

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

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Unconsolidated Interim Financial Report
As at and for the Period Ended
31 March 2012
With Independent Auditor's Review Report Thereon

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11 May 2012

This report contains "Independent Auditors' Review Report" comprising 1 page and; "Unconsolidated Interim Financial Statements and Related Disclosures and Footnotes" comprising 63 pages.

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

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V K D U H K R Ö a n d c a s h f l o w s f o r t h e t h r e e m o n t h p e r i o d t h e n e n d e d . T h e s e f i n a n c i a l s t a t e m e n t s
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a r e b a s e d o n t h e s e f i n a n c i a l s t a t e m e n t s a n d o n o u r r e v i e w

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 less assurance than an audit. We have not performed an audit, and accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated financial statements do not present fairly 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; the laws on accounting and financial reporting principles issued by the Banking Regulation and Supervision Board and explained by Banking Regulation and Supervision Agency.

Istanbul,
11 May 2012

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\$ Q R Q L P ü L U N H W L

Erdal 7 Ö N P D N
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/jurisdictions other than Turkey.

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UNCONSOLIDATED INTERIM FINANCIAL REPORT
AS AT AND FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2012

Address : /HYHQW 0DKDOOHVL +DFÖ \$GLO <ROX
dD\ÖU dLPHQ 6RNDN 1R /HYHQW %HúLNWDÜ
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Electronic web site : www.vakifbank.com.tr
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The unconsolidated interim financial report as at and for the three month period ended 31 March 2012, SUHSDUHG LQ DFFRUGDQFH ZLWK WKH FRPPXQLTXP RI)LQD Footnotes to be Announced to Public by Banks as regulated by Banking Regulation and Supervisory 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.

11 May 2012

Halil \$ < ' 2 ö \$ 1 Chairman of Board of Directors	Ali Fuat T \$ ü . (6 (1 / ø 2 ö / 8 + D O L P . \$ 1 \$ 7 d , Board Member and Audit Committee Member	6 • O H \ P D Q . \$ / . \$ 1 General Manager and Board Member
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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 Ö N W a n e r	6 % X ÷ U D 6 A s s i s t a n t M a n a g e r
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 Unconsolidated Interim Financial Report and
 For the Three Month Period Ended 31 March 2012

(Currency: Thousands of Turkish Lira 3 7 /)

SECTION ONE

General Information

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

7 • UNL \ H 9 D N Õ I O D U % D Q N D V Õ 7 • UN \$ Q R Q L P 2 U W D N O Õ ÷ Õ 3 W K H
 the disclosure V of this section, under the authorization of a special law numbered 6219,3 7 K H
 LDZ RI 7 • UNL \ H 9 D N Õ I O D U % D Q N D V Õ 7 • UN \$ Q R Q L P 2 U W D N O Õ ÷ Õ
 the authority granted to The General Directorate of the Foundations of Turkish Republic Prime Ministry
 3 7 K H * H Q H U D O ' L U H F W R U D 7 K H R % D Q N D V Õ R \ X Q Q V D X W L R Q M D V Q R W
 establishment

- II. 7 K H % D Q N ¶ V V s t r u c t u r e, K r a d a c e h e n t and internal audit, direct and indirect shareholders, change in shareholder structure during the period and information on % D Q N ¶ V U L V N J U R X S

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

As at 31 March 2012 and 31 December 2011, 7 K H % D Q N ¶ V U L V N J U R X S 2,500,000, divided into 250.000.000.000 shares with each has a nominal value of 10 TL

7 K H % D Q N ¶ V U L V N J U R X S at 31 March 2012 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)	1.075.058.640	1,075,059	43.00
9 D N Õ I E D Q N 0 H P X U Y H + L J P H V < D U G Õ P 6 D Q G Õ ÷ Õ 9 D N I Õ * L	402.552.666	402,553	16.10
Appendant foundations (Group B)	386.224.785	386,225	15.45
Other appendant foundations (Group B)	3.162.359	3,162	0.13
Other registered foundations (Group B)	1.448.543	1,448	0.06
Other real persons and legal entities (Group C)	1.560.320	1,560	0.06
Publicly traded (Group D)	629.992.687	629,993	25.20
Total	2.500.000.000	2,500,000	100.00

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
Board of Directors				
+ D O L O \$ < ' 2 ö \$ 1	Chairman	5 January 2012	University	35 years
Halim KANATCI	Deputy Chairman	28 April 2009	University	38 years
6 • O H \ P D Q . \$ / . \$ 1	Member ±General Manager	19 March 2010	University	29 years
Ahmet CANDAN	Member	19 March 2010	University	24 years
ø V P D L O \$ / 3 7 (. ø 1	Member	6 April 2009	University	13 years
5 D P D J D Q * h 1 ' h =	Member	6 April 2009	University	33 years
Dr. Adnan ERTEM	Member	27 October 2010	PHD	24 years
\$ O L) X D W 7 \$ ù . (6 (1 / €	Member	30 March 2012	University	24 years
6 D G Ö N 7 , / 7 \$.	Member	30 March 2012	University	24 years
Audit Committee				
+ D O L P . \$ 1 \$ 7 d ,	Member	5 November 2010	University	38 years
\$ O L) X D W 7 \$ ù . (6 (1 / €	Member	6 April 2012	University	24 years
Auditors				
0 H K P H W + \$ / 7 \$ ù	Auditor	19 March 2010	University	35 years
Yunus ARINCI	Auditor	19 March 2010	Master	15 years
Assistant Managers				
0 H K P H W & \$ 1 (Ş e h i ç ø 1 Executive Vice President)	Loans Followup, Directorates of the Regions	28 December 2007	Master	20 years
ù D K L Q 8 ö 8 5	Support Services	9 August 2004	University	26 years
) H \] L g = & \$ 1	Retail Banking, Consumer Loans, Corporate Salary Payments, Credit Cards, Card and Merchants Operations	20 September 2005	University	22 years
Metin Recep ZAFER	Accounting and Financial Affairs, Treasury and Foreign Operations, Banking Operation: Alternative Distribution Channels	13 June 2006	PHD	16 years
% L U J • O ' (1 / ø	International Relations and Investor Relations	15 June 2006	Master	18 years
g P H U (/ 0 \$ 6	Legal Services, Nonperforming Loans	5 January 2009	Master	9 years
ø E U D K L P % ø / * ø d	Corporate Banking, Corporate Centers, Corporate Loans	7 May 2010	University	20 years
Hasan ECESoy	Treasury, Investment Banking	18 June 2010	PHD	18 years
6 H U G D U 6 \$ 7 2 ö / 8	Private Banking, Subsidiaries	17 June 2010	PHD	16 years
\$ O L (Q J L Q (5 2 ö / 8	Application Development Departments, System Management, IT Operations ar Support IT Services Planning Department, IT Process Management and Compliance Directorate, Project Manageme Directorate, Information Security Directorate	18 August 2010	Master	15 years
Osman DEMREN	Commercial Banking, Cash Management Affairs, SME Banking	6 April 2011	University	21 years
0 L W D W ù \$ + ø 1	Human Resources, Planning ar Performance	11 April 2011	Master	22 years
< Ö O G Ö U Ö P (5 2 ö / 8	Commercial Loans, Intelligence	17 November 2011	University	19 years

\$V SHU -DQXDU\ GDWHG UHVROXWLRQ RI WKH %RDUG F
Chairman of the Board of Directors and Deputy Chairman Ahmet Candan has resigned this duty.

As per 30 March 2012 dated resolution of the Ordinary Meeting of the General Assembly Serdar
7XQoELOHN DQG 6HODKDWLQ 7RUADQ)KIDYH 7DHWLHVQHGR #00
71Ök have been assigned as Board Members.

\$V SHU \$SULO GDWHG UHVROXWLRQ RI WKH %RDUG RI
Deputy Chairman of the Board of Directors as aW WKH VDPH GDWH \$OL)XDW 7
assigned as a Member of Audit Committee.

mail Alptekin, Member of the Board, holds non-publicly traded share of the Bank amounting TL 59
and Assistant General Manager HUDO 0DQDJHU 0LWDW ùDKLQ KRGR amounting TL 24. WUD
The remaining members of the top management listed above do not hold any unquoted shares of the
Bank

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 RXWVWDQG Holding Qualified Shares on the Bank is R U J
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 HVWDEOLVKHG XQGHU WKH DXWKRULJDWLRQ
7•UNL\H 9DNÖIODU %DQNDVÖ 7•UN \$QRQLP 2UWDNOÖ÷Ö´ RG
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 for 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 2012, the Bank has 67 domestic, 3 foreign, in total 70 branches (31 December 2011: 677 domestic, 3 foreign, in total 680 branches). As at 31 March 2012, the Bank has 2,225 employees (31 December 2011: 12,222 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

As at 31 March 2012

and Related Disclosures and Footnotes

(Thousands of Turkish Lira (TL))

Originally Issued in Turkish, See Section 3 Note I

ASSETS		Notes	Reviewed Current Period 31 March 2012			Audited Prior Period 31 December 2011		
			TL	FC	Total	TL	FC	Total
I.	CASH AND BALANCES WITH THE CENTRAL BANK	V-I-1	4,694,342	5,456,531	10,150,873	2,069,286	5,067,834	7,137,120
II.	FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Net)	V-I-2	6,482	131,192	137,674	4,182	169,956	174,138
2.1	Financial assets held for trading purpose		6,482	131,192	137,674	4,182	169,956	174,138
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	6,482	131,192	137,674	4,182	169,956	174,138
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	8,163	2,006,314	2,014,477	4,217	2,125,373	2,129,590
IV.	RECEIVABLES FROM INTERBANK MONEY MARKETS		-	-	-	190,127	-	190,127
4.1	Interbank money market placements		-	-	-	-	-	-
4.2	Istanbul Stock Exchange money market placements		-	-	-	-	-	-
4.3	Receivable from reverse repurchase agreements		-	-	-	190,127	-	190,127
V.	AVAILABLE -FOR-SALE FINANCIAL ASSETS (Net)	V-I-4	10,633,536	2,530,097	13,163,633	10,424,851	2,714,136	13,138,987
5.1	Equity securities		-	10,750	10,750	-	10,750	10,750
5.2	Debt securities issued by the governments		10,633,536	2,486,821	13,120,357	10,424,851	2,653,693	13,078,544
5.3	Other securities		-	32,526	32,526	-	49,695	49,695
VI.	LOANS AND RECEIVABLES	V-I-5	42,543,906	17,739,800	60,283,706	39,030,377	18,278,856	57,309,233
6.1	Performing loans and receivables		42,447,566	17,739,800	60,187,366	38,921,756	18,278,856	57,200,612
6.1.1	Loans provided to risk group	V-V-1	118,920	92,749	211,669	163,266	134,729	297,995
6.1.2	Debt securities issued by the governments		-	-	-	-	-	-
6.1.3	Others		42,328,646	17,647,051	59,975,700	38,758,486	18,144,127	56,902,616
6.2	Loans under followup		2,185,077	-	2,185,077	2,156,876	-	2,156,876
6.3	Specific provisions-}		2,088,740	-	2,088,740	2,048,257	-	2,048,257
VII.	FACTORING RECEIVABLES		-	-	-	-	-	-
VIII.	HELD -TO-MATURITY INVESTMENT SECURITIES (Net)	V-I-6	4,296,307	1,526,991	5,823,298	4,343,224	1,628,303	5,971,527
8.1	Debt securities issued by the governments		4,296,307	1,475,446	5,771,753	4,343,224	1,573,727	5,916,951
8.2	Other securities		-	51,543	51,543	-	54,576	54,576
IX.	INVESTMENTS IN ASSOCIATES (Net)	V-I-7	309,464	-	309,464	219,527	-	219,527
9.1	Associates, consolidated per equity method		-	-	-	-	-	-
9.2	Unconsolidated associates		309,464	-	309,464	219,527	-	219,527
9.2.1	Financial associates		301,870	-	301,870	211,933	-	211,933
9.2.2	Non-Financial associates		7,594	-	7,594	7,594	-	7,594
X.	INVESTMENTS IN SUBSIDIARIES (Net)	V-I-8	526,088	150,015	676,103	494,983	150,015	644,998
10.1	Unconsolidated financial subsidiaries		386,567	150,015	536,582	354,648	150,015	504,663
10.2	Unconsolidated nonfinancial subsidiaries		139,521	-	139,521	140,335	-	140,335
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)		1,098,526	2,557	1,101,083	1,090,688	2,894	1,093,582
XV.	INTANGIBLE ASSETS (Net)		64,253	166	64,419	61,999	176	62,175
15.1	Goodwill		-	-	-	-	-	-
15.2	Other intangibles		64,253	166	64,419	61,999	176	62,175
XVI.	INVESTMENT PROPERTIES (Net)	V-I-12	-	-	-	-	-	-
XVII.	TAX ASSETS		71,223	-	71,223	131,153	-	131,153
17.1	Current tax assets		-	-	-	-	-	-
17.2	Deferred tax assets	V-I-13	71,223	-	71,223	131,153	-	131,153
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	735,054	118,786	853,840	871,492	110,816	982,308
TOTAL ASSETS			64,987,343	29,662,446	94,649,789	58,936,106	30,248,360	89,184,466

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

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Unconsolidated Balance Sheet (Statement of Financial Position)
As at 31 March 2012
(Thousands of Turkish Lira (TL))

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

LIABILITIES AND EQUITY		Notes	Reviewed Current Period 31 March 2012			Audited Prior Period 31 December 2011		
			TL	FC	Total	TL	FC	Total
I.	DEPOSITS	V-II -1	46,261,51€	19,345,26€	65,606,78€	43,215,81€	17,723,40€	60,939,21€
1.1	Deposits of the risk group	V-V-1	1,288,24€	942,23€	2,230,47€	1,248,15€	658,00€	1,906,16€
1.2	Other deposits		44,973,27€	18,403,03€	63,376,30€	41,967,65€	17,065,40€	59,033,05€
II.	DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING PURPOSE	V-II -2	6,153	117,29€	123,44€	4,37€	337,99€	342,37€
III.	FUNDS BORROWED	V-II -3	92,061	5,961,62€	6,053,68€	75,254	8,162,05€	8,237,30€
IV.	INTERBANK MONEY MARKET		4,573,86€	3,661,59€	8,235,461	2,978,53€	2,961,104	5,939,637
4.1	Interbank money market takings		-	-	-	-	-	-
4.2	Istanbul Stock Exchange money market takings		-	-	-	-	-	-
4.3	Obligations under repurchase agreements		4,573,86€	3,661,59€	8,235,461	2,978,53€	2,961,104	5,939,637
V.	SECURITIES ISSUED (Net)		966,914	-	966,914	494,885	-	494,885
5.1	Bills		966,914	-	966,914	494,885	-	494,885
5.2	Asset backed securities		-	-	-	-	-	-
5.3	Bonds		-	-	-	-	-	-
VI.	FUNDS		38,872	-	38,872	40,699	-	40,699
6.1	Funds against borrower's note		-	-	-	-	-	-
6.2	Others		38,872	-	38,872	40,699	-	40,699
VII.	MISCELLANEOUS PAYABLES		1,670,621	178,830	1,849,451	1,808,24€	69,014	1,877,26€
VIII.	OTHER EXTERNAL RESOURCES PAYABLE	V-II -4	188,095	252,582	440,677	150,590	454,116	604,706
IX.	FACTORING PAYABLES		-	-	-	-	-	-
X.	LEASE PAYABLES	V-II -5	-	-	-	-	-	-
10.1	Finance lease payables		-	-	-	-	-	-
10.2	Operational lease payables		-	-	-	-	-	-
10.3	Others		-	-	-	-	-	-
10.4	Deferred finance leasing expenses (-)		-	-	-	-	-	-
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	1,187,72€	28,514	1,216,23€	1,253,79€	29,660	1,283,45€
12.1	General provisions	V-II -7	728,059	2,523	730,582	668,297	2,883	671,180
12.2	Restructuring reserves		-	-	-	-	-	-
12.3	Reserve for employee benefits		310,156	-	310,156	389,807	-	389,807
12.4	Insurance technical provisions (Net)		-	-	-	-	-	-
12.5	Other provisions	V-II -7	149,510	25,991	175,501	195,694	26,777	222,471
XIII.	TAX LIABILITIES	V-II -8	247,603	1,879	249,482	124,710	1,804	126,514
13.1	Current tax liabilities		247,603	1,879	249,482	124,710	1,804	126,514
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		9,659,094	209,680	9,868,774	9,129,28	169,187	9,298,40€
16.1	Paid-in capital	V-II -11	2,500,00€	-	2,500,00€	2,500,00€	-	2,500,00€
16.2	Capital reserves		1,063,52€	209,680	1,273,20€	882,917	169,187	1,052,104
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	231,232	209,680	440,912	84,117	169,187	253,304
16.2.4	Revaluation surplus on tangible assets		41,061	-	41,061	7,564	-	7,564
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		67,318	-	67,318	67,318	-	67,318
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		5,675,804	-	5,675,804	4,519,51€	-	4,519,56€
16.3.1	Legal reserves		710,624	-	710,624	590,498	-	590,498
16.3.2	Status reserves		-	-	-	-	-	-
16.3.3	Extraordinary reserves		4,699,751	-	4,699,751	3,689,11€	-	3,689,11€
16.3.4	Other profit reserves		265,429	-	265,429	239,905	-	239,905
16.4	Profit or loss		419,761	-	419,761	1,226,78€	-	1,226,78€
16.4.1	Prior years' profit/loss		-	-	-	-	-	-
16.4.2	Current period's profit/loss		419,761	-	419,761	1,226,78€	-	1,226,78€
TOTAL LIABILITIES AND EQUITY			64,892,52€	29,757,29	94,649,79€	59,276,12€	29,908,341	89,184,46€

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

Unconsolidated Off-Balance Sheet Items
For the Three Month Period Ended 31 March 2012
(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 2012			Audited Prior Period 31 December 2011			
		Notes	TL	FC	Total	TL	FC	Total
A.	OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I+II+III)		40,577,528	30,926,862	71,504,390	39,880,044	33,288,485	73,168,529
I.	GUARANTEES AND SURETIES	V-III -2	9,186,742	7,111,637	16,298,379	9,018,742	6,645,287	15,664,029
1.1	Letters of guarantee	V-III -1	9,164,138	2,149,467	11,313,605	8,988,954	2,083,802	11,072,756
1.1.1	Guarantees subject to State Tender Law		1,413,520	868,583	2,282,103	1,421,940	735,091	2,157,031
1.1.2	Guarantees given for foreign trade operations		329,227	-	329,227	323,046	-	323,046
1.1.3	Other letters of guarantee		7,421,391	1,280,884	8,702,275	7,243,968	1,348,711	8,592,679
1.2	Bank acceptances		22,604	785,007	807,611	29,056	454,538	483,594
1.2.1	Import letter of acceptance		375	45,660	46,035	375	40,122	40,497
1.2.2	Other bank acceptances		22,229	739,347	761,576	28,681	414,416	443,097
1.3	Letters of credit		-	4,172,022	4,172,023	732	4,098,668	4,099,400
1.3.1	Documentary letters of credit		-	4,172,022	4,172,023	732	4,098,668	4,099,400
1.3.2	Other letters of credit		-	-	-	-	-	-
1.4	Guaranteed financings		-	3,983	3,983	-	6,941	6,941
1.5	Endorsements		-	-	-	-	-	-
1.5.1	Endorsements to the Central Bank of Turkey		-	-	-	-	-	-
1.5.2	Other endorsements		-	-	-	-	-	-
1.6	Marketable securities underlying commitments		-	-	-	-	-	-
1.7	Factoring related guarantees		-	-	-	-	-	-
1.8	Other guarantees		-	1,101	1,101	-	1,166	1,166
1.9	Other sureties		-	56	56	-	172	172
II.	COMMITMENTS		27,561,828	16,010,194	43,572,022	26,604,769	17,950,010	44,554,779
2.1	Irrevocable commitments		10,459,123	605,532	11,064,655	10,761,185	888,178	11,649,363
2.1.1	Asset purchase commitments	V-III -1	194,619	596,130	790,749	768,919	857,919	1,626,838
2.1.2	Deposit purchase and sales commitments		-	-	-	-	-	-
2.1.3	Share capital commitments to associates and subsidiaries	V-III -1	1,000	-	1,000	1,000	-	1,000
2.1.4	Loan granting commitments	V-III -1	4,261,983	-	4,261,983	4,574,348	-	4,574,348
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	1,086,562	-	1,086,562	829,640	-	829,640
2.1.8	Tax and fund obligations on export commitments		-	-	-	-	-	-
2.1.9	Commitments for credit card limits	V-III -1	4,666,910	-	4,666,910	4,322,604	-	4,322,604
2.1.10	Commitments for credit card and banking operations promotions		229,405	-	229,405	246,030	-	246,030
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		18,644	9,402	28,046	18,644	30,259	48,903
2.2	Revocable commitments		17,102,705	15,404,662	32,507,367	15,843,584	17,061,832	32,905,416
2.2.1	Revocable loan granting commitments		17,102,705	15,404,662	32,507,367	15,843,584	17,061,832	32,905,416
2.2.2	Other revocable commitments		-	-	-	-	-	-
III.	DERIVATIVE FINANCIAL INSTRUMENTS		3,828,958	7,805,031	11,633,989	4,256,533	8,693,188	12,949,721
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		3,828,958	7,805,031	11,633,989	4,256,533	8,693,188	12,949,721
3.2.1	Forward foreign currency purchases/sales		256,115	864,457	1,120,572	241,499	730,482	971,981
3.2.1.1	Forward foreign currency purchases		128,104	432,265	560,369	120,798	365,252	486,050
3.2.2.2	Forward foreign currency sales		128,011	432,192	560,203	120,701	365,230	485,931
3.2.2	Currency and interest rate swaps		3,403,017	6,216,482	9,619,499	3,895,134	7,304,219	11,199,353
3.2.2.1	Currency swap purchases		2,326,119	1,729,194	4,055,313	2,939,954	2,126,335	5,066,289
3.2.2.2	Currency swap sales		1,076,898	2,291,360	3,368,258	955,180	3,515,768	4,470,948
3.2.2.3	Interest rate swap purchases		-	1,103,596	1,103,596	-	837,023	837,023
3.2.2.4	Interest rate swap sales		-	1,092,332	1,092,332	-	825,093	825,093
3.2.3	Currency, interest rate and security options		169,826	191,277	361,103	119,900	127,332	247,232
3.2.3.1	Currency call options		84,912	95,635	180,547	95,950	63,666	123,616
3.2.3.2	Currency put options		84,914	95,642	180,556	59,950	63,666	123,616
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		-	532,815	532,815	-	531,155	531,155
B.	CUSTODY AND PLEDGED ITEMS (IV+V+VI)		400,593,761	131,254,761	531,848,522	357,053,294	124,320,048	481,373,342
IV.	ITEMS HELD IN CUSTODY		125,875,324	1,742,282	127,617,606	124,012,854	1,965,815	125,978,669
4.1	Customers' securities held		-	17,265	17,265	-	18,287	18,287
4.2	Investment securities held in custody		120,782,680	21,957	120,804,637	119,736,673	8,216	119,744,889
4.3	Checks received for collection		3,799,864	478,445	4,278,309	3,205,549	488,732	3,694,281
4.4	Commercial notes received for collection		837,211	168,953	1,006,164	679,477	175,092	854,569
4.5	Other assets received for collection		2,152	71	2,223	2,152	75	2,227
4.6	Assets received through public offering		-	5,216	5,216	-	5,570	5,570
4.7	Other items under custody		309	771,531	771,840	309	919,351	919,660
4.8	Custodians		453,108	278,844	731,952	388,694	350,492	739,186
V.	PLEDGED ITEMS		96,447,706	36,453,125	132,900,831	80,054,062	33,316,757	113,370,819
5.1	Securities		172,083	34,396	206,479	152,464	36,226	188,690
5.2	Guarantee notes		433,996	113,188	547,184	370,412	106,362	476,774
5.3	Commodities		15,402,115	555,624	15,957,739	13,878,556	551,059	14,429,615
5.4	Warranties		-	-	-	-	-	-
5.5	Real estates		75,285,881	28,518,511	103,804,394	61,440,934	25,435,504	86,876,438
5.6	Other pledged items		4,636,374	7,171,612	11,807,986	3,818,024	7,124,427	10,942,496
5.7	Pledged items depository		517,257	59,792	577,049	393,672	63,134	456,806
VI.	CONFIRMED BILLS OF EXCHANGE AND SURETIES		178,270,731	93,059,354	271,330,085	152,986,378	89,037,476	242,023,854
TOTAL OFF -BALANCE SHEET ITEMS (A+ B)			441,171,285	162,181,621	603,352,912	396,933,338	157,608,533	554,541,871

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

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Unconsolidated OfBalance Sheet Items
For theThreeMonth Period Ended 31 March 2012
(Thousands of Turkish Lira (TL))

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

Unconsolidated Statement of Income
For the Three Month Period Ended 31 March 2012
(Thousands of Turkish Lira (TL))

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

	Notes	Reviewed Current Period 31 March 2012	Reviewed Prior Period 31 March 2011
I. INTEREST INCOME		2,074,328	1,427,820
1.1 Interest income from loans	V-IV-1	1,577,292	1,052,973
1.2 Interest income from reserve deposits		-	-
1.3 Interest income from banks	V-IV-1	1,179	1,845
1.4 Interest income from money market transactions		1,159	2,079
1.5 Interest income from securities portfolio		451,704	341,511
1.5.1 Trading financial assets		-	-
1.5.2 Financial assets designated at fair value through profit or loss		-	-
1.5.3 Available-for-sale financial assets		306,965	247,121
1.5.4 Held-to-maturity investments		144,739	94,390
1.6 Finance lease income		-	-
1.7 Other interest income		42,994	29,412
II. INTEREST EXPENSE		1,252,720	727,356
2.1 Interest expense on deposits		1,051,625	584,145
2.2 Interest expense on funds borrowed	V-IV-2	37,410	27,411
2.3 Interest expense on money market transactions		106,374	92,606
2.4 Interest expense on securities issued		19,968	-
2.5 Other interest expenses		37,343	23,194
III. NET INTEREST INCOME (I – II)		821,608	700,464
IV. NET FEES AND COMMISSIONS INCOME		89,415	117,931
4.1 Fees and commissions received		148,803	153,696
4.1.1 Non-cash loans		22,002	15,230
4.1.2 Others		126,801	138,466
4.2 Fees and commissions paid		59,388	35,765
4.2.1 Non-cash loans		60	37
4.2.2 Others		59,328	35,728
V. DIVIDEND INCOME		55,403	44,329
VI. TRADING INCOME/LOSSES (Net)	V-IV-3	107,237	37,954
6.1 Trading account income/losses	V-IV-3	15,047	23,570
6.2 Income/losses from derivative financial instruments	V-IV-3	38,689	10,898
6.3 Foreign exchange gains/losses	V-IV-3	53,501	3,486
VII. OTHER OPERATING INCOME	V-IV-4	223,186	235,795
VIII. TOTAL OPERATING PROFIT (III+IV+V+VI+VII)		1,296,840	1,136,473
IX. PROVISION FOR LOSSES ON LOANS AND OTHER RECEIVABLES (-)	V-IV-5	260,615	182,073
X. OTHER OPERATING EXPENSES (-)	V-IV-6	511,077	452,105
XI. NET OPERATING PROFIT/LOSS (VIII-IX-X)		525,157	502,295
XII. INCOME RESULTED FROM MERGERS		-	-
XIII. INCOME/LOSS FROM INVESTMENTS UNDER EQUITY ACCOUNTING		-	-
XIV. GAIN/LOSS ON NET MONETARY POSITION		-	-
XV. INCOME/LOSS FROM CONTINUING OPERATIONS BEFORE TAXES (XI+XII+XIII+XIV)		525,157	502,295
XVI. CONTINUING OPERATIONS PROVISION FOR TAXES	V-IV-7	(105,396)	(93,104)
16.1 Current tax charges	V-IV-7	(66,127)	(78,942)
16.2 Deferred tax credits	V-IV-7	(39,269)	(14,162)
XVII. NET INCOME/LOSS AFTER TAXES FROM CONTINUING OPERATIONS (XV-XVI)	V-IV-8	419,761	409,191
XVIII. INCOME FROM DISCONTINUED OPERATIONS		-	-
18.1 Income from investment properties		-	-
18.2 Income from sales of subsidiaries, affiliates and joint-ventures		-	-
18.3 Other income from discontinued activities		-	-
XIX. EXPENSES FROM DISCONTINUED OPERATIONS		-	-
19.1 Investment property expenses		-	-
19.2 Losses from sales of subsidiaries, affiliates and joint ventures		-	-
19.3 Other expenses from discontinued activities		-	-
XX. INCOME/LOSS FROM DISCONTINUED OPERATIONS BEFORE TAXES		-	-
XXI. DISCONTINUED OPERATIONS PROVISION FOR TAXES		-	-
21.1 Current tax charge		-	-
21.2 Deferred tax charge		-	-
XXII. NET INCOME/LOSS AFTER TAXES FROM DISCONTINUED OPERATIONS		-	-
XXIII. NET PROFIT/LOSS (XVII+XXII)	V-IV-8	419,761	409,191
Earnings per 100 share (full TL)		0.1679	0.1637

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 2012 *Originally Issued in Turkish, See Section 3 Note I*
 (Thousands of Turkish Lira (TL))

		Reviewed Current Period 31 March 2012	Reviewed Prior Period 31 March 2011
GAINS AND LOSSES RECOGNIZED IN EQUITY			
I.	VALUATION DIFFERENCES OF AVAILABLE FOR SALE FINANCIAL ASSETS RECOGNIZED IN VALUATION DIFFERENCES OF MARKETABLE SECURITIES	137,841	(145,971)
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	88,138	(33,339)
IX.	DEFERRED TAXES DUE TO VALUATION DIFFERENCES	(38,371)	24,267
X.	1 (7 * \$, 16 / 266 (6 5 (& 2 * 1, = (' ', 5 (& 7 / < , 1 (4 8 , 7 < , , , « , ;	187,608	(155,043)
XI.	& 8 5 5 (1 7 3 (5 , 2 ' ¶ 6 3 5 2) , 7 / 2 6 6	419,768	409,191
11.1	Change in fair value of securities (transfers to the statement of income)	323	61,751
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 foreign investment hedges	-	-
11.4	Others	419,445	347,440
XII.	TOTAL GAINS AND LOSSES RECOGNIZED DURING THE PERIOD (X+XI)	607,366	254,148

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 2012
 (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 and Intangible Assets and Investment Property	Revaluation Surplus of Associates and Joint Ventures	Bonus Shares	Share of Associates	Hedging Reserves	Revaluation Surp. On Asset and Assets Held for Sale	6 K D U H K I Equity before Minority Interest	Minority Interest	Total 6 K D U H K F Equity	
I. PRIOR PERIOD 31 March 2011																						
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 ¶ V 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 U H Q W S H U L R G ¶ 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		-	-	-	-	-	-	-	-	(34,314)	-	-	-	-	-	-	-	-	(34,314)	-	-	(34,314)
18.2 Transferred to reserves		-	-	-	-	114,382	-	992,598	13,315	(1,122,826)	-	-	2,531	-	-	-	-	-	-	-	-	-
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
I. CURRENT PERIOD 31 March 2012																						
Balances at the beginning of the period		2,500,000	-	723,918	-	590,498	-	3,689,113	239,905	1,226,785	-	253,304	7,564	67,318	-	-	-	-	9,298,405	-	-	9,298,405
Changes during the period																						
II. Mergers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Associates, Subsidiaries and "Available-for-sale" securities		-	-	-	-	-	-	-	-	-	-	187,608	-	-	-	-	-	-	187,608	-	-	187,608
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 ¶ V 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 U H Q W S H U L R G ¶ V Q H W S		-	-	-	-	-	-	-	-	419,761	-	-	-	-	-	-	-	-	419,761	-	-	419,761
XVIII. Profit distribution		-	-	-	-	120,126	-	1,010,638	25,524	(1,226,785)	-	-	33,497	-	-	-	-	-	(37,000)	-	-	(37,000)
18.1 Dividends	VI-1	-	-	-	-	-	-	-	-	(37,000)	-	-	-	-	-	-	-	-	(37,000)	-	-	(37,000)
18.2 Transferred to reserves	VI-1	-	-	-	-	120,126	-	1,010,638	25,524	(1,189,785)	-	-	33,497	-	-	-	-	-	-	-	-	-
18.3 Others		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances at the end of the period		2,500,000	-	723,918	-	710,624	-	4,699,751	265,429	419,761	-	440,912	41,061	67,318	-	-	-	-	9,868,774	-	-	9,868,774

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

Unconsolidated Statement of Cash Flows
For the Three Month Period Ended 31 March 2012
(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 2012	Reviewed Prior Period 31 March 2011
A. CASH FLOWS FROM BANKING OPERATIONS		
1.1 Operating profit before changes in operating assets and liabilities	535,366	377,408
1.1.1 Interests received	1,948,942	1,494,846
1.1.2 Interests paid	(1,188,064)	(713,690)
1.1.3 Dividends received	4,613	2,257
1.1.4 Fee and commissions received	89,415	117,931
1.1.5 Other income	36,166	43,616
1.1.6 Collections from previously written off loans and other receivables	114,429	122,150
1.1.7 Payments to personnel and service suppliers	(576,297)	(499,548)
1.1.8 Taxes paid	(12,369)	(112,911)
1.1.9 Others	118,531	(77,243)
1.2 Changes in operating assets and liabilities	1,365,189	(141,695)
1.2.1 Net (increase) decrease in financial assets held for trading purpose	-	-
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	(257,374)	(3,007)
1.2.4 Net (increase) decrease in loans	(3,052,089)	(2,139,854)
1.2.5 Net (increase) decrease in other assets	146,355	(188,732)
1.2.6 Net increase (decrease) in bank deposits	(816,077)	1,877,821
1.2.7 Net increase (decrease) in other deposits	5,428,030	(942,607)
1.2.8 Net increase (decrease) in funds borrowed	(2,186,341)	284,275
1.2.9 Net increase (decrease) in matured payables	-	-
1.2.10 Net increase (decrease) in other liabilities	2,102,685	970,409
I. Net cash flow from banking operations	1,900,555	235,713
B. CASH FLOWS FROM INVESTING ACTIVITIES		
II. Net cash flow from investing activities	76,432	585,392
2.1 Cash paid for purchase of associates, subsidiaries and ventures	-	-
2.2 Proceeds from disposal of associates, subsidiaries and ventures	-	-
2.3 Purchases of tangible assets	(13,360)	(32,238)
2.4 Proceeds from disposal of tangible assets	18,136	78,977
2.5 Cash paid for purchase of available-for-sale financial assets	(582,086)	(1,368,499)
2.6 Proceeds from disposal of available-for-sale financial assets	632,549	992,741
2.7 Cash paid for purchase of held-to-maturity investments	(51,475)	(29,560)
2.8 Proceeds from disposal of held-to-maturity investments	77,071	947,517
2.9 Others	(4,403)	(3,546)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
III. Net cash flow from financing activities	472,060	-
3.1 Cash obtained from funds borrowed and securities issued	950,439	-
3.2 Cash used for repayment of funds borrowed and securities issued	(478,379)	-
3.3 Equity instruments issued	-	-
3.4 Dividends paid	-	-
3.5 Repayments for finance leases	-	-
3.6 Others	-	-
IV. Effect of change in foreign exchange rates on cash and cash equivalents	2,261	4,997
V. Net increase in cash and cash equivalents	2,451,308	826,102
VI. Cash and cash equivalents at the beginning of the period	4,933,906	6,387,454
VII. Cash and cash equivalents at the end of the period	7,385,214	7,213,556

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

SECTION THREE

Accounting Policies

I. Basis of presentation

published on the Official Gazette no. 25983 dated 1 November 2005 and became effective, the Bank keeps its accounting records and prepares its unconsolidated financial statements and the related footnotes in accordance with the Turkish Accounting Standards (TASB) published by the Council of Ministers. In accordance with this additional temporary article of the decree, current regulations will prevail until related standards and regulations will be issued by the Board become effective.

Per decree no. 660 published on the Official Gazette dated 2 November 2011 and became effective, additional article no:1 of the 2499 numbered Law on establishment of TASB has been abrogated and replaced by the Council of Ministers. In accordance with this additional temporary article of the decree, current regulations will prevail until related standards and regulations will be issued by the Board become effective.

The accompanying consolidated 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 unconsolidated investments in associates and subsidiaries whose fair value can be reliably measured and assets available for sale which are presented on a fair value basis.

Additional paragraph for convenience translation to English

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

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

Strategy for the use of financial instruments

The Bank provides banking, private banking, foreign exchange operations, money market operations, investment security transactions, 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 equity 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 the keep the liquidity risk, interest rate risk, exchange rate risk, and credit risk within reasonable limits; while enhancing profitability and strengthening the

Investments in marketable securities and lending loans generate higher return than the rate of
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When bank placements are considered, they have short term maturity in terms of liquidity management
but earn lower return. The Bank takes positions 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 the 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 rate
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. Non-monetary foreign
currency items which are recorded at fair value are valued at historical foreign exchange rates. Foreign
exchange gain/loss amounts due to conversion of monetary items or collection or payments foreign
currency denominated transactions are recognized in income statement

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
GLIHHUHQFHV UHVXOWLQJ IURP XQUHDOLJHG JDLQV DQG O
PDUNHWDEOH VHFUXLWLHV 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 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
³WUDGLQJ SXUSRVH LQ DFFR\UJDQJ Instrümanları Kurulunca
Measurement.

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

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

Subsequently, the derivative transactions are measured at their fair values and the changes in fair value
are recorded. Q WKH EDODQFH VKHHW XQGHU ³GHULYDWLYH ILQD
³GHULYDWLYH ILQDQFLDO OLDELOLWLHV KHOG IRU WUDGLQJ
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 based 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 and commissions
paid or received and transaction costs. Transaction costs are additional costs that are directly related to
the acquisition, issuance or disposal of financial assets or liabilities.

In accordance with the related regulations, accrued interest income on non-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 or effective interest method depending on nature of fees and commission; incomes derived from agreements and asset purchases for third parties are recognized as income 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 assets or financial liabilities with another entity under conditions that are potentially favorable to the 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 sales 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 financial assets and the difference between their acquisition 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.

Held-to-maturity investments are measured at amortized cost using effective interest method after deducting impairments, if any. Interest earned on held-to-maturity investments is recognized as interest income

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 values and the discounted values are recorded in the statement of income. If the fair value of such assets, the realized gain or losses are recognized directly in the statement of income.

Purchase and sales of investment securities are recognized at the date of delivery.

Loans and receivables are the financial assets raised by the Bank 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 debtors.

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 fair value. 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 fair value. 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 financial asset or group of financial assets are adversely affected by an event that occurred 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 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 if 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. Government bonds and treasury bills sold to customers under repurchase agreements are classified 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.

Securities purchased under resale agreements are recorded on the balance sheet. Positive difference between the purchase and resale prices earned during the period.

X. Information on assets held for sale and discontinued operations

An asset that is classified as held for sale (or to be discarded fixed assets) is measured with its book value or cost deducted fair value, depending on the lower. An asset to be classified as held for sale, particular asset (or to be discarded fixed assets) should be similar to these types of assets and should be able to be sold immediately with commonly accepted terms and conditions. Asset should be marketed in line with its fair value. For selling probability to be high, relevant management level should plan the the sale and should finalize the plan by determining the buyers.

A discontinued operation is classified as the Bank. Information on discontinued operations is presented separately in consolidated income statement. At reporting date, the Bank does not have any discontinued operations.

XI. Information on goodwill and other intangible assets

Intangible assets are initially recorded at their costs in compliance with the TAS 36 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.

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 which 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 recognized in the income statement of the period.

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

There are no restrictions such as pledges, mortgages or any 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 accounting estimates that are expected to have an impact in the current or subsequent periods.

At each reporting date, the Bank evaluates whether there is objective evidence of impairment on its assets. If there is an objective evidence of impairment, in 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 obligation
XQGHU ILQDQFH OHDVHV DULVLQJ IURP WKH OHDVH FRQWU
account in the financial statements. In the determination of the related assets and liabilities, the lower of
the fair value of the leased asset and the present value of leasing payments is considered. Financial cost
of leasing agreements are expanded 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 financial lease is calculated in the same manner as tangible
assets.

Finance leasing activities as the lessor

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amounts comprising the principal amounts and interests. The interest, the difference between the total
RI UHQW DPRXQWV DQG WKH FRVW RI WKH IL[HG DVVHWV LV
DUH FROOHFWHG ILQDQFH OHDVH UHFHLYDEOHV' DFFRXQV
component is recorded at consolidated income statement as interest income.

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 on 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
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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 continually 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 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 2012 is TL 2,805 (full TL) (31 December 2011: TL 2,732 (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 2012 and 31 December 2011, the major actuarial assumptions used in the calculation of the total liability are as follows:

	Current Period	Prior Period
Discount Rate	3.78%	3.78%
Expected Rate of Salary/Limit Increase	5.00%	5.00%
Estimated Employee Turnover Rate	1.61%	1.61%

Other benefits to employees

The Bank has provided provision 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 BQN DUH WKH PHPEHUV RI 37•UNL\H 9DNÖIODU 0HPXU YH +L]PHWOLOHUL (PHNOL YH 6D÷OÖN <DUGÖP 6DQGÖ 1957 as per the temporary article 20 of the Social Security Law no. 506.

The first paragraph of the temporary article 20 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, was cancelled by the & R Q V W L W X W L R Q D O & R X U W ¶ V 0 D U F K G D W H G D Q G 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 V K H 6 R F L D O 6 H F X U L W \ / D 2 5 1 0 0 1 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 no. 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 8.00%

E , Q F R P H D Q G H [S H Q G L W X U H V L Q U H V S H F W W R I X Q G ¶ V L Q V discounted liability.

Law requires the transfer to be completed in three years beginning from 1 January 2008. The year period has expired on 8 May 2011; however, it has been extended to 8 May 2013 with the decision of Council of Ministers published in Official Gazette dated 9 April 2011.

At 19 June 2008, Cumhuriyet Halk Partisi, appealed to the Supreme Court for the execution and cancellation of various articles of the Law including the first paragraph of the provisional Article 20. The application has been refused in accordance with the decision taken in 30 March 2011 dated meeting of the Supreme Court.

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 obligations have been 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 LV LVVXHG DV SHELLAW KH \$U
As per the actuarial report dated February 2012 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 offices representatives are not subject to withholding tax. Except for the dividend payments to these institutions, the withholding tax rate on the dividend payments is 15%. In applying the withholding tax rates on dividend payments to the nonresident institutions and the individuals, the withholding tax rates covered in the related Double Tax Treaty Agreements are taken into account. Appropriation of the retained earnings to capital is not considered as profit distribution and therefore is not subject to withholding tax.

The 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, taxes 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 25 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 valuation differences resulting from the subsequent measurement of the items are recognized in the statement of income, then the related current and or deferred tax effects are also recognized in the VWDWHPHQW RI LQFRPH 2Q WKH RWKHU KDQG LI YEQUYXDWLFI WKHQ WKH UHODWHG FXUUHQW RU GHIIHUUHG WD[HIIHFWV D

Transfer Pricing

In Turkey, the transfer pricing provisions have been stated under the Article 13 of Corporate Tax Law ZLWK WKH KHLVGXQVHRG \$URILW GLVWULEXWLRQ YLD WUDQVH disguised profit distribution via Transfer Pricing, dated 18 November 2007 sets details about implementation.

3XUVXDQW WR WKH UHOHYDQW & RP RACONS Regarding sale of products or services 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 measured at fair value. All other financial liabilities are measured at amortized cost using effective interest method.

On 24 April 2012 the Bank has issued bonds with a nominal value of 500 million USD and with a maturity of 24 April 2017. 36% of the bonds were issued in Europe, 27% in USA, 27% in England and remaining 10% in Asia and Middle East. The 64% of the bonds were issued to asset managers, 1% to banks, 14% to private banks and remaining 4% to insurance and pension funds.

On 31 January 2012, the Bank issued discounted bonds with a nominal value of TL 1,000,000 and 187 days maturity. As at 31 March 2012, the related bonds are measured at amortized cost using effective interest method.

On 8 August 2011, the Bank issued discount bonds with a nominal value of TL 500,000 and 176 days maturity. The bond has matured at 31 January 2012.

XVIII. Information on issuance of equity securities

The shares of the Bank having nominal value of TL 322,000,000 (TL), representing the 25.18% of WKH %DQN V RX was publicly offered at a price between TL 55.10 for each share KDYLQJ D QRPLQDO YDOXH RI 7/ RQ 1RYHPEHU DQG 3UHPLXPV' LQ VKDUHKROGHU amount has been utilized in capital increase in 19 December 2006.

XIX. Information on confirmed bills of exchange and acceptances

Confirmed bills of exchange and acceptances are realized simultaneously with the customer payments and recorded in off-balance sheet accounts as possible debt and commitment. 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 2012 and 31 December 2011 the Bank does not have any government incentives.

XXI. Information on segment reporting

2SHUDWLRQDO VHJPHQWV DUH GHWHUPLQHG EDVHG RQ WKH VWH 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 2012, earnings per 100 share is TL 0.1679 (31 March 2011: TL 0.1637).

Related parties

Parties are considered to be related if one party has the ability to control the 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 TAS 24 Related Party Disclosures Standard. Transactions made with related parties are disclosed in Section 5 Note IV.

Cash and cash equivalents

Cash and cash equivalents which is a base for preparation of cash flow statement includes cash in TL (FDVK LQ) & FKHTXH V GHPDQG GHSRVLWV IRU ERWK & HQW money market placements and time deposits at banks and marketable securities with original maturity is less than three months.

SECTION FOUR

Information Related to Financial Position of the Bank

I. Capital adequacy ratio

7KH %DQN\ V XQFRQV RQYLAÖDİMİSİ (%DQNDVÖ 2011GİSİ).

Risk measurement methods in calculation of capital adequacy ratio

&DSLWDO DGHTXDF\ UDWLR LV FDOFXODWHG ZLWKLQ WKH
Assessment of Capital Adequacy Ratios of Bank' SXEOLVKHG LQ 2İİLFLO *DJH
1RYHPEHU 35HJXODWLRQ IRU DQ \$PHQGPHQW IRU WK
\$VVHVVPHQW RI &DSLWDO \$GHTXDF\ 5DWLRV RI %DQNV' SXE
ODUFK DQG 15HQJ XQQ 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, non-cash loans, and liabilities. 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 being multiplied with specific rates of and Provision against Non-performing Assets / Risk Weighted Assets multiplied by the rates stated in the Risk Weighted Assets and Provisions of the Bank. The risk based values of the derivative financial instruments are weighted and classified according to the risk groups after being multiplied by the rates stated in the Risk Weighted Assets and Provisions of the Bank.

In the calculation of the risk based values of the derivative financial instruments, such instruments are weighted and classified according to the risk groups after being multiplied by the rates stated in the Risk Weighted Assets and Provisions of the Bank.

Information on unconsolidated capital adequacy ratio

	31 March 2012 Risk Weights						
	0%	10%	20%	50%	100%	150%	200%
Balance sheet items (Net)	17,919,652	-	1,214,508	20,161,540	37,648,131	1,066,069	3,117,486
Cash and cash equivalents	786,758	-	-	-	-	-	-
Matured securities	-	-	-	-	-	-	-
Balances with the Central Bank of Turkey Domestic and foreign Banks, foreign branches offices and branches	4,685,096	-	-	-	-	-	-
Interbank money market placements	-	-	-	-	-	-	-
Receivables from reverse repurchase agreements	-	-	-	-	-	-	-
Reserve deposits at CBT	4,679,019	-	-	-	-	-	-
Loans	871,394	-	322,555	19,910,772	34,202,148	1,066,069	3,117,486
Loans under followup (Net)	-	-	-	-	96,337	-	-
Receivables from leasing activities	-	-	-	-	-	-	-
Available-for-sale financial assets	-	-	-	-	-	-	-
Held-to-maturity investment securities	5,669,201	-	51,475	-	-	-	-
Receivables from term sale of assets	-	-	-	-	93,363	-	-
Miscellaneous receivables	-	-	19,050	-	258,453	-	-
Interest and other income accruals	113,631	-	40,293	250,768	452,269	-	-
Investments in associates, subsidiaries and joint-ventures (Net)	-	-	-	-	985,567	-	-
Tangible assets (Net)	-	-	-	-	905,093	-	-
Other assets	80,087	-	4,282	-	451,941	-	-
Off-balance sheet items	107,854	-	924,504	603,744	10,338,499	-	-
Non-cash loans and commitments	107,854	-	633,599	603,744	10,308,353	-	-
Derivative financial instruments	-	-	290,905	-	30,146	-	-
Non-risk weighted accounts	-	-	-	-	-	-	-
Total risk weighted assets	18,027,506	-	2,139,012	20,765,284	47,986,630	1,066,069	3,117,486

Summary information related to unconsolidated capital adequacy ratio

	Current Period	Prior Period
Value at credit risk (VaCR)	66,631,150	63,377,481
Value at market risk (VaMR)	1,939,050	1,952,688
Value at operational risk (VaOR ^(*))	7,443,688	6,531,375
Equity	10,148,689	9,616,230
Equity/ (VaCR+VaMR+VaOR)*100	13.35%	13.38%

(*) In accordance with the BDDK.BYD.126.01 numbered and 7 February 2008 dated BRSA circular, capital adequacy ratio as at 2011 was measured by taking value at operational risk calculated on average of gross incomes for the years ended 2009 and 2010 into consideration. For the year 2012, value at operational risk is being calculated based on average of gross incomes for the years ended 2011, 2010 and 2009.

Components of equity items

	Current Period	Prior Period
CORE CAPITAL		
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	710,624	590,498
I. Legal Reserve (Turkish Commercial Code 466/1)	355,312	295,249
II. Legal Reserve (Turkish Commercial Code 466/2)	-	-
Reserves allocated as per Special Legislation	355,312	295,249
Status Reserves	-	-
Extraordinary Reserves	4,965,180	3,929,018
Reserve allocated as per the Decision held by the General Assembly	4,699,751	3,689,113
Retained Earnings	265,429	239,905
Accumulated Losses	-	-
Exchange Rate Differences on Foreign Currency Capital	-	-
Reserves from Inflation Adjustments to Legal, Status and Extraordinary Reserves	-	-
Profit	419,761	1,226,785
& XU UHQW 3HULRG¶V 3URILW	419,761	1,226,785
3ULRU <H DU V¶ 3URILW	-	-
Provision for Possible Losses (up to 25% of Core Capital)	52,622	51,676
Income on Sale of Equity Shares and Real Estates to be used up for Capital Increase	41,061	7,564
Primary Subordinated Debt (up to 15% of Core Capital)	-	-
Loss excess of Reserves (-	-
& XU UHQW <H DU ¶ V / R V V	-	-
3ULRU <H DU V¶ / R V V	-	-
Leasehold Improvements) (64,376	69,815
Prepaid Expenses) (-	-
Intangible Assets) (64,419	62,175
Deferred Tax Asset excess of 10% of Core Capital (-	-
Limit excesses as per the 3rd Paragraph of the Article 56 of the Banking Law) (-	-
Total Core Capital	9,284,371	8,897,469
SUPPLEMENTARY CAPITAL		
General Provisions	730,582	671,180
45% of Revaluation Surplus on Immovables	-	-
Bonus shares of Associates, Subsidiaries and Ventures	67,318	67,318
Primary Subordinated Debt excluding the Portion included in Core Capital	-	-
Secondary Subordinated Debt	-	-
45% of Valuation Differences of Marketable Securities	198,410	113,987
Associates and Subsidiaries	182,513	144,557
Available for Sale Investment Securities	15,897	(30,570)
Other Profit Reserves	-	-
Total Supplementary Capital	996,310	852,485
TIER III CAPITAL		
CAPITAL	10,280,681	9,749,954
DEDUCTIONS FROM CAPITAL	131,992	133,724
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 than 10% exceeding 10% or more of 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 Debt	-	-
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 as per the Article 57 of the Banking Law but Retained more than Five Years	131,614	133,265
Others	378	459
TOTAL EQUITY	10,148,689	9,616,230

II. Market risk

The Bank has defined its risk management procedures and has taken necessary precaution in order to avoid market risk, Q FRPSOLDQFH ZLWK ³5HJXODWLRQ RQ %DQN¶V , 6\ VWHPV´ DQG ³5HJXODWLRQ RQ 0HDVXUHPHQW DQG \$VVHV reported monthly.

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 standard method GHILQHG E\ WKH ³5HJXODWLRQ RQ 0HDVXUHPHQW DQG \$VVHV 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 OLDELWLW\ DFFRXQWV OLTXLGLW\ DQDO\VLV DUH SHUIRUPH 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	120,834
(II) Capital Obligation against Specific Risks Standard Method	3,462
(III) Capital Obligation against Currency Risks Standard Method	30,575
(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	253
(VII) Capital Obligation against Market Risks of Banking Risk Measurement Models	-
(VIII) Total Capital Obligations against Market Risk (I+II+III+IV+V+VI)	155,124
(IX) Value-At-Market Risk (12.5xVIII) or (12.5xVII)	1,939,050

Equity price risk

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

7KH HIIHFW RQ HTXLW\ DV D UHVXOW RI FKDQJH LQ WKH ID 6 WRFN ([FKDQJH ³,6(´ Ksh of Bank and Subsidiaries due to a reasonably possible change in equity indices, with all other variables held constant, is as follows

	Change in index	31 March 2012	31 March 2011
		Equity	Equity
ISE ±100 (IMKB - 100)	10%	25,723	37,800

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 9DOX of the 2SHI circular, 35HJXPÖDWHJDUGLQJ 0HDVXUHPHQW DQG \$VVHVPHQW R 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 2012 the amount calculated as TL595,495 (31 December 2011 TL 522,510) from gross income for the years ended 2010 and 2009 and used for the calculation of capital adequacy ratio as at 31 March 2012 represents the operational risk that the Bank may expose and the amount minimum capital requirement to eliminate this risk. Value at operational risk amounting to TL 7,443,688 (31 December 2011 TL 6,531,375) presented in the table included in Note I of this section is calculated 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 2012 and 31 December 2011 Bank does not have derivative financial instruments held for risk management.

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 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 held by the Bank.

7KH %DQN¶V HIIHFWLYH Höfölelece Sheet and for the Day five Working Days of the period announced by the Bank are as follows

	US Dollar	Euro
7KH %DQN¶V IRUHLJQ FXUHQF\ SXUFKDVH	1.7750	2.3661
Foreign currency purchase rates for the day before balance sheet date;		
Day 1	1.7675	2.3538
Day 2	1.7700	2.3587
Day 3	1.7500	2.3364
Day 4	1.7600	2.3329
Day 5	1.7750	2.3426
	US Dollar	Euro
Last 30-days arithmetical average rate	1.7488	2.3172

Information on currency risk

Current Period	Euro	US Dollar	Japanese Yen	Other FCs	Total
Assets					
Cash and balances with the Central Bank of Turkey	1,372,283	3,348,741	182	735,325	5,456,531
Banks	552,001	1,406,183	5,279	42,851	2,006,314
Financial assets at fair value through profit or loss	-	97,609	-	-	97,609
Interbank money market placements	-	-	-	-	-
Available-for-sale financial assets	658,939	1,871,158	-	-	2,530,097
Loans and receivables ⁽²⁾	7,199,722	11,912,811	-	55,123	19,167,656
Associates, subsidiaries and joint ventures	150,015	-	-	-	150,015
Held-to-maturity investments	165,564	1,361,427	-	-	1,526,991
Derivative financial assets held for risk management purpose	-	-	-	-	-
Tangible assets	-	2,557	-	-	2,557
Intangible assets	-	166	-	-	166
Other assets ⁽³⁾	65,959	40,810	-	-	106,769
Total assets	10,164,483	20,041,462	5,461	833,299	31,044,705
Liabilities:					
Bank deposits	717,693	1,238,776	-	11,135	1,967,604
Foreign currency deposits	6,037,639	11,086,457	4,156	249,412	17,377,664
Interbank money market takings	521,546	3,140,049	-	-	3,661,595
Other funding	2,357,454	3,572,415	-	31,759	5,961,628
Securities issued	-	-	-	-	-
Miscellaneous payables	61,288	117,458	-	84	178,830
Derivative financial liabilities held for risk Management purpose	-	-	-	-	-
Other liabilities ^{(1) (4)}	82,662	261,728	1,785	1,176	347,351
Total liabilities	9,778,282	19,416,883	5,941	293,566	29,494,672
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	386,201	624,579	(480)	539,733	1,550,033
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	(260,948)	(326,507)	198	(536,474)	(1,123,731)
Derivative assets (6)	485,551	3,103,828	30,008	19,333	3,638,715
Derivative liabilities (6)	746,499	3,430,335	29,805	555,807	4,762,446
Non-cash loans (5)	1,287,006	5,587,134	56,208	181,289	7,111,637
Prior Period					
Total assets	9,564,754	21,161,587	2,064	655,378	31,383,783
Total liabilities	10,078,574	19,268,771	4,279	121,510	29,473,134
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	(513,820)	1,892,816	(2,215)	533,868	1,910,649
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	435,480	(1,960,349)	2,354	(2,207)	(1,524,722)
Derivative assets ⁽⁵⁾	786,316	2,921,104	12,331	27,864	3,747,615
Derivative liabilities ⁽⁶⁾	350,836	4,881,453	9,977	30,071	5,272,337
Non-cash loans ⁽⁵⁾	1,440,134	4,966,424	69,748	168,981	6,645,287

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

(2) Foreign currency indexed loans amounting to TL 427,856 (31 December 2011 TL 1,204,076) which are presented in TL column in the balance sheet are included in the table above.

(3) Prepaid expenses amounting to TL 12,017 (31 December 2011 TL 16,199) are not included.

(4) Unearned revenues amounting to TL 8,969 (31 December 2011 TL 21,006) are not included.

(5) Non-FDVK ORDQV DUH QRW WDNHQ LQWR FRQVLODQJUDHWLRQ HILVQ¶SRHWLFDLDFQ O

(6) Asset purchase commitments amounting to TL 278,025 (31 December 2011 TL 335,339) and asset sales commitments amounting to TL 318,105 (31 December 2011 TL 502,580) 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 2012 and 2011 would have effect on equity and profit loss (without tax effects) by the amounts shown below.

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

	31 March 2012		31 March 2011	
	Profit or loss	Equity (*)	Profit or loss	Equity (*)
US Dollar	14,992	28,460	28,331	39,830
EUR	(4,345)	(2,476)	(33,644)	(32,497)
Other currencies	298	298	606	606
Total, net	10,945	26,282	(4,707)	7,939

(*) 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 2012 and 2011 would have effect on equity and profit or loss (without tax effects) by the amounts shown below.

	31 March 2012		31 March 2011	
	Profit or loss	Equity (*)	Profit or loss	Equity (*)
US Dollar	(12,613)	(26,081)	(24,457)	(35,956)
Euro	4,345	2,476	33,644	32,497
Other currencies	579	579	164	164
Total, net	(7,689)	(23,026)	9,351	(3,295)

(*) 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 AssetsLiabilities Committee meetings taking into account the developments in market conditions.

% D Q N ¶ V 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
Assets:							
Cash and balances with CBT	-	-	-	-	-	10,150,873	10,150,873
Banks	1,545,473	101,090	-	-	-	367,914	2,014,477
Financial assets at fair value through profit/loss	10,125	83,276	32,427	-	11,846	-	137,674
Interbank money market placements	-	-	-	-	-	-	-
Available-for-sale financial assets	3,621,281	1,660,507	3,087,231	2,638,513	2,145,350	10,750	13,163,632
Loans and receivables	19,044,696	8,230,267	14,783,107	12,001,751	6,127,548	96,337	60,283,706
Held-to-maturity investments	1,038,284	718,174	194,264	1,632,498	2,240,078	-	5,823,298
Other assets ^(*)	5,351	19,236	30,457	38,223	765	2,982,100	3,076,132
Total assets	25,265,210	10,812,550	18,127,486	16,310,985	10,525,587	13,607,974	94,649,792
Liabilities:							
Bank deposits	2,130,260	243,439	255,769	-	-	25,050	2,654,518
Other deposits	36,786,738	14,333,172	2,896,114	20,619	-	8,915,626	62,952,269
Interbank money market taking	6,080,911	1,648,498	506,052	-	-	-	8,235,461
Miscellaneous payables	-	7,786	-	-	-	1,841,665	1,849,451
Securities issued	-	-	966,914	-	-	-	966,914
Funds borrowed	642,298	3,950,446	1,401,684	37,876	21,385	-	6,053,689
Other liabilities ^(**)	5,869	25,834	58,127	12,042	60,446	11,775,172	11,937,490
Total liabilities	45,646,076	20,209,175	6,084,660	70,537	81,831	22,557,513	94,649,792
On balance sheet long position	-	-	12,042,826	16,240,448	10,443,756	-	38,727,030
On balance sheet short position	(20,380,866)	(9,396,625)	-	-	-	(8,949,539)	(38,727,030)
Off-balance sheet long position	163,737	1,243,800	189,868	-	231,648	-	1,829,053
Off-balance sheet short position	(74,987)	(60,616)	(292,381)	(574,373)	(719,773)	-	(1,722,130)
Position, Net	(20,292,116)	(8,213,441)	11,940,313	15,666,075	9,955,631	(8,949,539)	106,923

(*) 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
Assets:							
Cash and balances with CBT	-	-	-	-	-	7,137,120	7,137,120
Banks	1,105,010	105,807	2,108	-	-	916,665	2,129,590
Financial assets at fair value through profit/loss	46,090	111,461	7,797	-	8,790	-	174,138
Interbank money market placements	190,127	-	-	-	-	-	190,127
Available-for-sale financial assets	4,211,015	2,165,645	1,964,797	2,559,309	2,227,473	10,750	13,138,989
Loans and receivables	16,216,140	8,340,184	14,719,779	11,875,943	6,048,564	108,622	57,309,232
Held-to-maturity investments	393,491	810,574	745,303	1,626,766	2,395,393	-	5,971,527
Other assets ^(*)	5,378	61	80,780	36,942	794	3,009,788	3,133,743
Total assets	22,167,251	11,533,732	17,520,564	16,098,960	10,681,014	11,182,945	89,184,466
Liabilities:							
Bank deposits	2,827,066	581,887	32,739	-	-	31,618	3,473,310
Other deposits	33,479,693	12,511,523	2,428,658	10,285	-	9,035,749	57,465,908
Interbank money market takings	3,915,871	1,247,962	775,804	-	-	-	5,939,637
Miscellaneous payables	-	-	8,246	-	-	1,869,017	1,877,263
Securities issued	-	494,885	-	-	-	-	494,885
Fund borrowed	160,426	5,999,153	2,023,705	31,443	22,580	-	8,237,307
Other liabilities ^(**)	86,499	79,297	140,026	11,818	65,433	11,313,083	11,696,156
Total liabilities	40,469,555	20,914,707	5,409,178	53,546	88,013	22,249,467	89,184,466
On balance sheet long position	-	-	12,111,386	16,045,414	10,598,001	-	38,749,801
On balance sheet short position	(18,302,304)	(9,380,975)	-	-	-	(11,066,522)	(38,749,801)
Off-balance sheet long position	132,758	1,391,200	99,600	-	79,423	-	1,702,981
Off-balance sheet short position	(55,272)	(77,100)	(140,500)	(673,238)	(596,423)	-	(1,542,533)
Position, Net	(18,224,818)	(8,066,875)	12,070,486	15,372,176	10,076,001	(11,066,522)	160,448

(*) Subsidiaries, associates and tangible and intangible assets are stated in interest bearing column.

(**) 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 %
Assets				
Cash and balance with CBT	-	-	-	-
Banks	0.25	0.43	-	10.73
Financial assets at fair value through profit/loss	-	-	-	-
Interbank money market placements	-	-	-	-
Available-for-sale financial assets	5.64	7.08	-	8.97
Loans and receivables	5.29	5.41	-	15.33
Held-to-maturity investments	5.58	7.35	-	10.21
Liabilities:				
Bank deposits	1.93	1.66	-	10.44
Other deposits	3.90	3.66	-	9.58
Interbank money market takings	1.76	2.06	-	10.24
Miscellaneous payables	-	-	-	-
Securities issued	-	-	-	10.57
Funds borrowed	2.11	1.93	-	7.82
Prior Period				
Assets				
Cash and balance with CBT	-	-	-	-
Banks	0.15	0.50	-	8.90
Financial assets at fair value through profit/loss	-	-	-	-
Interbank money market placements	-	-	-	-
Available-for-sale financial assets	5.64	6.95	-	8.41
Loans and receivables	5.20	4.99	-	14.92
Held-to-maturity investments	5.58	7.34	-	9.96
Liabilities:				
Bank deposits	2.56	1.93	-	11.00
Other deposits	4.03	4.21	-	9.62
Interbank money market takings	1.96	1.98	-	8.76
Miscellaneous payables	-	-	-	-
Securities issued	-	-	-	8.70
Funds borrowed	2.03	1.75	-	7.45

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 ^(*)	Total
Assets								
Cash and balance with CBT	10,150,873	-	-	-	-	-	-	10,150,873
Banks	1,402,381	511,006	101,090	-	-	-	-	2,014,477
Financial assets at fair value through profit/loss	-	4,116	16,943	47,719	57,050	11,846	-	137,674
Interbank money market placements	-	-	-	-	-	-	-	-
Available-for-sale financial assets	-	156,480	18,258	729,911	8,552,958	3,695,275	10,750	13,163,632
Loans and receivables	-	5,166,274	3,199,974	13,240,270	29,392,504	9,188,347	96,337	60,283,706
Held-to-maturity investments	-	17,759	33,742	132,986	3,361,915	2,276,896	-	5,823,298
Other assets	-	197,613	35,775	30,457	109,446	765	2,702,076	3,076,132
Total assets	11,553,254	6,053,248	3,405,782	14,181,343	41,473,873	15,173,128	2,809,163	94,649,792
Liabilities:								
Bank deposits	25,050	2,130,260	243,439	255,769	-	-	-	2,654,518
Other deposits	8,915,626	36,786,738	14,333,172	2,896,114	20,619	-	-	62,952,269
Funds borrowed	-	190,385	332,796	2,185,074	1,773,700	1,571,734	-	6,053,689
Interbank money market takings	-	6,080,911	1,594,664	559,886	-	-	-	8,235,461
Securities issued	-	-	-	966,914	-	-	-	966,914
Miscellaneous payables	-	1,546,226	44,342	-	-	-	258,883	1,849,451
Other liabilities	-	241,007	119,649	18,935	38,665	80,594	11,438,640	11,937,490
Total liabilities	8,940,676	46,975,527	16,668,062	6,882,692	1,832,984	1,652,328	11,697,523	94,649,792
Liquidity gap	2,612,578	(40,922,279)	(13,262,280)	7,298,651	39,640,889	13,520,801	(8,888,360)	-
Prior Period								
Total assets	9,017,032	4,866,724	3,320,698	13,530,776	39,386,536	16,463,022	2,599,678	89,184,466
Total liabilities	9,067,367	42,275,562	16,930,980	5,894,652	2,043,595	1,752,654	11,219,656	89,184,466
Liquidity gap	(50,335)	(37,408,838)	(13,610,282)	7,636,124	37,342,941	14,710,368	(8,619,978)	-

(*) Certain assets on the balance sheet that are necessary for the banking operations but not convertible into cash in the short period are included in this column.

Residual contractual maturities of the financial liabilities

Current Period	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	2,654,518	2,671,665	25,050	2,131,257	247,040	268,318	-	-
Other deposits	62,952,269	63,311,240	8,915,626	36,882,368	14,515,478	2,976,107	21,661	-
Funds borrowed	6,053,689	6,682,210	-	190,794	334,892	2,230,451	2,061,369	1,864,704
Money market takings	8,235,461	8,251,349	-	6,088,591	1,598,062	564,696	-	-
Issued Securities (Net)	966,914	999,403	-	-	-	999,403	-	-
Miscellaneous payables	1,849,451	1,849,451	258,883	1,546,226	44,342	-	-	-
Other liabilities	490,263	490,263	240,895	81,222	29,952	18,935	38,665	80,594
Total	83,202,565	84,255,581	9,440,454	46,920,458	16,769,766	7,057,910	2,121,695	1,945,298
Non-Cash Loans	16,298,379	16,298,379	6,821,421	1,406,963	1,320,365	3,909,688	2,101,473	738,469

Prior Period	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	3,473,310	3,483,054	31,618	2,829,474	588,099	33,863	-	-
Other deposits	57,465,908	57,812,558	9,035,749	33,588,819	12,674,764	2,501,983	11,243	-
Funds borrowed	8,237,307	8,922,563	-	122,390	2,046,705	2,490,291	2,301,716	1,961,460
Money market takings	5,939,637	5,954,587	-	3,920,349	1,195,356	838,882	-	-
Issued Securities (Net)	494,885	498,480	-	-	498,480	-	-	-
Miscellaneous payables	1,877,263	1,877,263	125,141	1,709,409	34,467	8,246	-	-
Other liabilities	915,770	915,770	440,643	112,619	87,491	144,901	44,586	85,530
Total	78,404,080	79,464,275	9,633,151	42,283,060	17,125,362	6,018,166	2,357,545	2,046,990
Non-Cash Loans	15,664,029	15,664,029	9,574,647	1,027,359	770,703	2,442,300	1,189,150	659,870

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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.

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	339,695	135,306	363,749	266,180	1,104,930
Undistributed expenses	-	-	-	(635,176)	(635,176)
Operating profit	339,695	135,306	363,749	(368,996)	469,754
Income from associates	-	-	-	-	55,403
Income before taxes	-	-	-	-	525,157
Provision for taxes	-	-	-	-	(105,396)
Net profit	-	-	-	-	419,761
Segment assets	21,573,489	38,710,217	30,677,222	-	90,960,928
Investments in associates and subsidiaries	-	-	985,567	-	985,567
Undistributed assets	-	-	-	2,703,297	2,703,297
Total assets	21,573,489	38,710,217	31,662,789	2,703,297	94,649,792
Segment liabilities	21,913,605	43,693,182	15,474,698	-	81,081,485
Equity	-	-	-	9,868,774	9,868,774
Undistributed liabilities	-	-	-	3,699,533	3,699,533
Total Liabilities and Equity	21,913,605	43,693,182	15,474,698	13,568,307	94,649,792

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	621,067	112,341	604,222	107,073
Central Bank of Turkey ^(*)	4,063,926	5,300,189	1,465,064	4,959,763
Others	9,349	44,001	-	998
Total	4,694,342	5,456,531	2,069,286	5,067,834

(*) TL 4,679,019 (31 December 2011 TL 4,269,727) of the foreign currency deposit at Central Bank of Turkey consists of foreign currency reserve deposits

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 operating in Turkey still provide a reserve rate of 11% for demand deposits, and the rates decrease to 5% as maturities get longer (31 December 2011 11% for demand deposits, and the rates decrease to 5% as maturities get longer). For foreign currency liabilities, all banks shall provide a reserve rate of 11% in US Dollar or Euro for demand and up to 1 year maturity deposits and rates decrease to 6% as maturities get longer (31 December 2011 11% in US Dollar or Euro for demand and up to 1 year maturity deposits and rates decreased to 6% as maturities get longer).

Balances with the Central Bank of Turkey

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted Demand Deposits	4,063,926	621,170	1,465,064	690,036
Unrestricted Time Deposits	-	-	-	-
Restricted Time Deposits	-	-	-	-
Reserve Deposits	-	4,679,019	-	4,269,727
Total	4,063,926	5,300,189	1,465,064	4,959,763

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	3,143	1,659	3,141	4,720
Swap Transactions	3,324	129,265	1,038	165,143
Futures	-	-	-	-
Options	15	268	3	93
Others	-	-	-	-
Total	6,482	131,192	4,182	169,956

3. Information on banks

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks	8,163	2,006,314	4,217	2,125,373
Domestic	8,163	24,880	4,217	57,354
Foreign	-	1,981,434	-	2,068,019
Foreign Head Offices and Branches	-	-	-	-
Total	8,163	2,006,314	4,217	2,125,373

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	1,032,174	376,885	661,402	387,393
Others	-	-	-	-
Total	1,032,174	376,885	661,402	387,393

Available-for-sale financial assets subject to repurchase agreements

	Current Period		Prior Period	
	TL	FC	TL	FC
Government Bonds	2,086,925	-	1,506,673	-
Treasury Bills	-	-	-	-
Other Debt Securities	-	1,514,456	-	1,930,563
Bonds Issued or Guaranteed by Banks	-	-	-	-
Asset Backed Securities	-	-	-	-
Total	2,086,925	1,514,456	1,506,673	1,930,563

Information on available-for-sale financial assets

	Current Period		Prior Period	
	TL	FC	TL	FC
Debt securities		13,248,195		13,298,684
Quoted		13,248,195		13,298,684
Unquoted		-		-
Equity securities		10,750		10,750
Quoted		-		-
Unquoted		10,750		10,750
Provision for impairment on available-for-sale financial assets-}		95,313		170,445
Total		13,163,632		13,138,989

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	-	12,395	-	6,572
Legal entities	-	12,395	-	6,572
Real persons	-	-	-	-
Indirect loans provided to the shareholders	-	-	-	-
Loans provided to the employees	62,267	-	55,529	-
Total	62,267	12,395	55,529	6,572

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	Loans and Other Receivables	Restructured or Rescheduled Loans and Other Receivables
Cash Loans				
Loans	58,108,121	45,627	1,523,501	485,554
Discounted bills	43,915	-	172	-
Exporting loans	4,080,431	-	68,125	49,695
Importing loans	-	-	-	-
Loans to the financial sectors	1,360,234	-	9	85
Overseas loans	97,259	-	-	-
Consumer loans	18,715,580	-	613,469	145,668
Credit cards	2,193,158	-	88,796	6,656
Precious metal loans	-	-	-	-
Others	31,617,544	45,627	752,930	283,450
Specialization loans	24,566	-	-	-
Other receivables	-	-	-	-
Total	58,132,687	45,627	1,523,501	485,554

Information on changes in payment schedules of the performing loans and other receivables

Performing Loans and Other Receivables ^(*)						
Number of Restructuring	Number of Loans	Up to 1 Year	1-3 Years	1-3 Years	More Than 5 Years	Total
1	12	34,476	-	-	-	34,476
1	43	-	6,185	-	-	6,185
1	32	-	-	4,966	-	4,966
	87	34,476	6,185	4,966	-	45,627

Loans under Followup and Other Receivables ^(*)						
Number of Restructuring	Number of Loans	Up to 1 Year	1-3 Years	1-3 Years	More Than 5 Years	Total
1	399	5,749	-	-	-	5,749
1	1770	-	16,696	-	-	16,696
1	1388	-	-	63,065	-	63,065
1	3	-	-	-	36	36
	3,560	5,749	16,696	63,065	36	85,546

(*) The tables above include performing loans and other receivables whose payment schedules are restructured or rescheduled after 28 May 2011.

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

	Short-Term	Medium and Long-Term	Total
Consumer Loans ±TL	252,917	18,379,689	18,632,606
Housing Loans	5,321	8,915,663	8,920,984
Automobile Loans	3,904	384,533	388,437
General Purpose Loans	78,867	4,466,063	4,544,930
Other	164,825	4,613,430	4,778,255
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	2,008,038	1,760	2,009,798
With Installment	914,698	1,760	916,458
Without Installment	1,093,340	-	1,093,340
Retail Credit Cards ±FC	703	-	703
With Installment	-	-	-
Without Installment	703	-	703
Personnel Loans ±TL	1,760	31,810	33,570
Housing Loan	-	-	-
Automobile Loans	-	-	-
General Purpose Loans	1,726	31,810	33,536
Other	34	-	34
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	28,663	-	28,663
With Installment	12,503	-	12,503
Without Installment	16,160	-	16,160
Personnel Credit Cards ±FC	34	-	34
With Installment	-	-	-
Without Installment	34	-	34
Overdraft Checking Accounts ±TL (Real persons)	808,452	-	808,452
Overdraft Checking Accounts ±FC (Real persons)	89	-	89
Total	3,100,656	18,413,259	21,513,915

Installment based commercial loans and corporate credit cards

	Short-Term	Medium and Long-Term	Total
Installment-based Commercial Loans±TL	749,766	9,356,405	10,106,171
Real Estate Loans	2,302	138,854	141,156
Automobile Loans	33,027	1,004,169	1,037,196
General Purpose Loans	714,437	8,213,382	8,927,819
Other	-	-	-
Installment-based Commercial Loans±FC indexed	15,806	577,829	593,635
Real Estate Loans	-	-	-
Automobile Loans	-	-	-
General Purpose Loans	15,806	577,829	593,635
Other	-	-	-
Installment-based Commercial Loans±FC	2,463	848,442	850,905
Real Estate Loans	-	-	-
Automobile Loans	-	-	-
General Purpose Loans	-	-	-
Other	2,463	848,442	850,905
Corporate Credit Cards ±TL	249,339	54	249,393
With Installment	74,354	54	74,408
Without Installment	174,985	-	174,985
Corporate Credit Cards ±FC	19	-	19
With Installment	-	-	-
Without Installment	19	-	19
Overdraft Checking Accounts ±TL (Corporate)	253,100	-	253,100
Overdraft Checking Accounts ±FC (Corporate)	-	-	-
Total	1,270,493	10,782,730	12,053,223

Allocation of domestic and overseas loans

	Current Period	Prior Period
Domestic Loans	60,086,500	57,096,870
Overseas Loans	100,863	103,740
Total	60,187,363	57,200,610

Loans to associates and subsidiaries

	Current Period	Prior Period
Direct Loans Provided to the Subsidiaries and Associates	207,977	293,552
Indirect Loans Provided to the Subsidiaries and Associates	-	-
Total	207,977	293,552

Specific provisions for loans

	Current Period	Prior Period
Loans and Receivables with Limited Collectibility	24,085	47,200
Loans and Receivables with Doubtful Collectibility	238,417	175,923
Uncollectible Loans and Receivables	1,826,238	1,825,134
Total	2,088,740	2,048,257

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

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

	Group III Loans and receivables with limited collectibility	Group IV Loans and receivables with doubtful collectibility	Group V Uncollectible loans and receivables
Current period	13,196	36,149	84,700
(Gross amounts before the specific reserves)			
Loans and other receivables which are restructured	-	-	-
Rescheduled loans and other receivables	13,196	36,149	84,700
Prior period	18,471	26,240	81,771
(Gross amounts before the specific reserves)			
Loans and other receivables which are restructured	-	-	-
Rescheduled loans and other receivables	18,471	26,240	81,771

Movements in non-performing loan groups

	Group III Loans and receivables with limited collectibility	Group IV Loans and receivables with doubtful collectibility	Group V Uncollectible loans and receivables
Balance at the beginning of the period	155,822	175,923	1,825,134
Additions (+)	126,476	9,419	39,490
Transfers from other categories of loans under follow up (+) ^(*)	-	139,178	64,292
Transfers to other categories of loans under follow up (-) ^(*)	138,706	62,100	34,922
Collections (-)	23,170	24,003	67,756
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	120,422	238,417	1,826,238
Specific provision (-)	24,085	238,417	1,826,238
Balance, net	96,337	-	-

(*) Loans that are transferred from restructured loans to non-performing loans and from non-performing loans to restructured loans are presented in the Transfers from and to other categories of loans under follow up.

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

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
Current Period			
Balance at the end of the period	3,891	1,005	259,695
Specific provision -)	778	1,005	259,695
Net balance on balance sheet	3,113	-	-
Prior Period			
Balance at the end of the period	927	306	272,195
Specific provision -)	185	306	272,195
Net balance on balance sheet	742	-	-

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
Current Period (Net)			
Consumer and Commercial Loans (Gross)	120,304	236,951	1,788,510
Specific Provision -)	24,061	236,951	1,788,510
Consumer and Commercial Loans (Net)	96,243	-	-
Banks (Gross)	-	-	1,551
Specific Provision -)	-	-	1,551
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	118	1,466	36,177
Specific Provision -)	24	1,466	36,177
Other Loans and Receivables (Net)	94	-	-
Prior Period (Net)			
Consumer and Commercial Loans (Gross)	155,483	174,471	1,788,064
Specific Provision -)	47,132	174,471	1,788,064
Consumer and Commercial Loans (Net)	108,351	-	-
Banks (Gross)	-	-	1,551
Specific Provision -)	-	-	1,551
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	339	1,452	35,519
Specific Provision -)	68	1,452	35,519
Other Loans and Receivables (Net)	271	-	-

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	4,296,307	-	4,343,224	-
Treasury Bills	-	-	-	-
Other Securities Issued by the Governments	-	1,475,448	-	1,573,727
Total	4,296,307	1,475,448	4,343,224	1,573,727

Information on heldto-maturity investment securities

	Current Period	Prior Period
Debt Securities	5,866,230	6,013,657
Quoted at Stock Exchanges	5,814,687	5,959,081
Unquoted at Stock Exchanges	51,543	54,576
Impairment Losses (-)	42,932	42,130
Total	5,823,298	5,971,527

The movementable of the held-to-maturity investments

	Current Period	Prior Period
Balances at the beginning of the period	5,971,527	4,306,696
Foreigncurrency differences on monetary assets	(85,332)	214,454
Purchases during the period	51,475	3,102,225
Disposals through sales/redemptions	(77,071)	(1,634,696)
Impairment losses	(802)	(12,152)
Change in amortized costs of the securities	(36,499)	(5,000)
Balances at the end of the period	5,823,298	5,971,527

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

In year 2011 the Bank reclassified certain investment securities that were previously held as available-for-sale portfolio with total face value of TL690,000 to its heldto-maturity investment securities portfolio at their fair values of TL764,346 as at their reclassification dates. These securities are classified as held-to-maturity investment securities. The valuation differences of such securities amounting to (2,497) are recorded under equity and will be amortized through the statement of income until their maturity.

Information on held-to-maturity investments

Current Period	Cost		Carrying Value	
	TL	FC	TL	FC
Collateralized/blocked investment securities	-	51,475	-	51,543
Investments subject to repurchase agreement	4,184,421	1,444,424	4,238,594	1,450,875
Held for structural position	-	-	-	-
Receivable from security borrowing markets	-	-	-	-
Collateral for security borrowing markets	-	-	-	-
Others(*)	58,503	24,785	57,713	24,573
Total	4,242,924	1,520,684	4,296,307	1,526,991

Prior Period	Cost		Carrying Value	
	TL	FC	TL	FC
Collateralized/blocked investment securities	-	54,520	-	54,576
Investments subject to repurchase agreement	2,328,425	940,202	2,370,567	962,317
Held for structural position	-	-	-	-
Receivable from security borrowing markets	-	-	-	-
Collateral for security borrowing markets	-	-	-	-
Others(*)	1,938,751	612,638	1,972,657	611,410
Total	4,267,176	1,607,360	4,343,224	1,628,303

(*) The securities held as free that are subject to collateral/blockage or other transactions are presented in the notes to the financial statements.

7. Information on investments in associates

Information on investments in associates

Associate	Address (City/ Country)	% D Q N ¶ V ± B k Different, Voting Rights (%)	% D Q N ¶ V Group Share (%)
1 . ÖEUÖV 9DNÖIODU %DQNDVÖ /WG	Lefkosa/NCTR	15.00	15.00
2 9DNÖI % 7LSL 0HQNXO . Ö\PHWÖH ø VWDQEX		11.75	21.77
3 9DNÖI *D\ULPHQNXO <D\WÖUÖP 2I ø VWDQEX		27.63	29.49
4 7•UNL\H 6ÖQDL .DONÖQPD %DQNI ø VWDQEX	Turkey	8.38	8.38
5 5RNHWVDQ 5RNHW 6ÖQDL YH 7LI	AnkaraTurkey	10.00	10.00
6 %DQNDODUDUDVÖ .DUW 0HUNHJL ø VWDQEX		9.70	9.70
7 .UHGL .D\ÖW (*)%•URVX \$ù	ø VWDQEX	9.09	9.09
8 *•oELUOL÷L ¶PROGLQJ \$ù	ø] P Lutkey	0.07	0.07
9 ø]PLU (QWHUQDV\¶RQHO 2WHOFLC ø VWDQEX		5.00	5.00
10 ø 0.% 7DNDV YH 6DNÖDPD %DQND ø VWDQEX		4.86	5.28
11 .UHGL *DUDQWL)RQX \$ù	AnkaraTurkey	1.67	1.67
12 :RUOG 9DNÖI 8%% /WG	Lefkosa/NCTR	82.00	85.24

	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	762,905	60,494	7,738	56,487	9,826	5,337	11,793	-
2	14,605	14,328	81	191	221	581	(152)	23,662
3	189,197	186,817	140,605	1,755	798	25,791	4,960	238,697
4	10,133,634	1,557,101	26,094	326,148	203,526	258,620	227,755	1,457,613
5	1,257,018	241,111	260,852	220,846	-	46,861	41,658	-
6	25,225	18,484	10,345	1,116	-	2,619	1,465	-
7	40,326	34,266	3,101	2,526	-	18,566	13,630	-
8	121,273	10,930	141	314	-	(13,948)	(9,203)	-
9	105,387	35,029	100,307	45	-	(11,703)	(2,620)	-
10	2,355,782	307,516	11,386	42,236	3,932	34,844	28,048	-
11	198,846	170,777	3,501	7,502	-	5,867	(4,165)	-
12	1,930	(31,696)	-	1	-	(856)	(480)	-

(*) The financial statements as at and for the year ended 31 December 2011 are presented

(**) Figures are obtained from audited financial statements for 31 December 2011 disclosed in Public Disclosure Platform.

(***) Figures are obtained from reviewed financial statements for 31 March 2012 disclosed in Public Disclosure Platform

Movement table of investments in associates

	Current Period	Prior Period
Balance at the beginning of the period	219,527	206,682
Movements during the period	89,937	12,845
Transfers	-	-
Acquisitions and capital increases	-	22,553
Bonus shares received	25,132	10,368
Income/loss from investments under equity accounting	-	-
Sales and liquidations	-	-
Fair value changes	64,805	(20,076)
Impairment losses	-	-
Balance at the end of the period	309,464	219,527
Capital commitments	1,000	1,000
Share percentage at the end of the period (%)	-	-

In year 2011, the amount is presented as positions in movement table of investments in associates.

In year 2011, Bank has been increased by TL 7,500 from TL 7,500 to TL 15,000. The share of the Bank amounting to TL 882 is presented in the movement table of investments in associates as bonus shares received.

In year 2011, subsequent to the approval of the decision to increase the capital of 7•UNL\H 6ÖQ .DONÖQPD %DQND, an associate of the Bank, from TL 700,000 to TL 800,000, by the General Assembly of TSKB, the share of the Bank amounting to TL 8,378 is presented in the movement table of investments in associates as bonus shares received.

In year 2011, subsequent to the approval of the decision to increase the paid up capital of 7•UNL\H 6ÖQ .DONÖQPD %DQND, an associate of the Bank, from TL 700,000 to TL 800,000, by the General Assembly of TSKB, the share of the Bank amounting to TL 8,378 is presented in the movement table of investments in associates as bonus shares received.

In year 2011, subsequent to the approval of the decision to increase the paid up capital of 7•UNL\H 6ÖQ .DONÖQPD %DQND, an associate of the Bank, from TL 700,000 to TL 800,000, by the General Assembly of TSKB, the share of the Bank amounting to TL 8,378 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)	% DQN V ±6 If Different, Voting Rights (%)	% DQN V 5 L V Share(%)
1 *•QHú 6LJR\UWD \$ù	ø VWDQEYO	36.35	36.35
2 9DNÖI (PHNÖLOLN \$ù	ø VWDQEXO	53.90	75.30
3 9DNÖI)LQDQV)DFWR\ULQJ +L]P	ø VWDQEYO	78.39	86.97
4 9DNÖI)LQDQVDÖ .LUDODPD \$ù	ø VWDQEYO	58.71	64.40
5 9DNÖI <DWÖNUÖP 'H÷HUOHU \$ù	ø VWDQEYO	99.00	99.44
6 9DNÖIEDQN ,QW\HUQDWLRQDO \$	Vienna/AUSTRIA	90.00	90.00
7 9DNÖI 3RUWI\ (\Z) QHWLPL \$ù	ø VWDQEYO	99.99	99.99
8 9DNÖI (QHUML YH) ÖDGHQFLÖLN \$QNDUDEY†		65.50	84.92
9 Taksim Otelcilik \$ù†	ø VWDQEXO	51.00	51.52
10 9DNÖI 3D]DUODPD 6DQD\L YH 7	ø VWDQEYO	69.33	74.98
11 9DNÖI *D\ULPHQNXÖ 'H÷HUOHP \$QNDUDEY†		54.29	58.54

	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	864,775	278,322	163,224	14,345	144	22,226	(29,092)	272,394
2	1,385,773	124,870	35,189	30,197	22,698	14,494	4,053	194,500
3	624,130	84,763	389	63,207	-	13,243	12,664	70,000
4	600,731	100,410	4,222	30,113	437	14,390	17,393	92,114
5	112,199	56,302	318	4,772	309	3,995	5,761	55,298
6	1,555,870	199,395	2,133	47,585	8,817	20,078	9,301	166,683
7	6,398	6,161	5	552	54	1,561	1,376	19,621
8	8,208	8,087	1,062	316	-	588	(51)	12,500
9	212,273	208,039	44,149	10,479	-	7,460	(6,102)	212,968
10	30,433	24,388	794	481	48	509	-	-
11	22,314	18,912	730	1,142	170	7,185	5,147	28,488

(†) The financial statements as at and for the year ended 31 December 2011 are presented

(**) Figures are obtained from audited financial statements for 31 December 2011 disclosed on Public Disclosure Platform.

, Q WKH FXUUHQW SHULRG VXEVTXHQW WR DSSURYDO R
 'H H U O H P H \$ ü ¶ V L Q F i n d e d f r o m T L 3,500 t o T L 2000 t h r o u g h b o n u s i s s u a n c e , t h e
 % D Q N ¶ V T L K 1900 t h o u s a n d o f s t o c k s a r e p r e s e n t e d i n b o n u s s h a r e s r e c e i v e d i n m o v e m e n t t a b l e o f
 investments in subsidiaries.

In year 2011 subsequent to the approval of the decision to increase the capital of 9 DN Ö I / H D V L Q
 a subsidiary of the Bank, from TL 25,000 to TL 50,000, K Y H * H Q H U D O \$ V V H P E O \ R I 9 D
 share of the Bank amounting to TL 14,678 is presented as bonus shares received 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 2012 and 31 December 2011, items generating deferred tax assets or liabilities are listed below:

	Current period	Prior Period
Deferred tax assets:	121,697	178,817
Provision for employee termination benefits and unused vacations	48,764	47,802
Valuation differences of associates and subsidiaries	23,456	23,456
Other provisions	23,039	28,937
BRSA- Tax Code depreciation differences	16,870	16,019
Valuation differences of financial assets and liabilities	8,091	61,019
Others	1,477	1,584
Deferred tax liabilities:	(50,474)	(47,664)
Valuation differences of financial assets and liabilities	(31,335)	(32,316)
Valuation differences of associates and subsidiaries	(19,139)	(15,348)
Deferred tax assets, net	71,223	131,153

14. Information on assets held for sale and assets related to the discontinued operations
None.
15. Information on other assets
As at 31 March 2012 and 31 December 2011 other assets are as follows:

	Current period	Prior Period
Prepaid expenses	434,938	395,066
Receivables from credit card payments	185,917	392,479
Receivables from term sale of assets	93,363	103,778
Receivables from derivative financial instruments	80,663	20,177
Others	58,959	70,808
Total	853,840	982,308

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	1,683,272	-	340,826	11,995,778	1,525,319	163,289	106,644	-	15,815,128
Foreign Currency Deposits	1,213,624	-	2,249,000	10,035,110	2,082,111	446,599	1,157,230	-	17,183,674
Residents in Turkey	1,142,173	-	2,246,161	9,980,078	2,056,556	412,365	971,831	-	16,809,164
Residents in Abroad	71,451	-	2,839	55,032	25,555	34,234	185,399	-	374,510
Public Sector Deposits	2,899,006	-	1,294,983	5,350,128	1,119,639	160,651	28,112	-	10,852,577
Commercial Deposits	980,542	-	3,687,807	6,245,279	1,914,059	616,001	3,428	-	13,447,116
Others	1,945,192	-	646,920	1,970,997	805,360	79,376	11,999	-	5,459,844
Precious Metal Deposits	193,990	-	-	-	-	-	-	-	193,990
Bank Deposits	25,050	-	1,372,773	901,329	248,753	100,341	6,272	-	2,654,518
Central Bank	168	-	-	-	-	-	-	-	168
Domestic Banks	1,033	-	1,347,106	133,089	94,985	100,341	6,272	-	1,682,826
Foreign Banks	7,362	-	25,667	768,240	153,768	-	-	-	955,037
Participation Banks	16,487	-	-	-	-	-	-	-	16,487
Others	-	-	-	-	-	-	-	-	-
Total	8,940,676	-	9,592,309	36,498,619	7,695,241	1,566,257	1,313,685	-	65,606,787

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	1,671,682	-	362,643	11,508,016	1,195,391	216,923	75,894	-	15,030,549
Foreign Currency Deposits	1,474,554	-	1,741,903	8,197,256	1,824,464	382,446	1,295,852	-	14,916,475
Residents in Turkey	1,395,283	-	1,740,162	8,140,988	1,805,721	352,134	1,147,847	-	14,582,135
Residents in Abroad	79,271	-	1,741	56,268	18,743	30,312	148,005	-	334,340
Public Sector Deposits	2,766,392	-	1,885,113	4,837,879	835,509	38,441	32,799	-	10,396,133
Commercial Deposits	1,192,107	-	2,467,161	5,327,423	968,822	336,589	1,718	-	10,293,820
Others	1,931,014	-	681,617	2,936,530	966,888	294,692	18,190	-	6,828,931
Precious Metal Deposits	-	-	-	-	-	-	-	-	-
Bank Deposits	31,618	-	1,687,178	833,548	916,823	2,069	2,074	-	3,473,310
Central Bank	116	-	-	-	-	-	-	-	116
Domestic Banks	932	-	1,599,705	302,618	481,791	2,069	2,074	-	2,389,189
Foreign Banks	18,821	-	87,473	530,930	435,032	-	-	-	1,072,256
Participation Banks	11,749	-	-	-	-	-	-	-	11,749
Others	-	-	-	-	-	-	-	-	-
Total	9,067,367	-	8,825,615	33,640,652	6,707,897	1,271,160	1,426,527	-	60,939,218

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	6,583,090	6,344,011	9,232,038	8,678,865
Foreign Currency Saving Deposits	1,601,648	1,485,189	4,496,829	4,116,656
Other Saving Deposits	-	-	-	-
Off-Shore Deposits Under Foreign Insurance Coverage	-	-	-	-
Total	8,184,738	7,829,200	13,728,867	12,795,521

Saving deposits out of insurance coverage limits

	Current Period	Prior Period
Deposits and other accounts at foreign branches	8,038	7,231
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, other assistants, their parents, wives/husbands, and children	2,114	1,859
Deposits and other accounts under scope of TCC law 5237 article no 282, dated 26/6/2011	-	-
Deposits in Deposit Banks of Turkey, which are solely established for offshore 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	3,561	1,816	3,399	4,574
Swap Transactions	2,579	115,236	973	333,331
Futures	-	-	-	-
Options	13	241	4	93
Others	-	-	-	-
Total	6,153	117,293	4,376	337,998

3. Information on banks and other financial institutions

	Current Period		Prior Period	
	TL	FC	TL	FC
Central Bank of Turkey	-	-	-	-
Domestic Bank and Institutions	92,061	275,274	75,254	260,049
Foreign Banks, Institutions and Funds	-	5,686,354	-	7,902,004
Total	92,061	5,961,628	75,254	8,162,053

Maturity information of funds borrowed

	Current period		Prior period	
	TL	FC	TL	FC
Short-term ^(*)	72,256	1,036,169	60,706	2,883,277
Medium and Long term ^(*)	19,805	4,925,459	14,548	5,278,776
Total	92,061	5,961,628	75,254	8,162,053

(*) 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 14% (31 December 2011: 10.3%) of total assets. There is no concentration on funding sources of the Bank.

On 1 September 2010, the Bank obtained a syndication loan at the amount of US Dollar 135 million with interest rate of Libor + 1.30% and Euro 408 million with interest rate of Euribor + 1,30% at 1 year maturity; and syndication loan at the amount of US Dollar 10 million with interest rate of Libor + 1.75% and Euro 45 million with interest rates of Euribor + 1.75% at 2 years maturity with the participation of 32 banks under the coordination of West LB AG. The Bank has repaid the part of the loan with one year maturity on 6 September 2011. This loan has been renewed with a syndicated loan at the amount of US Dollar 145 million and Euro 433 million with interest rates of US Libor+ % 1.00 and Euribor + %1.00 at a maturity of one year, with the participation of 26 banks under the coordination of ING Bank NV on 7 September 2011

On 28 March 2011, the Bank has obtained syndication loan of US Dollar 52.5 million and Euro 573.5 million with one year maturity at the cost of Libor + 110% and Euribor + 110%, with the participation of 34 banks under the coordination of West LB AG, the the loan was repaid on 29 March 2011.

Information on securities issued

On 8 August 2011, the Bank has issued discount bonds with a nominal value of TL 500,000 and 176 days maturity. The bond has matured on 31 January 2012.

On 31 January 2012, the Bank has issued discount bonds with a nominal value of TL 1,000,000 and 178 days maturity. As at 31 March 2012, the Bank has purchased and recognized TL 597 thousand of nominal bond. The carrying value of these bonds amounts to TL 566,914 as at 31 March 2012 (31 December 2011: None).

4. & R P S R Q H Q W V R I ³ R W K H U H [W H U Q D O U H V R X U F H V S D \ D E O H ´ L
 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	631,317	583,470
Provisions for loans and receivables in Group II	50,496	38,615
Provisions for non-cash loans	46,072	46,189
Others	2,697	2,906
Total	730,582	671,180

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	50,897	2,419

The Bank has recorded provision amounting to TL 50,897 (31 December 2011: TL 2,419) for foreign exchange losses on principal amounts of foreign currency indexed loans 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 converted into cash

	Current Period	Prior Period
Non-cash loans with limited collectability	1,091	417
Non-cash loans with doubtful collectability	991	7,485
Uncollectible non-cash loans	63,739	60,035
Total	65,821	67,937

Information on other provisions

The Bank has recorded provision for possible loan losses amounting to TL 56,622 (31 December 2011 TL 51,676) which corresponds to 5 % (31 December 2011 5%) percent of loans under follow up. The related amount has been recorded as provisions for miscellaneous risks under other provisions in the accompanying financial statements.

Information on other provisions exceeding 10% of total provisions

	Current Period	Prior period
Specific provisions for non-cash loans	65,821	67,937
Provision for loans under follow up	52,622	51,676
3 URYLVLRQ IRU :RUOG 9DNÖI 8 % % /WG ZI	25,991	26,777
Provisions for lawsuits against the Bank	14,673	14,673
Provisions for credit card promotions	7,385	7,923
Provision for cheques	2,159	16,530
Other provisions	6,850	36,955
Total	175,501	222,471

8. Taxation

Current taxes

Tax provision

As at 31 March 2012, the tax provision amounts to TL 383,073 (31 December 2011 TL 298,638), after deducting prepaid taxes amounted to TL 293,376 (31 December 2011 TL 280,814) corporate tax liabilities of the Bank amounting to TL 89,697 (31 December 2011 TL 17,824).

Information on taxes payable

	Current Year	Prior Year
Corporate taxes payable	89,697	17,824
Taxation on securities	93,808	62,943
Capital gains tax on property	1,262	1,204
Banking and Insurance Transaction Tax (BITT)	30,678	28,153
Taxes on foreign exchange transactions	-	-
Value added tax payable	964	1,284
Others	30,999	13,819
Total	247,408	125,227

Information on premiums payable

	Current Year	Prior Year
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	691	429
Unemployment insurance employer share	1,383	858
Total	2,074	1,287

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), 15.6% Group (B), 16.2% Group (C) and 25.2% Group (D).

%RDUG RI 'LUHFWRUV ¶ PHİTİED BY THE PRİCE MINİSTER REPRESENTİNG THE GENERAL 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 has 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 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	342,293	56,311	257,946	56,311
Fair value differences of available-for-sale securities	(118,041)	153,369	(180,809)	112,876
Foreign exchange differences	6,980	-	6,980	-
Total	231,232	209,680	84,117	169,187

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	4,666,910	4,322,604
Loan granting commitments	4,261,983	4,574,348
Commitments for cheque payments	1,086,562	829,640
Asset purchase sale commitments	790,749	1,626,838
Share capital commitments to associates and subsidiaries	1,000	1,000
Other	257,451	294,933
Total	11,064,655	11,649,363

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 provision amounting TL 65,821 (31 December 2011 TL 67,937) for unliquidated non-cash loans recorded under offbalance sheet items, amounting TL 70,186 (31 December 2011: TL 69,605).

Final guarantees, provisional guarantees, sureties and similar transactions

	Current Period	Prior Period
Provisional letters of guarantee	441,492	489,911
Final letters of guarantee	4,423,027	4,493,718
Letters of guarantee for advances	2,055,644	1,946,721
Letters of guarantee given to custom offices	329,227	323,046
Other letters of guarantee	4,064,215	3,819,360
Total	11,313,605	11,072,756

2. Non-cash loans

	Current Period	Prior Period
Non-cash loans given for cash loan risks	1,022,565	591,334
With original maturity of 1 year or less	666,794	353,374
With original maturity of more than 1 year	355,771	237,960
Other non-cash loans	15,275,814	15,072,695
Total	16,298,379	15,664,029

3. Sectoral risk concentrations of noncash loans

	Current Period				Prior Period			
	TL	%	FC	%	TL	%	FC	%
Agricultural	57,529	0.62	155,249	2.18	44,778	0.49	189,336	2.85
Farming and Cattle	46,966	0.51	143,232	2.01	39,146	0.43	176,234	2.65
Forestry	8,763	0.09	7,037	0.10	4,610	0.05	7,949	0.12
Fishing	1,800	0.02	4,980	0.07	1,022	0.01	5,153	0.08
Manufacturing	3,997,865	43.52	3,664,781	51.53	3,990,192	44.24	3,237,435	48.72
Mining	59,660	0.65	67,119	0.94	49,592	0.55	53,415	0.80
Production	2,871,055	31.25	3,171,622	44.60	2,889,888	32.04	2,816,140	42.38
Electric, gas and water	1,067,150	11.62	426,040	5.99	1,050,712	11.65	367,880	5.54
Construction	1,509,520	16.43	1,020,009	14.34	1,509,054	16.73	1,021,201	15.37
Services	2,979,188	32.43	1,326,061	18.65	2,843,974	31.55	1,239,570	18.65
Wholesale and retail trade	1,230,166	13.39	511,516	7.19	1,093,274	12.13	380,986	5.73
Hotel, food and beverage	57,708	0.63	6,818	0.11	57,270	0.64	1,931	0.03
Transportation and	489,955	5.33	743,889	10.46	463,721	5.14	780,211	11.74
Financial institutions	1,136,512	12.37	47,158	0.66	1,166,857	12.94	57,600	0.87
Real estate and renting	7,210	0.08	120	0.00	15,604	0.17	43	0.00
Self-employment services	-	-	-	-	-	-	-	-
Education services	6,064	0.07	-	-	6,817	0.08	-	-
Health and social services	51,573	0.56	16,560	0.23	40,431	0.45	18,799	0.28
Others	642,640	7.00	945,537	13.30	630,744	6.99	957,745	14.41
Total	9,186,742	100.00	7,111,637	100.00	9,018,742	100.00	6,645,287	100.00

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

Current Period	Group I		Group II	
	TL	FC	TL	FC
Letters of Guarantee	9,083,244	2,116,183	46,444	705
Confirmed Bills of Exchange and Acceptances	22,604	783,262	-	-
Letters of Credit	-	4,172,023	-	-
Endorsements	-	-	-	-
Purchase Guarantees for Securities Issued	-	-	-	-
Factoring Guarantees	-	-	-	-
Other Guarantees and Sureties	-	3,728	-	-
Non-Cash Loans	9,105,848	7,075,196	46,444	705

Prior Period	Group I		Group II	
	TL	FC	TL	FC
Letters of Guarantee	8,914,681	2,049,109	40,559	297
Confirmed Bills of Exchange and Acceptances	29,056	454,538	-	-
Letters of Credit	732	4,098,201	-	467
Endorsements	-	-	-	-
Purchase Guarantees for Securities Issued	-	-	-	-
Factoring Guarantees	-	-	-	-
Other Guarantees and Sureties	-	6,784	-	-
Non-Cash Loans	8,944,469	6,608,632	40,559	764

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 the name of the customer's bank accounts. The Bank also provides services and banking transactions on behalf of individuals and corporate customers does not present 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	425,233	49,897	289,555	25,180
Medium and Long-Term Loans	904,996	174,651	593,874	112,978
Loans Under Follow-Up	22,515	-	31,386	-
Premiums Received from Resource Utilization Support Fu	-	-	-	-
Total	1,352,744	224,548	914,815	138,158

Information on interest income received from banks

	Current Period		Prior Period	
	TL	FC	TL	FC
Central Bank of Turkey	-	-	-	-
Domestic Banks	141	418	345	408
Foreign Banks	-	620	39	1,053
Foreign Head Office and Branches	-	-	-	-
Total	141	1,038	384	1,461

Information on interest income received from associates and subsidiaries

	Current Period	Prior Period
Interest Received from Associates and Subsidiaries	4,946	5,374

2. Interest expense

Interest expense on funds borrowed

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks	1,518	33,535	1,037	24,804
Central Bank of Turkey	-	-	-	-
Domestic Banks	1,518	857	1,037	434
Foreign Banks	-	32,678	-	24,370
Foreign Head Offices and Branches	-	-	-	-
Other Institutions	-	2,357	-	1,570
Total	1,518	35,892	1,037	26,374

Interest expense paid to associates and subsidiaries

	Current Period	Prior Period
Interest Paid to Associates and Subsidiaries	11,241	8,051

Interest expense on securities issued

Interest paid to securities issued as at for the three month period ending at 31 March 2012 TLs 19,968 (31 March 2011: None).

3. Information on trading income/losses

	Current Period	Prior Period
Income	558,741	312,344
Income from capital market transactions	15,585	27,551
Income from derivative financial instruments	241,568	120,676
Foreign exchange gains	301,588	164,117
Losses	(451,504)	(274,390)
Losses from capital market transactions	(538)	(3,981)
Losses from derivative financial instruments	(202,879)	(109,778)
Foreign exchange losses	(248,087)	(160,631)
Trading income/losses, net	107,237	37,954

Net profit arising from changes in foreign exchange rates and derivative financial instruments amounting to TL 36,745 as at and for the three month period ended 31 March 2012 (31 March 2011: net loss of TL 40,433).

4. Information on other operating income

	Current Period	Prior Period
Income from reversal of specific provisions for loans	151,013	172,917
Communication income	18,163	20,471
Gain on sale of assets	5,042	32,787
Rent income	291	1,166
Other income	48,677	8,454
Total	223,186	235,795

5. Provision expenses for losses on loans and other receivables

	Current Period	Prior Period
Specific provisions on loans and other receivables	137,209	94,038
Loans and receivables in Group III	20,197	22,630
Loans and receivables in Group IV	110,381	51,936
Loans and receivables in Group V	6,631	19,472
Non-performing commissions and other receivables	-	-
General provision expenses	59,762	28,831
Provision for possible losses	2,740	3,127
Impairment losses on securities:	27,958	20,153
Trading securities	-	-
Investment securities available-for-sale	27,958	20,153
Other impairment losses:	5,110	9,272
Associates	-	-
Subsidiaries	-	-
Joint ventures	-	-
Investment securities held-to-maturity	5,110	9,272
Others ^(*)	27,836	26,652
Total	260,615	182,073

(*) Other provision expenses amounting to TL 27,836 (31 March 2011: TL 26,652) is comprised of provision expenses for dividends to the personnel amounting to TL 21,254 (31 March 2011: TL 21,450), provision for non-cash loans that are not indemnified or converted into cash and provision for cheques amounting to TL 2,872 (31 March 2011: TL 4,541) and other provision expenses amounting to TL 3,710 (31 March 2011: TL 661).

6. Information on other operating expenses

	Current Period	Prior Period
Personnel Costs	218,101	191,707
Reserve for Employee Termination Benefits	5,727	2,407
Deficit Provision for Pension Funds	-	-
Impairment Losses on Tangible Assets	-	-
Depreciation Expenses on Tangible Assets	26,150	24,406
Impairment Losses on Intangible Assets	-	-
Amortization Expenses on Intangible Assets	2,148	2,253
Impairment Losses on Assets to be Disposed	451	1,112
Depreciation Expenses on Assets to be Disposed	3,080	2,807
Impairment Losses on Assets Held for Sale	-	-
Other Operating Expenses	206,675	182,555
Operational lease expenses	30,624	26,748
Repair and maintenance expenses	3,722	2,843
Advertisement expenses	8,225	1,957
Other expenses	164,104	151,007
Loss on sale of assets	38	267
Others	48,707	44,591
Total	511,077	452,105

7. Provision for taxes on income

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

In the current period, the Bank has recorded a tax charge of TL 66,127 (31 March 2011: TL 78,942) 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	(53,568)	(7,561)
Arising from (Origination)/ Reversal of Taxable Temporary Differences	14,299	(6,601)
Arising from Origination / (Reversal) of Tax Losses	-	-
Arising from tax rate change	-	-
Total	(39,269)	(14,162)

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 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.

V. , QIRUPDWLRQ DQG GLVFORVXUHV UHODWHG WR WKH %DQN¶V ULVN

1. Information on the volume of trade receivables, loans and deposits 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 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	293,552	614,114	-	6,572	4,443	1,540
Balance at the end of the period	207,977	568,490	-	12,395	3,692	10,586
Interest and commission income	4,946	177	-	10	56	12

Prior Period	Associates, Subsidiaries and Joint-Ventures		% D Q N ¶ V ' L U 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	293,552	614,114	-	6,572	4,443	1,540
Interest and commission income	5,374	77	-	-	106	25

Information on deposits held by the Bank's risk group

% D Q N ¶ V U L V N * U R	Associates, Subsidiaries and Joint-Ventures		% D Q N ¶ V ' L U 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	1,085,232	731,751	728,474	581,885	92,454	54,423
Balance at the end of the period	1,406,627	1,085,232	749,954	728,474	73,897	92,454
Interest on deposits	11,241	8,051	14,294	8,331	145	107

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

None

2. 'L V F O R V X U H V R I W U D Q V D F W L R Q V Z L W K W K H % D Q N ¶ V U L V N J U

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 0.35% (31 December 2011: 0.52%) and 3.63% (31 December 2011: 3.97%), respectively.

Current Period	Amount	Compared to financial statement amount (%)
Cash loans	211,669	0.35
Non-cash loans	591,471	3.63
Deposits	2,230,478	3.40
Forward and option agreements	-	-

Prior Period	Amount	Compared to financial statement amount (%)
Cash loans	297,995	0.52
Non-cash loans	622,226	3.97
Deposits	1,906,160	3.13
Forward and option agreements	-	-

SECTION SIX

Other Disclosures and Footnotes

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

- As per the resolution of 8th Annual General Assembly held on 30 March 2012, the net profit of year 2011 has been decided to be distributed as follows

Profit Distribution Table of Year 2011	
%DQN¶V XQFRQVROLDGWHG SURILW LQ LWV V	1,226,781
Deferred tax income	(25,524)
Net profit of the year subject to distribution	1,201,267
Legal reserves	120,126
<i>First Legal Reserves</i>	60,063
<i>Reserves allocated according to banking law and articles of association.</i>	60,063
Net profit of the year subject to distribution	1,081,131
Gain on sale of immovables and shares of associates and subsidiaries	33,497
Extraordinary reserves	1,010,631
Dividends to the shareholders	37,000

- 7KH SXEOLF RIIHU bid with TL 1,000,000,000 nominal value and 178 days maturity in accordance with the FRPPXQLTX p DSSURY Haraj 2012,0 has been realized. The bill has started to be traded on Istanbul Stock Exchange with the ISIN code TRQVKFB212. Capital and interest will be paid as a single payment at maturity.
- The Bank and CBT had disagreement about the reserve requirements deposited at CBT regarding the syndication loans obtained by foreign branches of the Bank. Subsequent to the decision, CBT required the Bank to provide reserve requirement for loans obtained by foreign branches, the Bank filed a claim in Ankara 1st Administrative Court for the suspension of execution and cancellation of the decision. As at 15 June 2011, the court decided on refusal of the claim with the right to appeal on State Council. CBT requested the Bank to provide additional reserves amounting to USD 100 million in average for 3.5 years period with the 4 May 2011 dated communique. In this context, the Bank has to provide additional reserve requirements at 27 May 2011.

II. Summary of Credit Ratings

May 2012 ^(*)	Standard&Poors
Foreign Currency Credit Rating	BB / Stable / -
Local Currency Credit Rating	BB / Stable / -
National	trAA / -- / trA-1
Continuance Rating	BBB- / -- / --

April 2012 ^(*)	ORRG\TV, QYH 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

November 2011 ^(*)	Fitch Rating
Long Term Foreign Currency	BB+
Short Term Foreign Currency	B
Foreign Currency Outlook	Stable
Long Term Local Currency	BB+
Short Term Local Currency	B
Local Currency Outlook	Stable
National Long Term	AA+ (tur)
National Outlook	Stable
Individual	C/D
Support Rating	3
Base Support Rating	BB+

February 2012 ^(*)	Capital Intelligence
Financial Strength Rate	BBB-
Short Term Foreign Currency	B
Long Term Foreign Currency	BB
Support Rating	2
Outlook Foreign Currency	Stable

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

(**) As at 16 March 2012, it is taken into evaluation for a downgrade.

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

On 24 April 2012, the Bank has issued bonds amounting to US\$500 million with a maturity of 24 April 2017. 36% of the bonds were issued to Europe, 27% to USA, 27% to United Kingdom and remaining 10% to Asia and Middle East. The 64% of the bonds were issued to managers, 18% to banks, 14% to private banks and remaining 4% to insurance companies.

On 10 April 2012, the Bank has obtained syndication loan of US\$2 million and Euro586.7 million with one year maturity at the cost of Libor + 145% and Euribor + 145%, with the participation of 4 banks under the coordination Wells Fargo NA and agency of ING Bank N.V. London in order to finance foreign trade.

IV. Significant foreign currency exchange rate fluctuations that are subsequent to reporting date

None.

SECTION SEVEN

- I. , QG HSHQGHQW \$XGLWRUV¶ 5HYLHZ 5HSRUW
1. Information on the LQG HSHQGHQW DXGLWRUV¶ UHYLHZ UHSRUW
7KH %DQN¶V XQFRQVROLGDWHG LQWHULP ILQDQFL-DothVWDW
period ended 31 March 2012KDYH EHHQ UHYLHZHG E\ \$NLV %D÷ÖPVÖ] 'H
0DOL 0•úDYLUOL in September of 2012 (KPMG International, a Swiss cooperative). It was
noted in their review report dated May 2012 that nothing material has come to their attention that
caused them to believe that the accompanying unconsolidated interim financial statements give a
WUXH DQG IDLU YLHZ RI WKH %DQN¶V ILQDQFLDO SRVLWLRQ