

LETTER FROM THE CHAIRMAN

2002 has been a significant year in Vakifbank's history with the realisation of the need to redefine a strategy that will lead Vakifbank into the top tier ranking.

The key elements of the strategy, currently being implemented, include: an in-depth rationalisation of our loan portfolio and an accelerated divestiture of non-financial subsidiaries.

These are part of a determined effort to refocus Vakifbank in its core business.

We believe that small and medium sized enterprises, in particular, represent a strong opportunity to grow our balance sheet 100% over the next two years, with optimum risk diversification. Vakifbank is well placed to leverage its traditional SME customer base, with the additional advantage of recently implemented risk management systems and rigorous scoring procedures.

In support of overall strategy increased emphasis is already being given to our information technology infrastructure that will increase our ability to capture business through improved customer services. In addition comprehensive staff training programmes are in place within the new organisational plan to significantly enhance our sales capability and grow market share.

The entire Vakifbank Family is single-mindedly committed to improving not only our customer services but also to developing mutually beneficial partnerships with international financial institutions for long-term success.

Faithfully,

Aziz Ahmet Kacar
General Manager and Chairman

PROFILE OF VAKIFBANK

Vakifbank, a leading retail and commercial bank headquartered in Ankara, Turkey, is the 7th largest Turkish bank by assets, loans, and deposits and the 6th largest by branch network as at end of year 2002. Established in 1954, Vakifbank, a joint stock company, is 74.75% owned by the General Directorate of Foundations (the "GDF"). Vakifbank is a privately capitalised company and the GDF's share capital in the Bank was formed from the revenues of the GDF's affiliated foundations, all of which are private sector legal entities. Paid in capital as at the end of 2002 is TRL 319.666 trillion.

We provide retail, commercial, and investment banking services through our extensive network of 292 branches, six special operations centres and three capital market centres distributed throughout Turkey. Internationally, we have subsidiaries in Austria, France and Cyprus, and a branch office in New York. Our Bank has increased its alternative distribution channels to include 1,564 ATMs, 33,601 POS terminals, telephone banking, Internet banking, WAP banking, and Palm banking. As at 31 December 2002, the Bank had 7,600 employees.

Our Bank operates four main profit centres: retail banking; commercial banking; treasury operations; and investment banking. Our International Department manages the sourcing, funding and provision of international services to our client base. These four profit centres and the International Department are supported by various administrative departments, including human resources, information technology, property and construction, corporate planning and economic research, legal, public relations, accounting and finance, and support services.

Within the dynamic Turkish banking environment, Vakifbank has positioned itself as one of the few banks ready to benefit from the restructuring and growth of the sector. As the sector shifts its focus to "real" banking business, Vakifbank is clearly poised to benefit from this trend due to our strong franchise, robust branch platform, well developed alternative distribution channels and established penetration into both the urban and rural deposit and loan customers.

HISTORY AND OWNERSHIP STRUCTURE

Vakifbank was established in 1954 under the special law "Türkiye Vakıflar Bankası Türk Anonim Ortaklıđı Kanunu" (the "Incorporation Law"). The Bank is incorporated as a joint stock company pursuant to the Banks Act. Vakifbank's initial purpose was the management of cash derived from revenues and expenditures of the charitable foundations set up during the Ottoman Empire period, which were subsequently placed under the administration of the General Directorate of Foundations in 1924. The Articles of Association of the Bank were issued to include general banking functions, such as, inter alia, commercial lending and deposit collection, a wide range of banking services and making equity investments.

SHAREHOLDER AND OWNERSHIP STRUCTURE

As of 01.04.2003, detailed in the following table, the capital of the Bank consists of three classes of shares: (A), (B) and (C).

Shareholders	Classes of Shares	Share (%)	Amount (TRL billion)
General Directorate of Foundations	A	55.00	175,816
General Directorate of Foundations	B	19.75	63,133
Non-Affiliated Foundations	B	0.25	801
Vakifbank Pension Fund	C	24.89	79,580
Vakifbank Private Pension Fund	C	0.06	188
Other Real And Legal Entities	C	0.05	148
Total		100.00	319,666

Main Shareholders

General Directorate of Foundations

The GDF owns 74.75% of the shares in Vakifbank (55.00% in the form of Class A shares and 19.75% in the form of Class B shares). The GDF was established in 1924 to administer and regulate existing and future Turkish charitable foundations as a state entity directly reporting to the Prime Minister. The GDF is a separate legal entity and has its own budget. The GDF was given the authority to establish a bank subject to the Incorporation Law for the purpose of managing foundations' revenues and expenses.

Non-Affiliated Foundations

The Non-Affiliated Foundations are those foundations with a separate legal entity and a separate board of trustees. Currently there are 494 Non-Affiliated Foundations in Class B, owning 0.25% of the Bank.

Türkiye Vakıflar Bankası T.A.O. Memur ve Hizmetlileri Emekli Sandığı (the "Vakifbank Pension Fund")

The Vakifbank Pension Fund has a 24.89% stake in the Bank's capital as a Class C shareholder. The Vakifbank Pension Fund substitutes the mandatory social security coverage provided by the Social Insurance Institution for the Bank's employees. Therefore it is mandatory for all of the Bank's employees to become members of the Pension Fund.

Vakifbank Özel Sosyal Güvenlik Vakfı (the "Private Pension Fund")

The Private Pension Fund has 12,450 members from the current employees and retirees of the Bank. It is managed by a board of seven directors, four of whom are elected by the Private Pension Fund members and three of whom are appointed by Vakifbank's Board of Directors. The Private Pension Fund owns 0.06% of Vakifbank's shares as a Class C shareholder.

Other Real and Legal Entities

The other real and legal entities comprise 459 real and legal persons. This group owns 0.05% of the shares of the Bank as Class C shareholders.

BOARD OF DIRECTORS

As at April 1, 2003

Board Member Since

Aziz Ahmet Kacar Chairman, Executive Director, General Manager	07.02.2003
Yusuf Beyazıt Deputy Chairman, Executive Director	21.03.2003
Hasan Özer Member of the Board	07.02.2003
Hasan Yıcekara Member of the Board	17.01.2003
Ahmet Yarız Member of the Board	21.03.2003
Orhan Töz Member of the Board	21.03.2003
Hüseyin Durmaz Member, Assistant General Manager	11.11.1998
Mustafa Çelik Member of the Board	20.02.2003
Kerim Karakaya Member, Assistant General Manager	21.03.2003
Ahmet Tanyolaç Auditor	21.03.2003
Faruk Eroölu Auditor	21.03.2003

FORMER BOARD MEMBERS WHO SERVED IN 2002

	Date of Election/Appointment	End of Term
Yfan Erciyas Chairman, Executive Director, General Manager	09.08.2002	07.02.2003
Altan Koçer Chairman, Executive Director, General Manager	05.03.1999	08.08.2002
Selami Celayir Deputy Chairman, Executive Director	05.03.1999	21.03.2003
Prof. Dr. Gürgan Çelebican Member of the Board	05.03.1999	21.03.2003
Prof. Dr. Sabih Arıkan Member of the Board	05.03.1999	21.03.2003
Midhat Beref Member of the Board	05.03.1999	25.10.2002
Kezban Öztürk Member, Assistant General Manager	04.11.2002	16.01.2003
Osman Cem Bařman Member of the Board	09.07.1998	07.02.2003
Füsun Tuncel Member, Assistant General Manager	06.09.2000	18.02.2003
Yakup Güven Auditor	09.02.1996	12.07.2002

EXECUTIVE MANAGEMENT

As at April 1, 2003

With Vakifbank Since Date of Appointment

Aziz Ahmet Kacar	1976	07.02.2003
Chairman, Executive Director, General Manager		
Hüseyin Durmaz	1982	11.11.1998
Assistant General Manager		
Yusuf Yepilyırmak	1979	05.06.1999
Assistant General Manager		
Tanju Yüksel	2000	01.05.2000
Assistant General Manager		
A. Atıf Meydan	1990	29.01.2003
Assistant General Manager		
E. Tosun Karay	1987	29.01.2003
Assistant General Manager		
Kerim Karakaya	1984	26.02.2003
Assistant General Manager		
A. Çetin Gezgincan	1981	05.03.2003
Assistant General Manager		
Mehmet Özden	1982	15.12.1999
General Secretary		

FORMER EXECUTIVE OFFICERS WHO SERVED IN 2002

	Date of Appointment	End of Term
Yfan Erciyas	09.08.2002	07.02.2003
Chairman, Executive Director, General Manager		
Altan Koçer	05.03.1999	08.08.2002
Chairman, Executive Director, General Manager		
H. Pükrü Oruç	02.12.1998	11.11.2002
Assistant General Manager		
Numan Çankara	13.03.2002	04.02.2003
Assistant General Manager		
Seyfi Yabaş	27.07.1998	10.02.2003
Assistant General Manager		
Kezban Öztürk	04.11.2002	16.01.2003
Member, Assistant General Manager		
Fusun Tuncel	06.09.2000	18.02.2003
Member, Assistant General Manager		

OVERVIEW OF ACTIVITIES

Commercial Banking

Vakifbank is a leading commercial bank in Turkey with active relations with over 30,000 commercial enterprises. The Bank is the eighth largest commercial banking institution in Turkey in terms of total loans. We offer a broad range of commercial banking and financial services including cash loans, non-cash loans, project finance loans, payroll services, cash transfer services and collection services. Foreign currency transactions and trade finance are important to the Bank's commercial banking division.

The Bank aims to maintain a diversified loan portfolio, with an emphasis on Turkish companies with high export volumes. Vakifbank targets both large corporates and Turkish SMEs in high growth sectors.

Our management believes that the Bank's market share in commercial banking will continue to increase, given management's strategy to offer a wide range of banking products and services to corporate customers. We believe that our strength in the Turkish commercial banking market will permit it to continue to cross-sell traditional banking products, payroll services, Internet banking, business-to-business products and other innovative banking services and products to Turkish corporations.

Vakifbank offers a wide range of banking and other services to corporate clients including State Economic Enterprises and municipalities. Our product portfolio includes cash loans, non-cash loans, project finance loans, collection services, cash transfer services, B2B activities, foreign exchange services, corporate finance services, electronic banking services, cash management services and investment services. We offer loan facilities predominantly in Turkish Lira, US dollar and Euro. Cash loans include working capital finance, revolving credit facilities, receivables finance, foreign trade finance, foreign index loans, negotiation loans and project finance loans. Project finance loans are typically high profile investments in conjunction with large international development agencies such as the World Bank. Non-cash facilities account for US\$ 2.5 billion of exposure and inter alia, letters of credit, letters of guarantee and acceptance loans.

We see opportunities to expand our customer base by extending our payroll services, payment services, co-branding arrangements, collection services, B2B services and lending.

Upon the proposed deregulation of individual retirement planning, Vakifbank is well positioned to offer pension fund management services to current and prospective corporate customers.

We recently entered into an agreement with the Customs Authority whereby the Bank will collect customs duty along with four other private banks.

Project Finance Loans

Since 1974, our Bank has been active in project finance loans and syndicated loans in Turkey. Since 1987, Vakifbank has been the sole Turkish commercial bank to provide financial, technical and economic reports with its own internal staff and provide assessments according to reports it has prepared. Project finance lending, inter alia,

investment, syndicated, working capital, non-cash, earthquake, European Investment Bank, Islamic Development Bank, export credit agencies and World Bank loans. Project finance loans totalled approximately 45% of our cash commercial loan portfolio. The Bank is the market leader in project finance loans in Turkey.

In 2002, we have presented not only the SME package but also the natural disaster loans and the "Industrial Pollution Prevention" loans sourced by European Investment Bank in Central and Eastern Anatolia.

Retail Banking

Vakifbank is one of the leading retail banks in Turkey serving approximately 9.3 million individual retail customer accounts. Our Bank is the third largest retail institution in the Turkish retail market both in terms of retail deposits and retail loans. We offer a broad range of retail banking and financial services including TRL and foreign currency deposits, loans, credit and debit cards, investment accounts, utility payments, payroll services and mortgages.

Our market share in retail loans increased from 7.71% in 1999 to 14.97% in 2002. Our retail loan portfolio currently includes 34 different principal types of retail loans tailored to customers' specific needs including, credit card loans, mortgages, vehicle loans, marriage loans and overdraft facilities.

Our Bank has an agreement with the Republic of Turkey Prime Ministry Mass Housing Administration Directorate to grant housing loans. Vakifbank extended loans to 36,506 customers under this facility.

Vakifbank is a leading issuer of credit and debit cards. With 24.5% market share in debit cards and 9.1% market share in credit cards, Vakifbank is the largest player in Turkey in debit cards and the 6th largest in credit cards. Emphasising our commitment to providing convenient access to our customers, Vakifbank possesses the 2rd largest ATM network with 1,564 ATMs and 5th largest POS terminal network in Turkey. The Bank is also a founding member of the "Golden Point" alliance which allows our customers to use approximately 3,700 ATMs throughout Turkey.

Credit Cards

Vakifbank is a major player in credit cards in Turkey. Capitalising on our longstanding relationship with Visa and MasterCard, we have become a market leader in credit cards and acquiring merchants. The Bank is currently the largest issuer of MasterCards in Turkey. The Bank is also a founding member of Credit Registration Bureau I.C. which aims to establish risk concentration.

The penetration of Vakifbank issued credit cards continued to grow to over 1.2 million cards in issue in 2002. A leader in acquiring merchants, our Bank has over 34,000 POS terminals in use at over 10,000 member merchants.

Retail customers hold approximately 500,000 Vakifbank investment accounts. Such accounts permit customers to buy and sell equity securities, gold, the Bank's mutual funds and fixed income securities including government bonds.

Treasury and Investment Banking

The Bank also conducts treasury operations with a significant portion of the Bank's earnings coming from Turkish government securities intermediation. Through the Treasury department, the Bank deals in both TRL and foreign currency, fixed income, money market instruments, and currency swaps. We are very active in trading Turkish government bonds with 5.5% market share and Vakifbank ranked as 6th largest among primary dealers TRL bond trading. In 2002 the strong performance of our bond portfolio contributed significantly to profitability. Additionally, we have also launched Eurobond trading in 2002 with a volume exceeding USD 1 Billion.

We offers integrated investment banking services to our clients through our investment banking department and our subsidiary Vakıf Securities.

Vakifbank was the first bank in Turkey to enter the mutual fund management business in 1988 and now manages nine open-ended mutual funds. Vakifbank is the 6th largest mutual fund manager in Turkey with a 5.5% market share and assets under management in excess of TRL 13.7 quadrillion.

Vakifbank also provides equity brokerage, corporate finance, international equity sales and trading services, fixed income trading, gold trading, custody services and research reports .

Our Bank is the first bank in Turkey to offer its customers memorial gold coins in various sizes. Actively involved in gold trading, we have achieved a total volume of TRL2.2 trillions.

International Relations

We have received a US\$200 million securitisation of trade receivables with 3-year maturity fully underwritten by WestLB AG. With the decreased funding costs available in the domestic markets, Vakifbank did not borrow from the syndicated loan market in 2002 and paid off our outstanding syndicated loan in August 2002. With the improvements in the macro economic outlook and the pick up in the industry, we intend to enhance our position in foreign funding in 2003 to provide our customers lower cost international financing.

Risk Management and Internal Control

We believe that our conservative approach to risk assumptions distinguishes Vakifbank from other banks and is vital to the Bank's success in the volatile Turkish economy. Our Bank has established a top-down decision-making process promoting a careful assessment of the risks taken at each organisational level, with increasing detail at lower levels in the organisation. This decision-making process allows us to manage its risks at the operational level by reference to strategies determined at senior management level. Our internal credit rating system is live since May 2002.

We have also updated our procedures for "Contingency Planning" to minimise risks and cope as efficiently as possible in case of emergency and natural disasters.

Information Technology

We have always operated with the awareness that technology is the key to enhance our banking and have invested to create one of the most developed information technology divisions in Turkey.

We believe we are one of the technology leaders within the Turkish banking sector, having developed our technology platform primarily with the use of internal resources. Our technology operations and initiatives are managed in the Bank's 26,000 sq. metre Technology Centre in Ankara. The Technology Centre project was initiated in 1999 and became fully operational in 2001. The Technology Centre serves as the central network system of the Bank, connecting customers, branches, headquarters, and merchants seamlessly across various protocols and platforms. The Technology Centre employs a total of 425 personnel, including 217 professionals who develop, install and maintain all of the Bank's software applications, management information and security systems and install branch hardware equipment. The Technology Centre houses the mainframe computer systems, call centre, mail systems, ATM and POS management systems, Internet, WAP and Palm banking systems and automated telephone banking.

Pursuant to our strategy of maintaining efficient and low cost alternative distribution channels for our customers, the Bank introduced Internet, Palm, WAP and telephone banking services. Over 6 million customers are able to use alternative delivery channels to access the Bank's services. The Bank intends to increase the number of customers served by alternative delivery channels to all Bank retail customers by the end of 2005.

In 2002, we launched an e-commerce facility and b2b applications for our commercial clients. For our retail customers, we have launched "Public Offering, 7/24" which allows our customers to participate in treasury auctions and IPOs via ATMs and the internet. "Donation 7/24" was introduced to enable donations for charities from ATMs and Internet Banking.

Internally, we also plan to focus on expanding our disaster recovery capabilities enhancing our information gathering capabilities and improving cost effectiveness.

Human Resources, Training, Organisation and Planning

Although 2002 has been the year to further enhance our cost cutting initiatives and increase efficiency, we did not pursue aggressive head count reductions. We very much prize the loyalty of our employees and benefit from an experienced staff as over half of our personnel have more than ten years experience at the Bank and roughly three quarters of the Bank's staff have been with the Bank for over five years. In 2002, we honoured 334 of our staff for their service of 15 and 20 years. Consistent with our policy of encouraging early retirement, our number of employees decreased to 7,600 in 2002 from 8,129 in 2001.

We believe strongly in the continuous training and professional development of our employees and have a separate education department which co-ordinates the Bank's employee training efforts. Training and development initiatives enable employees to be transferred between departments as needs change. The Human Resources Department deals with specific educational needs of employees. We also use prestigious external consultants to provide continuing education to the management. Additionally, Vakifbank's IT Department organises IT education programs for employees. In 2002, 3,235 staff benefited from 110 courses in 11 centers.

Committed to the importance of training, we recruited 389 students from banking high school, to fulfil their compulsory on the job training, and granted scholarship to 228 students out of which a 100 has suffered from the earthquake in 1999.

As part of our efficiency efforts, we implemented a thorough branch rationalisation program in 2002. As part of the program, we closed down 19 branches and 7 foreign exchange offices and merged our representative office in Frankfurt into our Vakifbank International AG's Frankfurt Branch. Reorganising our reporting lines, we have ceased the operations of 4 Regional Directorates, merged some of the departments and reassigned departmental and personal responsibilities.

Culture Art and Public Relations

In 2002, we continued our proud tradition of investing in events for the greater social good.

Continuing our support of the arts, we displayed 63 exhibitions throughout our four exhibition halls in 2002.

We organised exclusive concerts, dance shows and exhibitions to celebrate the Turkish Republic's 79th year.

Vakifbank was a proud sponsor of the "Children of Hope" exhibition in 2002. We adopted and provide shelter and education to 29 homeless boys between the ages of eight to eighteen. These boys' painting and pottery work were exhibited, and a concert was performed.

Subsidiaries

Vakifbank International (Wien): Established in 1999 to enhance Vakifbank's foreign activities in line with the Bank's geographic expansion strategy. Vakifbank owns 90% of Vakifbank International Wien's share capital of EUR 20 million. Vakifbank International Wien's portfolio consists primarily of Turkish, Austrian, Spanish, Portuguese, Belgian and Greek Eurobonds. In 2001, Vakifbank International Wien continued to increase its profitability, customer reach and market share. The bank opened up a branch in Frankfurt in 2002.

Banque Du Bosphore. Established in 1991 as a joint venture to finance foreign trade between Turkey and Europe, and in particular France. Banque Du Bosphore, which focuses on private sector companies, offers a wide range of services including letters of credit, letters of guarantee, commercial paper discounting, working capital and prefinancing loans, and current and deposit accounts. Vakifbank owns 20% of Banque Du Bosphore's share capital of EUR 16 million. In 2001, Banque du Bosphore initiated a policy change and invested heavily in money markets. The company also increased its emphasis on interbank deposit accounts to enlarge its funding base.

World Vakıf Offshore Banking Established in 1993 with a capital of US\$500,000 in the Turkish Republic of Northern Cyprus to offer offshore banking services. World Vakıf Offshore Banking extends credit to the food, textile, automotive, construction and agricultural sectors and invests in treasury bills and bonds. Vakifbank owns 82% of World Vakıf Offshore Banking.

Türkiye Sınai Kalkınma Bankası (“TSKB”). Established in 1950 by a coalition composed of commercial banks, the World Bank and the Central Bank of Turkey. A leading Turkish investment and development bank, TSKB provides lending, investment banking, consulting and capital market services. Vakifbank owns 8.38% of TSKB's share capital of TRL 114 trillion.

Güneş Sigorta A.Ş. Established by Vakifbank in 1957 to offer insurance services, including fire, accident, engineering, legal and life insurance. Güneş Sigorta is one of the leading Turkish insurance companies and provides insurance, consultancy, and risk management services. Vakifbank owns 35.35% of Güneş Sigorta, whose share capital is TRL 43,2 trillion. Güneş Sigorta has approximately 800,000 insurance policyholders and had net income of TRL 9.1 trillion in 2000.

Güneş Hayat Sigorta A.Ş. Established as a separate company in 1991 to provide life insurance. Turkish insurance regulation required that companies providing life insurance be separate from companies providing other types of insurance. Under the new three pillar pension reform, life insurance companies became authorised to be vendors of pension policies. To capitalise on these developments, Vakifbank is transforming its life insurance subsidiary Güneş Hayat Sigorta to pursue pension fund management. Güneş Hayat Sigorta offers opportunities to cross-sell annuities and other fund management products of Vakifbank to life insurance clientele. Vakifbank owned 6% of the company's share capital of TRL 20.25 billion.

Vakıf Finansal Kiralama A.Ş. Established in 1988 to provide leasing services, predominantly for transportation services, machinery and equipment, medical equipment, tourism equipment and office equipment. The firm acquires equipment and provides domestic and foreign financial leasing transactions. Vakifbank holds a 58.72% share of the firm's TRL 13.150 trillion share capital. Vakıf Finansal Kiralama, which leverages on the Bank's well established delivery channels, is a market leader.

Vakıf Deniz Kiralama A. Ş. Established in 1993 to provide leasing services to the maritime transportation industry. Vakifbank holds a 68.55% share in the company's share capital of TRL 24.950 trillion. As one of the market leaders in the industry, the company obtained the TS ISO 9002 quality certificate on 31 December 2001.

Vakıf Finans Factoring Hizmetleri A.Ş. Established in 1998 to provide factoring services for domestic and foreign commercial transactions, specifically focusing on the textile, food and forest product industries. Vakifbank holds 78.39% of the company's share capital of TRL 22.4 trillion.

Vakıf Risk Sermayesi Yatırım Ortaklığı A.Ş. Established to make venture capital investments in small and medium-sized businesses, provide seed capital and acquire resources for technological development within Turkey. The company currently holds

investments in three projects. Vakifbank holds 46,36% of the company's share capital of TRL 900 billion.

Vakıf Yatırım Menkul Değerler A.Ş. Established in 1996 to perform capital market activities, including portfolio management dealing, repurchase and reverse repurchase agreements, investment consulting and corporate finance advisory services. The company benefits from Vakifbank's distribution to reach an important number of retail and corporate clients. The company was renamed Vakifbank Investment Securities I.C. Vakıf Investment Securities recently established a 99.9% owned portfolio management subsidiary Vakıf Portföy Yönetimi to manage the pension funds collected by Güneş Hayat Sigorta. Vakifbank holds 99% of the company's share capital of TRL 6 trillion.

İMKB Takas ve Saklama Bankası Also known as the Istanbul Stock Exchange Settlement and Custody Bank, it was founded by 33 banks and financial institutions in 1991 to provide capital market settlement, clearing and custody services. The company is the Central Securities Depository of Turkey. Vakifbank owns 4.86% of its share capital of TRL 60 trillion.

Kıbrıs Vakıflar Bankası Established to encourage the utilisation of Visa and MasterCard/EuroCard International credit cards.

Bankalararası Kart Merkezi Founded in 1990 by 13 banks to provide credit card payment and authorisation services for members. Vakifbank owns 9.7% of the company's share capital of TRL 4 trillion.

Vakıf Menkul Kıymetler Yatırım Ortaklığı Established as a public company in 1991 to provide fund management, brokerage and retail securities services. Vakifbank owns 11.75% of the company's share capital of TRL 2.55 trillion.

Vakıf Gayrimenkul Yatırım Ortaklığı Established in 1996 as the first real estate investment trust company in Turkey. The company is publicly traded on the Istanbul Stock Exchange. Vakifbank owns 27.63% of the company's share capital of TRL 5 trillion, and the company is listed in ISE.

Kredi Kayıt Bürosu Established in 1995 as a credit card information centre to develop records and collect information regarding credit card customers. The company also engages in credit checking activities in order to minimise default risk and non-performing loans. Vakifbank owns 9.09% of the company's share capital of TRL 2,4 Trillion.

Vadeli İşlemler Eğitim ve Danışmanlık Established to advertise trade, derivatives and other consulting services regarding forward and option transactions according to regulations established in 1998. Vakifbank owns 10% of the share capital of TRL 600 billion.

İstanbul Altın Rafinerisi By the initiatives of Istanbul Stock Exchange, İstanbul Altın Rafinerisi was founded to produce certified gold, trade gold and operate via the Istanbul Gold Exchange. Vakifbank owns 0,12% of the company's share capital of TRL 1 trillion.

Taksim Otelcilik Vakifbank owns 51% of Taksim Otelcilik, a tourism company established in 1966. Taksim Otelcilik owns and operates seven hotels, operates a travel

agent and owns one of Turkey's most prominent hotels, the Ceylan Inter-Continental Hotel. The Company's share capital is TRL 30 trillion.

Ataköy Turizm tesisleri ve Ticaret A.Ş. Established in 1986, Ataköy Turizm owns one of Turkey's most well known shopping centres, Galeria. Built on 77,000 sq. metre, the shopping centre was opened in 1989. Vakıfbank owns 40.58% of Ataköy Turizm's share capital of TRL 685 billion. Ataköy Turizm is included in the list of the companies to be privatised by the Privatisation Administration ("PA") and the Bank signed an agreement to allow the PA to sell the Bank's stake in the privatisation.

Ataköy Otelcilik A.Ş. Established to own, operate and rent hotels in Turkey. Ataköy Otelcilik owns the prominent hotels in Istanbul, namely the Crowne Plaza and the Holiday Inn. Vakıfbank owns 18.97% of the company's share capital TRL 10,210 billion. Ataköy Otelcilik is included in the list of the companies to be privatised by the PA and the Bank signed an agreement to allow the PA to sell the Bank's stake in the privatisation.

Ataköy Marina. Vakıfbank owns 35.16% of Ataköy Marina, whose primary business is the repair of sea vehicles and providing harbour services. The company's marinas have a capacity of 700 yachts and are the only Turkish marina to receive the Five Golden Anchor Prize. The company also maintains repair and restoration capabilities for 100 yachts. The land of the marina is rented for 49 years from 1986. Ataköy Marina is included on the Privatisation Administration's list of companies to be sold. Vakıfbank is considering selling its stake during the privatisation. Ataköy Marina's share capital is TRL 150 billion.

Vakıf Gayrimenkul Ekspertiz ve Değerleme Established in 1995 and today is one of the three real estate valuation companies in Turkey. The company engages in the valuation of both the public sector and the private sector-owned real estate property. Vakıfbank owns 20% of the share capital of TRL 500 billion.

Roketsan Roket Sanayii ve Ticaret A.Ş. Our Bank acquired 15.47% of the company's shares in August 2002. The company has a share capital of TRL 37.5 trillion.

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