foreign currency indexed loans and their accruals amounting to TL 278,993 (31 December 2010: TL 263,909).

(***) As at 30 September 2011, "Valuation differences of securities" in equity amounting to TL 823 (31 December 2010: TL 935) are not included.

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

(*****) As at 30 September 2011, FX buying and FX selling transactions with a maturity amounting to TL 40,193 and TL 37,194, respectively, under 'Asset Purchase and Sale Commitments' of off-balance sheet items are included (31 December 2010: TL 31,807 and TL 23,266).

The table below demonstrates prospective increase and decrease in equities and profit/loss as at 30 September 2011 and 31 December 2010 (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 2011				31 December 2010			
	Income Statement		Equity (*)		Income Statement		Equity (*)	
Change in foreign currency rate	10% increase	10% decrease	10% increase	10% decrease	10% increase	10% decrease	10% increase	10% decrease
USD	(1,307)	1,307	(1,225)	1,225	(722)	722	(628)	628
EURO	(68)	68	(68)	68	(84)	84	(84)	84
Other FC	458	(458)	458	(458)	63	(63)	63	(63)
Total, net	(917)	917	(835)	835	(743)	743	(649)	649

* Equity effect includes 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 Group'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 Parent 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 management daily monitors interest rate movements in the market and revises the Parent Bank's interest rates.

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

	Up to 1 Month	1 – 3 Months	3 –12 Months	1 – 5 Years	5 Years and Over	Non-Interest Bearing (*)	Total
Current Period							
Assets							
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	-	-	-	-	-	366,257	366,257
Banks	68,538	-	-	-	-	12,448	80,986
Financial Assets at Fair Value Through Profit or Loss	12,565	3,861	16,786	175	172	1,138	34,697
Interbank Money Market Placements	-	-	-	-	-	-	-
Investment Securities Av.-for-Sale	33,557	41,900	118,051	68,165	12,546	540	274,759
Loans	1,048,331	128,788	427,276	510,013	114,932	27,504	2,256,844
Investment Securities Held-to-Mat.	-	-	-	-	-	-	-
Other Assets	348	-	-	-	-	200,725	201,073
Total Assets	1,163,339	174,549	562,113	578,353	127,650	608,612	3,214,616
Liabilities							
Bank Deposits	-	-	-	-	-	243	243
Other Deposits	1,416,176	459,203	233,123	9,315	-	135,023	2,252,840
Interbank Money Market Borrowings	50,973	-	-	-	-	-	50,973
Miscellaneous Payables	-	-	-	-	-	15,494	15,494
Securities Issued	-	-	-	-	-	-	-
Funds Borrowed from Other Fin.Inst.	4,583	19,836	199,508	7,831	-	-	231,758
Other Liabilities	14,904	4,183	18,756	-	-	625,465	663,308
Total Liabilities	1,486,636	483,222	451,387	17,146	-	776,225	3,214,616
Balance Sheet Long Position	-	-	110,726	561,207	127,650	-	799,583
Balance Sheet Short Position	(323,297)	(308,673)	-	-	-	(167,613)	(799,583)
Off Balance Sheet Long Position	-	-	-	-	-	-	-
Off Balance Sheet Short Position	-	-	-	-	-	-	-
Total Interest Sensitivity Gap	(323,297)	(308,673)	110,726	561,207	127,650	(167,613)	-

(*) Tangible and intangible assets amounting to TL 76,559, subsidiaries amounting to TL 43, assets held for sale amounting to TL 14,098, tax assets amounting to TL 2,045 and other assets amounting to TL 107,980 are presented within other assets as non-interest bearing; provisions amounting to TL 29,536, tax liability amounting to TL 7,505, other liabilities amounting to TL 78,451 and equity amounting to TL 509,973 are presented within other liabilities as non-interest bearing.

Average interest rates applied to monetary financial instruments:

	EURO %	USD %	JPY %	TL %
Current Period (*)				
Assets				
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey.	-	-	-	-
Banks	5.54	0.88	-	8.69
Financial Assets at Fair Value Through Profit or Loss	4.82	4.78	-	-
Interbank Money Market Placements	-	-	-	-
Investment Securities Available-for-Sale	-	5.43	-	5.73
Loans	6.78	6.66	7.86	13.85
Investment Securities Held-to-Maturity	-	-	-	-
Liabilities				
Bank Deposits	-	-	-	-
Other Deposits	4.19	4.48	-	10.01
Interbank Money Market Borrowings	-	-	-	5.73
Miscellaneous Payables	-	-	-	-
Securities Issued	-	-	-	-
Funds Borrowed from Other Financial Institutions	4.46	2.75	-	7.42

(*) Stated at compound interest rates.

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	Up to 1 Month	1 – 3 Months	3 –12 Months	1 – 5 Years	5 Years and Over	Non-Interest Bearing (*)	Total
Prior Period							
Assets							
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	-	-	-	-	-	174,925	174,925
Banks	67,250	-	-	-	-	8,894	76,144
Financial Assets at Fair Value Through Profit or Loss	737	837	2,835	160	187	-	4,756
Interbank Money Market Placements	-	-	-	-	-	-	-
Investment Securities Av.-for-Sale	95,158	163,937	30,024	23,125	10,748	371	323,363
Loans	911,078	171,580	245,220	419,810	90,122	35,219	1,873,029
Investment Securities Held-to-Mat.	-	-	-	-	-	-	-
Other Assets	432	-	-	-	-	118,731	119,163
Total Assets	1,074,655	336,354	278,079	443,095	101,057	338,140	2,571,380
Liabilities							
Bank Deposits	-	-	-	-	-	8,054	8,054
Other Deposits	1,207,882	395,975	19,471	77	-	151,288	1,774,693
Interbank Money Market Borrowings	143,166	-	-	-	-	-	143,166
Miscellaneous Payables	-	-	-	-	-	11,680	11,680
Securities Issued	-	-	-	-	-	-	-
Funds Borrowed from Other Fin.Inst.	9,571	8,881	42,157	6,717	-	-	67,326
Other Liabilities	3,920	1,260	2,778	-	-	558,503	566,461
Total Liabilities	1,364,539	406,116	64,406	6,794	-	729,525	2,571,380
Balance Sheet Long Position	-	-	213,673	436,301	101,057	-	751,031
Balance Sheet Short Position	(289,884)	(69,762)	-	-	-	(391,385)	(751,031)
Off Balance Sheet Long Position	-	-	-	-	-	-	-
Off Balance Sheet Short Position	-	-	-	-	-	-	-
Total Interest Sensitivity Gap	(289,884)	(69,762)	213,673	436,301	101,057	(391,385)	-

(*) Tangible and intangible assets amounting to TL 78,813, subsidiaries amounting to TL 48, assets held for sale amounting to TL 12,467, tax assets amounting to TL 1,617 and other assets amounting to TL 25,786 are presented within other assets as non-interest bearing; provisions amounting to TL 22,376, tax liabilities amounting to TL 7,387, other liabilities amounting to TL 32,196 and equity amounting to TL 496,544 are presented within other liabilities as non-interest bearing.

Average interest rates applied to monetary financial instruments :

	EURO %	USD %	JPY %	TL %
Prior Period (*)				
Assets				
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey.	-	-	-	-
Banks	0.35	0.34	-	7.79
Financial Assets at Fair Value Through Profit or Loss	3.83	4.02	-	6.53
Interbank Money Market Placements	-	-	-	-
Investment Securities Available-for-Sale	-	5.35	-	5.45
Loans	5.98	5.52	7.93	11.78
Investment Securities Held-to-Maturity	-	-	-	-
Liabilities				
Bank Deposits	-	-	-	-
Other Deposits	2.81	3.02	-	9.19
Interbank Money Market Borrowings	-	-	-	6.63
Miscellaneous Payables	-	-	-	-
Securities Issued	-	-	-	-
Funds Borrowed from Other Financial Institutions	3.53	1.94	-	7.73

(*) Stated at compound interest rates.

Possible effects of financial assets and debts' sentivity to interest on net income and equities in the future:

The interest rate sensitivity of the income statement as at 30 September 2011 and 31 December 2010 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
30 September 2011				
Financial assets at fair value through profit or loss	(18)	18	(18)	18
Financial assets available for sale	-	-	(2,207)	2,238
Floating rate financial liabilities	(8)	7	(8)	7
Toplam, net	(26)	25	(2,233)	2,263
	Income Statement		Equity (*)	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
31 December 2010				
Financial assets at fair value through profit or loss	(17)	17	(17)	17
Financial assets available for sale	-	-	(1,828)	1,853
Floating rate financial liabilities	(26)	24	(26)	24
Toplam, net	(43)	41	(1,871)	1,894

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

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 projections 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
Assets								
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey.	366,257	-	-	-	-	-	-	366,257
Banks	12,448	68,538	-	-	-	-	-	80,986
Financial Assets at Fair Value Through Profit or Loss	469	13,234	3,861	16,786	175	172	-	34,697
Interbank Money Market Placements	-	-	-	-	-	-	-	-
Investment Securities Available-for-Sale	540	2	5,589	39,762	201,712	27,154	-	274,759
Loans	-	428,264	358,010	817,982	510,152	114,932	27,504	2,256,844
Investment Securities Held-to-Maturity	-	-	-	-	-	-	-	-
Other Assets	-	93,738	-	14,109	-	2,045	91,181	201,073
Total Assets	379,714	603,776	367,460	888,639	712,039	144,303	118,685	3,214,616
Liabilities								
Bank Deposits	243	-	-	-	-	-	-	243
Other Deposits	135,023	1,416,176	459,203	233,123	9,315	-	-	2,252,840
Funds Borrowed from Other Financial Institutions	-	4,528	19,836	195,897	11,497	-	-	231,758
Interbank Money Markets	-	50,973	-	-	-	-	-	50,973
Marketable Securities Issued	-	-	-	-	-	-	-	-
Miscellaneous Payables	8,740	6,754	-	-	-	-	-	15,494
Other Liabilities	65,111	19,779	6,433	32,476	-	-	539,509	663,308
Total Liabilities	209,117	1,498,210	485,472	461,496	20,812	-	539,509	3,214,616
Net Liquidity Gap	170,597	(894,434)	(118,012)	427,143	691,227	144,303	(420,824)	-
Prior Period								
Total Assets	184,190	648,869	324,958	582,877	576,532	126,939	127,015	2,571,380
Total Liabilities	198,581	1,365,094	408,872	73,119	6,794	-	518,920	2,571,380
Net Liquidity Gap	(14,391)	(716,225)	(83,914)	509,758	569,738	126,939	(391,905)	-

(*) Assets on the balance sheet which are not convertible into cash in short period; tangible and intangible assets amounting to TL 76,559, subsidiaries amounting to TL 43, stationary supplies amounting to TL 481, assets held for sale amounting to TL 14,098, loans in follow-up amounting to TL 27,504 and liabilities on the balance sheet which are necessary for the banking operations; provisions amounting to TL 29,536 and equity amounting to TL 509,973 are included here.

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 2011 are as follows:

	First Maturity Bracket		Second Maturity Bracket	
Liquidity Ratios	FC Liquidity Adequacy Ratio	Total Liquidity Adequacy Ratio	FC Liquidity Adequacy Ratio	Total Liquidity Adequacy Ratio
30 September 2011	236.6	263.3	117.5	138.6
Average (%)	227.7	211.6	132.5	135.9
Max. (%)	324.9	277.8	146.9	156.4
Min. (%)	127.0	166.8	90.3	122.6

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

30 September 2011	Book Value	Gross Nominal Outflow	Demand	Up to 1 month	1-3 months	3-12 months	1-5 years	5 years and more
Bank Deposits	243	243	243	-	-	-	-	-
Deposits from Customers	2,252,840	2,269,425	135,023	1,420,931	463,652	239,549	10,270	-
Due to Money Markets	50,973	50,973	-	50,973	-	-	-	-
Funds Borrowed	231,758	237,797	-	4,562	20,119	201,012	12,104	-
Total	2,535,814	2,558,438	135,266	1,476,466	483,771	440,561	22,374	-

31 December 2010	Book Value	Gross Nominal Outflow	Demand	Up to 1 month	1-3 months	3-12 months	1-5 years	5 years and more
Bank Deposits	8,054	8,054	8,054	-	-	-	-	-
Deposits from Customers	1,774,693	1,781,827	151,288	1,211,252	399,333	19,854	100	-
Due to Money Markets	143,166	143,166	-	143,166	-	-	-	-
Funds Borrowed	67,326	69,403	-	1,497	8,401	52,553	6,952	-
Total	1,993,239	2,002,450	159,342	1,355,915	407,734	72,407	7,052	-

Presentation of residual maturities of the notional amounts of derivative financial assets and liabilities is as follows.

Current Period	Up to 1 month	1-3 months	3-12 months	1-5 years	5 years and more	Total
Currency Derivative Instruments (I)	1,340,773	440,803	815,350	-	-	2,596,926
Forward Foreign Currency Purchases	129,486	46,918	12,387	-	-	188,791
Forward Foreign Currency Sales	129,326	46,686	12,846	-	-	188,858
Currency Swaps-Purchases	202,786	35,018	-	-	-	237,804
Currency Swaps-Sales	202,596	35,464	-	-	-	238,060
Currency Futures-Purchases	-	-	-	-	-	-
Currency Futures-Sales	-	-	-	-	-	-
Currency Options-Purchases	337,840	138,402	395,022	-	-	871,264
Currency Options-Sales	338,739	138,315	395,095	-	-	872,149
Interest Rate Derivative Instruments (II)	-	-	-	-	-	-
Forward Purchases/Sales	-	-	-	-	-	-
Interest Rate Swaps-Purchases/Sales	-	-	-	-	-	-
Interest Rate Options-Purchases/Sales	-	-	-	-	-	-
Interest Rate Futures-Purchases/Sales	-	-	-	-	-	-
Others (III)	-	-	-	-	-	-
Total (I+II+III)	1,340,773	440,803	815,350	-	-	2,596,926

As at 30 September 2011, spot foreign currency purchase and sale transactions with value date amounting to TL 73,352 and TL 73,386, respectively, are presented under "Asset Purchase and Sale Commitments" (31 December 2010: TL 36,317 and TL 36,291).

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 Yatırım 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 are also within the activities of retail banking.

Information related to the Segments of the Group:

Segment reporting is prepared according to the 28th article of the BRSA's "Communiqué 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.

Current Period	Retail Banking	Corporate Banking	Investment Banking and Others	Total Operations
Operating Income	14,214	69,887	29,896	113,997
Operating profit of segment	3,506	35,234	(17,395)	21,345
Costs not distributed	-	-	-	-
Operating profit	-	-	-	-
Income from subsidiaries	-	-	-	-
Profit before tax	3,506	35,234	(17,395)	21,345
Tax provision (-)	-	-	3,805	3,805
Profit after tax	3,506	35,234	(21,200)	17,540
Non-controlling interests	-	-	-	-
Net Profit	3,506	35,234	(21,200)	17,540
Segment assets (*)	319,619	1,930,912	964,042	3,214,573
Investments in subsidiaries	-	-	43	43
Total Assets	319,619	1,930,912	964,085	3,214,616
Segment liabilities (*)	1,320,634	937,707	446,302	2,704,643
Equity	-	-	509,973	509,973
Total Liabilities	1,320,634	937,707	956,275	3,214,616
Other Segment Items	133	577	4,800	5,510
Capital expenditure	-	-	770	770
Depreciation and amortization	133	577	2,529	3,239
Impairment losses (**)	-	-	1,501	1,501
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, assets held for sale and associates.

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Based on information that is presented in the table above, segments of the Group are distributed based on their asset sizes as percentages in current period as; 60% for corporate banking, 10% for retail banking, 30% for investment banking and other segments. Gross income (operational income) of the Group is distributed between corporate banking, retail banking and investment banking and other segments as 61%, 13%, 26%, respectively.

Segments of the Group for the prior period:

	Retail Banking	Corporate Banking	Investment Banking and Others	Total Operations
For the period ending 30 September 2010:				
Operating Income	13,285	51,633	47,021	111,939
Operating profit of segment	2,319	27,778	(8,351)	21,746
Costs not distributed	-	-	-	-
Operating profit	-	-	-	-
Income from subsidiaries	-	-	-	-
Profit before tax	2,319	27,778	(8,351)	21,746
Tax provision (-)	-	-	5,761	5,761
Profit after tax	2,319	27,778	(14,112)	15,985
Non-controlling interests	-	-	-	-
Net Profit	2,319	27,778	(14,112)	15,985
As at 31 December 2010:				
Segment assets	267,257	1,605,772	698,303	2,571,332
Investments in subsidiaries	-	-	48	48
Total Assets	267,257	1,605,772	698,351	2,571,380
Segment liabilities	1,059,762	722,985	292,089	2,074,836
Equity	-	-	496,544	496,544
Total Liabilities	1,059,762	722,985	788,633	2,571,380
For the period ending 30 September 2010:				
Other Segment Items	264	749	9,935	10,948
Capital expenditure	-	-	329	329
Depreciation and amortization	264	749	2,901	3,914
Impairment losses	-	-	6,705	6,705
Other non-cash income-expenses	-	-	-	-
Restructuring costs	-	-	-	-

Based on information that is presented in the table above, segments of the Group are distributed based on their asset sizes as percentages in previous period as; 62% for corporate banking, 10% for retail banking, 28% for investment banking and other segments. Gross income (operational income) of the Group is distributed between gross income of corporate banking, retail banking and investment banking and other segments as 46%, 12%, 42%, respectively.

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	12,806	15,237	10,618	10,439
Central Bank of Turkey	200,157	138,057	76,528	77,340
Others	-	-	-	-
Total	212,963	153,294	87,146	87,779

b) Balances with the Central Bank of Turkey :

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted Demand Deposits	200,157	49,630	76,528	21,090
Unrestricted Time Deposits	-	-	-	-
Restricted Time Deposits	-	88,427	-	56,250
Total	200,157	138,057	76,528	77,340

c) Explanation related to reserve deposits:

The banks operating in Turkey keep reserve deposits at Central Bank of Turkey with specific rates for Turkish currency and foreign currency liabilities in TL and USD and EUR, respectively.

In accordance with Communiqué No. 2011/6 “Amendment on the Reserve Requirements Scale” published in the Official Gazette No. 27913 dated 22 April 2011, the Turkish Lira required reserve ratios have been set based on the maturity structure of deposits. These ratios are as follows:

TL Liabilities	Reserve Deposit Rates (%)
Demand deposits, notice deposits, private current accounts	16
Deposits/participation accounts up to 1-month maturity	16
Deposits/participation accounts up to 3 months maturity	13
Deposits/participation accounts up to 6 months maturity	9
Deposits/participation accounts up to 1-year maturity	6
Deposits/participation accounts with 1-year and longer maturity and cumulative deposits/participation accounts	5
Special funds	Ratios corresponding to maturities
Other than deposits/participation accounts	13

In accordance with Communiqué No. 2011/9 “Amendment on the Reserve Requirements Scale” published in the Official Gazette No. 28017 dated 6 August 2011, new ratios for foreign currency liabilities required reserve ratios have been set based on maturity structure of deposits and are stated below:

Foreign Currency Liabilities	Required Reserve Ratio (%)
FC demand deposits, notice deposits, foreign currency private current accounts	11.5
FC Deposits/participation accounts up to 1 month maturity	11.5
FC Deposits/participation accounts up to 3 month maturity	11.5
FC Deposits/participation accounts up to 6 month maturity	11.5
FC Deposits/participation accounts up to 1 year maturity	11.5
FC deposits/participation accounts with 1 year and longer maturity and cumulative deposits/participation accounts	9.5
Special funds	Ratios corresponding to maturities
Other foreign currency accounts up to 1 year maturity	11.5
Other foreign currency accounts up to 3 years maturity (including 3 years)	9.5
Other foreign currency accounts longer than 3 years maturity	8.5

As at 30 September 2011 and 31 December 2010 reserve deposits are interest-free.

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 2011 and 31 December 2010, the financial assets at fair value through profit or loss are all unrestricted.

- b) Positive value of trading derivatives:

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward transactions	1,012	473	415	175
Swap transactions	344	762	130	33
Futures	-	-	-	-
Options	28,256	2,317	3,624	19
Other	-	-	-	-
Total	29,612	3,552	4,169	227

3. Information on banks:

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
Domestic	7,008	61,536	105	67,150
Foreign	-	12,442	-	8,889
Foreign branches	-	-	-	-
Total	7,008	73,978	105	76,039

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	10,228	12,527	54,273	10,746
Subject to repurchase agreements	52,760	-	149,887	-
Total	62,988	12,527	204,160	10,746

As at 30 September 2011, investment securities available-for-sale other than those given as collateral or subject to repurchase agreements amount to TL 199,244 (31 December 2010 – TL 108,457).

b) Available-for-sale securities:

	Current Period	Prior Period
Debt instruments	276,198	328,027
Listed	254,923	312,609
Unlisted	21,275	15,418
Equity instruments	540	371
Listed	540	371
Unlisted	-	-
Impairment provision (-)	(1,979)	(5,035)
Total	274,759	323,363

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	4,425	-	-	-
Corporate shareholders	4,425	-	-	-
Individual shareholders	-	-	-	-
Indirect loans granted to shareholders	47,091	22,485	17,733	7,332
Loans granted to employees	1,222	-	1,248	-
Total	52,738	22,485	18,981	7,332

- 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	2,188,144	-	33,501	7,167
Discount Notes	55,511	-	50	-
Export Loans	264,176	-	4,861	-
Import Loans	-	-	-	-
Loans Given to Financial Sector	163,140	-	3	-
Foreign Loans	-	-	-	-
Consumer Loans	277,825	-	9,278	-
Credit Cards	25,460	-	2,259	-
Precious Metal Loans	-	-	-	-
Other	1,402,032	-	17,050	7,167
Specialization Loans	528	-	-	-
Other Receivables	-	-	-	-
Total	2,188,672	-	33,501	7,167

Information about changes in the conditions of the payment plans and period of payments of standard and closely monitored loans and receivables, which are demanded to be explained in accordance with the regulation "Change in the Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves" published in the Official Gazette No. 27947 dated 28 May 2011, is stated below:

	Standard Loans and Other Receivables		Loans and Other Receivables Under Close Monitoring	
	Up to 1 year	1 year and more	Up to 1 year	1 year and more
Number of changes made to the initial payment maturity	2	4	-	-

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

	Short Term	Medium or Long Term	Total
Consumer Loans-TL	11,596	256,031	267,627
Real Estate Loans	1,802	135,411	137,213
Automotive Loans	365	6,957	7,322
Consumer Loans	9,386	113,286	122,672
Other	43	377	420
Consumer Loans-Indexed to FC	193	15,783	15,976
Real Estate Loans	193	15,284	15,477
Automotive Loans	-	62	62
Consumer Loans	-	437	437
Other	-	-	-
Consumer Loans-FC	-	-	-
Real Estate Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Credit Cards-TL	24,561	-	24,561
Installment	5,296	-	5,296
Non installment	19,265	-	19,265
Credit Cards-FC	341	-	341
With Installment	-	-	-
Without Installment	341	-	341
Loans Given to Employees-TL	130	357	487
Real Estate Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	130	357	487
Other	-	-	-
Loans Given to Employees – Indexed to FC	-	-	-
Real Estate Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Loans Given to Employees – FC	-	-	-
Real Estate Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Employee Credit Cards-TL	665	-	665
With Installment	304	-	304
Without Installment	361	-	361
Employee Credit Cards-FC	70	-	70
Without Installment	-	-	-
Without Installment	70	-	70
Overdraft Account-TL (Individual)	3,013	-	3,013
Overdraft Account-FC (Individual)	-	-	-
Total	40,569	272,171	312,740

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

	Short Term	Medium or Long Term	Total
Installment Corporate Loans – TL	39,188	139,383	178,571
Real Estate Loans	-	6,248	6,248
Automotive Loans	138	17,976	18,114
Consumer Loans	6,678	-	6,678
Other	32,372	115,159	147,531
Installment Corporate Loans – Indexed to FC	3,637	83,088	86,725
Real Estate Loans	-	185	185
Automotive Loans	-	4,744	4,744
Consumer Loans	2,763	4,811	7,574
Other	874	73,348	74,222
Installment Corporate Loans – FC	-	-	-
Real Estate Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Corporate Credit Cards – TL	1,995	-	1,995
With Installment	191	-	191
Without Installment	1,804	-	1,804
Corporate Credit Cards – FC	87	-	87
With Installment	-	-	-
Without Installment	87	-	87
Overdraft Account-TL (Commercial)	6,389	-	6,389
Overdraft Account-FC (Commercial)	-	-	-
Total	51,296	222,471	273,767

e) Loan concentration according to counterparty:

	Current Period	Prior Period
Domestic loans	2,229,340	1,837,810
Foreign loans	-	-
Total	2,229,340	1,837,810

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	484	922
Loans and Receivables with Doubtful Collectibility	8,401	8,247
Uncollectible Loans and Receivables	50,991	49,577
Total	59,876	58,746

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 Loans and receivables with limited collectibility	Group IV Loans and receivables with doubtful collectibility	Group V Uncollectible loans and receivables
Balances at Beginning of Period	3,095	12,177	78,693
Additions (+)	10,584	2,011	29
Transfers from Other Categories of Non- Performing Loans (+)	-	9,258	9,253
Transfers to Other Categories of Non-Performing Loans (-)	9,258	9,253	-
Collections (-)	1,082	2,333	15,794
Write-offs (-)	-	-	-
Corporate and Commercial Loans	-	-	-
Retail Loans	-	-	-
Credit Cards	-	-	-
Other	-	-	-
Balances at End of the Period	3,339	11,860	72,181
Specific Provisions (-)	484	8,401	50,991
Net Balance on Balance Sheet	2,855	3,459	21,190

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

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

	Group III Loans and receivables with limited collectibility	Group IV Loans and receivables with doubtful collectibility	Group V Uncollectible loans and receivables
Current Period (Net)	2,855	3,459	21,190
Loans Allowed to Real Persons and Corporate Bodies (Gross)	3,339	11,860	72,181
Specific provision (-)	484	8,401	50,991
Loans Allowed to Real Persons and Corporate Bodies (Net)	2,855	3,459	21,190
Banks (Gross)	-	-	-
Specific provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loan and Receivables (Gross)	-	-	-
Specific provision (-)	-	-	-
Other Loan and Receivables (Net)	-	-	-
Prior Period (Net)	2,173	3,930	29,116
Loans Allowed to Real Persons and Corporate Bodies (Gross)	3,095	12,177	78,693
Specific provision (-)	922	8,247	49,577
Loans Allowed to Real Persons and Corporate Bodies (Net)	2,173	3,930	29,116
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:

As at 30 September 2011 and 31 December 2010, there are no financial assets held-to-maturity.

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

As at 30 September 2011 and 31 December 2010, there are no financial assets held-to-maturity.

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

As at 30 September 2011 and 31 December 2010, there are no financial assets held-to-maturity.

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

As at 30 September 2011 and 31 December 2010, there are no financial assets held-to-maturity.

In year 2009, the Parent Bank has sold a significant portion of its securities classified in held to maturity portfolio as at 31 December 2008 before the maturity dates of such securities. For this reason, the Parent Bank cannot classify its financial assets as held to maturity securities in 2010 and 2011.

7. Investments in associates (Net):

Tekstil Yatırım Menkul Değerler A.Ş., the subsidiary of the Parent Bank, participated in 1% of the share capital of "Gelişen İşletmeler Piyasaları A.Ş."

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8. Investments in subsidiaries (Net):

Information related to subsidiaries:

a) Information on subsidiaries not consolidated:

Description	Address (City/Country)	Bank's share percentage- If different from voting percentage(%)	Bank's Risk Group Share Percentage (%)
Tasfiye Halinde Tekstil Bilişim Hizmetleri ve Ticaret A.Ş. (*) (**) (Bilişim)	İstanbul/Türkiye	99.97	100.00

(*) As explained in Section 3, Note III, Bilişim is not consolidated.

(**) In accordance with General Meeting resolution of the subsidiary dated 21 March 2011, it has been decided to officially end the activities of the company due to the decreasing trend of the operations.

b) Information on subsidiaries according to information above:

Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Trading Income	Current Period Profit / Loss	Prior Period Profit / Loss	Fair value
42	42	-	3	-	(5)	(6)	-

c) Movement of subsidiaries not consolidated:

	Current Period	Prior Period
Balance at the Beginning of the Period	47	54
Movements during the Period	(5)	(7)
Purchases	-	-
Bonus shares received	-	-
Dividends from Current Year Profit	-	-
Sales	-	-
Revaluation Increase	-	-
Impairment Provision	(5)	(7)
Balance at the End of the Period	42	47
Capital Commitments	-	-
Share Percentage at the end of Period (%)	-	-

d) Sectoral distribution of subsidiaries not consolidated:

	Current Period	Prior Period
Subsidiaries		
Banks	-	-
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	-	-
Finance Companies	-	-
Other Financial Subsidiaries	-	-
Other Non Financial Subsidiaries	42	47
Total	42	47

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e) Information on consolidated subsidiaries:

Description	Address (City/Country)	Bank's share percentage- If different from voting percentage	Banks Risk Group Share Percentage (%)
Tekstil Yatırım Menkul Değerler A.Ş. (Tekstil Yatırım)	Istanbul/Turkey	99.92	100.00

f) Information on subsidiaries according to information above:

Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Trading Income	Current Period Profit / Loss	Prior Period Profit / Loss	Fair value
37,188	16,127	227	1,695	6,663	3,261	1,828	-

g) Movement of consolidated subsidiaries:

	Current Period	Prior Period
Balance at the Beginning of the Period	13,329	10,293
Movements during the Period	(243)	3,036
Purchases	-	6,676
Bonus Shares Received	-	204
Dividends from Current Year Profit	-	-
Sales (*)	(262)	-
Revaluation Increase	-	-
Impairment Provision	-	(3,779)
Revaluation Increase/(Decrease) due Effect of F/X Difference	19	(65)
Balance at the End of the Period	13,086	13,329
Capital Commitments	-	-
Share Percentage at the end of Period (%)	-	-

(*) Activities of the subsidiary of the Parent bank established abroad, "The Euro Textile International Banking Unit Ltd.", have been ended officially on 18 July 2011, cash flow from this transaction is shown in the "Sales" row of the above table.

h) Sectoral distribution of consolidated subsidiaries:

	Current Period	Prior Period
Subsidiaries		
Banks	-	243
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	-	-
Finance Companies	-	-
Other Financial Subsidiaries	13,086	13,086
Other Non Financial Subsidiaries	-	-
Total	13,086	13,329

i) Listed subsidiaries: None.

j) Subsidiaries disposed during the current period:

Activities of the subsidiary of the Parent bank established abroad, "The Euro Textile International Banking Unit Ltd.", have been ended officially on 18 July 2011.

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 Group has net deferred tax asset amounting TL 2,045 (31 December 2010: TL 1,617) which was calculated on deductible temporary differences except general provisions at 30 September 2011.

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 at 30 September 2011 and 31 December 2010.

15. Information on other assets:

The Group has property and real estate acquired against non performing loans and recorded under assets to be disposed of account and presented under other assets amounting TL 14,098 (31 December 2010: TL 12,467).

Other assets, other than assets to be disposed of, amounting to TL 108,328 (31 December 2010: TL 26,218), do not exceed 10% of total assets.

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.

a.1) Current Period:

	Demand	Up to 1 month	1-3 Months	3-6 Months	6 Months-1 Year	1 Year and Over	Cumulative Deposits	Total
Saving Deposits	17,900	35,626	647,656	78,264	12,462	3,070	64	795,042
Foreign Currency Deposits	49,595	41,225	561,127	98,330	137,675	43,055	7	931,014
Residents in Turkey	45,462	36,402	530,870	93,196	129,085	40,046	7	875,068
Residents Abroad	4,133	4,823	30,257	5,134	8,590	3,009	-	55,946
Public Sector Deposits	9,125	-	-	-	-	-	-	9,125
Commercial Deposits	57,077	50,624	294,105	5,378	42,157	33,480	-	482,821
Other Ins. Deposits	1,326	271	29,774	3,167	300	-	-	34,838
Precious Metal Deposits	-	-	-	-	-	-	-	-
Bank Deposits	243	-	-	-	-	-	-	243
Central Bank	-	-	-	-	-	-	-	-
Domestic Banks	53	-	-	-	-	-	-	53
Foreign Banks	190	-	-	-	-	-	-	190
Participation Banks	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total	135,266	127,746	1,532,662	185,139	192,594	79,605	71	2,253,083

a.2) Prior Period:

	Demand	Up to 1 month	1-3 Months	3-6 Months	6 Months-1 Year	1 Year and Over	Cumulative Deposits	Total
Saving Deposits	9,724	205,004	410,430	14,772	2,728	-	73	642,731
Foreign Currency Deposits	72,778	205,447	375,307	43,071	13,538	872	4	711,017
Residents in Turkey	70,665	194,958	365,828	38,960	5,637	444	4	676,496
Residents Abroad	2,113	10,489	9,479	4,111	7,901	428	-	34,521
Public Sector Deposits	5,468	-	-	-	-	-	-	5,468
Commercial Deposits	62,437	189,677	136,426	20,049	7	-	-	408,596
Other Ins. Deposits	881	843	5,114	8	35	-	-	6,881
Precious Metal Deposits	-	-	-	-	-	-	-	-
Bank Deposits	8,054	-	-	-	-	-	-	8,054
Central Bank	-	-	-	-	-	-	-	-
Domestic Banks	7,773	-	-	-	-	-	-	7,773
Foreign Banks	281	-	-	-	-	-	-	281
Participation Banks	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total	159,342	600,971	927,277	77,900	16,308	872	77	1,782,747

b. Information on Deposit Insurance:

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

Saving Deposits	Covered by Deposit Insurance Fund	Covered by Deposit Insurance Fund	Exceeding the Deposit Insurance Limit	Exceeding the Deposit Insurance Limit
	Current Period	Prior Period	Current Period	Prior Period
Saving Deposits	284,839	270,603	501,443	364,307
Foreign Currency Savings Deposits	90,923	98,144	391,567	287,881
Other Saving Deposits	-	-	-	-
Foreign branches' Deposits Under Foreign Insurance Coverage	-	-	-	-
Off-Shore Deposits Under Foreign Insurance Coverage	-	-	-	-
Total	375,762	368,747	893,010	652,188

b.2) Savings deposits in Turkey are not covered under insurance in another country since the Headquarter of the Group is not located abroad: None.

b.3) Saving deposits not covered by deposit insurance: TL 44,988 (31 December 2010: TL 43,506).

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	31,215	31,637
Deposits and Other Accounts belong to Members of Board of Directors, CEO and Deputy CEOs with Their Parents, Spouse and Children under Their Wardship	13,773	11,869
Deposits and Other Accounts linked to Crimes Mentioned in 282 nd Article of 5237 Numbered Turkish Crime Legislation dated on 26/09/2004	-	-
Deposits belong to Off-shore Banks which are established to be engaged in offshore banking in Turkey.	-	-

2. Information on derivative financial liabilities held for trading:

Negative difference on derivatives held for trading:

	Current Period		Prior Period	
	TL	FC	TL	FC
Forwards	487	1,418	600	595
Swaps	579	447	878	1,197
Futures	-	-	-	-
Options	30,618	2,322	3,623	13
Other	-	-	-	-
Total	31,684	4,187	5,101	1,805

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	38,925	58,843	16,947	35,781
Foreign Banks, Institutions and Funds	-	133,990	-	14,598
Total	38,925	192,833	16,947	50,379

b) Contractual maturities of funds borrowed:

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	38,925	130,966	16,947	31,717
Medium and Long-Term	-	61,867	-	18,662
Total	38,925	192,833	16,947	50,379

4. Information on other liabilities:

Other liabilities are amounting to TL 80,423 (31 December 2010: TL 33,246) 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 regarding financial lease agreements.

Obligations under financial leases:

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	-	-	2	2
Between 1-4 years	-	-	-	-
More than 4 years	-	-	-	-
Total	-	-	2	2

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	15,792	10,307
Provisions for Loans and Receivables in Group II	811	745
Provisions for Non Cash Loans	1,553	1,219
Other	120	107
Total	18,276	12,378

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(retirement age for women and men are 58 and 60, respectively) 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 2011, at ceiling amount of TL-full 2,732 (31 December 2010: TL-full 2,517), per year of employment at the rate of pay applicable at the date of retirement of 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 (%)	4.66	4.66
Expected Salary/ETI Liability Ceiling Increase Rate (%)	5.10	5.10

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	2,678	2,144
Current year provisions/ (reversal of provision)	1,375	1,733
Paid in current year	(731)	(1,199)
Balance at Current Period End	3,322	2,678

The Group also has vacation pay liability amounting TL 2,739 (31 December 2010: TL 2,723) as at 30 September 2011.

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

As at 30 September 2011, foreign exchange differences on foreign currency indexed loans amounting TL 68 (31 December 2010: TL 1,399) 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 2011, the Parent Bank has provision for credit card service promotions amounting TL 227 (31 December 2010: TL 260).

d.3) Information on other provisions:

As at 30 September 2011, there is provision for lawsuits filed against the Parent Bank amounting TL 1,864 (31 December 2010: TL 1,436).

8. Taxation:

a) Current tax liability: As at 30 September 2011, corporate taxes payable of the Group after deductions of prepaid taxes is TL 727 (31 December 2010: TL 2,647).

b) Information on taxes payable:

	Current Period	Prior Period
Corporate taxes payable	727	2,647
Taxation on securities	2,149	1,210
Capital gains tax on property	113	128
Banking Insurance Transaction Tax (BITT)	2,335	1,258
Taxes on foreign exchange transactions	-	-
Value added tax payable	48	44
Other	1,128	1,159
Total	6,500	6,446

c) Information on premiums payable:

	Current Period	Prior Period
Social security premiums- employee share	442	410
Social security premiums- employer share	469	442
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	33	33
Unemployment insurance- employer share	58	53
Other	3	3
Total	1,005	941

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 Parent 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 Parent 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: The 70% of share capital of the Parent Bank consist of Type A shares and the remaining consist of Type B shares. Three out of five members of the Board of Directors are appointed by Type A shareholders and the remaining two are appointed by Type B shareholders. There is no other privilege appointed.

h) Information on marketable securities valuation reserve:

	Current Period		Prior Period	
	TL	FC	TL	FC
Associates, subsidiaries and joint ventures	-	-	-	-
Financial assets available-for-sale	3,286	823	7,285	935
Translation gain/loss	-	-	-	-
Total	3,286	823	7,285	935

Information on portion of marketable securities valuation reserve related to foreign currency securities:

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

III. Information and 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 Loans	98,051	10,214	70,874	8,332
Medium and Long Term Loans	36,790	8,986	28,864	3,524
Loans Under Follow-Up	4,606	-	4,822	-
Source Utilization Support Fund	-	-	-	-
Total	139,447	19,200	104,560	11,856

(*) 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	78	-	1,434	-
Domestic Banks	313	396	451	129
Foreign Banks	-	263	16	128
Foreign Branches	-	-	-	-
Total	391	659	1,901	257

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
Banks (*)	1,666	2,688	774	2,196
Central Bank of Turkey	-	-	-	-
Domestic Banks	1,666	1,136	719	617
Foreign Banks	-	1,552	55	1,579
Foreign Branches	-	-	-	-
Other Institutions	-	-	-	-
Total	1,666	2,688	774	2,196

(*) 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	3	3

3. Trading income / loss (net):

	Current Period	Prior Period
Profit	263,554	205,163
Capital Market Gains	8,248	5,809
Derivative Gains	168,685	127,340
Foreign Exchange Gains	86,621	72,014
Loss (-)	(251,387)	(197,056)
Capital Market Losses	(20)	(68)
Derivative Losses	(158,757)	(141,135)
Foreign Exchange Losses	(92,610)	(55,853)

Net gain from foreign currency exchange rate changes of derivatives is amounted to TL 12,093 (30 September 2010: TL 11,630 net loss).

4. Other operating income:

“Other operating income” in the income statement is mainly comprised of collections from the receivables for which the Bank had provided allowance in the previous periods.

5. Impairment on loans and other receivables:

	Current Period	Prior Period
Specific Provisions on Loans and Other Receivables:	7,531	10,062
Loans and Receivables in Group III	484	802
Loans and Receivables in Group IV	4,019	4,972
Loans and Receivables in Group V	3,028	4,288
General Provision Expenses	5,898	109
Provision for Possible Losses	-	-
Impairment Losses on Securities:	1,496	4,822
Trading securities	322	2
Investment Securities Available-for-Sale	1,174	4,820
Other Impairment Losses:	5	6
Associates	-	-
Subsidiaries	5	6
Joint Ventures	-	-
Investment Securities Held-to-Maturity	-	-
Other (*)	1,239	-
Total	16,169	14,999

(*) Consists of provision for lawsuits filed against the Parent Bank (2010: None).

6. Information related to other operational expenses :

	Current Period	Prior Period
Personnel Expenses	47,221	44,488
Reserve for Employee Termination Indemnities and Vacation Pay	660	280
Reserve for Bank's Social Aid Fund Deficit	-	-
Impairment of Tangible Assets	-	-
Depreciation Expenses of Tangible Assets	2,778	3,272
Impairment of Intangible Assets	-	-
Impairment of Goodwill	-	-
Amortization Expenses of Intangible Assets	247	415
Impairment of Investments in Associates	-	-
Impairment of Assets Held for Sale	-	1,877
Depreciation of Assets Held for Sale	214	227
Impairment of Assets Held for Sale and Discontinued Operations	-	-
Other Operating Expenses	17,372	17,310
Operational Leases	7,120	6,686
Repair and Maintenance	921	968
Advertising	369	317
Other Expenses	8,962	9,339
Loss on Sale of Assets	153	783
Other (*)	7,838	6,542
Total	76,483	75,194

(*) Other items mainly consist of taxes, duties and charges payables other than corporate tax and SDIF premiums.

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

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

For the interim period ended 30 September 2011, current tax expense is TL 4,197 (2010: TL 5,392).

For the interim period ended 30 September 2011 deferred tax income is TL 392 (2010: TL 369 deferred tax expense).

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

For the interim period ended 30 September 2011, deferred tax income arising from temporary differences amounting TL 392 (2010: TL 369 deferred tax expense).

Besides, for the interim period ended 30 September 2011, the change in the deferred tax liabilities and current tax payable amounting to TL 1,015 which are related to the equity differences under comprehensive income transactions, is accounted under equity accounts.

- c) Information on deferred tax income or expense reflected to income table resulting from temporary differences, statutory losses and tax deductions and exceptions :

For the interim period ended 30 September 2011, deferred tax income arising from temporary differences is TL 392 (2010: TL 369 deferred tax expense).

For the interim period ended 30 September 2011, there is no deferred tax income resulted from statutory loss (2010: None).

8. Information on net profit and loss:

- a) Any further explanation on operating results needed for better understanding of the Parent 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:

In the consolidated income statement; the "Other" captions presented under "Fees and Commissions Received" and "Fees and Commissions Paid" accounts, which are included in "Net Fee and Commission Income", consist of mainly income received and expenses paid to customers and third parties regarding banking activities.

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 2011, asset purchase and sale commitments amount to TL 147,238 (31 December 2010: 72,638), loan granting commitments amount to TL 51,721 (31 December 2010: TL 43,871), commitments for credit card limits amount to TL 203,388 (31 December 2010: TL 194,383) commitments for cheque payments amount to TL 79,701 (31 December 2010: TL 75,425), commitments for promotional operations re-credit cards amount to TL 587 (31 December 2010: TL 603).

b) Type and amount of possible losses and commitments from off-balance sheet items:

There is no possible loss arising from off-balance sheet items.

Guarantees from off-balance sheet commitments are shown in off-balance sheet items statements.

As at 30 September 2011, the Group has letters of guarantee amounting to TL 835,772 (31 December 2010: TL 718,246), bills of exchange and acceptances amounting to TL 7,866 (31 December 2010: TL 3,169), letters of credit amounting to TL 238,323 (31 December 2010: TL 147,933) and other guarantees amounting to TL 36,217 (31 December 2010: TL 17,433). Additionally, as at 31 December 2010, the Group has prefinancing given as guarantee amounting to TL 1,440.

c) Non-cash loans:

	Current Period	Prior Period
Non-Cash Loans Given for Cash Loan Risks	59,664	45,018
With Original Maturity of 1 Year or Less	18,824	4,710
With Original Maturity of More Than 1 Year	40,840	40,308
Other Non-Cash Loans	1,058,514	843,203
Total	1,118,178	888,221

d) Information on fiduciary services rendered on behalf of third parties.

The Group acts as an investment agent for banking transactions on behalf of its customers and provides custody, management and consultancy services.

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:

Parent 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
Loans and Other Receivables						
Balance at the Beginning of the Period	-	-	17,687	7,225	46	107
Balance at the End of the Period	-	-	51,477	22,400	39	85
Interest and Commission Income Received	-	-	4,213	132	-	2

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

The Parent Bank has TL 15,665 placements in its risk group banks as at 30 September 2011 (31 December 2010: TL 2,936). Additionally, the Parent Bank has irrevocable commitments with its risk group amounting to TL 790 as at 30 September 2011 (31 December 2010 – TL 778).

b) Prior Period:

Parent 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
Loans and Other Receivables						
Balance at the Beginning of the Period	-	-	78,697	3,874	-	-
Balance at the End of the Period	-	-	17,687	7,225	46	107
Interest and Commission Income Received	-	-	3,582	63	-	-

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

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

Parent 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	45	53	72,514	43,800	1,855	-
Balance at the End of the Period	41	45	94,403	72,514	1,492	1,855
Interest on Deposits	3	3	4,657	2,934	68	-

(*) 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 Parent Bank's risk group:

As at 30 September 2011, the Parent Bank has foreign currency forward purchase transactions and foreign currency forward sale transactions amounting to TL 1,845 and TL 1,786 (31 December 2010: 10,247 and TL 10,282) respectively, with the Parent Bank's risk group.

2. The Parent Bank's transactions with the risk group:

a) Relations of The Parent Bank with its related or unrelated subsidiaries:

In relations with related parties, regular banking and client relationships and market conditions are taken into consideration within the limitations of the Banking Law. Policies are applied to limit risk group's controlling power on the assets and liabilities of the Group and to limit risk group's weight in the balance sheet.

b) Besides nature of the relationship, transaction type, amount and its proportion in total transaction amount, amounts of primary transactions and their proportions in total amount, pricing policy and other matters:

In the Group's transactions with its risk group, pricing policy and other matters are determined and applied at market conditions. As at 30 September 2011, proportion of cash loans to risk group in total loans is 2.3% (31 December 2010: 0.9%), proportion of deposits from its risk group in total deposits is 4.3% (31 December 2010: 4.2%) and proportion of derivative transactions with its risk group in total derivative transactions is 0.1% (31 December 2010: 1.5%).

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

	Number	Number of Employees	
Domestic branches	44	882	
			Country of Incorporation
Foreign representation office	1	1	Berlin, Germany
			Total Assets
			Statutory Share Capital
Foreign branch	-	-	-
Off-shore branches	-	-	-

VII. Information and disclosure related to subsequent events

Transactions that have not been finalized and their effect on the consolidated financial statements and disclosures in accordance with TAS 10 "Events after the balance sheet date":

- a) In accordance with Communiqué No. 2011/11 "Amendment on the Reserve Requirements Scale" published in the Official Gazette No. 28076 dated 6 October 2011, to be effective after 14 October 2011, new ratios for foreign currency liabilities required reserve ratios have been set and are stated below:

Foreign Currency Liabilities	Reserve Deposit Rates (%)
Foreign currency demand deposits, notice deposits, foreign currency private current accounts and deposits/participation accounts up to 1 month, 3 months, 6 months and 1 year maturity	11
Foreign currency deposits/participation accounts with 1 year and longer maturity	9
Other accounts up to 1 year maturity (including 1 year)	11
Other accounts up to 3 years maturity (including 3 years)	9
Other accounts longer than 3 years maturity	6

- b) In accordance with Communiqué No. 2011/12 "Amendment on the Reserve Requirements Scale" published in the Official Gazette No. 28077 dated 7 October 2011, to be effective after 14 October 2011, new ratios for Turkish Lira liabilities required reserve ratios have been set and are stated below:

TL Liabilities	Reserve Deposit Rates (%)
Deposits/participation accounts up to 3 months maturity	12.5
TL other liabilities accounts up to 1 year maturity (including 1 year)	11
TL other liabilities accounts up to 3 years maturity (including 3 years)	8
TL other liabilities longer than 3 years maturity	5

c) In accordance with Communiqué No. 2011/13 “Amendment on the Reserve Requirements Scale” published in the Official Gazette No. 28098 dated 28 October 2011, to be effective after 11 November 2011, new ratios for Turkish Lira liabilities required reserve ratios have been set and are stated below:

TL Liabilities	Reserve Deposit Rates (%)
Demand deposits, notice deposits, private current accounts	11
Deposits/participation accounts up to 1 month maturity (including 1 month)	11
Deposits/participation accounts up to 3 months maturity (including 3 months)	11
Deposits/participation accounts up to 6 months maturity (including 6 months)	8

In addition, within the above mentioned communiqué, subparagraph “a” of the 4th paragraph of Article 6 of “Communiqué on Required Reserves” Number 2005/1 has been changed as follows:

“At most, 40% of Turkish Lira required reserve shall be maintained in USD and/or Euro,”

d) In accordance with Communiqué No. 2011/14 “Amendment on the Reserve Requirements Scale” published in the Official Gazette No. 28103 dated 2 November 2011, subparagraph “a” of the 4th paragraph of Article 6 of “Communiqué on Required Reserves” Number 2005/1 has been changed as follows:

“At most, 40% of Turkish Lira required reserve shall be maintained in USD and/or Euro, and at most 10% of it shall be maintained in gold,”

e) In accordance with Communiqué No. 2011/15 “Amendment on the Reserve Requirements Scale” published in the Official Gazette No. 28105 dated 4 November 2011, the following sentence has been added to come after the second sentence of the 6th paragraph of Article 6 of “Communiqué on Required Reserves” Number 2005/1:

“Obligations of this paragraph is also applied to TL liabilities required reserves held in gold, and gold amount exceeding the ratio established by subparagraph “a” of the fourth paragraph are not accounted as required reserves.”

2. With Decree No. 660 published in the Official Gazette dated 2 November 2011, the additional article 1 of law numbered 2499 which is the establishment article of Turkish Accounting Standards Board (“TASB”) has been cancelled and it is decided to establish Public Oversight, Accounting and Auditing Standards Agency (the Authority) by Council of Ministers. According to the first temporary article of this Decree, currently effective standards and arrangements will be used until the Authority publishes the new standards and arrangements. Accordingly, this amendment does not lead any changes in “Basis of presentation” mentioned in Note 1.

SECTION SIX

INDEPENDENT AUDITORS' REVIEW REPORT

I. Information on the independent auditors' review report

The consolidated financial statements as at and for the interim period ended 30 September 2011 have been reviewed by Akis Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş (the Turkish member firm of KPMG International Cooperative, a Swiss entity) and the review report dated 10 November 2011 is presented in the introduction of this report.

II. Information and disclosures prepared by the independent auditors

None.