

(Convenience Translation of Unconsolidated Interim Financial Statements and Related Disclosures and Footnote Originally Issued in Turkish, See Section 3 Note I)

7•UNL\H 9DNÖIODU %DQNDVÖ 7•I

Unconsolidated Interim Financial Report  
As at and for the Three Month Period Ended  
31 March 2011  
With Independent Auditor's Review Report Thereon

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0XKDVHEHFL 0DOL 0•úDYL

10 May 2011

*This report contains "Independent Auditors' Review Report" comprising 1 page and; "Unconsolidated Interim Financial Statements and Related Disclosures and Footnotes" comprising 66 pages.*

**Convenience Translation of the Independent Auditors' Review Report  
Originally Prepared and Issued in Turkish (See Section 3 Note I)**

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:H KDYH UHYLHZHG WKH XQFRQVROLDGWHG EDODQFH VKHHW  
2UWDNÖ (the Bank) as at 31 March 2011 and the related unconsolidated statement of  
FKDQJHV LQ VKÖ and cash flows for the three month period then ended. These financial  
VWDWHPHQWV DUH WKH UHVSQVLELÖLW\ RI WKH %DQNÖV P  
auditors, is to issue a report on these financial statements based on our review

We conducted our review in accordance with the form chart of accounts, accounting and audit standards in conformity with the (Turkish) Banking Law No 5411. These standards 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 provides assurance that 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 unconsolidated financial statements do not present fair  
WKH ILQDQFLDO SRVLWLRQ RI  
BanNDVÖ 7•UN \$QRQLB 31 Mart 2011 and the results of its operations and its cash  
flows for the three month period then ended in accordance with the accounting principles and standards that are based on the current regulations described in Article 37 of the (Turkish) Banking Law No 5411;  
DQG RWKHU FRPPXQLTXpV GLVFORVXUHV DQG GLUHFwLYHV  
Supervision Agency on accounting and financial reporting principles

Istanbul,  
10 May 2011

\$NLV %DÖPVÖ] 'HQHWL  
6HUEHVW 0XKDVHEHFL 0DO  
\$QRQLP ùLUNHWL

g]NDQ \*HQo  
Partner

Additional paragraph for convenience translation to English:

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

T h 5 . ø < ( 9 \$ . , ) / \$ 5 % \$ 1 . \$ 6 , 7 h 5 . \$ 1 2 1 ø 0 2 5 7 \$ . / , ö ,  
UNCONSOLIDATED INTERIM FINANCIAL REPORT  
AS AT AND FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2011

Address : /HYHQW 0DKDOOHVL +DFÖ \$GLO <ROX  
dD\ÖU dLPHQ 6RNDN 1R /HYHQW %HúLNWDÜ  
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The unconsolidated interim financial report as at and for the three month period ended 31 March 2011  
SUHSDUHG LQ DFFRUGDQFH ZLWK WKH FRPPXQLTXP RI )LQD  
Footnotes to be Announced to Public by Banks as regulated by Banking Regulation and Supervision  
Agency, is comprised of the following sections:

- GENERAL INFORMATION ABOUT THE BANK
- UNCONSOLIDATED INTERIM FINANCIAL STATEMENTS
- ACCOUNTING POLICIES
- INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK
- DISCLOSURES AND FOOTNOTES ON UNCONSOLIDATED FINANCIAL STATEMENTS
- OTHER DISCLOSURES AND FOOTNOTES
- INDEPENDENT AUDIT 7 2 5 6 ¶ 5 ( 9 , ( : 5 ( 3 2 5 7

The unconsolidated interim financial statements and related disclosures and footnotes that were subject to  
limited review, are prepared in accordance with the Regulation on Accounting Applications for Banks and  
Safeguarding of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards and  
the related statements and guidance and in compliance with the financial records of our Bank. Unless  
otherwise stated, the accompanying unconsolidated interim financial report is presented in thousands of  
Turkish Lira (TL), and has been subjected to limited review.

10 May 2011

Ahmet CANDAN	6 H U G D U 7 8 1 d % ø / ( D O L P . \$ 1 \$ 7 d ,	6 • O H \ P D Q . \$ / . \$ 1
Deputy Chairman of Board Members	Board Member	General Manager and
Board of Directors	Audit Committee Member	Board Member

Metin Recep ZAFER  
Assistant General Manager

Murat KOYGUN  
Director of Accounting and  
Financial Affairs

The authorized contact person for questions on this financial report

Name Surname/Title	\$ 6 R Q D / Manager	6 % X ÷ U D 6 Assistant Manager
Phone no	: 0312 455 75 66	0312 455 750
Fax no	: 0312 455 76 92	0312 455 76 92

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General Information

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7•UNL\H 9DNÕIODU %DQNDVÕ 7•UN \$QRQLP  
 Unconsolidated Interim Financial Report and  
 For the Three Month Period Ended 31 March 2011

(Currency: Thousands of Turkish Lira³ 7 / )

SECTION ONE

General Information

- I. History of the Bank including its incorporation date, initial legal status, amendments to legal status

7•UNL\H 9DNÕIODU %DQNDVÕ 7•UN \$QRQLP 2UWDNOÕ ÷ Õ ³WK  
 the disclosure V of this section, under the authorization of a special law numbered 6 FDOOHG ³V  
 LDZ RI 7•UNL\H 9DNÕIODU %DQNDVÕ 7•UN \$QRQLP 2UWDNOÕ ÷  
 the authority granted to The General Directorate of the Foundations of Turkish Republic Prime Ministry  
 ³7KH \*HQHUDO 'LUHFODRUDRQH RI WKH %DQV VWDWXWH KD  
 establishment

- II. 7KH %DQN¶V Structure, Ownership and internal audit, direct and indirect shareholders, change in shareholder structure during the period and information on %DQN¶V GroupLVN

The shareholder having control over the shares of the Bank is the General Directorate of the Foundations.

As at 31 March 2011 and 31 December 2010, the Bank's share capital is TL 2,500,000, divided into 250.000.000.000 shares with each has a nominal value of 1. X U.X ú

7KH %DQN¶V structure as at 31 March 2011 is stated below

Shareholders	Number of Shares	Nominal Value of the Shares± Thousands of TL	Share Percentage (%)
Foundations represented by the General Director of the Foundations (Group A) 9DNÕIEDQN 0HPXU YH +L]PHV <DUGÕP 6DQGÕ ÷ Õ 9DNIO *L	1.075.058.640	1,075,059	43.00
Appendant foundations (Group B)	386.224.785	386,225	15.45
Other appendant foundations (Group B)	3.174.979	3,175	0.13
Other registered foundations (Group B)	1.448.543	1,448	0.06
Other real persons and legal entities (Group C)	1.797.832	1,798	0.07
Publicly traded (Group D)	629.742.555	629,742	25.19
<b>Total</b>	<b>2.500.000.000</b>	<b>2,500,000</b>	<b>100.00</b>

III. Information on the chairman and members of the board of directors, audit committee members, general manager, assistant general manager and their shares in the Bank

Name and Surname	Responsibility	Date of Appointment	Education	Experience in Banking and Management
<b>Board of Directors</b>				
Ahmet CANDAN	Deputy Chairman	19 March 2010	University	24 years
6 • O H \ P D Q . \$ / . \$	Member ± General Manager	19 March 2010	University	28 years
6 H U G D U 7 8 1 d % ,	Member	24 July 2007	University	28 years
Dr. Adnan ERTEM	Member	27 October 2010	PHD	23 years
ø V P D L O \$ / 3 7 ( . ø	Member	6 April 2009	University	13 years
5 D P D J D Q * h 1 ' h =	Member	6 April 2009	University	33 years
+ D O L P . \$ 1 \$ 7 d ,	Member	28 April 2009	University	38 years
Selahattin TORAMAN	Member	19 March 2010	University	34 years
<b>Audit Committee</b>				
+ D O L P . \$ 1 \$ 7 d ,	Member	5 November 2010	University	38 years
6 H U G D U 7 8 1 d % ,	Member	1 April 2010	University	28 years
<b>Auditors</b>				
0 H K P H W + \$ / 7 \$ ù	Auditor	19 March 2010	University	34 years
Yunus ARINCI	Auditor	19 March 2010	Master	14 years
<b>Assistant Managers</b>				
0 H K P H W & \$ 1 7 ( .	Loans Followup, Directorates of the Regions	28 December 2000	Master	18 years
(Senior Assistant Manager) ù D K L Q 8 ö 8 5	Support Services	9 August 2004	University	25 years
) H \ J L g = & \$ 1	Retail Banking, Retail Loans, Corporate Salary Payments and Credit Cards	20 September 2000	University	21 years
Metin Recep ZAFER	Accounting and Financial Affairs, Planning and Performance, Subsidiaries, Treasury and Foreign Operations, Banking Operations, Alternative Distribution Channels	13 June 2000	PHD	15 years
% L U J • O ' ( 1 / ø	Private Banking, International Relations and Investor Relations	15 June 2000	Master	17 years
g P H U ( / 0 \$ 6	Legal Services	5 January 2000	Master	9 years
Remzi ALTINOK	Commercial Loans, Corporate Loans, Intelligence	7 May 2010	University	19 years
ø E U D K L P % ø / * ø	Commercial Banking, Corporate Banking, Corporate Centers, Liquid Management	7 May 2010	University	19 years
Hasan ECESoy	Treasury, Investment Banking	18 June 2010	PHD	17 years
6 H U G D U 6 \$ 7 2 ö /	Human resources	17 June 2010	PHD	15 years
\$ O L ( Q J L Q ( 5 2 ö	Software Development, Systems Management, Information Technologies Businesses and Support, Information Services Planning	18 August 2010	Master	15 years

ø VPDLO \$OSWHNLQ 0HPEHU RI WK-publicly traded share of the Bank \* UR amounting of TL 59. The remaining members of the top management listed above do not hold any unquoted shares of the Bank.

As per the 23 March 2011 dated resolution of the Board of Directors, Osman Demirel appointed as Assistant General Manager responsible for Commercial Banking and Cash Management Operations, started working on 6 April 2011.

As per the 23 March 2011 dated resolution of the Board of Directors, LWDW üDKLQ DtSSRLC General Manager responsible for Human Resources Planning and Performance started working on 11 April 2011.

#### IV. Information on the Bank ¶V TXDOLILHG VKDUHKROGHUV

The shareholder holding control over the Bank is The General Directorate of the Foundations having RI WKH %DQN ¶V RXWVWDQGLQJ VKDUHV \$QRWKHU RUJ 9DNÖIEDQN 0HPXU YH +L]PHWOLOHUL (PHNOL YH 6D÷OÖN <D employees of the Bank, having 16.10% of outstanding shares of the Bank

#### V. Information about the services and nature of activities of the Bank

7KH %DQN ZDV HVDDEOLVKHG XQGHU WKH DXWKRUL]DWLRQ 7•UNL\H 9DNÖIODU %DQNDVÖ 7•UN \$QRQL -DQXDU\ ZLW authority granted to The General Directorate of the Foundations. Operational activities of the Bank as stated at its Articles of Association are as follows:

- Lending loans by granting securities and real estates as collateral,
- Establishing or participating in all kinds of insurance corporations already established,
- Trading real estates,
- Servicing all banking operations and services,
- Operating real estates and participating in industrial sectors of corporations handed over by foundations and General Directorate of the Foundations in line with conditions stipulated by agreements if signed.
- The Bank is established to render banking services to the foundations and carry out cashier transactions of the General Directorate of Foundations in compliance with the agreements signed by General Directorate of the Foundations.

As at 31 March 2011, the Bank has 68 domestic, 3 foreign, in total 71 branches (31 December 2010: 634 domestic, 2 foreign, in total 636 branches). As at 31 March 2011, the Bank has 11,021 employees (31 December 2010: 11,077 employees)

## SECTION TWO – FINANCIAL STATEMENTS

7•UNL\H 9DNÖIODU %DQNDVÖ 7•UN \$QRQLP 2UWDNOÖ ÷ Ö

Unconsolidated Balance Sheet (Statement of Financial Position)

Convenience Translation of Financial Statements  
and Related Disclosures and Footnotes

As at 31 March 2011

Originally Issued in Turkish, See Section 3 Note I

ASSETS		Notes	Reviewed Current Period 31 March 2011			Audited Prior Period 31 December 2010		
			TL	FC	Total	TL	FC	Total
I.	CASH AND BALANCES WITH THE CENTRAL BANK	V-I-1	4,408,18€	2,019,18€	6,427,36€	2,609,34€	2,037,53€	4,646,88€
II.	FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Net)	V-I-2	37,935	13,206	51,141	1,343	22,705	24,048
2.1	Financial assets held for trading purpose		37,935	13,206	51,141	1,343	22,705	24,048
2.1.1	Debt securities issued by the governments		-	-	-	-	-	-
2.1.2	Equity securities		-	-	-	-	-	-
2.1.3	Derivative financial assets held for trading purpose	V-I-2	37,935	13,206	51,141	1,343	22,705	24,048
2.1.4	Other securities		-	-	-	-	-	-
2.2	Financial assets designated at fair value through profit or loss		-	-	-	-	-	-
2.2.1	Debt securities issued by the governments		-	-	-	-	-	-
2.2.2	Equity securities		-	-	-	-	-	-
2.2.3	Other securities		-	-	-	-	-	-
2.2.4	Loans		-	-	-	-	-	-
III.	BANKS	V-I-3	85,017	2,333,35€	2,418,37€	73,080	1,198,59€	1,271,67€
IV.	RECEIVABLES FROM INTERBANK MONEY MARKETS		-	-	-	2,101,584	-	2,101,584
4.1	Interbank money market placements		-	-	-	-	-	-
4.2	Istanbul Stock Exchange money market placements		-	-	-	-	-	-
4.3	Receivables from reverse repurchase agreements		-	-	-	2,101,584	-	2,101,584
V.	AVAILABLE -FOR-SALE FINANCIAL ASSETS (Net)	V-I-4	10,064,524	2,380,77€	12,445,294	11,258,009	2,506,822	13,764,831
5.1	Equity securities		-	10,750	10,750	-	10,750	10,750
5.2	Debt securities issued by the governments		10,064,524	2,297,642	12,362,166	11,258,009	2,421,794	13,679,803
5.3	Other securities		-	72,378	72,378	-	74,278	74,278
VI.	LOANS AND RECEIVABLES	V-I-5	32,618,62€	14,343,00€	46,961,63€	31,568,514	13,292,50€	44,861,01€
6.1	Performing loans and receivables		32,595,20€	14,343,00€	46,938,20€	31,543,88€	13,292,50€	44,836,394
6.1.1	Loans provided to risk group	V-V-1	193,477	213,256	406,733	713,256	210,472	923,728
6.1.2	Debt securities issued by the governments		-	-	-	-	-	-
6.1.3	Others		32,401,72€	14,129,75€	46,531,47€	30,830,63€	13,082,03€	43,912,66€
6.2	Loans under followup		2,191,42€	-	2,191,42€	2,265,71€	-	2,265,71€
6.3	Specific provisions-}		2,168,00€	-	2,168,00€	2,241,091	-	2,241,091
VII.	FACTORING RECEIVABLES		-	-	-	-	-	-
VIII.	HELD -TO-MATURITY INVESTMENT SECURITIES (Net)	V-I-6	3,498,50€	1,323,45€	4,821,95€	2,911,012	1,395,684	4,306,69€
8.1	Debt securities issued by the governments		3,498,50€	1,294,14€	4,792,64€	2,911,012	1,358,592	4,269,604
8.2	Other securities		-	29,301	29,301	-	37,092	37,092
IX.	INVESTMENTS IN ASSOCIATES (Net)	V-I-7	206,566	-	206,566	206,682	-	206,682
9.1	Associates, consolidated per equity method		-	-	-	-	-	-
9.2	Unconsolidated associates		206,566	-	206,566	206,682	-	206,682
9.2.1	Financial associates		198,972	-	198,972	199,088	-	199,088
9.2.2	Non-Financial associates		7,594	-	7,594	7,594	-	7,594
X.	INVESTMENTS IN SUBSIDIARIES (Net)	V-I-8	529,203	150,015	679,218	538,486	150,015	688,501
10.1	Unconsolidated financial subsidiaries		388,758	150,015	538,773	397,946	150,015	547,961
10.2	Unconsolidated nonfinancial subsidiaries		140,445	-	140,445	140,540	-	140,540
XI.	INVESTMENTS IN JOINT -VENTURES (Net)	V-I-9	-	-	-	-	-	-
11.1	Joint-ventures, consolidated per equity method		-	-	-	-	-	-
11.2	Unconsolidated joint-ventures		-	-	-	-	-	-
11.2.1	Financial joint-ventures		-	-	-	-	-	-
11.2.2	Non-Financial joint-ventures		-	-	-	-	-	-
XII.	LEASE RECEIVABLES	V-I-10	-	-	-	-	-	-
12.1	Finance lease receivables		-	-	-	-	-	-
12.2	Operational lease receivables		-	-	-	-	-	-
12.3	Others		-	-	-	-	-	-
12.4	Unearned income-}		-	-	-	-	-	-
XIII.	DERIVATIVE FINANCIAL ASSETS HELD FOR RISK MANAGEMENT PURPOSE	V-I-11	-	-	-	-	-	-
13.1	Fair value hedges		-	-	-	-	-	-
13.2	Cash flow hedges		-	-	-	-	-	-
13.3	Hedges of net investment in foreign operations		-	-	-	-	-	-
XIV.	TANGIBLE ASSETS (Net)		1,097,11€	2,270	1,099,38€	1,112,02€	1,764	1,113,79€
XV.	INTANGIBLE ASSETS (Net)		54,185	-	54,185	52,892	-	52,892
15.1	Goodwill		-	-	-	-	-	-
15.2	Other intangibles		54,185	-	54,185	52,892	-	52,892
XVI.	INVESTMENT PROPERTIES (Net)	V-I-12	-	-	-	-	-	-
XVII.	TAX ASSETS		82,876	-	82,876	87,234	-	87,234
17.1	Current tax assets		-	-	-	-	-	-
17.2	Deferred tax assets		82,876	-	82,876	87,234	-	87,234
XVIII.	ASSETS HELD FOR SALE AND ASSETS RELATED TO THE DISCONTINUED OPERATIONS (Net)	V-I-14	-	-	-	-	-	-
18.1	Assets held for sale		-	-	-	-	-	-
18.2	Assets related to the discontinued operations		-	-	-	-	-	-
XIX.	OTHER ASSETS	V-I-15 V-I-1	933,365	109,358	1,042,72€	723,442	112,413	835,855
TOTAL ASSETS		V-I-2	53,616,092	22,674,62€	76,290,71€	53,243,64€	20,718,03€	73,961,687

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



7•UNL\H 9DNÖIODU %DQNDVÖ 7•UN \$QRQLP 2UWDNOÖ ÷ Ö

Unconsolidated Balance Sheet (Statement of Financial Position)  
As at 31 March 2011  
(Thousands of Turkish Lira (TL))

Convenience Translation of Financial Statements  
and Related Disclosures and Footnotes  
Originally Issued in Turkish, See Section 3 Note I

			Reviewed Current Period 31 March 2011			Audited Prior Period 31 December 2010		
LIABILITIES AND EQUITY		Notes	TL	FC	Total	TL	FC	Total
I.	DEPOSITS	V-II-1	36,235,77€	12,415,87€	48,651,65€	35,265,78€	12,435,49€	47,701,27€
1.1	Deposits of the risk group	V-V-1	1,165,59	81,512	1,247,031	1,218,89€	149,166	1,368,05€
1.2	Other deposits		35,070,257	12,334,36€	47,404,621	34,046,88€	12,286,327	46,333,21€
II.	DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING PURPOSE	V-II-2	13,978	33,370	47,348	21,237	82,130	103,367
III.	FUNDS BORROWED	V-II-3	57,200	6,557,487	6,614,687	51,292	6,276,10€	6,327,39€
IV.	INTERBANK MONEY MARKET		6,473,10€	2,370,87€	8,843,97€	6,113,72€	2,014,58€	8,128,31€
4.1	Interbank money market takings		-	-	-	-	-	-
4.2	Istanbul Stock Exchange money market takings		-	-	-	-	-	-
4.3	Obligations under repurchase agreements		6,473,10€	2,370,87€	8,843,97€	6,113,72€	2,014,58€	8,128,31€
V.	SECURITIES ISSUED (Net)		-	-	-	-	-	-
5.1	Bills		-	-	-	-	-	-
5.2	Asset backed securities		-	-	-	-	-	-
5.3	Bonds		-	-	-	-	-	-
VI.	FUNDS		57,928	-	57,928	61,203	-	61,203
6.1	Funds against borrower's note		-	-	-	-	-	-
6.2	Others		57,928	-	57,928	61,203	-	61,203
VII.	MISCELLANEOUS PAYABLES		1,545,38€	28,989	1,574,37€	1,352,381	44,587	1,396,968
VIII.	OTHER EXTERNAL RESOURCES PAYABLE	V-II-4	144,639	411,563	556,202	132,520	370,787	503,307
IX.	FACTORING PAYABLES		-	-	-	-	-	-
X.	LEASE PAYABLES	V-II-5	-	-	-	-	-	-
10.1	Finance lease payables		-	4	4	-	4	4
10.2	Operational lease payables		-	-	-	-	-	-
10.3	Others		-	-	-	-	-	-
10.4	Deferred finance leasing expenses ( - )		-	4	4	-	4	4
XI.	DERIVATIVE FINANCIAL LIABILITIES HELD FOR RISK MANAGEMENT PURPOSE	V-II-6	-	-	-	-	-	-
11.1	Fair value hedges		-	-	-	-	-	-
11.2	Cash flow hedges		-	-	-	-	-	-
11.3	Hedges of net investment in foreign operations		-	-	-	-	-	-
XII.	PROVISIONS	V-II-7	932,616	24,359	956,975	966,708	23,182	989,890
12.1	General provisions	V-II-7	453,205	4,084	457,289	424,374	3,502	427,876
12.2	Restructuring reserves		-	-	-	-	-	-
12.3	Reserve for employee benefits		276,425	-	276,425	341,687	-	341,687
12.4	Insurance technical provisions (Net)		-	-	-	-	-	-
12.5	Other provisions	V-II-7	202,986	20,275	223,261	200,647	19,680	220,327
XIII.	TAX LIABILITIES	V-II-8	205,045	4,198	209,243	187,525	3,941	191,466
13.1	Current tax liabilities		205,045	4,198	209,243	187,525	3,941	191,466
13.2	Deferred tax liabilities	V-I-13	-	-	-	-	-	-
XIV.	PAYABLES FOR ASSETS HELD FOR SALE AND ASSETS RELATED TO DISCONTINUED OPERATIONS	V-II-9	-	-	-	-	-	-
14.1	Payables related to the assets held for sale		-	-	-	-	-	-
14.2	Payables related to the discontinued operations		-	-	-	-	-	-
XV.	SUBORDINATED LOANS	V-II-10	-	-	-	-	-	-
XVI.	EQUITY		8,595,57€	182,765	8,778,337	8,317,38€	241,118	8,558,50€
16.1	Paid-in capital	V-II-11	2,500,00€	-	2,500,00€	2,500,00€	-	2,500,00€
16.2	Capital reserves		1,166,86€	182,765	1,349,63€	1,261,02€	241,118	1,502,14€
16.2.1	Share premium		723,918	-	723,918	723,918	-	723,918
16.2.2	Share cancellation profits		-	-	-	-	-	-
16.2.3	Valuation differences of the marketable securities	V-II-11	368,625	182,765	551,390	465,543	241,118	706,661
16.2.4	Revaluation surplus on tangible assets		7,564	-	7,564	5,033	-	5,033
16.2.5	Revaluation surplus on intangible assets		-	-	-	-	-	-
16.2.6	Revaluation surplus on investment properties		-	-	-	-	-	-
16.2.7	Bonus shares of associates, subsidiaries and joint-ventures		66,758	-	66,758	66,530	-	66,530
16.2.8	Hedging reserves (effective portion)		-	-	-	-	-	-
16.2.9	Revaluation surplus on assets held for sale and assets related to the discontinued operations		-	-	-	-	-	-
16.2.10	Other capital reserves		-	-	-	-	-	-
16.3	Profit reserves		4,519,516	-	4,519,51€	3,399,221	-	3,399,221
16.3.1	Legal reserves		590,498	-	590,498	476,116	-	476,116
16.3.2	Status reserves		-	-	-	-	-	-
16.3.3.	Extraordinary reserves		3,689,11€	-	3,689,11€	2,696,51€	-	2,696,51€
16.3.4.	Other profit reserves		239,905	-	239,905	226,590	-	226,590
16.4	Profit or loss		409,191	-	409,191	1,157,14€	-	1,157,14€
16.4.1	Prior years' profit/loss		-	-	-	-	-	-
16.4.2	Current period's profit/loss		409,191	-	409,191	1,157,14€	-	1,157,14€
TOTAL LIABILITIES AND EQUITY			54,261,23€	22,029,48€	76,290,71€	52,469,75€	21,491,92€	73,961,68€

The accompanying notes are an integral part of these unconsolidated financial statements

Unconsolidated Statement of Income  
For the Three Month Period Ended 31 March 2011  
(Thousands of Turkish Lira (TL))

Convenience Translation of Financial Statement  
and Related Disclosures and Footnotes  
Originally Issued in Turkish, See Section 3 Note I

		Reviewed Current Period 31 March 2011			Audited Prior Period 31 December 2010			
		Notes	TL	FC	Total	TL	FC	Total
A.	OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I+II+III)		21,604,558	11,634,447	33,239,005	19,612,172	9,048,213	28,660,385
I.	GUARANTEES AND SURETIES	V-III-2	6,823,246	4,929,288	11,752,534	6,466,338	4,878,322	11,344,660
1.1	Letters of guarantee	V-III-1	6,803,024	1,697,593	8,500,617	6,454,001	1,775,159	8,229,160
1.1.1	Guarantees subject to State Tender Law		1,107,827	403,144	1,510,971	1,001,341	407,089	1,408,430
1.1.2	Guarantees given for foreign trade operations		219,318	-	219,318	215,578	-	215,578
1.1.3	Other letters of guarantee		5,475,879	1,294,449	6,770,328	5,237,082	1,368,070	6,605,152
1.2	Bank acceptances		12,562	169,438	182,000	8,587	188,036	196,623
1.2.1	Import letter of acceptance		-	38,790	38,790	-	27,800	27,800
1.2.2	Other bank acceptances		12,562	130,648	143,210	8,587	160,236	168,823
1.3	Letters of credit		7,660	3,055,801	3,063,461	3,750	2,907,531	2,911,281
1.3.1	Documentary letters of credit		7,660	3,055,801	3,063,461	3,750	2,907,531	2,911,281
1.3.2	Other letters of credit		-	-	-	-	-	-
1.4	Guaranteed participations		-	5,686	5,686	-	6,823	6,823
1.5	Endorsements		-	-	-	-	-	-
1.5.1	Endorsements to the Central Bank of Turkey		-	-	-	-	-	-
1.5.2	Other endorsements		-	-	-	-	-	-
1.6	Marketable securities underwriting commitments		-	-	-	-	-	-
1.7	Factoring related guarantees		-	-	-	-	-	-
1.8	Other guarantees		-	770	770	-	773	773
1.9	Other sureties		-	-	-	-	-	-
II.	COMMITMENTS		10,281,818	1,238,535	11,520,353	9,844,083	503,975	10,348,058
2.1	Irrevocable commitments		10,281,673	1,238,535	11,520,208	9,843,938	503,975	10,347,913
2.1.1	Asset purchase commitments	V-III-1	521,417	1,218,963	1,740,380	412,537	492,288	904,825
2.1.2	Deposit purchase and sales commitments		-	-	-	-	-	-
2.1.3	Share capital commitments to associates and subsidiaries	V-III-1	2,000	-	2,000	2,000	-	2,000
2.1.4	Loan granting commitments	V-III-1	3,616,464	-	3,616,464	3,679,208	-	3,679,208
2.1.5	Securities issuance brokerage commitments		-	-	-	-	-	-
2.1.6	Commitments for reserve deposit requirements		-	-	-	-	-	-
2.1.7	Commitments for cheque payments	V-III-1	667,723	-	667,723	655,194	-	655,194
2.1.8	Tax and fund obligations on export commitments		-	-	-	-	-	-
2.1.9	Commitments for credit card limits	V-III-1	5,197,339	-	5,197,339	4,880,798	-	4,880,798
2.1.10	Commitments for credit card and banking operations promotions		263,636	-	263,636	201,107	-	201,107
2.1.11	Receivables from "short" sale commitments on securities		-	-	-	-	-	-
2.1.12	Payables from "short" sale commitments on securities		-	-	-	-	-	-
2.1.13	Other irrevocable commitments		13,094	19,572	32,666	13,094	11,687	24,781
2.2	Revocable commitments		145	-	145	145	-	145
2.2.1	Revocable loan granting commitments		145	-	145	145	-	145
2.2.2	Other revocable commitments		-	-	-	-	-	-
III.	DERIVATIVE FINANCIAL INSTRUMENTS		4,499,494	5,466,624	9,966,118	3,301,751	3,665,916	6,967,667
3.1	Derivative financial instruments held for risk management		-	-	-	-	-	-
3.1.1	Fair value hedges		-	-	-	-	-	-
3.1.2	Cash flow hedges		-	-	-	-	-	-
3.1.3	Net foreign investment hedges		-	-	-	-	-	-
3.2	Trading derivatives		4,499,494	5,466,624	9,966,118	3,301,751	3,665,916	6,967,667
3.2.1	Forward foreign currency purchases/sales		55,534	126,385	181,919	39,955	64,916	104,871
3.2.1.1	Forward foreign currency purchases		27,774	63,196	90,970	19,983	32,459	52,442
3.2.2.2	Forward foreign currency sales		27,760	63,189	90,949	19,972	32,457	52,429
3.2.2	Currency and interest rate swaps		3,957,867	4,204,138	8,162,005	3,135,142	3,471,963	6,607,105
3.2.2.1	Currency swap purchases		2,498,700	1,376,305	3,875,005	1,319,674	1,729,042	3,048,716
3.2.2.2	Currency swap sales		1,219,167	2,538,218	3,757,385	1,575,468	1,447,017	3,022,485
3.2.2.3	Interest rate swap purchases		120,000	151,424	271,424	120,000	154,367	274,367
3.2.2.4	Interest rate swap sales		120,000	138,191	258,191	120,000	141,537	261,537
3.2.3	Currency, interest rate and security options		486,093	597,101	1,083,194	126,654	129,037	255,691
3.2.3.1	Currency call options		259,301	285,093	544,394	63,327	64,518	127,845
3.2.3.2	Currency put options		226,792	312,008	538,800	63,327	64,519	127,846
3.2.3.3	Interest rate call options		-	-	-	-	-	-
3.2.3.4	Interest rate put options		-	-	-	-	-	-
3.2.3.5	Security call options		-	-	-	-	-	-
3.2.3.6	Security put options		-	-	-	-	-	-
3.2.4	Currency futures		-	-	-	-	-	-
3.2.4.1	Currency future purchases		-	-	-	-	-	-
3.2.4.2	Currency future sales		-	-	-	-	-	-
3.2.5	Interest rate futures		-	-	-	-	-	-
3.2.5.1	Interest rate future purchases		-	-	-	-	-	-
3.2.5.2	Interest rate future sales		-	-	-	-	-	-
3.2.6	Others		-	539,000	539,000	-	-	-
B.	CUSTODY AND PLEDGED ITEMS (IV+V+VI)		194,040,822	29,015,697	223,056,519	88,652,364	26,426,105	115,078,469
IV.	ITEMS HELD IN CUSTODY		121,403,965	792,594	122,196,559	20,489,343	691,971	21,181,314
4.1	Customers' securities held		-	14,980	14,980	-	15,028	15,028
4.2	Investment securities held in custody		118,649,223	6,730,118	125,379,341	18,033,907	6,752	18,040,659
4.3	Checks received for collection		1,825,007	271,762	2,096,769	1,591,885	245,019	1,836,904
4.4	Commercial notes received for collection		435,716	91,038	526,754	388,999	119,465	508,464
4.5	Other assets received for collection		2,152	62	2,214	2,152	62	2,214
4.6	Assets received through public offering		-	4,566	4,566	-	4,860	4,860
4.7	Other items under custody		237,108	204,785	441,893	237,108	125,066	362,174
4.8	Custodians		254,759	198,671	453,430	235,292	175,719	411,011
V.	PLEDGED ITEMS		72,636,857	28,223,103	100,859,960	68,163,021	25,734,134	93,897,155
5.1	Securities		937,891	62,700	1,000,591	837,239	61,103	898,342
5.2	Guarantee notes		289,757	89,331	379,088	266,716	110,761	377,477
5.3	Commodities		11,137,552	161,545	11,299,097	10,550,064	105,548	10,655,612
5.4	Warranties		-	-	-	-	-	-
5.5	Real estates		55,146,255	23,360,934	78,507,189	51,514,221	21,778,197	73,292,418
5.6	Other pledged items		4,318,347	4,361,933	8,680,280	4,233,678	3,497,190	7,730,868
5.7	Pledged items depository		807,055	186,660	993,715	761,103	181,335	942,438
VI.	CONFIRMED BILLS OF EXCHANGE AND SURETIES		-	-	-	-	-	-
<b>TOTAL OFF -BALANCE SHEET ITEMS (A+B)</b>			<b>215,645,380</b>	<b>40,650,142</b>	<b>256,295,522</b>	<b>108,264,536</b>	<b>35,474,318</b>	<b>143,738,854</b>

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

	Notes	Reviewed Current Period 31 March 2011	Reviewed Current Period 31 March 2010
<b>I. INTEREST INCOME</b>		1,427,820	1,504,756
1.1 Interest income from loans	V-IV-1	1,052,973	1,013,799
1.2 Interest income from reserve deposits		-	20,478
1.3 Interest income from banks	V-IV-1	1,845	1,581
1.4 Interest income from money market transactions		2,079	33,197
1.5 Interest income from securities portfolio		341,511	413,226
1.5.1 Trading financial assets		-	313
1.5.2 Financial assets designated at fair value through profit or loss		-	-
1.5.3 Available-for-sale financial assets		247,121	332,382
1.5.4 Held-to-maturity investments		94,390	80,531
1.6 Finance lease income		-	-
1.7 Other interest income		29,412	22,475
<b>II. INTEREST EXPENSE</b>		727,356	797,628
2.1 Interest expense on deposits		584,145	649,314
2.2 Interest expense on funds borrowed	V-IV-2	27,411	18,333
2.3 Interest expense on money market transactions		92,606	99,712
2.4 Interest expense on securities issued		-	-
2.5 Other interest expenses		23,194	30,269
<b>III. NET INTEREST INCOME (I – II)</b>		700,464	707,128
<b>IV. NET FEES AND COMMISSIONS INCOME</b>		117,931	102,792
4.1 Fees and commissions received		153,696	125,226
4.1.1 Non-cash loans		15,230	16,023
4.1.2 Others		138,466	109,203
4.2 Fees and commissions paid		35,765	22,434
4.2.1 Non-cash loans		37	2
4.2.2 Others		35,728	22,432
<b>V. DIVIDEND INCOME</b>		44,329	13,669
<b>VI. TRADING INCOME/LOSSES (Net)</b>	V-IV-3	37,954	49,517
6.1 Trading account income/losses	V-IV-3	23,570	37,111
6.2 Income/losses from derivative financial instruments	V-IV-3	10,898	2,882
6.3 Foreign exchange gains/losses	V-IV-3	3,486	9,524
<b>VII. OTHER OPERATING INCOME</b>	V-IV-4	235,795	106,448
<b>VIII. TOTAL OPERATING PROFIT (III+IV+V+VI+VII)</b>		1,136,473	979,554
<b>IX. PROVISION FOR LOSSES ON LOANS AND OTHER RECEIVABLES (-)</b>	V-IV-5	182,073	207,371
<b>X. OTHER OPERATING EXPENSES (-)</b>	V-IV-6	452,105	390,954
<b>XI. NET OPERATING PROFIT/LOSS (VIII-IX-X)</b>		502,295	381,229
<b>XII. INCOME RESULTED FROM MERGERS</b>		-	-
<b>XIII. INCOME/LOSS FROM INVESTMENTS UNDER EQUITY ACCOUNTING</b>		-	-
<b>XIV. GAIN/LOSS ON NET MONETARY POSITION</b>		-	-
<b>XV. INCOME/LOSS FROM CONTINUING OPERATIONS BEFORE TAXES (XI+XII+XIII+XIV)</b>		502,295	381,229
<b>XVI. CONTINUING OPERATIONS PROVISION FOR TAXES</b>	V-IV-7	(93,104)	(76,117)
16.1 Current tax charges	V-IV-7	(78,942)	(78,065)
16.2 Deferred tax credits	V-IV-7	(14,162)	1,948
<b>XVII. NET INCOME/LOSS AFTER TAXES FROM CONTINUING OPERATIONS (XV-XVI)</b>	V-IV-8	409,191	305,112
<b>XVIII. INCOME FROM DISCONTINUED OPERATIONS</b>		-	-
18.1 Income from investment properties		-	-
18.2 Income from sales of subsidiaries, affiliates and joint-ventures		-	-
18.3 Other income from discontinued activities		-	-
<b>XIX. EXPENSES FROM DISCONTINUED OPERATIONS</b>		-	-
19.1 Investment property expenses		-	-
19.2 Losses from sales of subsidiaries, affiliates and joint ventures		-	-
19.3 Other expenses from discontinued activities		-	-
<b>XX. INCOME/LOSS FROM DISCONTINUED OPERATIONS BEFORE TAXES</b>		-	-
<b>XXI. DISCONTINUED OPERATIONS PROVISION FOR TAXES</b>		-	-
21.1 Current tax charge		-	-
21.2 Deferred tax charge		-	-
<b>XXII. NET INCOME/LOSS AFTER TAXES FROM DISCONTINUED OPERATIONS</b>		-	-
<b>XXIII. NET PROFIT/LOSS (XVII+XXII)</b>	V-IV-8	409,191	305,112
Earnings per share (full TL)		0.1637	0.1220

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

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Unconsolidated Statement of Gains and Losses Recognized in Equity *Convenience Translation of Financial Statements and Related Disclosures and Footnotes*  
 For the Three Month Period Ended 31 March 2011  
 (Thousands of Turkish Lira (TL)) *Originally Issued in Turkish, See Section 3 Note I*

GAINS AND LOSSES RECOGNIZED IN EQUITY		Reviewed Current Period 31 March 2011	Reviewed Current Period 31 March 2010
I.	VALUATION DIFFERENCES OF AVAILABLE FOR SALE FINANCIAL ASSETS RECOGNIZED IN VALUATION DIFFERENCES OF MARKETABLE SECURITIES	(145,971)	30,973
II.	REVALUATION SURPLUS ON TANGIBLE ASSETS	-	-
III.	REVALUATION SURPLUS ON INTANGIBLE ASSETS	-	-
IV.	CURRENCY TRANSLATION DIFFERENCES	-	-
V.	GAINS/(LOSSES) FROM CASH FLOW HEDGES (Effective Portion of Fair Value Changes)	-	-
VI.	GAINS/(LOSSES) FROM NET FOREIGN INVESTMENT HEDGES (Effective portion)	-	-
VII.	EFFECTS OF CHANGES IN ACCOUNTING POLICIES AND ERRORS	-	-
VIII.	OTHER GAINS AND LOSSES RECOGNIZED IN EQUITY IN ACCORDANCE WITH TAS	(33,339)	75,442
IX.	DEFERRED TAXES DUE TO VALUATION DIFFERENCES	24,267	(11,497)
X.	NET GAINS/LOSSES RECOGNIZED DIRECTLY IN EQUITY ( , , , « , ;	(155,043)	94,918
XI.	& 8 5 5 ( 1 7 3 ( 5 , 2 ' ¶ 6 3 5 2 ) , 7 / 2 6 6	409,191	305,112
11.1	Change in fair value of securities (transfers to the statement of income)	61,751	30,887
11.2	Gains/Losses recognized in the statement of income due to reclassification of cash flow hedges	-	-
11.3	Gains/Losses recognized in the statement of income due to reclassification of net foreign investment hedges	-	-
11.4	Others	347,440	274,225
XII.	TOTAL GAINS AND LOSSES RECOGNIZED DURING THE PERIOD (X+XI)	254,148	400,03

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

7•UNL\H 9DNÖIODU %DQNDVÖ 7•UN \$QRQLP 2UWDNOÖ÷Ö  
 Unconsolidated Statement of Changes in Equity  
 For the Three Month Period Ended 31 March 2011  
 (Thousands of Turkish Lira (TL))

Convenience Translation of Financial Statements  
 and Related Disclosures and Footnotes  
 Originally Issued in Turkish, See Section 3 Note I

CHANGES IN EQUITY	Notes	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 Differences of the Marketable Securities	Revaluation Surplus on Tangible, Intangible Assets and Investment Property	Bonus Shares of Associates and Joint Ventures	Share Hedging Reserves	Revaluation Surp. On Asset Held for Sale and Assets of Op.	6 K D U H K I Equity before Minority Interest	Total Share K R O G Equity	
PRIOR PERIOD 31 March 2009																			
I.	Balances at the beginning of the period	2,500,000	-	723,918	-	353,012	-	1,713,233	206,430	1,251,206	-	565,474	1,138	66,530	-	-	7,380,941	-	7,380,941
Changes during the period																			
II.	Mergers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Associates, Subsidiaries and "Available-for-sale" securities	-	-	-	-	-	-	-	-	-	-	94,918	-	-	-	-	94,918	-	94,918
IV.	Hedges for risk management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1	Net cash flow hedges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2	Net foreign investment hedges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V.	Revaluation surplus on tangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Revaluation surplus on intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Bonus shares of associates, subsidiaries and joint-ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Translation differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Changes resulted from disposal of the assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Changes resulted from reclassifications of the assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	Effect of change in equities of associates on the % D Q N H T X L W \	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII.	Capital increase	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.1	Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2	Internal sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII.	Share issuance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV.	Share cancellation profits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV.	Capital reserves from inflation adjustments to paid-in capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.	Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII.	& X U H Q W S H U L R G H V Q	-	-	-	-	-	-	-	-	305,112	-	-	-	-	-	-	305,112	-	305,112
XVIII.	Profit distribution	-	-	-	-	123,104	-	983,282	20,160	(1,251,206)	-	-	3,895	-	-	-	(120,765)	-	(120,765)
18.1	Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18.2	Transferred to reserves	-	-	-	-	123,104	-	983,282	20,160	(1,130,441)	-	-	3,895	-	-	-	-	-	-
18.3	Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances at the end of the period		2,500,000	-	723,918	-	476,116	-	2,696,515	226,590	305,112	-	660,392	5,033	66,530	-	-	7,660,206	-	7,660,206
CURRENT PERIOD 31 March 2011																			
I.	Balances at the beginning of the period	2,500,000	-	723,918	-	476,116	-	2,696,515	226,590	1,157,140	-	706,661	5,033	66,530	-	-	8,558,503	-	8,558,503
Changes during the period																			
II.	Mergers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Associates, Subsidiaries and "Available-for-sale" securities	-	-	-	-	-	-	-	-	-	-	(155,271)	-	-	-	-	(155,271)	-	(155,271)
IV.	Hedges for risk management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1	Net cash flow hedges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2	Net foreign investment hedges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V.	Revaluation surplus on tangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Revaluation surplus on intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Bonus shares of associates, subsidiaries and joint-ventures	-	-	-	-	-	-	-	-	-	-	-	-	228	-	-	228	-	228
VIII.	Translation differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Changes resulted from disposal of the assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Changes resulted from reclassifications of the assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	Effect of change in equities of associates on the % D Q N H T X L W \	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII.	Capital increase	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.1	Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2	Internal sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII.	Share issuance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV.	Share cancellation profits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV.	Capital reserves from inflation adjustments to paid-in capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.	Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII.	& X U H Q W S H U L R G H V Q H W S	-	-	-	-	-	-	-	-	409,191	-	-	-	-	-	-	409,191	-	409,191
XVIII.	Profit distribution	-	-	-	-	114,382	-	992,598	13,315	(1,157,140)	-	-	2,531	-	-	-	(34,314)	-	(34,314)
18.1	Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18.2	Transferred to reserves	-	-	-	-	114,382	-	992,598	13,315	(1,122,826)	-	-	2,531	-	-	-	(34,314)	-	(34,314)
18.3	Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances at the end of the period		2,500,000	-	723,918	-	590,498	-	3,689,113	239,905	409,191	-	551,390	7,564	66,758	-	-	8,778,337	-	8,778,337

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

Unconsolidated Statement of Cash Flows  
For the Three Month Period Ended 31 March 2011  
(Thousands of Turkish Lira (TL))

Convenience Translation of Financial Statements  
and Related Disclosures and Footnotes  
Originally Issued in Turkish, See Section 3 Note 1

	Reviewed Current Period 31 March 2011	Reviewed Prior Period 31 March 2010
<b>A. CASH FLOWS FROM BANKING OPERATIONS</b>		
1.1 Operating profit before changes in operating assets and liabilities	133,108	567,865
1.1.1 Interests received	1,494,846	1,461,673
1.1.2 Interests paid	(713,690)	(703,495)
1.1.3 Dividends received	2,257	1,851
1.1.4 Fee and commissions received	117,931	102,792
1.1.5 Other income	43,616	37,476
1.1.6 Collections from previously written off loans and other receivables	(122,150)	114,008
1.1.7 Payments to personnel and service providers	(499,548)	(432,776)
1.1.8 Taxes paid	(112,911)	(82,626)
1.1.9 Others	(77,243)	68,962
1.2 Changes in operating assets and liabilities	102,605	2,045,187
1.2.1 Net (increase) decrease in financial assets held for trading	-	-
1.2.2 Net (increase) decrease in financial assets valued at fair value through profit or loss	-	-
1.2.3 Net (increase) decrease in due from banks and other financial institutions	(3,007)	(74,143)
1.2.4 Net (increase) decrease in loans	(1,895,554)	(2,182,679)
1.2.5 Net (increase) decrease in other assets	(188,732)	(19,134)
1.2.6 Net increase (decrease) in bank deposits	1,877,821	751,107
1.2.7 Net increase (decrease) in other deposits	(942,607)	2,946,473
1.2.8 Net increase (decrease) in funds borrowed	284,275	1,344,761
1.2.9 Net increase (decrease) in matured payables	-	-
1.2.10 Net increase (decrease) in other liabilities	970,409	(721,198)
<b>I. Net cash flow from banking operations</b>	<b>235,713</b>	<b>2,613,052</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>II. Net cash flow from investing activities</b>	<b>585,392</b>	<b>(3,378,701)</b>
2.1 Cash paid for purchase of associates, subsidiaries and joint ventures	-	-
2.2 Proceeds from disposal of associates, subsidiaries and joint ventures	-	-
2.3 Purchases of tangible assets	(32,238)	(11,064)
2.4 Proceeds from disposal of tangible assets	78,977	8,837
2.5 Cash paid for purchase of available-for-sale financial assets	(1,368,499)	(5,712,067)
2.6 Proceeds from disposal of available-for-sale financial assets	992,741	2,191,784
2.7 Cash paid for purchase of held-to-maturity investments	(29,560)	(35,910)
2.8 Proceeds from disposal of held-to-maturity investments	947,517	183,134
2.9 Others	(3,546)	(3,415)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>III. Net cash flow from financing activities</b>	<b>-</b>	<b>-</b>
3.1 Cash obtained from funds borrowed and securities issued	-	-
3.2 Cash used for repayment of funds borrowed and securities issued	-	-
3.3 Equity instruments issued	-	-
3.4 Dividends paid	-	-
3.5 Repayments for finance leases	-	-
3.6 Others	-	-
<b>IV. Effect of change in foreign exchange rates on cash and cash equivalents</b>	<b>4,997</b>	<b>7,270</b>
<b>V. Net increase in cash and cash equivalents</b>	<b>826,102</b>	<b>(758,379)</b>
<b>VI. Cash and cash equivalents at the beginning of the period</b>	<b>6,387,454</b>	<b>8,191,635</b>
<b>VII. Cash and cash equivalents at the end of the period</b>	<b>7,213,556</b>	<b>7,433,256</b>

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

## SECTION THREE

### Accounting Policies

#### I. Basis of presentation

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published on the Official Gazette no.25983 dated 1 November 2005 and became effective, the Bank  
keeps its accounting records and prepares consolidated financial statements and the related  
IRRWQRWHV LQ DFFRUGDQFH ZLWK DFFRXQWLQJ DQG YDC  
\$FFRXQWLQJ \$SSOLFDWLRQV IRU %DQNV DQG 6DIHJXDUGLQ  
Regulation and Supervision of Banks and Financial Institutions Law No. 56  
\$FFRXQWLQJ 6WDQGDUGV 37\$6 7XUNLVK )LQDQFLDO 5HS  
VWDWHPHQWV DQG JXLGDQFH FROOHFWLYHO\ 35HSRUWLQJ 6

The accompanying unconsolidated interim financial statements are prepared in accordance with the  
historical cost basis except for the financial assets at fair value through profit or loss, derivative  
financial assets and liabilities held for trading purpose, available-for-sale financial assets and  
investments in associates and subsidiaries whose fair value can be reliably measured, which are  
presented on a fair value basis in the accompanying unconsolidated financial statements

#### II. Strategy for the use of financial instruments and information on foreign currency transactions

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

7KH %DQNV FRUH RSHUDWLRQV DUH EDVHG RQ UHWDLO ED  
exchange operations, money market operations, investment securities and international  
banking. As a result of the nature of its operations, the Bank intensively utilizes financial instruments.  
The Bank funds itself through deposits with different maturities as the main funding resources that are  
invested in assets earning higher returns.

The most important fund sources of the Bank other than the deposits are its funds borrowed  
through repurchase agreements in various maturities and medium and long term borrowings obtained  
from foreign financial institutions. The Bank pursues an effective asset liability management strategy  
by securing balance between funding resources and investments so as to reduce risks and increase  
returns. Accordingly, the Bank attaches great significance to long term placements bearing higher  
interest rates.

It is essential to consider the maturity structure of assets and liabilities in liquidity management. The  
essence of asset liability management is to keep the liquidity risk, interest rate risk, exchange rate risk,  
and credit risk within reasonable limits; while enhancing profitability and strengthening the  
VKDUHKROGHUV HTXLW\

Investments in marketable securities and lending loans generate higher return than the average rate of  
UHWXUQ RI WKH %DQNV RSHUDWLRQV and market conditions. When bank placements are considered, they have short term maturity in terms of liquidity management  
but earn lower return. The Bank takes position against short term foreign exchange risk, interest rate  
risk and market risk in money and capital markets, by considering market conditions, within specified  
limits set by regulations

The Bank hedges itself and controls its position against the foreign exchange risk being exposed due to foreign currency available-for-sale investments, investments in other portfolios and other foreign currency transactions by various derivative transactions and setting the equilibrium between foreign currency denominated assets and liabilities. The Bank also hedges itself against risk exposed due to net investment in foreign operations by the same manner.

In order to avoid interest rate risk, assets and liabilities having fixed and floating interest rates are kept in balance, taking the maturity structure into consideration.

Information on foreign currency transactions

Transactions are recorded in TL, the functional currency of the Bank. Foreign currency transactions are recorded using the foreign exchange rates effective at the transaction date. At the end of the periods, foreign currency denominated monetary assets and liabilities are measured at the end of the periods, purchase rates and differences are recognized as foreign exchange gains or losses in the statement of income.

Foreign exchange differences resulting from amortized costs of foreign currency denominated available-for-sale financial assets are recognized in the statement of income whilst foreign exchange differences resulting from XQUHDOLJHG JDLQV DQG ORVVHV DUH SUHV marketable securities ' XQGHU HTXLW\

If the net investments in associates and subsidiaries operating in foreign countries are measured at cost they are reported as translated into TL by using the foreign exchange rate at the date of transaction. If related associates and subsidiaries are measured at fair value, net foreign operations are reported as translated into TL by the rates prevailing at the date of the determination of the fair value

III. Information on forwards, options and other derivative transactions

The derivative transactions mainly consist of currency and interest rate swaps, foreign currency forward contracts and currency options. The Bank has classified its derivative transactions, mentioned above, as trading purposes. LQ DFFRUGDQFH ZLWKLK WKLK %DQNDVÖ: Recognition and Measurement.

Derivatives are initially recorded at their purchase costs including the transaction costs.

The notional amounts of derivative transactions are recorded on the balance sheet accounts based on their contractual amounts.

Subsequently, the derivative transactions are measured at their fair values and the changes in fair values are recorded in the EDODQFH VKHHW XQGHU ³GHULYDWLYH ILQDQFL ³GHULYDWLYH ILQDQFL DWUDUGDQJDSWLSRVRKHOC KHR VXE VHTXL derivative transactions are recognized in the statement of income

IV. Information on interest income and expense

Interest income and expense are recognized according to the effective interest method on accrual basis. Effective interest rate is the rate that discounts the expected cash flows of financial assets or liabilities during their lifetimes to their carrying values. Effective interest rate is calculated when a financial asset or a liability is initially recorded and is not modified thereafter.

The computation of effective interest rate comprises discounts and premiums, fees and commissions paid or received and transaction costs. Transaction costs are additional costs directly related to the acquisition, issuance or disposal of financial assets or liabilities.

The accrued interest income on performing loans are reversed and subsequently recognized as interest income only when collected



## V. Information on fees and commissions

Fees and commission received and paid are recognized according to either accrual basis of accounting or effective interest method depending on nature of fees and commission; incomes derived from agreements and asset purchases for third parties are recognized when realized.

## VI. Information on financial assets

A financial asset is any asset that is cash, an equity instrument of another entity, a contractual right to receive cash or another financial asset from another entity; or to exchange financial liabilities with another entity.

Financial assets except for measured at fair value through profit or loss are recognized initially with their transaction costs that are directly attributable to the acquisition or issue of the financial asset. Purchase and sale transactions of securities are accounted at settlement dates.

Financial assets are classified in four categories; as financial assets at fair value through profit or loss, available-for-sale financial assets, held-to-maturity investments and loans and receivables.

### Financial assets at fair value through profit or loss

Such assets are measured at their fair values and gain/loss arising is recorded in the statement of income. Interest income earned on trading securities and the difference between their acquisition costs and fair values are recorded as interest income in the statement of income. The gains/losses in case of disposal of such securities before their maturities are recorded under trading income/losses in the statement of income.

### Held to maturity investments, available-for-sale financial assets and loans and receivables

*Held to maturity investments* are the financial assets with fixed maturities and determined payment schedules that the Bank has the intent and ability to hold until maturity, excluding loans and receivables. Held-to-maturity investments are measured at amortized cost using effective interest method after deducting impairments, if any.

There are no financial assets that are not allowed to be classified as held-to-maturity investments for two years due to the tainting rules applied for the breach of classification rules.

After the first record purchases of investments held to maturity are recorded at cost amortized using effective interest method by deducting provisions for impairment losses, if any.

*Available-for-sale financial assets* are the financial assets other than loans and receivables, held-to-maturity investments and assets held for trading purposes. Available-for-sale financial assets are initially recorded at cost and subsequently measured at their fair values. However, assets that are not traded in an active market are measured by valuation techniques, including recent market transactions in similar financial instruments, adjusted for factors unique to the instrument being valued; or discounted cash flow techniques for the assets which do not have a fixed maturity. Unrecognized gains or losses derived from the difference between their fair value and the discounted values are recorded in the statement of income. Upon disposal of such assets, the realized gain or losses are recognized directly in the statement of income.

### Loans and receivables

*Loans and receivables* are the financial assets raised by the Bank by providing money, commodity and services to debtors. Loans are financial assets with fixed or determinable payments and not quoted in an active market.

Loans and receivables are recorded at cost and measured at amortized cost by using effective interest method. The duties paid, transaction expenditures and other similar expenses on assets received against such risks are considered as a part of transaction cost and charged to customers.

#### Associates and subsidiaries

Subsidiaries are the entities that the Bank has the power to govern the financial and operating policies of those so as to obtain benefits from its activities. Subsidiaries are accounted in accordance with TAS 39 *Financial Instruments: Recognition and Measurement* in the unconsolidated financial statements. Subsidiaries, which are traded in an active market or whose fair value can be reliably measured, recorded at their fair values. Subsidiaries which are not traded in an active market and whose fair value cannot be reliably set are reflected in financial statements with their costs after deducting impairment losses, if any.

Associates, classified as available-for-sale financial assets in unconsolidated financial statements, which are traded in an active market or whose fair value can be reliably measured are recorded at their fair values. Associates which are not traded in an active market and whose fair value cannot be reliably set are reflected in financial statements with their costs after deducting impairment losses, if any

#### VII. Information on impairment of financial assets

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

Impairment loss incurs if, and only if, there is objective evidence that the expected future cash flows of ILQDQFLDO DVVHW RU JURXS RI ILQDQFLDO DVVHWV DUH D 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 Identification of and Provision against Nonperforming Loans and Other Receivables published on the Official Gazette no 26333 dated 1 November 2006 and the amendments to this regulation. The allowances are recorded in the statement of income of the related period

#### VIII. Information on offsetting of financial instruments

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

#### IX. Information on sales and repurchase agreements and securities lending

Securities sold under repurchase agreements are recorded on the balance sheet as *Government bonds and WUHDVXU\ ELOOV VROG WR FXVWRPHUV XQGHU UHSXUFKDV 5HSXUFKDVH \$J Unhas Bedava* on the original portfolio, either at fair value or at amortized cost using the effective interest rate method. Funds received through repurchase agreements are classified separately under liability accounts and the related interest expenses are accounted on an accrual basis.

6HFXULWLHV SXUFKDVHG XQGHU UHVDOH DJUHHPHQWV DU separately. An income accrual is accounted for the positive difference between the purchase and resale prices earned during the period

#### X. Information on assets held for sale and discontinued operations

The Bank has neither assets held for sale nor discontinued operations.

## XI. Information on goodwill and other intangible assets

7 K H % D Q N I / assets of software.

Intangible assets are initially recorded at their costs in compliance with the TAS 38 *Intangible Assets*.

The costs of the intangible assets purchased before 31 December 2004 are restated from the purchasing dates to 31 December 2004, the date the hyperinflationary period is considered to be ended. The intangible assets purchased after this date are recorded at their historical costs. The intangible assets are amortized based on straight line amortization.

, I W K H U H L V R E M H F W L Y H H Y L G H Q F H R I L P S D L U R H A C O V D A N E K H D  
with the TAS 36 *Impairment of Assets* and if the recoverable amount is less than the carrying value of the related asset, a provision for impairment loss is made

## XII. Information on tangible assets

The costs of the tangible assets purchased before 31 December 2004 are restated from the purchasing dates to 31 December 2004, the date the hyperinflationary period is considered to be ended. In subsequent periods no inflation adjustment is made for tangible assets, and costs are restated as of 31 December 2004 are considered as their historical costs. Tangible assets purchased after 1 January 2005 are recorded at their historical costs after foreign exchange differences and financial expenses are deducted if any.

Gains and losses arising from the disposal of the tangible assets are calculated as the difference between the net book value and the net sales price.

Maintenance and repair costs incurred for tangible assets are recorded as expense.

There are no restrictions such as pledges, mortgages or other restriction on tangible assets.

Depreciation rates and estimated useful lives are:

Tangible assets	Estimated useful lives (Years)	Depreciation Rates (%)
Buildings	50	2
Office equipment, furniture and fixture, and motor vehicle	5-10	10-20
Assets obtained through finance leases	4-5	20-25

There are no changes in the related accounting estimates that are expected to have an impact in the current or subsequent periods.

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accordance with the TAS 36 *Impairment of Assets* and if the recoverable amount is less than the carrying value of the related asset, a provision for impairment loss is made

## XIII. Information on leasing activities

## Finance leases

Tangible assets acquired by way of finance leasing are recognized in tangible assets and the obligations are accounted in the financial statements. In the determination of related assets and liabilities, the lower of the fair value of the leased asset and the present value of leasing payments is considered. Financial costs of leasing agreements are expensed in lease periods at a fixed interest rate.

If there is impairment in the value of the assets obtained through financial lease and in the expected future benefits, the leased assets are valued with net realizable value.

Depreciation for assets obtained through finance lease is calculated in the same manner as tangible assets.

## Operational leases

Transactions regarding operational lease agreements are accounted on an accrual basis in accordance with the terms of the related contracts

## XIV. Information on provisions and contingent liabilities

In the financial statements, a provision is made for an existing commitment resulted from past events if it is probable that the commitment will be settled and a reliable estimate can be made of the amount of the obligation. Provisions are calculated based on the best estimates of management of the expenses to incur as at the balance sheet date and, if material, such expenses are discounted for their present value. If the amount is not reliably estimated and there is no probability of cash outflow from the Bank to settle the liability, the Bank does not recognize the liability in the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized. Contingent assets are assessed periodically to ensure that developments are appropriately reflected in the 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 financial statements of the period in which the change occurs. If an inflow of economic benefits has become probable, the Bank discloses the contingent asset.

## XV. Information on obligations of the Bank concerning employee rights

## Reserve for employee termination benefits

In accordance with existing Turkish Labour Law, the Bank is required to make lump sum termination indemnities to each employee who has completed one year of service with the Bank and whose employment is terminated due to retirement or for reasons other than resignation or misconduct. The computation of the liability is based upon the retirement pay ceiling announced by the Government. The applicable ceiling amount as at 31 March 2011 is TL 2,623 (full TL) (31 December 2010: TL 2,517 (full TL)).

The Bank reserved for employee severance indemnities in the accompanying unconsolidated financial statements using actuarial method in compliance with the TASE Employee Benefits.

As at 31 March 2011 and 31 December 2010, the major statistical assumptions used in the calculation of the total liability are as follows:

	Current Period	Prior Period
Discount Rate	%4.66	%4.66
Expected Rate of Salary/Limit Increase	%5.10	%5.10
Estimated Employee Turnover Rate	%1.13	%1.13

## Other benefits to employees

The Bank has provided for undiscounted short-term employee benefits earned during the financial period as per services rendered in compliance with 19 in the accompanying unconsolidated financial statements.

## Pension fund

The employees of the Bank are covered by the Social Security Law no.506. The employees of the Bank are covered by the Social Security Law no.506. The employees of the Bank are covered by the Social Security Law no.506.

The first paragraph of the temporary article no.23 which states the Banks should transfer pension funds to the Social Security Institution within three years after the issue date of the Banking Law no.5411, issued in the 1 November 2005 dated and 25983 numbered Official Gazette cancelled by the Constitutional Court was issued on 15 December 2007 in the Official Gazette no.26731. The reason for the cancellation decision by Constitutional Court was stated as possible future losses on acquired rights of Fund members.

Following the publication of the ruling, the Turkish Parliament started to work on new legal arrangements and the Social Security Law no. 3 W K H was approved on 17 April 2008. The Law is enacted by the approval of the President of Turkey and issued on the 8 May 2008 dated and 26870 numbered Official Gazette.

In accordance with the temporary article 20 of the Article no 73 of the Law;

The discounted liability for each fund in terms of the persons transferred as at the transfer date, including the contributors left the fund, should be calculated by the assumptions below,

a) The technical interest rate to be used for the actuarial calculation is 9.80%

b) , QFRPH DQG H[SHQGLWXUHV LQ UHVSFWW WR IXQG V LQVX discounted liability.

Law requires the transfer to be completed in three years beginning from 1 January 2008.

At 19 June 2008, Cumhuriyet Halk Partisi appealed to the Constitutional Court for the cancellation of various articles of the Law including the first paragraph of the provisional Article 20. As at the report date, there is no arbitrement of the Constitutional Court published.

The employer of pension fund participants (the Banks) will continue to pay the transferable social rights, which are already disclosed in the article of association of the pension fund, to the pension participants and their right owners, even though the salary payment obligation was transferred to the Social Security Foundation.

The technical financial statements of the Fund are audited by the certified actuary according to the the 3 \$FWXDULHV 5HJXODWLRQ´ ZKLFK 21 of the 5684 numbered Insurance Law. KH \$ U As per the actuarial report dated February 2010 which is prepared in compliance with the principles explained above, there is no technical or actual deficit determined which requires provision against

## XVI. Information on taxation

### Corporate tax

Corporate tax rate is 20% in Turkey. This rate is applied to total income of the Bank adjusted for certain disallowable expenses, exempt income and any other allowances.

Dividends paid to the resident institutions and the institutions working through local office representatives are not subject to withholding tax. Except for the dividend payments made to these institutions, the withholding tax rate on the dividend payments is 15%. Applying the withholding tax rates on dividend payments to the nonresident institutions and the individuals, the withholding tax rates covered in the related Double Tax Treaty Agreements are taken into account. Appropriation of the retained earnings to capital is not considered as profit distribution and therefore is not subject to withholding tax.

The prepaid taxes are calculated and paid at the rates valid for the earnings of the related years. The payments can be deducted from the annual corporate tax calculated for the whole year earnings.

In accordance with the tax legislation tax losses can be carried forward to offset against future taxable income for up to five 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 assess them based on their findings.

#### Deferred taxes

According to the TAS 12 *Income Taxes*; deferred tax assets and liabilities are recognized, on all taxable temporary differences arising between the carrying values of assets and liabilities in the financial statements and their corresponding balances considered in the calculation of the tax base except for the differences not deductible for tax purposes and initial recognition of assets and liabilities which affect neither accounting nor taxable profit.

The deferred tax assets and liabilities are reported as net in the financial statements. The Bank has legal right to present the net value of current year tax assets and current year tax liabilities and the deferred tax assets and deferred tax liabilities are income taxes of the same taxable entity

In case where gains/losses resulting from subsequent measurement of items are recognized in the statement of income, then the related current and/or deferred tax effects are also recognized in the statement of income. On the other hand, if such gains/losses are recognized directly in the equity, then the related current and/or deferred tax effects are also recognized directly in the equity

#### Transfer pricing

In Turkey, the transfer pricing provisions are stated under the Article 13 of Corporate Tax Law with the KHDGLQJ RI 3GLVJXLVHEX SURQLWLG WUDQVIHU SULFLQJ´ 7K 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

#### XVII. Additional information on borrowings

Financial liabilities for trading purposes and derivative financial liabilities are valued at fair values. All other financial liabilities are carried at amortized cost using effective interest method.

As at 31 March 2011 and 31 December 2010, there are no convertible bonds or any other securities issued by the Bank

#### XVIII. Information on issuance of equity securities

The shares of the Bank having nominal value of TL 322,000,000 (full TL) representing the 25.18% of WKH %DQN¶V RXWVWDQGLQJ VKDUHV ZD 5.13546 for Lead share are having a nominal value of TL 1 on November 2005, and TL ZDV UHFRUGHG D 3UHPLXPV´ LQ VKDUH 48,029 of this amount was utilized in capital increase on 19 December 2006

#### XIX. Information on confirmed bills of exchange and acceptances

Confirmed bills of exchange and acceptances are realized simultaneously with the payments and recorded in off-balance sheet accounts as possible debt and commitment, if any. As at the balance sheet date, there are no acceptances recorded as liability in return for assets

#### XX. Information on government incentives

As at 31 March 2011 and 31 December 2010, the Bank does not have any government incentives.

#### XXI. Information on segment reporting

2SHUDWLRQDO VHJPHQWV DUH GHWHUPLQHG EDVHG V W in Section 4 Note VII.

## XXII. Other disclosures

### Earnings per shares

Earning per share is calculated by dividing the net profit for the period to weighted average of outstanding shares. In Turkey, the companies' retained earnings. In earning per share computation bonus shares are treated as issued shares.

As at and for the three month period ended 31 March 2011, earning per share is TL 0.1637 (31 March 2010 TL 0.1220).

### Related parties

Parties are considered to be related if one party has the ability to control other party or exercise significant influence over the other party in making financial and operating decisions. Shareholders, top executives and board members are accepted as related party personally, with their families and companies according to TAA - Related Party Disclosures. Transactions made with related parties are disclosed in Section 5 Note. V

### Cash and cash equivalents

Cash and cash equivalents which is a base for preparation of cash flow statement include TL cash in cash in FC, cheques, money market placements and time deposits at banks marketable securities whose original maturity is less than three months

## SECTION FOUR

### Information Related to Financial Position of the Bank

#### I. Capital adequacy ratio

7KH %DQN\ V XQFRQVROLGD 146% (31 December 2010) XDF\ UDWLR

Risk measurement methods in calculation of capital adequacy ratio

Capital adequacy ratio is calculated within the scope of the 5HJXODWLRQ RQ WKH 01  
\$VVHVVPHQW RI &DSLWDO \$GHTXDF\ 5DWLRV 263% (31 December 2010) SX  
1RYHPEHU 35HJXODWLRQ IRU DQ \$PHQGPHQW IRU WK

Assessment of Capital Adequacy Ratio %DQNV' SXEOLVKHG 262% (31 December 2010) \*D  
0DUFK DQG 35HJXODWLRQ RQ WKH (TXLW\ RI %DQNV'

In calculation of capital adequacy ratio, the accounting records prepared in compliance with the current legislation are used.

The items deducted from the capital base are not included in the calculation of risk weighted assets. In calculation of risk weighted assets, impairments, depreciation and amortization, and provisions are considered as deduction items.

In the calculation of their risk based values, non-cash loans are weighted after netting with specific SURYLVLRQV WKDW DUH FODVVLILHG XQGHU OLDELWLHV D  
of and Provision against Non-HUIRUP LQJ /RDQV DQG 2WKH Units are the DEO  
PXOWLSOLHG E\ WKH UDWHV VWDWHG LQ WKH \$UWLFOH RI  
&DSLWDO \$GHTXDF\ 5DWLRV RI %DQNV'

In the calculation of the risk based values of the derivative financial instruments, such instruments are weighted and classified according to the related risk groups after being multiplied by the rates stated in WKH \$UWLFOH RI 35HJXODWLRQ UHJDUGLQJ 0HDVXUHEHQW %DQNV'



Information on unconsolidated capital adequacy ratio

	31 March 2011 Risk Weights						
	0%	10%	20%	50%	100%	150%	200%
Balance sheet items (Net)	12,058,716	-	1,999,194	13,941,614	35,494,563	61,785	2,397
Cash and cash equivalents	570,157	-	1	-	-	-	-
Matured securities	-	-	-	-	-	-	-
Balances with the Central Bank of Turkey Domestic and foreign Banks, foreign he: offices and branches	4,454,271	-	-	-	-	-	-
Interbank money market placements	587,102	-	1,631,360	-	198,683	-	-
Receivables from reverse repurchase agreements	-	-	-	-	-	-	-
Reserve deposits at CBT	1,402,940	-	-	-	-	-	-
Loans	154,673	-	261,365	13,828,567	32,249,339	61,785	2,397
Loans under followup (Net)	-	-	-	-	23,423	-	-
Receivables from leasing activities	-	-	-	-	-	-	-
Available-for-sale financial assets	-	-	-	-	-	-	-
Held-to-maturity investment securities	4,679,307	-	29,260	-	-	-	-
Receivables from term sale of assets	-	-	-	-	93,619	-	-
Miscellaneous receivables	2,200	-	35,924	-	475,207	-	-
Interest and other income accruals	114,906	-	41,284	113,047	283,521	-	-
Investments in associates, subsidiaries ; joint-ventures (Net)	-	-	-	-	885,784	-	-
Tangible assets (Net)	-	-	-	-	877,633	-	-
Other assets	93,160	-	-	-	407,354	-	-
Off-balance sheet items	236,607	-	533,007	431,679	7,611,378	-	-
Non-cash loans and commitments	236,607	-	358,388	431,679	7,607,165	-	-
Derivative financial instruments	-	-	174,619	-	4,213	-	-
Non-risk weighted accounts	-	-	-	-	-	-	-
<b>Total risk weighted assets</b>	<b>12,295,323</b>	<b>-</b>	<b>2,532,201</b>	<b>14,373,293</b>	<b>43,105,941</b>	<b>61,785</b>	<b>2,397</b>

Summary information related to unconsolidated capital adequacy ratio

	Current Period	Prior Period
Value at credit risk (VaCR)	50,896,499	48,608,735
Value at market risk (VaMR)	2,163,013	1,781,375
Value at operational risk (VaOR <sup>(*)</sup> )	6,531,375	5,795,900
Equity	8,724,670	8,065,195
Equity/ (VaCR+VaMR+VaOR)*100	%14.64	%14.35

(\*) In accordance with the BDDK.BYD.126.01 numbered and 7 February 2008 dated BRSA circular, capital adequacy ratio at 2010 was measured by taking value at operational risk calculated based on average of gross incomes for the years ended 2009, 2008 and 2007 into consideration. For the year 2010 value at operational risk is being calculated based on average of gross incomes for the years ended 31 Q 2009 and 2008.

## Components of equity items

	Current Period	Prior Period
<b>CORE CAPITAL</b>		
Paid in Capital	2,500,000	2,500,000
Nominal Capital	2,500,000	2,500,000
Capital Commitments)	-	-
Capital Reserves from Inflation Adjustments to Paid Capital	-	-
Share Premium	723,918	723,918
Share Cancellation Profits	-	-
Legal Reserves	590,498	476,116
I. Legal Reserve (Turkish Commercial Code 466/1)	295,249	238,058
II. Legal Reserve (Turkish Commercial Code 466/2)	-	-
Reserves allocated as per Special Legislations	295,249	238,058
Status Reserves	-	-
Extraordinary Reserves	3,929,018	2,923,105
Reserve allocated as per the Decision held by the General Assembly	3,689,113	2,696,515
Retained Earnings	239,905	226,590
Accumulated Losses	-	-
Exchange Rate Differences on Foreign Currency Capital	-	-
Reserves from Inflation Adjustments to Legal, Status and Extraordinary Reserves	-	-
Profit	409,191	1,157,140
& XU UHQW 3HULRG¶V 3URILW	409,191	1,157,140
Prior < HDUV¶ 3URILW	-	-
Provision for Possible Losses (up to 25% of Core Capital)	68,555	65,428
Income on Sale of Equity Shares and Real Estates to be used up for Capital Increase	7,564	5,033
Primary Subordinated Debt (up to 15% of Core Capital)	-	-
Loss excess of Reserves)(	-	-
& XU UHQW < HDU¶V /RVV	-	-
3ULRU < HDUV¶ /RVV	-	-
Leasehold Improvements)(	75,683	73,009
Prepaid Expenses)(	-	323,581
Intangible Assets)(	54,185	52,892
Deferred Tax Asset excess of 10% of Core Capital (	-	-
Limit excesses as per the 3rd Paragraph of the Article 56 of the Banking)Law (	-	-
<b>Total Core Capital</b>	<b>8,098,876</b>	<b>7,401,258</b>
<b>SUPPLEMENTARY CAPITAL</b>		
General Provisions	457,289	427,876
45% of Revaluation Surplus on Immovables	-	-
Bonus shares of Associate Subsidiaries and Joint Ventures	66,758	66,530
Primary Subordinated Debt excluding the Portion included in Core Capital	-	-
Secondary Subordinated Debt	-	-
45% of Valuation Differences of Marketable Securities	248,126	317,997
Associates and Subsidiaries	164,294	178,791
Available for Sale Investment Securities	83,832	139,206
Other Profit Reserves	-	-
<b>Total Supplementary Capital</b>	<b>772,173</b>	<b>812,403</b>
<b>TIER III CAPITAL</b>		
<b>CAPITAL</b>	<b>8,871,049</b>	<b>8,213,661</b>
<b>DEDUCTIONS FROM CAPITAL</b>	<b>146,379</b>	<b>148,466</b>
Unconsolidated investments in Entities (domestic/foreign) operating in Banking and Financial Sectors exceeding 10% of ownership	-	-
Investments in Entities (domestic/foreign) operating in Banking and Financial Sectors at less 10% exceeding 10% or more the Total Core and Supplementary Capitals	-	-
Loans to Banks, Financial Institutions (domestic/foreign) or Qualified Shareholders in the form of Secondary Subordinated Debts and Debt Instruments purchased from Such Parties qualified as Primary or Secondary Subordinated Debts	-	-
Loan granted to Customer against the Articles 50 and 51 of the Banking Law	-	-
Net Book Values of Immovables exceeding 50% of the Capital and of Assets Acquired against Overdue Receivables and Held for Sale per the Article 57 Of the Banking Law but Retained more than Five Years	146,072	148,466
Others	307	-
<b>TOTAL EQUITY</b>	<b>8,724,670</b>	<b>8,065,195</b>

## II. Market risk

The Bank has defined its risk management procedures and has taken necessary precautions in accordance with the provisions of the Law on Banks and Banking Activities No. 5411 dated 11 November 2006 and the Regulation on the Minimum Capital Requirements for Banks No. 26333 published in Official Gazette no. 26333 dated 1 November 2006.

The market risk is defined as the potential risk of loss due to changes in interest rates, foreign exchange rates and equity prices on balance sheet and off-balance sheet positions of the banks.

The capital need for general market risk and specific risks is calculated using the standard method in accordance with the provisions of the Law on Banks and Banking Activities No. 5411 dated 11 November 2006 and the Regulation on the Minimum Capital Requirements for Banks No. 26333 reported monthly.

In addition to the standard method, the Bank also uses internal models like Historical and Monte Carlo Simulations in measuring market risk. The Bank also performs daily back-testing in order to measure the reliability of the models. Besides, scenario analyses are implemented in order to support the Standard Method and internal models. In order to monitor the maturity structure of the asset and liability portfolios, the maturity structure of the asset and liability portfolios is calculated.

The market risk analysis of the Bank is reported monthly and sent to the related regulatory institutions.

## Value at market risk

	Amount
(I) Capital Obligation against General Market Risk Standard Method	114,752
(II) Capital Obligation against Specific Risks Standard Method	38,256
(III) Capital Obligation against Currency Risks Standard Method	19,317
(IV) Capital Obligation against Stocks Risks Standard Method	-
(V) Capital Obligation against Exchange Risks Standard Method	-
(VI) Capital Obligation against Market Risks of Options Standard Method	716
(VII) Capital Obligation against Market Risks of Banks applying Risk Measurement Models	-
(VIII) Total Capital Obligations against Market Risk (I+II+III+IV+V+VI)	173,041
(IX) Value-At-Market Risk (12.5xVIII) or (12.5xVII)	2,163,013

## Equity price risk

Equity price risk is the risk that the fair values of equities decrease as the result of the changes in the levels of equity indices and the value of individual stocks.

The reasonably possible change in equity indices, with all other variables held constant, is as follows:

	Change in index	31 March 2011	31 March 2010
		Equity	Equity
ISE ±100 (IMKB - 100)	10%	37,800	26,250

### III. Operational risk

The Bank calculated the value at operational risk in accordance with the fourth section published in the Official Gazette date 1 June 2007 related to the RPSXWDWLRQ RI QDOOX 5LTLR\ 2SH circular, 35HJXODWLRQ 5HJDUGLQJ 0HDVXUHPHQW DQG \$VVHVVP published in the Official Gazette numbered 26333 and dated 1 November 2006. 'Basic Indicator Method' is used for operational risk calculation.

As at 31 March 2011 the amount calculated as TL 522,510 (31 December 2010 TL 463,672) from gross income for the years ended 31 December 2009 and 2008 and used for the calculation of capital adequacy ratio as at 30 September 2010 represents the operational risk that the Bank may expose and the amount of minimum capital requirement to eliminate this risk. Value at operational risk amounting to TL 6,531,375 (31 December 2010 TL 5,795,900) presented in the table included Note I of this section is daulated as 12.5 times of the operational risk.

### IV. Foreign currency exchange risk

Foreign exchange risk that the Bank exposed to, estimation of effects of exposures, and the limits set by the Board of Directors of the Bank for the positions being monitored on a daily basis

The Standard Method which is also used in the legal reporting is used in measuring the currency risk of the Bank.

All of the foreign currency assets and liabilities and the forward foreign currency transactions are taken into consideration in calculating the capital obligation for the currency risk. The net long and short positions are calculated in Turkish Lira equivalent of the each currency. The position with the biggest absolute value is determined as the base amount for the capital obligation. The capital obligation is calculated at that amount.

The magnitude of hedging foreign currency debt instruments and net investment in foreign operations by using derivatives

As at 31 March 2011 and 31 December 2010 the Bank does not have derivative financial instruments held for risk management purpose.

Foreign exchange risk management policy

Risk policy of the Bank is based on the transactions within the limits and keeping the currency position well-balanced.

In the light of the national legislations and international applications, the Bank has established a foreign currency risk management policy that enables the Bank to take position between lower and upper limits determined in respect of the current equity profile. Speculative position is not in the Bank.

7KH %DQN¶V HIIHFWLYH H[FKDQJH UDWHV DW WKH GDWH RI the period announced by the Bank are as follows

	US Dollar	Euro
7KH %DQN¶V IRUHLJQ FXUUHQF\ SXU¶k DVH Foreign currency purchase rates for the days before balance sheet date;	1.5400	2.1836
Day 1	1.5200	2.1426
Day 2	1.5200	2.1453
Day 3	1.5100	2.1216
Day 4	1.5100	2.1397
Day 5	1.5300	2.1552
	US Dollar	Euro
Last 30-days arithmetical average rate	1.5507	2.1600

### Information on currency risk

Current Period	Euro	US Dollar	Japanese Yen	Other FCs	Total
<b>Assets</b>					
Cash and balances with the Central Bank of Turkey	51,139	1,959,903	146	8,001	2,019,189
Banks	1,000,468	1,294,868	688	37,335	2,333,359
Financial assets at fair value through profit or loss <sup>(1)</sup>	575	10,748	-	-	11,323
Interbank money market placements	-	-	-	-	-
Available-for-sale financial assets	597,393	1,783,377	-	-	2,380,770
Loans and receivables <sup>(2)</sup>	5,882,327	9,013,183	1,306	55,848	14,952,664
Associates, subsidiaries and joint ventures	150,015	-	-	-	150,015
Held-to-maturity investments	151,776	1,171,674	-	-	1,323,450
Derivative financial assets held for risk management purpose	-	-	-	-	-
Tangible assets	-	2,270	-	-	2,270
Intangible assets	-	-	-	-	-
Other assets <sup>(3)</sup>	7,364	83,720	-	247	91,331
<b>Total assets</b>	<b>7,841,057</b>	<b>15,319,743</b>	<b>2,140</b>	<b>101,431</b>	<b>23,264,371</b>
<b>Liabilities:</b>					
Bank deposits	191,251	1,486,474	-	39	1,677,764
Foreign currency deposits	3,808,258	6,889,323	924	39,607	10,738,112
Interbank money market takings	499,039	1,871,834	-	-	2,370,873
Other funding	3,289,007	3,228,953	1,305	38,222	6,557,487
Securities issued	-	-	-	-	-
Miscellaneous payables	3,583	25,329	-	77	28,989
Derivative financial liabilities held for risk management purpose	-	-	-	-	-
Other liabilities <sup>(1) (4)</sup>	74,208	354,885	-	22,274	451,367
<b>Total liabilities</b>	<b>7,865,346</b>	<b>13,856,798</b>	<b>2,229</b>	<b>100,219</b>	<b>21,824,592</b>
<b>Net Assets</b>					
1 HW - µ R Q E D O D Q F H V K H H W ¶ S R V	(24,289)	1,462,945	(89)	1,212	1,439,779
1 HW - µ R Q E D O D Q F H V K H H W ¶ S R V L W L R Q	(150,665)	(1,051,626)	943	3,991	(1,197,357)
Derivative assets <sup>(6)</sup>	468,529	2,253,440	943	21,203	2,744,115
Derivative liabilities <sup>(6)</sup>	619,194	3,305,066	-	17,212	3,941,472
Non-cash loans <sup>(5)</sup>	1,604,743	3,157,178	44,642	122,725	4,929,288
<b>Prior Period</b>					
Total assets	7,349,331	13,700,671	4,582	115,237	21,169,821
Total liabilities	7,275,165	13,844,722	5,055	106,839	21,231,781
1 HW - µ R Q E D O D Q F H V K H H W ¶ S R V	74,166	(144,051)	(473)	8,398	(61,960)
1 HW - µ R Q E D O D Q F H V K H H W ¶ S R V L W L I	16,284	231,189	453	(4,218)	243,708
Derivative assets	294,745	1,894,659	551	11,001	2,200,956
Derivative liabilities	278,461	1,663,470	98	15,219	1,957,248
Non-cash loans <sup>(5)</sup>	1,506,177	3,152,750	90,106	129,289	4,878,322

(1) Derivative financial assets and liabilities resulting from changes in foreign exchange rates not included.

(2) Foreign currency indexed loans amounting to TL 609,655 (31 December 2010: TL 479,180) which are presented in TL column in the balance sheet are included in the table above.

(3) Prepaid expenses amounting to TL 18,027 (31 December 2010: TL 14,064) are not included.

(4) Unearned revenues amounting to TL 7,778 (31 December 2010: TL 17,267) are not included.

(5) Non-cash loans amounting to TL 1,604,743 (31 December 2010: TL 1,506,177) and assets sales commitments amounting to TL 620,366 (31 December 2010: TL 1,718) are included.

(6) Asset purchase commitments amounting to TL 598,597 (31 December 2010: TL 220,570) and assets sales commitments amounting to TL 620,366 (31 December 2010: TL 1,718) are included.

### Exposure to currency risk

10 percent devaluation of the TL against the following currencies as at and for the three month period ended 31 March 2011 and 2010 would have effect on equity and profit or loss (without tax effects) by the amounts shown below.

This analysis assumes that all other variables, in particular interest rates, remain constant.

	31 March 2011		31 March 2010	
	Profit or loss	Equity (*)	Profit or loss	Equity (*)
US Dollar	28,331	39,830	(20,606)	(11,708)
EUR	(33,644)	(32,497)	(187)	1,149
Other currencies	606	606	(244)	(244)
Total, net	(4,707)	7,939	(21,037)	(10,803)

(\*) Equity effect also includes profit or loss effect of 10% devaluation of TL against related currencies.

10 percent revaluation of the TL against the following currencies as at and for the three month period ended 31 March 2011 and 2010 would have effect on equity and profit or loss (without tax effects) by the amounts shown below.

	31 March 2011		31 March 2010	
	Profit or loss	Equity (*)	Profit or loss	Equity (*)
US Dollar	(24,457)	(35,956)	25,002	16,104
Euro	33,644	32,497	254	(1,082)
Other currencies	164	164	1,007	1,007
Total, net	9,351	(3,295)	26,263	16,029

(\*) Equity effect also includes profit or loss effect of 10% revaluation of TL against related currencies.

## V. Interest rate risk

Interest sensitivity of assets, liabilities and off-balance sheet items is evaluated during the weekly Assets/Liabilities Committee meetings taking into account the developments in market conditions.

Interest rate risk is measured by the standard method.

Measurements for standard method are carried out monthly using the maturity ladder table.

*Interest rate sensitivity of assets, liabilities and off balance sheet items based on repricing dates*

Current Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non- Interest Bearing	Total
<b>Assets:</b>							
Cash and balances with CBT	-	-	-	-	-	6,427,369	6,427,369
Banks	1,734,620	79,052	47,358	-	-	557,346	2,418,376
Financial assets at fair value through profit/loss	8,469	6,528	30,350	5,794	-	-	51,141
Interbank money market placements	-	-	-	-	-	-	-
Available-for-sale financial assets	4,186,170	1,670,849	3,198,826	1,404,174	1,974,525	10,750	12,445,294
Loans and receivables	15,217,917	9,847,131	7,883,704	9,751,948	4,237,509	23,423	46,961,632
Held-to-maturity investments	872,719	549,505	87,531	1,002,096	2,310,099	-	4,821,950
Other assets <sup>(*)</sup>	5,079	22	6,982	117,065	394	3,035,414	3,164,956
<b>Total assets</b>	<b>22,024,974</b>	<b>12,153,087</b>	<b>11,254,751</b>	<b>12,281,077</b>	<b>8,522,527</b>	<b>10,054,302</b>	<b>76,290,718</b>
<b>Liabilities:</b>							
Bank deposits	1,760,521	1,433,488	561,964	-	-	19,946	3,775,919
Other deposits	25,405,532	9,317,318	2,731,036	7,247	-	7,414,600	44,875,733
Interbank money market taking	6,496,648	1,267,358	1,079,967	-	-	-	8,843,973
Miscellaneous payables	-	20,265	2,426	-	-	1,551,682	1,574,373
Securities issued	-	-	-	-	-	-	-
Funds borrowed	447,960	3,117,179	3,012,280	18,715	18,553	-	6,614,687
Other liabilities <sup>(**)</sup>	7,105	5,208	20,855	41,036	16,420	10,515,409	10,606,033
<b>Total liabilities</b>	<b>34,117,766</b>	<b>15,160,816</b>	<b>7,408,528</b>	<b>66,998</b>	<b>34,973</b>	<b>19,501,637</b>	<b>76,290,718</b>
On balance sheet long position	-	-	3,846,223	12,214,079	8,487,554	-	24,547,856
On balance sheet short position	(12,092,792)	(3,007,729)	-	-	-	(9,447,335)	(24,547,856)
Off-balance sheet long position	158,500	754,600	50,107	30,125	-	-	993,332
Off-balance sheet short position	-	(20,265)	(251,270)	(585,068)	(115,500)	-	(972,103)
<b>Position, Net</b>	<b>(11,934,292)</b>	<b>(2,273,394)</b>	<b>3,645,060</b>	<b>11,659,136</b>	<b>8,372,054</b>	<b>(9,447,335)</b>	<b>21,229</b>

(\*) Subsidiaries, associates and tangible and intangible assets are included in the non-interest bearing column.

(\*\*) Equity is included in non-interest bearing column in other liabilities line.

Prior Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non- Interest Bearing	Total
<b>Assets:</b>							
Cash and balances with CBT	-	-	-	-	-	4,646,880	4,646,880
Banks	728,200	79,123	47,029	-	-	417,321	1,271,673
Financial assets at fair value through profit/bss	14,400	1,609	1,210	6,829	-	-	24,048
Interbank money market placements	2,101,584	-	-	-	-	-	2,101,584
Available-for-sale financial assets	4,418,159	2,658,069	3,204,305	1,341,073	2,132,475	10,750	13,764,831
Loans and receivables	14,957,568	8,941,787	8,264,310	9,073,810	3,598,919	24,625	44,861,019
Held-to-maturity investments	549,869	1,062,472	812,563	304,767	1,577,025	-	4,306,696
Other assets <sup>(2)</sup>	3,804	1,300	8,500	111,894	239	2,859,219	2,984,956
<b>Total assets</b>	<b>22,773,584</b>	<b>12,744,360</b>	<b>12,337,917</b>	<b>10,838,338</b>	<b>7,308,658</b>	<b>7,958,795</b>	<b>73,961,687</b>
<b>Liabilities:</b>							
Bank deposits	1,440,178	142,796	421,561	-	-	10,200	2,014,735
Other deposits	25,508,127	10,362,127	2,419,559	130,051	-	7,266,676	45,686,540
Interbank money market takings	5,801,511	1,176,212	1,150,591	-	-	-	8,128,314
Miscellaneous payables	-	4,601	20,332	-	-	1,372,035	1,396,968
Securities issued	-	-	-	-	-	-	-
Fund borrowed	13,269	4,860,178	1,317,668	136,279	-	-	6,327,394
Other liabilities <sup>(**)</sup>	11,539	1,360	21,611	98,706	17,926	10,256,594	10,407,736
<b>Total liabilities</b>	<b>32,774,624</b>	<b>16,547,274</b>	<b>5,351,322</b>	<b>365,036</b>	<b>17,926</b>	<b>18,905,505</b>	<b>73,961,687</b>
On balance sheet long position	-	-	6,986,595	10,473,337	7,290,732	-	24,750,664
On balance sheet short position	(10,001,040)	(3,802,914)	-	-	-	(10,946,710)	(24,750,664)
Off-balance sheet long position	208,483	757,781	7,539	30,223	-	-	1,004,026
Off-balance sheet short position	(58,401)	(5,331)	(140,331)	(662,168)	(115,875)	-	(982,106)
<b>Position, Net</b>	<b>(9,850,958)</b>	<b>(3,050,464)</b>	<b>6,853,803</b>	<b>9,841,392</b>	<b>7,174,857</b>	<b>(10,946,710)</b>	<b>21,920</b>

(<sup>1</sup>) Subsidiaries, associates and tangible and intangible assets are stated in non-interest bearing column.

(<sup>2</sup>) Equity is included in non-interest bearing column in other liabilities line.



Average interest rates applied to monetary financial instruments

Current Period	Euro %	US Dollar %	Japanese Yen %	TL %
<b>Assets</b>				
Cash and balance with CBT	-	-	-	-
Banks	0.80	0.93	-	7.09
Financial assets at fair value through profit/loss	-	-	-	-
Interbank money market placements	-	-	-	-
Available-for-sale financial assets	5.63	6.98	-	8.30
Loans and receivables	4.20	3.90	3.49	13.53
Held-to-maturity investments	5.58	7.43	-	9.73
<b>Liabilities:</b>				
Bank deposits	2.62	1.49	-	7.68
Other deposits	2.72	2.47	-	7.19
Interbank money market takings	1.37	1.33	-	6.63
Miscellaneous payables	-	-	-	-
Securities issued	-	-	-	-
Funds borrowed	1.74	1.40	0.49	7.16
<b>Prior Period</b>				
Prior Period	Euro %	US Dollar %	Japanese Yen %	TL %
<b>Assets</b>				
Cash and balance with CBT	-	-	-	-
Banks	0.90	1.27	-	7.23
Financial assets at fair value through profit/loss	-	-	-	-
Interbank money market placements	-	-	-	6.97
Available-for-sale financial assets	5.69	7.00	-	9.24
Loans and receivables	4.36	4.18	3.49	14.18
Held-to-maturity investments	6.61	7.38	-	9.72
<b>Liabilities:</b>				
Bank deposits	2.26	0.99	-	8.36
Other deposits	2.71	2.73	-	8.08
Interbank money market takings	1.36	1.28	-	7.01
Miscellaneous payables	-	-	-	-
Securities issued	-	-	-	-
Funds borrowed	1.71	1.43	0.49	7.36

### Interest sensitivity

Interest rate sensitivity of the statement of income is the effect of the assumed changes in interest rates on the fair values of financial assets at fair value through profit or loss held as at 31 March 2011 and on net interest income of floating rate nontrading financial assets and financial liabilities (without tax effects)

Interest rate sensitivity of equity is calculated by taking the effects of the assumed changes in interest rates on the fair value of fixed rate available-for-sale financial assets as at 31 March 2011 into account

This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

This analysis is performed on the same basis for 31 March 2010

	Profit or loss		Equity <sup>(*)</sup>	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
<b>Current Period</b>				
Financial assets at fair value through profit or loss	18,75€	(17,181)	18,75€	(17,181)
Available-for-sale financial assets	28,627	(28,747)	(184,840)	198,817
Floating rate financial assets	66,397	(66,397)	66,397	(66,397)
Floating rate financial liabilities	(16,828)	16,828	(16,828)	16,828
<b>Total, net</b>	<b>96,957</b>	<b>(95,497)</b>	<b>(116,516)</b>	<b>132,067</b>

	Profit or loss		Equity <sup>(*)</sup>	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
<b>Prior Period</b>				
Financial assets at fair value through profit or loss	(6,982)	7,712	(6,982)	7,712
Available-for-sale financial assets	28,184	(28,373)	(211,174)	223,409
Floating rate financial assets	57,919	(57,919)	57,919	(57,919)
Floating rate financial liabilities	(16,928)	16,928	(16,928)	16,928
<b>Total, net</b>	<b>62,193</b>	<b>(61,652)</b>	<b>(177,165)</b>	<b>190,130</b>

<sup>(\*)</sup> Equity effect also includes profit or loss effect of 100 bp increase or decrease in interest rates.

## VI. Liquidity risk

In order to avoid the liquidity risk, the Bank diverts funding resources as customer deposits and foreign borrowings, considers the maturity mismatch between assets and liabilities and maintains liquid assets to guarantee sufficient liquidity during market fluctuations.

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 provided through foreign funding sources such as syndication and securitization transactions. There are no significant idle liquidity resources.

*Maturity analysis of assets and liabilities according to remaining maturities:*

Current Period	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Undistributed <sup>(*)</sup>	Total
<b>Assets</b>								
Cash and balances with CBT	6,427,369	-	-	-	-	-	-	6,427,369
Banks	1,144,448	1,147,518	79,052	47,358	-	-	-	2,418,376
Financial assets at fair value through profit/loss	-	7,799	2,294	30,350	10,698	-	-	51,141
Interbank money market placements	-	-	-	-	-	-	-	-
Available-for-sale financial assets	-	3,413	23,143	1,179,843	6,060,543	5,167,602	10,750	12,445,294
Loans and receivables	-	6,802,684	2,772,774	8,852,478	22,076,401	6,433,872	23,423	46,961,632
Held-to-maturity investments	-	496,698	141,277	26,079	1,847,796	2,310,100	-	4,821,950
Other assets	-	426,495	12,591	8,182	199,941	394	2,517,353	3,164,956
<b>Total assets</b>	<b>7,571,817</b>	<b>8,884,607</b>	<b>3,031,131</b>	<b>10,144,290</b>	<b>30,195,379</b>	<b>13,911,968</b>	<b>2,551,526</b>	<b>76,290,718</b>
<b>Liabilities:</b>								
Bank deposits	19,946	1,760,521	1,433,488	561,961	-	-	-	3,775,919
Other deposits	7,414,600	25,405,521	9,317,318	2,731,036	7,247	-	-	44,875,733
Funds borrowed	-	74,084	227,899	3,532,978	1,639,197	1,140,529	-	6,614,687
Interbank money market takings	-	6,456,572	1,220,646	1,120,043	46,712	-	-	8,843,973
Securities issued	-	-	-	-	-	-	-	-
Miscellaneous payables	-	1,440,623	30,661	2,426	20,265	-	80,398	1,574,373
Other liabilities	-	233,538	69,266	22,349	48,666	16,420	10,215,794	10,606,033
<b>Total liabilities</b>	<b>7,434,546</b>	<b>35,370,870</b>	<b>12,299,278</b>	<b>7,970,796</b>	<b>1,762,087</b>	<b>1,156,949</b>	<b>10,296,192</b>	<b>76,290,718</b>
<b>Liquidity gap</b>	<b>137,271</b>	<b>(26,486,263)</b>	<b>(9,268,147)</b>	<b>2,173,494</b>	<b>28,433,292</b>	<b>12,755,019</b>	<b>(7,744,666)</b>	<b>-</b>
<b>Prior Period</b>								
	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Undistributed <sup>(*)</sup>	Total
Total assets	5,546,854	11,444,770	2,895,358	11,524,278	28,066,663	11,971,319	2,512,445	73,961,687
Total liabilities	7,276,876	34,067,607	13,332,387	5,916,454	2,214,721	1,097,732	10,055,910	73,961,687
<b>Liquidity gap</b>	<b>(1,730,022)</b>	<b>(22,622,837)</b>	<b>(10,437,029)</b>	<b>5,607,824</b>	<b>25,851,942</b>	<b>10,873,587</b>	<b>(7,543,465)</b>	<b>-</b>

(\*) Certain assets on the balance sheet that are necessary for the banking operations but not convertible into cash period such as tangible assets, intangible assets, as such VXEVLGLDULHV PLVFHOODQHRXV UHFH included in this column.

*Residual contractual maturities of the financial liabilities*

31 March 2011	Carrying amount	Gross nominal outflow	Demand	Less than one month	1-3 months	3 months to 1 year	1-5 years	More than 5 years
Bank deposits	3,775,919	3,799,519	19,946	1,761,538	1,442,919	575,116	-	-
Other deposits	44,875,733	45,081,553	7,414,600	25,545,115	9,368,510	2,746,041	7,287	-
Funds borrowed	6,614,687	7,033,782	-	74,130	228,876	3,585,975	1,824,935	1,319,866
Money market takings	8,843,973	8,868,973	-	6,465,545	1,226,272	1,127,925	49,231	-
Miscellaneous payables	1,574,373	1,574,373	80,398	1,440,623	30,661	2,426	20,265	-
Other liabilities	594,476	594,476	413,480	88,677	4,884	22,349	48,666	16,420
<b>Total</b>	<b>66,279,161</b>	<b>66,952,676</b>	<b>7,928,424</b>	<b>35,375,628</b>	<b>12,302,122</b>	<b>8,059,832</b>	<b>1,950,384</b>	<b>1,336,286</b>

Non-Cash Loans	11,752,534	11,752,534	7,196,047	599,761	840,766	1,993,384	1,106,821	15,755
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31 December 2010	Carrying amount	Gross nominal outflow	Demand	Less than one month	1-3 months	3 months to 1 year	1-5 years	More than 5 years
Bank deposits	2,014,735	2,032,965	10,200	1,442,042	144,416	436,307	-	-
Other deposits	45,686,540	45,957,158	7,266,676	25,687,798	10,435,115	2,436,602	130,967	-
Funds borrowed	6,327,394	6,626,850	-	7,486	1,659,231	1,845,539	1,877,279	1,237,315
Money market takings	8,128,314	11,326,118	-	8,320,365	1,600,372	1,235,014	170,367	-
Miscellaneous payables	1,396,968	1,396,968	63,757	1,278,014	30,264	4,601	20,332	-
Other liabilities	600,095	600,095	375,978	76,901	1,328	21,618	106,344	17,926
<b>Total</b>	<b>64,154,046</b>	<b>67,940,154</b>	<b>7,716,611</b>	<b>36,812,606</b>	<b>13,870,726</b>	<b>5,979,681</b>	<b>2,305,289</b>	<b>1,255,241</b>

Non-Cash Loans	11,344,660	11,344,660	6,978,154	598,232	820,728	1,699,003	1,168,428	80,115
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 earliest possible contractual maturity. Therefore, the gross nominal outflows in the table above vary from the carrying amounts of the relevant financial liabilities reflected in the financial statements.

## VI. Segment reporting

The Bank operates in corporate, commercial, small business, retail and investment banking. Accordingly, the banking products served to customers are; time and demand deposit, accumulating account, repos, overdraft facilities, spot loans, foreign currency indexed loans, consumer loans, automobile and housing loans, working capital loans, discounted bills, gold loans, foreign currency loans, eximbank loans, pre-export loans, ECA covered financing, letters of guarantee, letters of credit, export factoring, acceptance credits, draft facilities, forfaiting, leasing, insurance, forward, futures, salary payments, investment account, cheques, safety boxes, bill payments, tax collections, payment orders.

The Bank provides service packages to its corporate, commercial and retail customers including deposit, loans, foreign trade transactions, investment products, cash management, leasing, factoring, insurance, credit cards, and other banking products. A customer-oriented branch network was built in order to serve customers' needs effectively and efficiently. The Bank also utilizes alternative delivery channels intensively.

Additionally, the Bank provides "small business" banking service to enterprises in retail and service sectors. Products include overdraft accounts, POS machines, credit cards, cheque books, TL and foreign currency deposits, investment accounts, internet banking and call-center, debit card, and bill payment.

Retail banking customers form a wide-spread and sustainable deposit base for the Bank. Individual customers' needs are met by diversified consumer banking products through branches and alternative delivery channels.

Major financial statement items according to business lines:

Current Period	Retail Banking	Corporate Banking	Investment Banking	Other	Total Operations
Operating profit	299,138	189,042	233,288	265,207	986,675
Undistributed expenses	-	-	-	(528,709)	(528,709)
Operating profit	299,138	189,042	233,288	(263,502)	457,966
Income from associates	-	-	-	-	44,329
Income before taxes	-	-	-	-	502,295
Provision for taxes	-	-	-	-	(93,104)
Net profit	-	-	-	-	409,191
Segment assets	16,364,422	30,597,210	25,725,715	-	72,687,347
Investment in associates and subsidiaries	-	-	885,784	-	885,784
Undistributed assets	-	-	-	2,717,587	2,717,587
Total assets	16,364,422	30,597,210	26,611,499	2,717,587	76,290,718
Segment liabilities	17,313,576	31,338,076	15,586,627	-	64,238,279
Equity	-	-	-	8,778,337	8,778,337
Undistributed liabilities	-	-	-	3,274,102	3,274,102
Total Liabilities and Equity	17,313,576	31,338,076	15,586,627	12,052,439	76,290,718

## SECTION FIVE

### Disclosure and Footnotes on Unconsolidated Financial Statements

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

##### 1. Cash and balances with Central Bank

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash	480,050	89,110	571,538	83,801
Central Bank of Turkey <sup>(*)</sup>	3,928,130	1,929,081	2,037,805	1,953,075
Others	-	998	-	661
<b>Total</b>	<b>4,408,180</b>	<b>2,019,189</b>	<b>2,609,343</b>	<b>2,037,537</b>

(\*) TL 1,402,940 (31 December 2010 TL 1,423,140) of the foreign currency deposit at Central Bank consist of foreign currency reserve requirements.

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 banks operating in Turkey should provide a reserve amounting to 10% for demand deposits, but the amounts decreased down to %5 as maturities get longer (31 December 2010 for all maturity ranges 6%). Foreign currency liabilities denominated in foreign currencies including the U.S. Dollar or Euro 11% (31 December 2010: 1%) required reserve ratio are established

As at 31 March 2011 and 31 December 2010, HQWUDO %DQN GRHVQ¶W RSHUDW required reserves.

##### Balances with the Central Bank of Turkey

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted Demand Deposits	3,928,130	526,141	2,034,444	529,935
Unrestricted Time Deposits	-	-	-	-
Restricted Time Deposits	-	-	-	-
Reserve Deposits	-	1,402,940	3,361	1,423,140
<b>Total</b>	<b>3,928,130</b>	<b>1,929,081</b>	<b>2,037,805</b>	<b>1,953,075</b>

##### 2. Further information on financial assets at fair value through profit/loss

Financial assets at fair value through profit/loss given as collateral or blocked

None.

Trading securities subject to repurchase agreements

None.

Positive differences on derivative financial assets held for trading purpose

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	626	623	907	99
Swap Transactions	36,739	12,519	356	21,248
Futures	-	-	-	-
Options	570	64	80	1,358
Others	-	-	-	-
<b>Total</b>	<b>37,935</b>	<b>13,206</b>	<b>1,343</b>	<b>22,705</b>

3. Information on banks

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks	85,017	2,333,359	73,080	1,198,593
Domestic	85,017	246,394	33,064	78,946
Foreign	-	2,086,965	40,016	1,119,647
Foreign Head Offices and Branches	-	-	-	-
<b>Total</b>	<b>85,017</b>	<b>2,333,359</b>	<b>73,080</b>	<b>1,198,593</b>

4. Information on available-for-sale financial assets

Available-for-sale financial assets given as collateral or blocked

	Current Period		Prior Period	
	TL	FC	TL	FC
Share Certificates	-	-	-	-
Bonds, Treasury Bills and Similar Marketable Securities	1,032,055	69,023	1,660,529	68,530
Others	-	-	-	-
<b>Total</b>	<b>1,032,055</b>	<b>69,023</b>	<b>1,660,529</b>	<b>68,530</b>

Available-for-sale financial assets subject to repurchase agreements

	Current Period		Prior Period	
	TL	FC	TL	FC
Government Bonds	4,571,459	-	5,074,766	-
Treasury Bills	-	-	-	-
Other Debt Securities	-	1,617,665	-	1,451,246
Bonds Issued or Guaranteed by Banks	-	-	-	-
Asset Backed Securities	-	-	-	-
<b>Total</b>	<b>4,571,459</b>	<b>1,617,665</b>	<b>5,074,766</b>	<b>1,451,246</b>

Information on available-for-sale financial assets

	Current Period		Prior Period	
	TL	FC	TL	FC
Debt securities		12,480,432		13,765,091
Quoted		12,480,432		13,765,091
Unquoted		-		-
Equity securities		10,750		10,750
Quoted		-		-
Unquoted		10,750		10,750
Provision for impairment on available-for-sale financial assets-}		45,888		11,010
<b>Total</b>		<b>12,445,294</b>		<b>13,764,831</b>

5. Information on loans

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 provided to the shareholders	-	26,879	-	563
Legal entities	-	26,879	-	563
Real persons	-	-	-	-
Indirect loans provided to the shareholders	-	-	-	-
Loans provided to the employees	49,439	-	45,654	-
<b>Total</b>	<b>49,439</b>	<b>26,879</b>	<b>45,654</b>	<b>563</b>

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

	Performing Loans and Other Receivables		Loans under Follow-Up and Other Receivables	
	Loans and Other Receivables	Restructured or Rescheduled	Loans and Other Receivables	Restructured or Rescheduled
		Loans and Other Receivables		Loans and Other Receivables
<b>Cash Loans</b>				
Loans	44,604,695	-	1,739,709	550,530
Discounted bills	6,011	-	-	1
Exporting loans	3,516,652	-	133,221	72,966
Importing loans	-	-	-	6
Loans to the financial sectors	2,600,314	-	1,023	85
Overseas loans	66,821	-	-	-
Consumer loans	14,317,537	-	490,009	120,415
Credit cards	1,402,891	-	73,489	7,731
Precious metal loans	-	-	-	-
Others	22,694,469	-	1,041,967	349,326
Specialization loans	43,275	-	-	-
Other receivables	-	-	-	-
<b>Total</b>	<b>44,647,970</b>	<b>-</b>	<b>1,739,709</b>	<b>550,530</b>



Consumer loans, retail credit cards, personnel loans and personnel credit cards:

	Short-Term	Medium and Long-Term	Total
Consumer Loans ±TL	231,234	14,081,847	14,313,081
Housing Loans	5,470	6,674,101	6,679,571
Automobile Loans	3,394	229,113	232,507
General Purpose Loans	58,234	3,245,197	3,303,431
Other	164,136	3,933,436	4,097,572
Consumer Loans ±FC indexed	-	-	-
Housing Loans	-	-	-
Automobile Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Consumer Loans ±FC	-	-	-
Housing Loans	-	-	-
Automobile Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Retail Credit Cards ±TL	1,392,962	2,293	1,395,255
With Installment	490,075	2,293	492,368
Without Installment	902,887	-	902,887
Retail Credit Cards ±FC	1,367	-	1,367
With Installment	-	-	-
Without Installment	1,367	-	1,367
Personnel Loans ±TL	779	26,330	27,109
Housing Loan	-	-	-
Automobile Loans	-	-	-
General Purpose Loans	735	26,330	27,065
Other	44	-	44
Personnel Loans ±FC indexed	-	-	-
Housing Loans	-	-	-
Automobile Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Personnel Loans ±FC	-	-	-
Housing Loans	-	-	-
Automobile Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Personnel Credit Cards ±TL	22,284	-	22,284
With Installment	8,515	-	8,515
Without Installment	13,769	-	13,769
Personnel Credit Cards ±FC	46	-	46
With Installment	-	-	-
Without Installment	46	-	46
Overdraft Checking Accounts ±TL (Real persons)	587,771	-	587,771
Overdraft Checking Accounts ±FC (Real persons)	-	-	-
<b>Total</b>	<b>2,236,443</b>	<b>14,110,470</b>	<b>16,346,913</b>

Installment based commercial loans and corporate credit cards

	Short-Term	Medium and Long-Term	Total
Installment-based Commercial Loans ±TL	224,745	5,628,538	5,853,283
Real Estate Loans	314	102,003	102,317
Automobile Loans	18,264	409,673	427,937
General Purpose Loans	206,167	5,116,862	5,323,029
Other	-	-	-
Installment-based Commercial Loans±FC indexed	10,700	240,755	251,455
Real Estate Loans	-	-	-
Automobile Loans	-	-	-
General Purpose Loans	10,700	240,755	251,455
Other	-	-	-
Installment-based Commercial Loans±FC	45	327,794	327,839
Real Estate Loans	-	-	-
Automobile Loans	-	-	-
General Purpose Loans	-	-	-
Other	45	327,794	327,839
Corporate Credit Cards ±TL	64,995	104	65,099
With Installment	11,529	104	11,633
Without Installment	53,466	-	53,466
Corporate Credit Cards ±FC	60	-	60
With Installment	-	-	-
Without Installment	60	-	60
Overdraft Checking Accounts ±TL (Corporate)	253,936	-	253,936
Overdraft Checking Accounts ±FC (Corporate)	-	-	-
<b>Total</b>	<b>554,481</b>	<b>6,197,191</b>	<b>6,751,672</b>

Allocation of domestic and overseas loans

	Current Period	Prior Period
Domestic Loans	46,868,744	44,769,511
Overseas Loans	69,465	66,875
<b>Total</b>	<b>46,938,209</b>	<b>44,836,386</b>

Loans to associates and subsidiaries

	Current Period	Prior Period
Direct Loans Provided to the Subsidiaries and Associates	398,373	914,750
Indirect Loans Provided to the Subsidiaries and Associates	-	-
<b>Total</b>	<b>398,373</b>	<b>914,750</b>

Specific provisions for loans

	Current Period	Prior Period
Loans and Receivables with Limited Collectibility	70,777	66,757
Loans and Receivables with Doubtful Collectibility	184,711	218,622
Uncollectible Loans and Receivables	1,912,515	1,955,712
<b>Total</b>	<b>2,168,003</b>	<b>2,241,091</b>

Information on non-performing loans(NPLs) (Net)

Information on non-performing loans and other receivables restructured or rescheduled

	Group III	Group IV	Group V
	Loans and receivables with limited collectibility	Loans and receivables with doubtful collectibility	Uncollectible loans and receivables
Current period	9,029	55,445	107,514
(Gross amounts before the specific reserve)			
Loans and other receivables which are restructured	-	-	-
Rescheduled loans and other receivables	9,029	55,445	107,514
Prior period			
(Gross amounts before the specific reserves)	12,885	56,475	159,362
Loans and other receivables which are restructured			
Rescheduled loans and other receivables	-	-	-
	12,885	56,475	159,362

Movements in non-performing loan groups

	Group III	Group IV	Group V
	Loans and receivables with limited collectibility	Loans and receivables with doubtful collectibility	Uncollectible loans and receivables
Balance at the beginning of the period	91,382	218,622	1,955,712
Additions (+)	82,913	1,024	20,388
Transfers from other categories of loans under follow up (+)	-	65,169	58,305
Transfers to other categories of loans under follow up (-)	65,176	79,078	35,685
Collections (-)	14,919	21,026	86,205
Write-offs (-)	-	-	-
Corporate and commercial loans	-	-	-
Retail loans	-	-	-
Credit cards	-	-	-
Others	-	-	-
Differences from corrections according to exchange rates	-	-	-
Balance at the end of the period	94,200	184,711	1,912,515
Specific provision (-)	70,777	184,711	1,912,515
Balance, net	23,423	-	-

Uncollectible loans and receivables are collected by liquidation of assets and legal follow up.

Loans are transferred from restructured loans to performing loans and from non performing loans to restructured loans are presented in the transfers from and to other categories of loans under follow lines.

*Information on non-performing loans and other receivables in foreign currencies*

	Group III	Group IV	Group V
	Loans and receivables with limited collectibility	Loans and receivables with doubtful collectibility	Uncollectible loans and receivables
<b>Current Period</b>			
Balance at the end of the period	424	12,986	299,946
Specific provision (ç)	85	12,986	299,946
Net balance on balance sheet	339	-	-
<b>Prior Period</b>			
Balance at the end of the period	2,687	9,173	299,365
Specific provision (ç)	537	9,173	299,365
Net balance on balance sheet	2,150	-	-

Non-performing foreign currency denominated loans are followed in TL accounts.

*Loan customer concentration of non-performing loans*

	Group III	Group IV	Group V
	Loans and receivables with limited collectibility	Loans and receivables with doubtful collectibility	Uncollectible loans and receivables
<b>Current Period (Net)</b>			
Consumer and Commercial Loans (Gross)	94,076	183,323	1,877,323
Specific Provision (ç)	70,752	183,323	1,877,323
Consumer and Commercial Loans (Net)	23,324	-	-
Banks (Gross)	-	-	1,551
Specific Provision (ç)	-	-	1,551
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	124	1,388	33,641
Specific Provision (ç)	25	1,388	33,641
Other Loans and Receivables (Net)	99	-	-
<b>Prior Period (Net)</b>			
Consumer and Commercial Loans (Gross)	91,167	214,723	1,920,998
Specific Provision (ç)	66,714	214,723	1,920,998
Consumer and Commercial Loans (Net)	24,453	-	-
Banks (Gross)	-	-	1,551
Specific Provision (ç)	-	-	1,551
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	215	3,899	33,163
Specific Provision (ç)	43	3,899	33,163
Other Loans and Receivables (Net)	172	-	-

## 6. Information on held-to-maturity investments

## Held-to-maturity debt securities issued by the governments

	Current Period		Prior Period	
	TL	FC	TL	FC
Government Bonds	3,498,500	-	2,911,012	-
Treasury Bills	-	-	-	-
Other Securities Issued by the Government	-	1,294,149	-	1,358,592
<b>Total</b>	<b>3,498,500</b>	<b>1,294,149</b>	<b>2,911,012</b>	<b>1,358,592</b>

## Information on heldto-maturity investment securities

	Current Period	Prior Period
Debt Securities	4,847,222	4,336,674
Quoted at Stock Exchanges	4,817,921	4,299,582
Unquoted at Stock Exchanges	29,301	37,092
Impairment Losses (-)	25,272	29,978
<b>Total</b>	<b>4,821,950</b>	<b>4,306,696</b>

## The movementable of the held-to-maturity investments

	Current Period	Prior Period
Balances at the beginning of the period	4,306,696	3,498,473
Foreign currency differences on monetary assets	1,094	43,968
Purchases during the period	1,487,709	2,276,240
Disposals through sales/redemptions	(947,517)	(1,515,414)
Impairment losses	4,706	(17,166)
Change in amortized costs of the securities	(30,738)	20,595
<b>Balances at the end of the period</b>	<b>4,821,950</b>	<b>4,306,696</b>

(\*) Differences in the amortized costs of the marketable securities included in this column.

In the current period, the Bank reclassified certain investment securities that were previously classified in available-for-sale portfolio with total face value of TL390,000 to its heldto-maturity investment securities portfolio at their fair values of TL458,149 as at their reclassification dates. These securities are classified as held-to-maturity investment securities. The value increases of such securities amounting TL2,670 are recorded under equity and will be amortized through the statement of income until their maturities.

The Bank reclassified certain investment securities that were previously classified in available-for-sale portfolio with total face value of TL 2,205,476 to its heldto-maturity investment securities portfolio at their fair values of TL2,166,451 as at their reclassification dates, in 2010. These reclassifications are classified as held-to-maturity investment securities. The value increases of such securities amounting TL (4,842) are recorded under equity and will be amortized through the statement of income until their maturities.

Information on held-to-maturity investments

Current Period	Cost		Carrying Value	
	TL	FC	TL	FC
Collateralized/blocked investment securities	200,065	29,260	200,994	29,301
Investments subject to repurchase agreement	2,352,570	955,692	2,421,113	971,592
Held for structural position	-	-	-	-
Receivable from security borrowing markets	-	-	-	-
Collateral for security borrowing markets	-	-	-	-
Others <sup>(*)</sup>	867,478	328,774	876,393	322,557
<b>Total</b>	<b>3,420,113</b>	<b>1,313,726</b>	<b>3,498,500</b>	<b>1,323,450</b>

Prior Period	Cost		Carrying Value	
	TL	FC	TL	FC
Collateralized/blocked investment securities	401,847	37,080	405,031	37,092
Investments subject to repurchase agreement	1,267,246	914,794	1,321,006	930,042
Held for structural position	-	-	-	-
Receivable from security borrowing markets	-	-	-	-
Collateral for security borrowing markets	-	-	-	-
Others <sup>(*)</sup>	1,145,838	425,748	1,184,975	428,550
<b>Total</b>	<b>2,814,931</b>	<b>1,377,622</b>	<b>2,911,012</b>	<b>1,395,684</b>

<sup>(\*)</sup> The securities held as free that are not subject to collateral/blockage or other transactions are presented in the  
 3 2 W K line V

7. Information on investments in associates

Information on investments in associates

Associate	Address (City/ Country)	B D Q N ¶ V If Different, Voting Rights (%)	% D Q N ¶ V Group Share (%)
1	. Ö E U Ö V 9 DN Ö I O D U % D Q N D V Ö / W Lefkosa/NCTR	15.00	15.00
2	9 DN Ö I 0 H Q N X O . Ö \ P H W O H U < D W ø V W D Q E X C	11.75	21.77
3	9 DN Ö I * D \ U L P H Q N X O Ö < D U W Ö U Ö P ø V W D Q E X C	27.63	29.47
4	5 R N H W V D Q 5 R N H W 6 D Q D \ L Y H 7 Ankara/Turkey	10.00	10.00
5	7 • U N L \ H 6 Ö Q D L . D O N Ö Q P D % D Q ø V W D Q E X C	8.38	8.38
6	% D Q N D O D U D U D V Ö . D U W 0 H U N H ] ø V W D Q E X C	9.70	9.70
7	. U H G L . D \ Ö W % • U R V X \$ ù İstanbul/Turkey	9.09	9.09
8	* • o E L U O L ÷ L ¶ R O G L Q J \$ ù ø ] P L U 7 X U	0.07	0.07
9	ø ] P L U ( Q W H U Q D V \ R Q H O 2 W H O F L ø V W D Q E X C	5.00	5.00
10	ø 0 . % 7 D N D V Y H 6 D N Ö D P D % D Q N ø V W D Q E X C	4.86	5.28
11	: R U O G 9 DN Ö I 8 % % / W G / H I N R ú D . .	82.00	85.24
12	. U H G L * D U D Q W L ) R Q X \$ ù Ankara/Turkey	1.67	1.67

	Total Assets	Equity	Tangible Assets	Interest Income	Income on Securities Portfolio	Current Period Profit/Loss	Prior Period Profit/Loss	& R P S D C Fair Value
1	652,219	56,923	8,070	12,946	2,233	1,766	2,204	-
2	16,370	15,354	105	87	108	(152)	297	16,579
3	87,074	83,434	76,541	85	243	781	1,228	67,456
4	1,057,634	201,550	167,191	16,033	-	41,658	14,153	-
5	8,362,560	1,398,521	26,758	230,193	232,036	227,755	260,898	1,868,838
6	21,011	15,865	6,737	912	-	1,465	1,067	-
7	45,045	19,875	2,517	778	-	4,175	2,638	-
8	116,426	24,879	146	294	-	(9,203)	(8,289)	-
9	106,501	46,382	100,443	-	-	(351)	(806)	-
10	1,504,735	297,695	10,750	31,641	7,624	28,048	37,528	-
11	2,453	(24,727)	-	-	-	(829)	(480)	-
12	140,922	135,790	3,090	900	-	2,685	2,120	-

(\*) The financial statements as at and for the year ended 31 December 2010 are presented

Movement table of investments in associates

	Current Period	Prior Period
Balance at the beginning of the period	206,682	142,008
Movements during the period	(116)	64,674
Transfers	-	-
Acquisitions and capital increases	-	-
Bonus shares received	9,486	10,477
Income/loss from investments under equity accounting	-	-
Sales and liquidations	-	-
Fair value changes	(9,602)	54,197
Impairment losses	-	-
Balance at the end of the period	206,566	206,682
Capital commitments	2,000	2,000
Share percentage at the end of the period (%)	-	-

The name of World VDNÖI 2II 6KRUH %DQNLQJ /WG D VXEVLGLDU\ R  
 9DNÖI 8%% /WG RQ )HEUXDU\ 3XUVXDQW WR WKH 0I  
 of Board of Directors of Central Bank of Turkish Republic of Northern Cyprus, the  
 DXWKRULVDWLRQ RI :RUOG 9DNÖI 8%% /WG RSHUDWLQJ LQ  
 7th and 9th articles of 41/2008 numbered Law of International Banking Units. According to 24 May  
 2010 dated decision of the Nicosia Local Court, No 19DNÖI 8%% /WG ZLOO EH OL  
 Company Registrar is appointed to carry out liquidation process to loss of control over Company,  
 :RUOG 9DNÖI 8%% /WG KQYHEVMRQH QMFO DQ VDVVRFLDWHV '

As per the resolution of the Board of Directors of the Bank dated 3 April 2008, it has been decided to work on disposal process of Roketsan Roket Sanayi AŞ ("Roketsan"), that the Bank owns 10% shares representing TL 14,600 nominal shares of its capital of TL 146,000 to the third parties or other shareholders of Roketsan.

#### Sectoral distribution of investments associates

	Current Period	Prior Period
Banks	172,578	172,051
Insurance companies	-	-
Factoring companies	-	-
Leasing companies	-	-
Finance companies	-	-
Other associates	26,394	27,037
<b>Total</b>	<b>198,972</b>	<b>199,088</b>

#### Quoted associates

	Current Period	Prior Period
Quoted at domestic stock exchanges	177,866	178,758
Quoted at international stock exchanges	-	-
<b>Total</b>	<b>177,866</b>	<b>178,758</b>



Investments in associates disposed during the period

There is not any associate disposed in the current period

Investments in associates acquired during the period

At the current period 7•UNL\H 6ÖQDL .DONÖQPD %DQNDVÖ \$ù s PaQ DVVR  
in capital from TL 700,000 to TL 00,000 in the current period. The share of the Bank amounting to TL  
8,378 is presented in the movement table of investments in associates as bonus shares received.

\$W WKH FXUHQW SHULRG 9DNÖI, anDasscipleÖ NEKBank, DmeÖsedÖP 2 U  
paid-in capital from TL 600,000 to TL 22,000 in the current period. The share of the Bank amounting to  
TL 332 is presented in the movement table of investments in associates as bonus shares received.

At current period, subsequent to the approval of this side to increase the paid capital of  
%DQNDODU \$uad Vasösocialöw the Bank, from TL 6,000 to TL 14,000, by the General  
Assembly of the Company, the share of the Bank amounting to TL 776 is presented in the movement  
table of investments in associates as bonus shares received.

In 2010 7•UNL\H 6ÖQDL .DONÖQPD %DQNDVÖ \$ù DQ-inöCapital FL DV  
from TL 600,000 to TL 00,000. The share of the Bank amounting to TL 8,377 is presented in the  
movement table of investments in associates as bonus shares received

.ÖEUÖV 9DNÖIODU %DQNDVÖ /WG DQ DivöCapitalöw TL 20,000 TL H %  
TL 40,000 in the current period. The share of the Bank amounting to TL 2,100 is presented in the  
movement table of investments in associates as bonus shares received.

## 8. Information on investments in subsidiaries

## Information on investments in subsidiaries

Subsidiary	Address (City / Country)	% D Q N ¶ V ±6   If Different, Voting Rights (%)	% D Q N ¶ V 5 L V Share (%)
1 *•QHú 6LJŖUWD \$ù	Istanbul/Turkey	36.35	36.35
2 9DNÖI (PHNÖLOLN \$ù	ø V W D Q E X C	53.90	75.30
3 9DNÖI (QHUML YH) 0DGHQFLOLN	Ankara/Turkey	65.50	84.92
4 7DNVLP 2WHÖFLOLN \$ù	ø V W D Q E X C	51.00	51.52
5 9DNÖI )LQDQV )DFWRULQJ +L]P	ø V W D Q E X C	78.39	86.97
6 9DNÖI )LQDQVDO .LUDODPD \$ù	ø V W D Q E X C	58.71	64.40
7 9DNÖI 3D]DUODPD YH 7LFDUHW	ø V W D Q E X C	68.55	73.95
8 VDNÖI <DWÖUÖP 0HQNXO 'H÷HL	ø V W D Q E X C	99.00	99.44
9 9DNÖI 6LVWHP 3D]DUODPD <D]I	Ankara/Turkey	73.00	79.85
10 9DNÖI *D\ULPHQNXO 'H÷HUOHP	Ankara/Turkey	54.29	58.54
11 9DNÖI ,QWHUQDWLRQDO \$*	Vienna/Austria	90.00	90.00
12 9DNÖI 3RUWI \ < QHWLPL \$ù	ø V W D Q E X C	99.99	99.99

	Total Assets	Equity	Tangible Assets	Interest Income	Income on Securities Portfolio	Current Period Profit/(Loss)	Prior Period Profit/(Loss)	& R P S D Q Fair Value
1	1,091,652	170,263	53,823	11,513	-	(65,520)	(34,640)	312,591
2	1,190,918	107,994	24,319	19,941	31,177	7,483	17,690	194,500
3	8,806	8,679	1,062	317	1	(51)	(351)	12,500
4	210,771	205,294	90,755	7,904	(17)	(2,441)	(1,916)	212,968
5	569,352	77,268	468	11,209	-	2,656	3,697	70,000
6	575,589	86,127	3,512	36,242	56	17,442	30,395	124,829
7	46,219	9,184	204	718	-	1,001	564	-
8	98,007	53,937	352	1,657	105	1,630	1,330	55,298
9	14,686	7,826	421	867	38	862	869	12,000
10	16,079	11,902	410	788	65	5,147	3,884	32,000
11	1,093,660	156,884	1,515	31,075	8,133	9,301	(10,491)	166,683
12	6,309	4,922	9	89	7	322	376	19,621

(\*) The financial statements as at and for the yearended 31 December 2010 are presented

## Movement table of investments in subsidiaries

	Current Period	Prior Period
Balance at the beginning of the period	688,501	546,249
Movements during the period	(9,283)	142,252
Transfers	-	-
Acquisitions and capital increases	-	42,320
Bonus shares received	14,678	-
Dividends from current year profit	-	-
Sales and liquidations	-	-
Fair value changes	(23,961)	113,467
Impairment losses	-	(13,535)
Balance at the end of the period	679,218	688,501
Capital commitments	-	-
Share percentage at the end of the period (%)	-	-

As per the resolution of the Board of Directors of the Bank on 22 August 2006, it is decided to merge 9DNÖI 'HQLJ )LQDQVDO .LUDODPD \$ü DQIG accordance with the QVD 35HJXODWLRQ RQ (VWDEOLVKPHQW DQG DQSHULQWQFQV & RIPS temporary 1 clause and 4 sub-clause, permission IRU RSHUDWLRQV RI 9DNÖI 'HQLJ was revoked on 25 June 2009. The application for the merger of 9DNÖI )LQDQVDO .LUDODPD 'HQLJ )LQDQVDO .LUDODPD by Capital Market Board. As a result, activities regarding the merger were stopped. 7KHUHXS RQ WKH UHJLVWHUHG QDPH RI \$ü was FKDQJHG DV 9DNÖI 3D]DUODPD YH 7LFDUHLW tSRSRQ 6 decision dated 25 March 2010, all rights and obligations arising from 3226 numbered Leasing Law continue until the termination of the existing leasing contracts of the Company

Methods to measure investments in subsidiaries

	Current Period	Prior Period
Measured at cost	-	-
Measured at fair value	679,218	688,501
Equity method of accounting	-	-
<b>Total</b>	<b>679,218</b>	<b>688,501</b>

Sectoral distribution of investments in subsidiaries

	Current Period	Prior Period
Banks	150,015	150,015
Insurance companies	208,207	214,617
Factoring companies	50,368	50,368
Leasing companies	73,287	64,965
Finance companies	-	-
Other financial subsidiaries	56,896	67,996
<b>Total</b>	<b>538,773</b>	<b>547,961</b>

Quoted subsidiaries

	Current Period	Prior Period
Quoted at domestic stock exchanges	186,914	183,064
Quoted at international stock exchanges	-	-
<b>Total</b>	<b>186,914</b>	<b>183,064</b>

Investments in subsidiaries disposed during the period

As per 17 June 2010 dated resolution of the Board of Directors, it is decided to sell 51% share in Taksim Otelcilik, a subsidiary of the Bank, to domestic or foreign investors and to execute necessary procedures including assignment of a consultant.

Investments in subsidiaries acquired during the period

, Q FXUUHQW SHULRG 9DNÖI )LQDQVDO, increased its Paid Capital V X E from TL 25,000 to TL 50,000. The share of the Bank amounting to TL 14,678 is presented in the movement table of investments in subsidiaries as bonus shares received.

In 2010, 9DNÖI , QWHUQDWLRQDO \$ \*increased its Paid Capital from EUR 20,000,000 (full EUR) to EUR 45,000,000 (full EUR). The increased amount of EUR 25,000,000 (full EUR) was fully paid in cash. The Bank utilized its preemptive right of EUR 22,500,000 (full EUR) and TL equivalent of the related amount TL 42,320, is presented as acquisitions and capital increases in the movement table of investments in subsidiaries.

9. Investments in joint-ventures

None

10. Information on finance lease receivables (net)  
None
11. Information on hedging purpose derivatives  
Positive differences on derivative financial instruments held for risk management purposes  
None.
12. Information on investment properties  
None.

13. Information on deferred tax assets

As at 31 March 2011 and 31 December 2010, items generating deferred tax assets or liabilities are listed below:

	Current period	Prior Period
Deferred tax assets:	114,916	122,478
Provision for employee termination benefits and unused vacations	43,789	43,307
Other provisions	24,537	23,572
Valuation difference for associates and subsidiaries	23,456	23,456
BRSA - Tax Code depreciation differences	17,312	16,986
Valuation differences of financial assets and liabilities	4,155	13,582
Others	1,667	1,575
Deferred tax liabilities:	(32,040)	(35,244)
Valuation differences of financial assets and liabilities	(16,181)	(17,525)
Valuation difference for associates and subsidiaries	(15,859)	(17,719)
Deferred tax assets, net	82,876	87,234

14. Information on assets held for sale and assets related to discontinued operations

None.

15. Information on other assets

As at 31 March 2011 and 31 December 2010 other assets are as follows:

	Current period	Prior Period
Prepaid expenses	412,849	292,504
Receivables from credit card payments	375,310	323,581
Receivables from term sale of assets	93,619	87,974
Receivables from lawsuit expenses	56,500	37,763
Receivables from derivative financial instruments	38,124	52,062
Others	66,321	41,971
Total	1,042,723	835,855

The bank has recorded specific provisions amounting to TL 51,937 (31 December 2010: TL 48,480) for TL 52,548 (31 December 2010: TL 48,926) lawsuit and court expenses undertaken due to loans and advances under follow up loans of total TL 56,500 lawsuit and court expenses.

## II. Information and disclosures related to liabilities

## 1. Information on maturity profile of deposits

Current Period	Demand	7 Days Notice	Up to 1 Month	1-3 Months	3-6 Months	6-12 Months	1 Year and Over	Accumulating Deposit Accounts	Total
Saving Deposits	1,582,321	-	715,478	10,280,144	366,058	19,508	46,136	-	13,009,645
Foreign Currency Deposits	1,047,507	-	1,892,275	5,778,762	496,675	231,036	1,291,857	-	10,738,112
Residents in Turkey	997,213	-	1,847,193	5,689,456	493,944	227,069	1,276,426	-	10,531,301
Residents in Abroad	50,294	-	45,082	89,306	2,731	3,967	15,431	-	206,811
Public Sector Deposits	2,315,646	-	1,189,445	4,242,633	615,498	11,804	8,572	-	8,383,598
Commercial Deposits	939,062	-	2,427,671	4,821,988	425,766	2,143	1,504	-	8,618,134
Others	1,530,064	-	410,227	1,434,400	721,801	9,467	20,196	-	4,126,244
Precious Metal Deposits	-	-	-	-	-	-	-	-	-
Bank Deposits	19,946	-	1,482,402	1,267,734	123,504	882,333	-	-	3,775,919
Central Bank	94	-	-	-	-	-	-	-	94
Domestic Banks	4,569	-	1,433,073	915,395	107,313	153,065	-	-	2,613,415
Foreign Banks	6,657	-	49,329	352,339	16,191	729,268	-	-	1,153,784
Participation Banks	8,620	-	-	-	-	-	-	-	8,620
Others	6	-	-	-	-	-	-	-	6
Total	7,434,546	-	8,117,498	27,825,750	2,749,302	1,156,291	1,368,265	-	48,651,652

Prior Period	Demand	7 Days Notice	Up to 1 Month	1-3 Months	3-6 Months	6-12 Months	1 Year and Over	Accumulating Deposit Accounts	Total
Saving Deposits	1,460,236	-	1,235,236	9,402,828	245,339	25,332	44,923	-	12,413,894
Foreign Currency Deposits	1,084,338	-	1,811,841	6,776,456	657,405	124,493	1,265,409	-	11,719,942
Residents in Turkey	1,059,716	-	1,759,213	6,694,013	653,615	120,478	1,253,375	-	11,540,410
Residents in Abroad	24,622	-	52,628	82,443	3,790	4,015	12,034	-	179,532
Public Sector Deposits	2,100,660	-	971,257	3,174,130	635,535	10,981	8,260	-	6,900,823
Commercial Deposits	1,099,948	-	2,467,484	6,028,136	553,073	471	1,589	-	10,150,701
Others	1,521,494	-	758,990	1,898,088	293,835	9,048	19,725	-	4,501,180
Precious Metal Deposits	-	-	-	-	-	-	-	-	-
Bank Deposits	10,200	-	660,412	889,135	33,427	421,561	-	-	2,014,735
Central Bank	123	-	-	-	-	-	-	-	123
Domestic Banks	1,801	-	578,270	384,135	33,427	150,133	-	-	1,147,766
Foreign Banks	3,090	-	82,142	505,000	-	271,428	-	-	861,660
Participation Banks	5,128	-	-	-	-	-	-	-	5,128
Others	58	-	-	-	-	-	-	-	58
Total	7,276,876	-	7,905,220	28,168,773	2,418,614	591,886	1,339,906	-	47,701,275

Information on saving deposits insured by Saving Deposit Insurance Fund and the total amounts of the deposits exceeding the insurance coverage limit

	Covered by Deposit Insurance Fund		Exceeding the Deposit Insurance Limit	
	Current Period	Prior Period	Current Period	Prior Period
Saving Deposits	5,920,534	5,664,532	7,089,111	6,749,362
Foreign Currency Saving Deposits	1,346,634	1,378,766	2,951,052	2,759,321
Other Saving Deposits	-	-	-	-
Off-Shore Deposits Under Foreign Insurance Coverage	-	-	-	-
Total	7,267,168	7,043,298	10,040,163	9,508,683

## Saving deposits out of insurance coverage limits

	Current Period	Prior Period
Deposits and other accounts at foreign branches	3,952	6,604
Deposits and other accounts, which belong to controlling shareholders, their parents, wives/husbands, and children	-	-
Deposits and other accounts which belong to Board of Director members, chairman, general manager, his/her assistants, their parents, wives/husbands, and children	2,293	3,486
Deposits and other accounts under scope of TCC law 5237 article no 282, dated 26/6	-	-
Deposits in Deposit Banks of Turkey, which are solely established for off-shore banking	-	-

## 2. Information on derivative financial liabilities held for trading purpose

## Negative differences related to the derivative financial liabilities held for trading purpose

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	521	602	845	94
Swap Transactions	12,859	31,038	20,297	80,716
Futures	-	-	-	-
Options	598	1,730	95	1,320
Others	-	-	-	-
Total	13,978	33,370	21,237	82,130

## 3. Information on banks and other financial institutions

	Current Period		Prior Period	
	TL	FC	TL	FC
Central Bank of Turkey	-	-	-	-
Domestic Bank and Institutions	57,200	228,017	51,292	213,965
Foreign Banks, Institutions and Funds	-	6,329,470	-	6,062,137
Total	57,200	6,557,487	51,292	6,276,102

## Maturity information of funds borrowed

	Current period		Prior period	
	TL	FC	TL	FC
Short-term <sup>(*)</sup>	54,860	3,723,306	38,861	3,375,423
Medium and Long term <sup>(*)</sup>	2,340	2,834,181	12,431	2,900,679
Total	57,200	6,557,487	51,292	6,276,102

(\*) Maturity profile of funds borrowed is prepared in accordance to their original maturities.

Funds borrowed comprise syndication and securitization loans bearing various interest rates and maturities and account for 9.8% (31 December 2010: 9.8%) of the total funding sources of the Bank.

On 24 March 2010 the Bank obtained a syndication loan at the amount of US Dollar 170 million and Euro 566.5 million with interest rates of US Libor + 1.50% and Euribor + 1.50% with the participation of 33 banks under the coordination of West LB AG and repaid loan on 29 March 2011.

This loan renewed with a new syndicated loan at the amount of US Dollar 192.5 million and Euro 573.5 million with interest rates of US Libor + 1.10% and Euribor + 1.10% with one year maturity which obtained from the consortium of the 34 bank under the coordination of West LB AG and agency of ING Bank N.V.

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the account, if the account exceeds 10% of total liabilities and equity excluding off-balance sheet commitments

Other external resources payable in the financials does not exceed 10% of total liabilities and equity.

5. Information on lease payables (net)

Obligations under finance leases

None.

6. Information on derivative financial liabilities held for risk management purpose

Negative fair values of hedging purpose derivatives

None.

7. Information on provisions

Information on general provisions

	Current Period	Prior period
Provisions for loans and receivables in Group I	376,616	350,017
Provisions for loans and receivables in Group II	40,158	40,852
Provisions for non-cash loans	39,146	35,922
Others	1,369	1,085
<b>Total</b>	<b>457,289</b>	<b>427,876</b>

Provision for currency exchange loss on foreign currency indexed loans

	Current Period	Prior period
Provision for currency exchange gain/loss on foreign currency indexed I	4,054	835

The Bank recorded provision for foreign exchange losses on principal amounts of foreign currency indexed loans amounting to TL 4,054 (31 December 2010: TL 835) and reflected the related foreign exchange loss amount in the financial statements by offsetting from related loans

Provisions for non-cash loans that are not indemnified or convertible to cash

	Current Period	Prior Period
Non-cash loans with limited collectability	509	233
Non-cash loans with doubtful collectability	1,018	3,636
Uncollectible non-cash loans	87,759	88,379
<b>Total</b>	<b>89,286</b>	<b>92,248</b>

Information on other provisions

As at 31.12.2011, Bank has recognized provision for loans under follow-up amounting to 3% (31 December 2010: 3%) and the related amount TL 68,555 (31 December 2010: TL 65,428 TL) accounted provision account for various risk under other provisions enclosed in financial statements.

Information on other provisions exceeding 10% of total provisions

	Current Period	Prior period
Specific provisions for non-cash loans	89,286	92,248
Provision for loans under follow-up	68,555	65,428
Provision for cheques	16,937	15,226
3 URYLVLRQ IRU :RUOG 9DNÖI 8 % % /WG ZI	20,276	19,680
Provisions for lawsuits against the Bank	14,673	14,673
Provisions for credit card promotions	8,335	7,873
Other provisions	5,199	5,199
<b>Total</b>	<b>223,261</b>	<b>220,327</b>



8. Taxation

Current taxes

*Tax provision*

As at 31 March 2011 corporate taxes payable is amounted to 361,460 (31 December 2010: TL 296,978) and the corporate tax liability remains after deduction of taxes paid in advance is amounted to TL 64,382 (31 December 2010: TL 112,811)

*Information on taxes payable*

	Current Period	Prior Period
Corporate taxes payable	64,382	112,811
Taxation on securities	92,056	38,770
Capital gains tax on property	1,172	1,031
Banking and insurance transaction tax (BITT)	19,372	22,201
Taxes on foreign exchange transactions	-	-
Value added tax payable	1,067	1,160
Others	29,542	14,391
<b>Total</b>	<b>207,591</b>	<b>190,364</b>

*Information on premiums payable*

	Current Period	Prior Period
Social security premiums employee share	-	-
Social security premiums employer share	-	-
Bank pension fund premiums employee share	-	-
Bank pension fund premiums employer share	-	-
Pension fund membership fees and provisions employee share	-	-
Pension fund membership fees and provisions employer share	-	-
Unemployment insurance employee share	551	367
Unemployment insurance employer share	1,101	735
Others	-	-
<b>Total</b>	<b>1,652</b>	<b>1,102</b>

*Information on deferred tax liabilities*

Disclosed in Note 13 of information and disclosures related to assets.

9. Information on payables for assets held for resale and tangible assets related to discounted activities

None.

10. Information on subordinated loans

None.

11. Information on equity

Paid-in capital

	Current Period	Prior Period
Common Stock	2,500,000	2,500,000
Preferred Stock	-	-

Paid-in capital of the Bank amounted to TL 2,500,000 is divided into groups comprised of 43.0% Group (A), 15.0% Group (B), 16.2% Group (C) and 25.2% Group (D).

Directorate of the Foundation (Group A), three members representing Group (A), one member representing Group (B), and two members representing Group (C); among the nominees shown by the majority of each group, and one member among the nominees offered by the shareholders at the General Assembly are selected. Preference of Group (D) is primarily taken into account in the selection of the last mentioned member.

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

Capital System	Paid-in Capital	Ceiling per Registered Share Capital
Registered capital system	2,500,000	5,000,000

The registered capital ceiling was increased from TL 1,300,000 to TL 5,000,000 as per the resolution no. 74202 dated 16 February 2006 by the Board of Directors.

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

There is no share capital increase in the current and prior period.

Information on share capital increases from revaluation funds

None.

Capital commitments for current financial year and following period

None.

**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.

Information on the privileges given to stocks representing the capital

None.

Valuation differences of the marketable securities

	Current Period		Prior Period	
	TL	FC	TL	FC
Associates, subsidiaries and joint ventures	301,800	56,310	334,023	56,310
Fair value differences of available-for-sale securities	59,840	126,450	124,540	184,808
Foreign exchange differences	6,980	-	6,980	-
Total	368,620	182,760	465,543	241,118

## III. Information and disclosures related to offbalance sheet items

## 1. Disclosures related to other contingent liabilities

## Type and amount of irrevocable commitments

	Current Period	Prior period
Commitments for credit card limits	5,197,339	4,880,798
Loan granting commitments	3,616,464	3,679,208
Asset purchase/sale commitments	1,740,380	904,825
Commitments for cheque payments	667,723	655,194
Share capital commitments to associates and subsidiaries	2,000	2,000
<b>Total</b>	<b>11,223,906</b>	<b>10,122,025</b>

## Type and amount of possible losses from offbalance sheet items including those referred to below

*Guarantees, bills of exchange and acceptances and other letters of credit which can be counted as financial collateral*

The Bank provided specific provisions amounting to TL91,321 (31 December 2010: TL 93,180) for unliquidated non-cash loans recorded under offbalance sheet items, amounting to TL80,286 (31 December 2010: TL 92,248).

*Final guarantees, provisional guarantees, sureties and similar transactions*

	Current Period	Prior Period
Provisional letters of guarantee	521,863	627,236
Final letters of guarantee	3,569,263	3,480,369
Letters of guarantee for advances	1,288,745	1,215,050
Letters of guarantee given to custom offices	219,318	215,578
Other letters of guarantee	2,901,428	2,690,927
<b>Total</b>	<b>8,500,617</b>	<b>8,229,160</b>

## 2. Non-cash loans

	Current Period	Prior Period
Non-cash loans given for cash loan risks	237,860	309,128
With original maturity of 1 year or less	119,067	197,708
With original maturity of more than 1 year	118,793	111,420
Other non-cash loans	11,514,674	11,035,532
<b>Total</b>	<b>11,752,534</b>	<b>11,344,660</b>

## 3. Sectoral risk concentrations of noncash loans

	Current Period				Prior Period			
	TL	%	FC	%	TL	%	FC	%
Agricultural	36,890	0.54	181,608	3.68	34,489	0.54	168,629	3.46
Farming and Cattle	32,920	0.48	176,790	3.59	30,764	0.48	154,865	3.17
Forestry	3,191	0.05	-	-	3,252	0.05	3,250	0.07
Fishing	779	0.01	4,818	0.09	473	0.01	10,514	0.22
Manufacturing	2,982,868	43.71	2,501,057	50.74	2,913,650	45.06	2,585,483	52.99
Mining	36,878	0.54	153,679	3.12	37,315	0.58	177,128	3.63
Production	2,015,055	29.53	1,840,448	37.34	1,974,922	30.54	1,762,739	36.13
Electric, gas and water	930,935	13.64	506,930	10.28	901,413	13.94	645,616	13.23
Construction	1,010,331	14.81	833,810	16.92	1,082,641	16.74	730,552	14.98
Services	2,135,439	31.30	378,170	7.67	1,893,805	29.29	404,005	8.28
Wholesale and retail trade	750,443	11.00	181,066	3.67	721,816	11.16	179,191	3.67
Hotel, food and beverage services	42,129	0.62	4,067	0.08	42,105	0.65	7,510	0.15
Transportation and telecommunication	225,458	3.30	138,790	2.82	204,053	3.16	185,871	3.81
Financial institutions	1,038,459	15.22	33,592	0.68	888,134	13.73	17,834	0.37
Real estate and renting services	16,817	0.25	-	-	2,008	0.03	-	-
Self-employment services	-	-	-	-	-	-	-	-
Education services	5,100	0.07	1,346	0.03	4,925	0.08	-	-
Health and social services	57,033	0.84	19,309	0.39	30,764	0.48	13,599	0.28
Others	657,718	9.64	1,034,643	20.99	541,753	8.37	989,653	20.29
<b>Total</b>	<b>6,823,246</b>	<b>100.00</b>	<b>4,929,288</b>	<b>100.00</b>	<b>6,466,338</b>	<b>100.00</b>	<b>4,878,322</b>	<b>100.00</b>

## 4. Information on the first and second group of noncash loans

Current Period	Group I		Group II	
	TL	FC	TL	FC
Letters of Guarantee	6,683,379	1,611,342	91,142	26,494
Confirmed Bills of Exchange and Acceptances	12,562	162,949	-	4,653
Letters of Credit	7,660	3,023,822	-	31,979
Endorsements	-	-	-	-
Purchase Guarantees for Securities Issued	-	-	-	-
Factoring Guarantees	-	-	-	-
Other Guarantees and Sureties	-	5,231	-	-
<b>Non-Cash Loans</b>	<b>6,703,601</b>	<b>4,803,344</b>	<b>91,142</b>	<b>63,126</b>

  

Prior Period	Group I		Group II	
	TL	FC	TL	FC
Letters of Guarantee	6,337,267	1,695,245	87,838	18,993
Confirmed Bills of Exchange and Acceptances	8,587	168,833	-	17,070
Letters of Credit	3,750	2,907,360	-	171
Endorsements	-	-	-	-
Purchase Guarantees for Securities Issued	-	-	-	-
Factoring Guarantees	-	-	-	-
Other Guarantees and Sureties	-	6,366	-	-
<b>Non-Cash Loans</b>	<b>6,349,604</b>	<b>4,777,804</b>	<b>87,838</b>	<b>36,234</b>

5. Contingent assets and liabilities

None

6. Services rendered on behalf of third parties

The Bank acts as an investment agent for banking transactions on behalf of its customers and provides custody services. Such transactions are followed under debit and credit sheet accounts.

7 K H % D Q N ¶ V F X V W R G \ Transactions for behalf of individuals and corporate customers does not present a material portion.

## IV. Information on disclosures related to the statement of income

## 1. Interest income

## Information on interest income received from loans

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-term Loans	289,555	25,180	306,673	47,826
Medium and Long Term Loans	593,874	112,978	556,301	79,304
Loans Under Follow Up	31,386	-	23,695	-
Premiums Received from Resource Utilization Support Fi	-	-	-	-
<b>Total</b>	<b>914,815</b>	<b>138,158</b>	<b>886,669</b>	<b>127,130</b>

## Information on interest income received from banks

	Current Period		Prior Period	
	TL	FC	TL	FC
Central Bank of Turkey	-	-	-	-
Domestic Banks	345	408	725	251
Foreign Banks	39	1,053	61	544
Foreign Head Office and Branches	-	-	-	-
<b>Total</b>	<b>384</b>	<b>1,461</b>	<b>786</b>	<b>795</b>

## Information on interest income received from associates and subsidiaries

	Current Period	Prior Period
Interest Received from Associates and Subsidiaries	5,374	11,492

## 2. Interest expense

## Interest expense on funds borrowed

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks	1,037	24,804	1,106	16,593
Central Bank of Turkey	-	-	-	-
Domestic Banks	1,037	434	1,106	626
Foreign Banks	-	24,370	-	15,967
Foreign Head Offices and Branches	-	-	-	-
Other Institutions	-	1,570	-	634
<b>Total</b>	<b>1,037</b>	<b>26,374</b>	<b>1,106</b>	<b>17,227</b>

## Interest expense paid to associates and subsidiaries

	Current Period	Prior Period
Interest Paid to Associates and Subsidiaries	8,051	6,993

## Interest expense on securities issued

None.

## 3. Information on trading income/losses

	Current Period	Prior Period
Income	312,344	196,780
Income from capital market transactions	27,551	37,467
Income from derivative financial instruments	120,676	37,302
Foreign exchange gains	164,117	122,011
Losses	(274,390)	(147,263)
Losses from capital market transactions	(3,981)	(356)
Losses from derivative financial instruments	(109,778)	(34,420)
Foreign exchange losses	(160,631)	(112,487)
Trading income/losses, net	37,954	49,517

Net loss arising from changes in foreign exchange rate based derivative financial instruments was amounted to TL 40,433 as at and for the three-month period ended 31 March 2011 (31 March 2010: net loss of TL 7,454).

## 4. Information on other operating income

	Current Period	Prior Period
Income from reversal of the impairment losses	172,917	68,485
Communication income	20,471	18,577
Gain on sale of assets	32,787	3,207
Lease income	1,166	1,236
Other income	8,454	14,943
Total	235,795	106,448

## 5. Provision expenses for losses on loans and other receivables

	Current Period	Prior Period
Specific provisions on loans and other receivables	94,038	138,463
Loans and receivables in Group III	22,630	34,738
Loans and receivables in Group IV	51,936	-
Loans and receivables in Group V	19,472	103,725
Non-performing commissions and other receivables	-	-
General provision expenses	28,831	7,008
Provision for possible losses	3,127	-
Impairment losses on securities:	20,153	7,564
Trading securities	-	-
Investment securities available-for-sale	20,153	7,564
Other impairment losses:	9,272	20,723
Associates	-	-
Subsidiaries	-	13,535
Joint ventures	-	-
Investment securities held-to-maturity	9,272	7,188
Others <sup>(*)</sup>	26,652	33,613
Total	182,073	207,371

(\*) Other provision expenses amounting to TL 26,652 (31 March 2010: TL 33,613) is comprised of provision expenses for dividends to the personnel amounting to TL 1,450 (31 March 2010: TL 15,433), provision for non-cash loans that are not indemnified or converted into cash and provision for cheques amounting to TL 4,541 (31 March 2010: TL 17,785) and other provision expenses amounting to TL 661 (31 March 2010: TL 395).

## 6. Information on other operating expenses

	Current Period	Prior Period
Personnel Costs	191,707	161,983
Reserve for Employee Termination Benefits	2,407	7,071
Deficit Provision for Pension Funds	-	-
Impairment Losses on Tangible Assets	-	-
Depreciation Expenses on Tangible Assets	24,406	24,368
Impairment Losses on Intangible Assets	-	-
Amortization Expenses on Intangible Assets	2,253	1,755
Impairment Losses on Assets to be Disposed	1,112	735
Depreciation Expenses on Assets to be Disposed	2,807	2,672
Impairment Losses on Assets Held for Sale	-	-
Other Operating Expenses	182,555	151,646
<i>Operational lease expenses</i>	26,748	19,276
<i>Repair and maintenance expenses</i>	2,843	3,358
<i>Advertisement expenses</i>	1,957	3,354
<i>Other expenses</i>	151,007	125,658
Loss on sale of assets	267	116
Others	44,591	40,608
<b>Total</b>	<b>452,105</b>	<b>390,954</b>

## 7. Provision for taxes on income

Current period taxation benefit or charge and deferred tax benefit or charge

In the current period, the Bank recorded a tax charge of TL 78,942 (31 March 2010: TL 78,065) from the net taxable profit calculated in accordance with the laws and regulations in effect. Deferred tax benefit of the Bank is detailed in the below table.

Deferred tax charge arising from temporary differences, tax losses and unused tax credits

	Current Period	Prior Period
Sources of deferred tax benefit/charge		
Arising from Origination / (Reversal) of Deductible Temporary Differences	(7,561)	2,045
Arising from (Origination)/ Reversal of Taxable Temporary Differences	(6,601)	(97)
Arising from Origination / (Reversal) of Tax Losses	-	-
Arising from tax rate change	-	-
<b>Total</b>	<b>(14,162)</b>	<b>1,948</b>

## 8. Information on net profit and loss

*Any further explanation on operating results needed for a proper understanding of the Bank's performance*

None.

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 statement of income exceeding 10% of the group total, or 20% of the subaccounts belonging to this group

None.



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outstanding at period end and income and expenses in the current period

Current Period	Associates, Subsidiaries and Joint-Ventures		% D Q N ¶ V ' L U F 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	914,750	340,525	-	563	8,978	2,371
Balance at the end of the period	398,373	329,354	-	26,879	8,360	2,358
Interest and commission income	5,374	77	-	-	106	25

Prior Period	Associates, Subsidiaries and Joint-Ventures		% D Q N ¶ V ' L U F 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	579,792	402,370	-	549	9,587	4,122
Balance at the end of the period	914,750	340,525	-	563	8,978	2,371
Interest and commission income	11,492	89	-	-	130	40

Information on deposits held by the Bank's risk group

% D Q N ¶ V 5 L V N * U R X S	Associates, Subsidiaries and Joint-Ventures		% D Q N ¶ V ' L U F Indirect Shareholders		Other Components in Risk Group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Deposits						
Balance at the beginning of the period	731,751	623,235	581,885	917,223	54,423	56,210
Balance at the end of the period	523,686	731,751	663,855	581,885	59,490	54,423
Interest on deposits	8,051	6,993	8,331	13,051	107	139

Information on forwards, options and other derivative transactions held by the Bank's risk group

% D Q N ¶ V 5 L V N * U R X S	Associates, Subsidiaries and Joint-Ventures		% D Q N ¶ V ' L U F Indirect Shareholders		Other Components in Risk Group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Transactions held for trading purpose:						
Purchase balance at the beginning of the period	30,900	29,800	-	-	-	-
Sales balance at the beginning of the period	31,694	29,790	-	-	-	-
Purchase balance at the end of the period	-	30,900	-	-	-	-
Sales balance at the end of the period	-	31,694	-	-	-	-
Total Profit/ (Loss)	-	3	-	-	-	-

## 2. 'LVFORVXUHV RI WUDQVDFWLRQV ZLWK WKH %DQN¶V ULVN JU

Relations with entities in the risk group of or controlled by the Bank regardless of the nature of relationship among the parties

Transactions with the risk group are made on an arm's length basis, terms are set according to the market conditions and in compliance with the Banking Law.

In addition to the structure of the relationship, type of transaction, amount, and share in total transaction volume, amount of significant items, and share in all items, pricing policy and other

Pricing policy and other conditions of transactions with the risk group of the Bank, are determined and applied on arm's length basis. The ratio of cash and non-cash loans given to the Bank's risk group to total cash and non-cash loans are 0.87% (31 March 2010: 2.06%) and 3.05% (31 March 2010: 3.03%), respectively.

Current Period	Amount	Compared to financial statement amount (%)
Cash loans	406,733	0.87
Non-cash loans	358,591	3.05
Deposits	1,247,031	2.56
Forward and option agreements	-	-

Prior Period	Amount	Compared to financial statement amount (%)
Cash loans	923,728	2.06
Non-cash loans	343,459	3.03
Deposits	1,368,059	2.87
Forward and option agreements	62,594	0.90

## SECTION SIX

### Other Disclosures and Footnotes

#### I. 2WKHU GLVFORVXUHV RQ WKH %DQN¶V DFWLYLW\

- There were monetary losses amounting to TL 379,000 incurred in the 2001 financial year as a result of the inflation accounting applied in compliance with the Temporary article no. 4 added to the Banks Law no. 4389 through the Law no. 4743. The tax returns of 2002, 2003 and 2004 were submitted with a condition stating that such losses should have been deducted and the Bank may appeal to the tax court for the tax return. The Bank appealed to the tax court for the corporate tax return on 22 February 2007. Ankara 5<sup>th</sup> Tax court decided in favour of the Bank and TL 125,187 was transferred to the Bank's accounts on 5 September 2007. Related judgement was approved by 4. State Council in 2008. The referred to the judicial decision was upheld in 2010 by the Council of State.

3 7KH /DZ RQ WKH & ROOHFWLRQ RI 6 RPRQRFLYK PHQVE ÖQR 5 HFH on 20 February 2008 in Parliament and approved on 26 February 2008 by the President of the Turkish 5 HSXEOLF , Q DFFRUGDQF clause of the Wild Law. The tax authority would not insist on their claims with the banks which consider 65 percent of these losses in the determination of revenues for the year 2001 as previous year losses, and admit to correct taxable income for the subsequent years and declare that they abnegated from all of the claims to this matter in one month after this law came into effect. As per the 27 March 2008 dated resolution of the Board of Directors, the Bank management has taken no decision for any reconciliations for the point in dispute stated in the first paragraph above.

The related tax administration appealed to a higher court and the appeal was partially accepted by the State Council. Based on the decision of the State Council, the exercise of jurisdiction was renewed by the Ankara 5<sup>th</sup> Tax Court and the related case was partly revoked and partly declined. Consequently, the Bank has filed an appeal against the decision of the Ankara Tax Court, the decision was certified and mentioned decision was finalized by the acceptance in accordance with the decision of Ankara 5<sup>th</sup> Tax Court, the Bank paid TL 20,484 accrued by the tax office on 3 December 2009.

- In order to take advantages of banking opportunities in Republic of Iraq, Erbil started operations at 16 February 2011.
- As per the resolution of 57<sup>th</sup> Annual General Assembly held on 25 March 2011, it is decided to distribute the net profit of year 2010 as follows

Profit Distribution Table of Year 2010	
%DQN¶V XQFRQVROLGDWHG SURILW LQ LWV V	1,157,140
Deferred tax income	(13,315)
Net profit of the year subject to distribution	1,143,825
Legal reserves	114,382
<i>First Legal Reserves</i>	57,191
<i>Reserves allocated according to banking law and articles of association.</i>	57,191
Net profit of the year subject to distribution	1,029,442
Gain on sale of immovables and shares of associates and subsidiaries	2,531
Extraordinary reserves	992,598
Dividends to the shareholders	34,314

II. Summary i Q I R U P D W L R Q R Q W K H % D Q N ¶ V U n d e r w r i t i n g i n s t i t u t i o n u n d e r E \ L Q W H

February 2010 <sup>(*)</sup>	Standard Poors
Foreign Currency Credit Rating	BB / Positive / B
Foreign Currency Deposit Rating	BB / Positive/ B
National	trAA / -- / trA-1
Continuance Rating	BBB- / -- / --

October 2010 <sup>(*)</sup>	0 R R G \ ¶ V , Q Y H Service
Financial Strength Rating	D+
Local Currency Deposit Rating	Baa3 / P3
Local Currency Outlook	Stable
Foreign Currency Deposit Rating	Ba3 / NP
Foreign Currency Outlook	Positive

December 2010 <sup>(*)</sup>	Fitch Rating
Long Term Foreign Currency	BB+
Short Term Foreign Currency	B
Foreign Currency Outlook	Positive
Long Term Local Currency	BB+
Short Term Local Currency	B
Local Currency Outlook	Positive
National Long Term	AA+ (tur)
National Outlook	Stable
Individual	C/D
Support	3
Base Support Rating	BB+

November 2010 <sup>(*)</sup>	Capital Intelligence
Financial Strength Rate	BBB-
Short Term Foreign Currency	B
Long Term Foreign Currency	BB-
Support Rating	2
Outlook	Stable

(\*) Dates represent the last change dates of credit ratings and outlook.

III . Significant events and matters subsequent to balance sheet date that are not resulted

- In accordance with 21 April 2011 dated and 2011 QXPEHUG 33UHVV UHOHDVH UHTXLUHPHQW' RI & %7 SUHYLRXV IRUHLJQ FXUUHQF\ U for demand deposits, notice deposits, private current accounts, and participation accounts with up to one month, three months, six months and one year maturities, 11% for deposits/participation accounts with one year and longer maturity and cumulative deposits/participation accounts, 12% for other foreign currency liabilities up to one year maturity (including one year), 11.5% for other foreign currency liabilities up to three year maturity (including three year), 11% for other foreign currency liabilities with more than three year maturities. Turkish Lira required reserve rates for demand deposits, notice deposits and private current accounts, deposits/participation accounts up to one month maturity (including one month), have been increased from 15% to 16%.
- In accordance with the 20 provisional article of 73 article of the Social Security Act Nr. 5754, transferring bank and insurance pension funds to Social Security Institutions within three years has been decided and this period can be extended for two years by the Council of Ministers considering first paragraph of the Act. Three year period, expire on 8 May 2011, has extended to 8 May 2013 by the Council of Ministers published in Official Gazette on 9 April 2011.

IV . Significant foreign currency exchange rate fluctuations that are subsequent to balance sheet date  
None.

SECTION SEVEN

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- I. , QIRUPDWLRQ RQ WKH LQGSHSHQGHQW DXGLWRUV¶ UHYLHZ U  
7KH %DQN¶V X QFRQVWLGHQWAL Statements and footnotes as at and for the three month  
period ended 31 March 2011 have been reviewed E\ \$NLV %D÷ÖPVÖ] 'HQHWLP YH 6  
0DOL 0•úDY the Turkish member firm of KPMG International, a Swiss cooperative  
noted in the review report dated 0 May 2011 that nothing material has come to their attention that  
caused the to believe that the accompanying unconsolidated interim financial statements do not give a  
WUXH DQG IDLU YLHZ RI WKH %DQN¶V operations QFLDO SRVLWLRQ