

**FİBABANKA A.Ş.**

**LIMITED REVIEW REPORT,  
UNCONSOLIDATED FINANCIAL  
STATEMENTS AND FOOTNOTES  
FOR THE PERIOD ENDED  
31 MARCH 2012**

To the Board of Directors of  
Fibabanka A.Ş.  
İstanbul

DRT Bağımsız Denetim ve  
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## FİBABANKA A.Ş.

### INDEPENDENT AUDITORS' LIMITED REVIEW REPORT FOR THE PERIOD ENDED 31 MARCH 2012

We have reviewed the accompanying balance sheet of Fibabanka A.Ş. ("the Bank") as at 31 March 2012 and the related statements of income, changes in shareholders' equity and cash flows for the period then ended. These financial statements are the responsibility of the Bank's management. As independent accountants our responsibility is to issue a report based on the review performed on these financial statements.

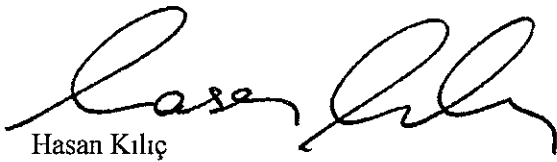
We conducted our review in accordance with the accounting rules and policies, and the accounting and auditing standards, set out as per the Banking Act No: 5411. Those standards require that we plan and perform the review to obtain limited assurance as to whether the financial statements are free of material misstatement. A review is principally limited to reviewing financial statements by applying analytical procedures, inquiring as to the integrity of the financial statements and making inquiries of management to obtain information; it is substantially less in scope than an audit and therefore provides a lesser assurance. 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 financial statements do not give a true and fair view of the financial position of Fibabanka A.Ş. as at 31 March 2012, the results of its operations and its cash flows for the period then ended in accordance with the prevailing accounting principles and standards set out as per the Article No: 37 of the Banking Act No: 5411, and other regulations, communiqués and circulars in respect of accounting and financial reporting and pronouncements made by Banking Regulation and Supervision Agency.

Additional paragraph for English translation:

The effect of the differences between the accounting principles summarized in Section 3 and the accounting principles generally accepted in countries in which the accompanying financial statements are to be distributed and International Financial Reporting Standards (IFRS) have not been quantified and reflected in the accompanying financial statements. The accounting principles used in the preparation of the accompanying financial statements differ materially from IFRS. Accordingly, the accompanying financial statements are not intended to present the Bank's financial position and results of its operations in accordance with accounting principles generally accepted in such countries of users of the financial statements and IFRS.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.  
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**



Hasan Kılıç  
Partner

İstanbul, 2 May 2012





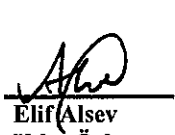
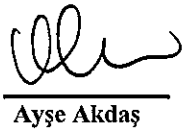
**THE UNCONSOLIDATED FINANCIAL REPORT OF FİBABANKA A.Ş. FOR THE  
THREE MONTH PERIOD ENDED 31 MARCH 2012**

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The unconsolidated financial report for the three months designed by the Banking Regulation and Supervision Agency in line with Communiqué on Financial Statements to be Publicly Announced and the Related Policies and Disclosures consists of the sections listed below:

- GENERAL INFORMATION ABOUT THE BANK
- UNCONSOLIDATED INTERIM FINANCIAL STATEMENTS OF THE BANK
- EXPLANATIONS ON THE CORRESPONDING ACCOUNTING POLICIES APPLIED IN THE RELATED PERIOD
- INFORMATION ON FINANCIAL STRUCTURE OF THE BANK
- EXPLANATORY DISCLOSURES AND FOOTNOTES ON UNCONSOLIDATED FINANCIAL STATEMENTS
- OTHER DISCLOSURES
- LIMITED REVIEW REPORT

The unconsolidated financial statements and the explanatory footnotes and disclosures for the three months, unless otherwise indicated, are prepared in **thousands of Turkish Lira**, in accordance with the Communiqué on Banks' Accounting Practice and Maintaining Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards, related communiqués and the Banks' records, have been independently reviewed and presented as attached.

 Hüsnü Mustafa Özyeğin	 Fevzi Bozer	 Fark Onur Umut	 Bekir Dildar	 Elif Alsev Utku Özbey	 Ayşe Akdaş
Chairman of Board of Directors	Member of the Audit Committee	Member of the Audit Committee	General Manager	Assistant General Manager	Finance Department Head

Information related to personnel to whom questions related to this financial report may be directed.

Name-Surname/Title : Ayşe Akdaş / Finance Department Head  
Telephone Number : (212) 381 84 88  
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## **SECTION ONE**

### **GENERAL INFORMATION**

#### **I. History of the Bank Including Its Incorporation Date, Initial Status and Amendments to the Initial Status**

On 21 December 2001, Share Transfer Agreement was signed with Novabank S.A. for the sale of all shares of Sitebank A.Ş. under the control of SDIF and the sale transaction was approved by the decision of BRSA No: 596 on 16 January 2002.

In the General Assembly held on 4 March 2003, the name of Sitebank A.Ş. was amended as BankEuropa Bankası A.Ş..

In the extraordinary General Assembly held on 28 November 2006, the name of Bank Europa Bankası A.Ş. was amended as Millennium Bank A.Ş.

On 10 February 2010, Banco Commercial Portugues S.A. and Credit Europe Bank N.V., which is an affiliate of Fiba Group, signed a share purchase agreement to transfer 95% of the Bank's shares to Credit Europe Bank N.V. and the legal approval process has been completed as of 27 December 2010. Credit Europe Bank N.V. is 100% owned by Credit Europe Group N.V. which is a banking group incorporated in Netherlands and an affiliate of Fiba Holding A.Ş..

In the extraordinary General Assembly held on 25 April 2011 the name of Millennium Bank A.Ş. has been amended as Fibabanka A.Ş. ("Bank").

#### **II. Shareholder Structure, Shareholders Having Direct or Indirect, Joint or Individual Control Over the Management and Internal Audit of the Bank, Changes in Shareholder Structure During the Current Period, if any and Information on the Bank's Risk Group**

The Bank increased its capital from TL 325,000 to TL 426,650 as of 31 March 2012, on 31 December 2011 following the registration of the Extraordinary General Assembly dated 26 January 2012. The Bank has accounted for the capital increase of TL 101,650 under the "Sundry Creditors" since the permission procedure of the BRSA was not completed in the last quarter of 2011. After the capital increase, the share of Credit Europe Bank N.V. which was %96.9 has increased to 97.6% and the share of Banco Comercial Portugues S.A has decreased from 3.1% to 2.4%.

As of 31 March 2012, the Bank's paid in capital is TL 426,650. As of 31 March 2012 the number of issued shares of the Bank is 42,665,010,000 with a TL 0.01 (full TL) nominal value per share.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

**III. Explanations Regarding the Shares of the Bank Owned by and Areas of Responsibility of the Chairman and the Members of Board of Directors, Audit Committee Members, Chief Executive Officer, Executive Vice Presidents**

<u>Name Surname</u>	<u>Title</u>	<u>Shares Owned</u>	<u>Date</u>
<i>Board of Directors</i>			
Hüsnü Mustafa Özyeğin	Chairman	--	27 December 2010
Fevzi Bozer	Deputy Chairman	--	27 December 2010
M. Erhan Polat	Member	--	27 December 2010
Mehmet Güleşçi	Member	--	27 December 2010
Faik Onur Umut	Member	--	27 December 2010
Enver Murat Başbay	Member	--	27 December 2010
Umut Bayoğlu	Member	--	26 January 2012
Bekir Dildar	Member-General Manager*	--	27 December 2010
<i>Audit Committee</i>			
Fevzi Bozer	Member	--	27 December 2010
Faik Onur Umut	Member	--	27 December 2010
<i>Assistant General Managers</i>			
Ahmet İlerigelen	Assistant General Manager	--	7 January 2011
Ali Murat Dinç	Assistant General Manager	--	7 January 2011
Elif Alsev Utku Özbey	Assistant General Manager	--	7 January 2011
Adem Aykın	Assistant General Manager	--	1 July 2011
Esra Osmanağaoğlu	Assistant General Manager	--	29 February 2012

(\*) Bekir Dildar was appointed as the General Manager on 7 January 2011.

**IV. Individuals and Institutions That Have Qualified Shares in the Bank**

Credit Europe Bank N.V owns 97,6% of 42,665,010,000 shares of the Bank, which is owned by a banking group, Credit Europe Group N.V. 100%, incorporated in Netherlands and an affiliate of Fiba Holding A.Ş.

<u>Name Surname/ Commercial Title</u>	<u>Share Amount (Nominal)</u>	<u>Share Ratios</u>	<u>Paid in Capital (Nominal)</u>	<u>Unpaid Shares</u>
Credit Europe Bank N.V.	416,523	97.6%	416,523	--
Credit Europe Group N.V.	416,523	97.6%	416,523	--
Fiba Holding	395,697	92.7%	395,697	--
Hüsnü Mustafa Özyeğin	387,757	90.9%	387,757	--

**V. Summary Information on the Bank's Services and Activity Areas**

The Bank was incorporated as a foreign bank authorized for customer deposit acceptance and the Head Office of the Bank is located in Istanbul, Turkey. As of 31 March 2012, the Bank serves with 22 domestic branches and 477 employees.

## **FİBABANKA A.Ş.**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012**

(Amounts expressed in thousands of Turkish Lira -TL)

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#### **VI. Other Information**

The Bank's Commercial Title:	Fibabanka Anonim Şirketi
The Bank's General Directorate Address:	Emirhan Cad. Barbaros Plaza İş Merkezi No:113 Dikilitaş/Beşiktaş İstanbul
The Bank's Phone and Fax Numbers:	Telephone: (0212) 381 82 00 Fax : (0212) 258 37 78
The Bank's Web Site Address:	<a href="http://www.fibabanka.com.tr">www.fibabanka.com.tr</a>
The Bank's E-Mail Address:	<a href="mailto:malikontrol@fibabanka.com.tr">malikontrol@fibabanka.com.tr</a>
Reporting Period:	1 January 2012 – 31 March 2012

The financial statements, related disclosures and notes in this report are prepared, unless otherwise indicated, in thousands of Turkish Lira (TL).

**SECTION TWO**  
**UNCONSOLIDATED FINANCIAL STATEMENTS**



## FİBABANKA A.Ş.

## UNCONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)

AS OF 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

ASSETS	Note	CURRENT PERIOD (31.03.2012)			PRIOR PERIOD (31.12.2011)		
		TL	FC	Total	TL	FC	Total
I. CASH AND BALANCES WITH THE CENTRAL BANK	(5.1.1)	69,428	166,023	235,451	77,703	165,682	243,385
II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS (Net)	(5.1.2)	45,730	10,158	55,888	41,931	12,201	54,132
2.1 Financial Assets Held for Trading		45,730	10,158	55,888	41,931	12,201	54,132
2.1.1 Government Debt Securities		18,123	1,713	19,836	25,189	2,693	27,882
2.1.2 Share Certificates		-	-	-	-	-	-
2.1.3 Derivative Financial Assets Held for Trading		27,607	-	27,607	16,742	1,071	17,813
2.1.4 Other Marketable Securities		-	8,445	8,445	-	8,437	8,437
2.2 Financial Assets Classified at Fair Value Through Profit and Loss		-	-	-	-	-	-
2.2.1 Government Debt Securities		-	-	-	-	-	-
2.2.2 Share Certificates		-	-	-	-	-	-
2.2.3 Loans		-	-	-	-	-	-
2.2.4 Other Marketable Securities		-	-	-	-	-	-
III. BANKS	(5.1.3)	108	34,598	34,706	122	18,781	18,903
IV. MONEY MARKET PLACEMENTS		-	16,488	16,488	-	-	-
4.1 Interbank Money Market Placements		-	-	-	-	-	-
4.2 Istanbul Stock Exchange Money Market Placements		-	16,488	16,488	-	-	-
4.3 Receivables from Reverse Repurchase Agreements		-	-	-	-	-	-
V. FINANCIAL ASSETS AVAILABLE FOR SALE (Net)	(5.1.4)	2,910	23,801	26,711	-	15,844	15,844
5.1 Share Certificates		-	14	14	-	14	14
5.2 Government Debt Securities		2,910	-	2,910	-	-	-
5.3 Other Marketable Securities		-	23,787	23,787	-	15,830	15,830
VI. LOANS	(5.1.5)	1,729,228	789,553	2,518,781	1,434,374	672,303	2,106,677
6.1 Loans		1,715,983	789,553	2,505,536	1,422,733	672,303	2,095,036
6.1.1 Loans to the Bank's Risk Group		-	-	-	-	-	-
6.1.2 Government Debt Securities		-	-	-	-	-	-
6.1.3 Other Marketable Securities		1,715,983	789,553	2,505,536	1,422,733	672,303	2,095,036
6.2 Non-Performing Loans		19,431	-	19,431	16,368	-	16,368
6.3 Specific Provisions (-)		6,186	-	6,186	4,727	-	4,727
VII. FACTORING RECEIVABLES		-	-	-	-	-	-
VIII. INVESTMENTS HELD TO MATURITY (Net)	(5.1.6)	-	-	-	-	-	-
8.1 Government Debt Securities		-	-	-	-	-	-
8.2 Other Marketable Securities		-	-	-	-	-	-
IX. INVESTMENTS IN ASSOCIATES (Net)	(5.1.7)	-	-	-	-	-	-
9.1 Associates Accounted for Using the Equity Method		-	-	-	-	-	-
9.2 Unconsolidated Associates		-	-	-	-	-	-
9.2.1 Financial Associates		-	-	-	-	-	-
9.2.2 Non-Financial Associates		-	-	-	-	-	-
X. INVESTMENTS IN SUBSIDIARIES (Net)	(5.1.8)	-	-	-	-	-	-
10.1 Unconsolidated Financial Subsidiaries		-	-	-	-	-	-
10.2 Unconsolidated Non-Financial Subsidiaries		-	-	-	-	-	-
XI. JOINTLY CONTROLLED ENTITIES (JOINT VENTURES) (Net)	(5.1.9)	-	-	-	-	-	-
11.1 Jointly Controlled Entities Accounted for Using the Equity Method		-	-	-	-	-	-
11.2 Unconsolidated Jointly Controlled Entities		-	-	-	-	-	-
11.2.1 Jointly Controlled Financial Entities		-	-	-	-	-	-
11.2.2 Jointly Controlled Non-Financial Entities		-	-	-	-	-	-
XII. LEASE RECEIVABLES	(5.1.10)	-	-	-	-	-	-
12.1 Finance Lease Receivables		-	-	-	-	-	-
12.2 Operating Lease Receivables		-	-	-	-	-	-
12.3 Other		-	-	-	-	-	-
12.4 Unearned Income (-)		-	-	-	-	-	-
XIII. DERIVATIVE FINANCIAL ASSETS FOR HEDGING PURPOSES	(5.1.11)	-	-	-	-	-	-
13.1 Fair Value Hedge		-	-	-	-	-	-
13.2 Cash Flow Hedge		-	-	-	-	-	-
13.3 Net Foreign Investment Hedge		-	-	-	-	-	-
XIV. TANGIBLE ASSETS (Net)	(5.1.12)	11,621	-	11,621	11,663	-	11,663
XV. INTANGIBLE ASSETS (Net)	(5.1.13)	6,881	-	6,881	6,074	-	6,074
15.1 Goodwill		-	-	-	-	-	-
15.2 Other		6,881	-	6,881	6,074	-	6,074
XVI. INVESTMENT PROPERTY (Net)	(5.1.14)	-	-	-	-	-	-
XVII. TAX ASSETS	(5.1.15)	17,019	-	17,019	20,472	-	20,472
17.1 Current Tax Asset		-	-	-	-	-	-
17.2 Deferred Tax Asset		17,019	-	17,019	20,472	-	20,472
XVIII. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)	(5.1.16)	2,955	-	2,955	6,270	-	6,270
18.1 Held for Sale		2,955	-	2,955	6,270	-	6,270
18.2 Discontinued Operations		-	-	-	-	-	-
XIX. OTHER ASSETS	(5.1.17)	9,169	143	9,312	3,141	188	3,329
<b>TOTAL ASSETS</b>		<b>1,895,049</b>	<b>1,040,764</b>	<b>2,935,813</b>	<b>1,601,750</b>	<b>884,999</b>	<b>2,486,749</b>

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

## FİBANKA A.Ş.

## UNCONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)

AS OF 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

LIABILITIES	Note	CURRENT PERIOD (31.03.2012)			PRIOR PERIOD (31.12.2011)		
		TL	FC	Total	TL	FC	Total
<b>I. DEPOSITS</b>	(5.II.1)	1,514,123	590,657	2,104,780	1,518,503	532,002	2,050,505
1.1 Deposits from the Bank's Risk Group		10,064	20,659	30,723	88,806	6,397	95,203
1.2 Other		1,504,059	569,998	2,074,057	1,429,697	525,605	1,955,302
<b>II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING</b>	(5.II.2)	10,999	-	10,999	15,371	944	16,315
<b>III. FUNDS BORROWED</b>	(5.II.3)	1,593	329,368	330,961	1,115	28,641	29,756
<b>IV. MONEY MARKET FUNDS</b>		8,874	-	8,874	6,831	-	6,831
4.1 Interbank Money Market Funds		-	-	-	-	-	-
4.2 Istanbul Stock Exchange Money Market Funds		-	-	-	-	-	-
4.3 Funds Provided Under Repurchase Agreements		8,874	-	8,874	6,831	-	6,831
<b>V. MARKETABLE SECURITIES ISSUED (Net)</b>	(5.II.4.1)	72,064	-	72,064	-	-	-
5.1 Bills		72,064	-	72,064	-	-	-
5.2 Asset-backed Securities		-	-	-	-	-	-
5.3 Bonds		-	-	-	-	-	-
<b>VI. FUNDS</b>		-	-	-	-	-	-
6.1 Borrower Funds		-	-	-	-	-	-
6.2 Other		-	-	-	-	-	-
<b>VII. SUNDRY CREDITORS</b>	(5.II.4.2)	5,291	2,463	7,754	104,028	1,768	105,796
<b>VIII. OTHER LIABILITIES</b>	(5.II.4.2)	12,921	4,146	17,067	9,317	3,026	12,343
<b>IX. FACTORING PAYABLES</b>		-	-	-	-	-	-
<b>X. LEASE PAYABLES (Net)</b>	(5.II.5)	-	-	-	-	-	-
10.1 Finance Lease Payables		-	-	-	-	-	-
10.2 Operating Lease Payables		-	-	-	-	-	-
10.3 Other		-	-	-	-	-	-
10.4 Deferred Finance Lease Expenses (-)		-	-	-	-	-	-
<b>XI. DERIVATIVE FINANCIAL LIABILITIES FOR HEDGING PURPOSES</b>	(5.II.6)	-	-	-	-	-	-
11.1 Fair Value Hedge		-	-	-	-	-	-
11.2 Cash Flow Hedge		-	-	-	-	-	-
11.3 Net Foreign Investment Hedge		-	-	-	-	-	-
<b>XII. PROVISIONS</b>	(5.II.7)	32,840	-	32,840	25,938	-	25,938
12.1 General Loan Loss Provision		27,192	-	27,192	22,753	-	22,753
12.2 Provision for Restructuring		-	-	-	-	-	-
12.3 Reserves for Employee Benefits		4,257	-	4,257	2,010	-	2,010
12.4 Insurance Technical Reserves (Net)		-	-	-	-	-	-
12.5 Other Provisions		1,391	-	1,391	1,175	-	1,175
<b>XIII. TAX LIABILITY</b>	(5.II.8)	6,375	-	6,375	6,012	-	6,012
13.1 Current Tax Liability		6,375	-	6,375	6,012	-	6,012
13.2 Deferred Tax Liability		-	-	-	-	-	-
<b>XIV. PAYABLES RELATED TO ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS</b>	(5.II.9)	-	-	-	-	-	-
14.1 Held for Sale		-	-	-	-	-	-
14.2 Discontinued Operations		-	-	-	-	-	-
<b>XV. SUBORDINATED LOANS</b>	(5.II.10)	-	-	-	-	-	-
<b>XVI. SHAREHOLDERS' EQUITY</b>	(5.II.11)	344,165	(66)	344,099	234,980	(1,727)	233,253
16.1 Paid-in Capital		426,650	-	426,650	325,000	-	325,000
16.2 Capital Reserves		26,915	(66)	26,849	26,918	(1,727)	25,191
16.2.1 Share premium		-	-	-	-	-	-
16.2.2 Share Cancellation Profits		-	-	-	-	-	-
16.2.3 Marketable Securities Revaluation Reserve		(3)	(66)	(69)	-	(1,727)	(1,727)
16.2.4 Tangible Assets Revaluation Reserve		9,502	-	9,502	9,502	-	9,502
16.2.5 Intangible Assets Revaluation Reserve		-	-	-	-	-	-
16.2.6 Investment Property Revaluation Reserve		-	-	-	-	-	-
16.2.7 Bonus Shares Obtained from Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)		-	-	-	-	-	-
16.2.8 Hedge Funds (Effective Portion)		-	-	-	-	-	-
16.2.9 Accumulated Revaluation Reserves on Assets Held for Sale and Discontinued Operations		-	-	-	-	-	-
16.2.10 Other Capital Reserves		17,416	-	17,416	17,416	-	17,416
16.3 Profit Reserves		-	-	-	-	-	-
16.3.1 Legal Reserves		-	-	-	-	-	-
16.3.2 Statutory Reserves		-	-	-	-	-	-
16.3.3 Extraordinary Reserves		-	-	-	-	-	-
16.3.4 Other Profit Reserves		-	-	-	-	-	-
16.4 Profit or Loss		(109,400)	-	(109,400)	(116,938)	-	(116,938)
16.4.1 Prior Years' Profit/Loss		(116,938)	-	(116,938)	(122,125)	-	(122,125)
16.4.2 Current Year Profit/Loss		7,538	-	7,538	5,187	-	5,187
16.5 Minority Interest	(5.II.12)	-	-	-	-	-	-
<b>TOTAL LIABILITIES AND EQUITY</b>		2,009,245	926,568	2,935,813	1,922,095	564,654	2,486,749

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

## FİBABANKA A.Ş.

## UNCONSOLIDATED OFF-BALANCE SHEET COMMITMENTS

AS OF 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	Note	CURRENT PERIOD (31.03.2012)			PRIOR PERIOD (31.12.2011)		
		TL	FC	Total	TL	FC	Total
<b>A. OFF-BALANCE SHEET CONTINGENCIES AND COMMITMENTS (I+II+III)</b>		1,193,604	3,082,108	4,275,712	1,298,133	3,432,746	4,730,879
<b>I. GUARANTEES AND SURETYSHIPS</b>		103,857	143,234	247,091	83,638	144,738	228,376
1.1. Letters of Guarantee	(3.III.2)	103,857	94,247	198,104	83,638	97,565	181,203
1.1.1. Guarantees Subject to State Tender Law		-	-	-	-	-	-
1.1.2. Guarantees Given for Foreign Trade Operations		-	-	-	-	-	-
1.1.3. Other Letters of Guarantee		103,857	94,247	198,104	83,638	97,565	181,203
1.2. Bank Loans		-	4,669	4,669	-	-	-
1.2.1. Import Letters of Acceptance		-	-	-	-	-	-
1.2.2. Other Bank Acceptances		-	4,669	4,669	-	-	-
1.3. Letters of Credit		-	44,318	44,318	-	47,173	47,173
1.3.1. Documentary Letters of Credit		-	-	-	-	-	-
1.3.2. Other Letters of Credit		-	44,318	44,318	-	47,173	47,173
1.4. Prefinancing Given as Guarantee		-	-	-	-	-	-
1.5. Endorsements		-	-	-	-	-	-
1.5.1. Endorsements to the Central Bank of Turkey		-	-	-	-	-	-
1.5.2. Other Endorsements		-	-	-	-	-	-
1.6. Purchase Guarantees for Securities Issued		-	-	-	-	-	-
1.7. Factoring Guarantees		-	-	-	-	-	-
1.8. Other Guarantees		-	-	-	-	-	-
1.9. Other Suretyships		-	-	-	-	-	-
<b>II. COMMITMENTS</b>		192,637	501,967	694,604	82,947	472,433	555,380
2.1. Irrevocable Commitments	(5.III.1)	192,637	501,967	694,604	82,947	472,433	555,380
2.1.1. Forward asset purchase commitments		43,925	501,967	545,892	20,929	472,433	493,362
2.1.2. Forward Deposit Purchase and Sales Commitments		-	-	-	-	-	-
2.1.3. Share Capital Commitment to Associates and Subsidiaries		-	-	-	-	-	-
2.1.4. Loan Granting Commitments		116,401	-	116,401	37,652	-	37,652
2.1.5. Securities Underwriting Commitments		-	-	-	-	-	-
2.1.6. Commitments for Reserve Deposit Requirements		-	-	-	-	-	-
2.1.7. Payment Commitment for Checks		27,228	-	27,228	19,425	-	19,425
2.1.8. Tax and Fund Liabilities from Export Commitments		-	-	-	-	-	-
2.1.9. Commitments for Credit Card Expenditure Limits		5,002	-	5,002	4,861	-	4,861
2.1.10. Commitments for Promotions Related with Credit Cards and Banking Activities		81	-	81	80	-	80
2.1.11. Receivables from Short Sale Commitments		-	-	-	-	-	-
2.1.12. Payables for Short Sale Commitments		-	-	-	-	-	-
2.1.13. Other Irrevocable Commitments		-	-	-	-	-	-
2.2. Revocable Commitments		-	-	-	-	-	-
2.2.1. Revocable Loan Granting Commitments		-	-	-	-	-	-
2.2.2. Other Revocable Commitments		-	-	-	-	-	-
<b>III. DERIVATIVE FINANCIAL INSTRUMENTS</b>	(5.III.5)	897,110	2,436,907	3,334,017	1,131,548	2,815,575	3,947,123
3.1. Derivative Financial Instruments for Hedging Purposes		-	-	-	-	-	-
3.1.1. Fair Value Hedge		-	-	-	-	-	-
3.1.2. Cash Flow Hedge		-	-	-	-	-	-
3.1.3. Hedge of Net Investment in Foreign Operations		-	-	-	-	-	-
3.2. Held for Trading Transactions		897,110	2,436,907	3,334,017	1,131,548	2,815,575	3,947,123
3.2.1. Forward Foreign Currency Buy/Sell Transactions		125,712	320,176	445,888	96,677	335,032	431,709
3.2.1.1. Forward Foreign Currency Transactions-Buy		79,075	241,147	320,222	49,144	161,582	210,726
3.2.1.2. Forward Foreign Currency Transactions-Sell		46,637	279,029	325,666	47,533	173,450	220,983
3.2.2. Swap Transactions Related to F.C. and Interest Rates		679,991	1,648,316	2,328,307	818,001	2,226,766	3,044,767
3.2.2.1. Foreign Currency Swap-Buy		608,272	568,966	1,177,238	810,625	716,771	1,527,396
3.2.2.2. Foreign Currency Swap-Sell		71,719	1,079,350	1,151,069	7,376	1,509,995	1,517,371
3.2.2.3. Interest Rate Swaps-Buy		-	-	-	-	-	-
3.2.2.4. Interest Rate Swaps-Sell		-	-	-	-	-	-
3.2.3. Foreign Currency, Interest Rate and Securities Options		91,407	268,415	359,822	216,870	253,777	470,647
3.2.3.1. Foreign Currency Options-Buy		28,810	149,261	178,071	159,529	67,658	227,187
3.2.3.2. Foreign Currency Options-Sell		62,597	119,154	181,751	57,341	186,119	243,460
3.2.3.3. Interest Rate Options-Buy		-	-	-	-	-	-
3.2.3.4. Interest Rate Options-Sell		-	-	-	-	-	-
3.2.3.5. Securities Options-Buy		-	-	-	-	-	-
3.2.3.6. Securities Options-Sell		-	-	-	-	-	-
3.2.4. Foreign Currency Futures		-	-	-	-	-	-
3.2.4.1. Foreign Currency Futures-Buy		-	-	-	-	-	-
3.2.4.2. Foreign Currency Futures-Sell		-	-	-	-	-	-
3.2.5. Interest Rate Futures		-	-	-	-	-	-
3.2.5.1. Interest Rate Futures-Buy		-	-	-	-	-	-
3.2.5.2. Interest Rate Futures-Sell		-	-	-	-	-	-
3.2.6. Other		-	-	-	-	-	-
<b>B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)</b>		9,955,987	7,111,395	17,067,382	8,889,400	6,974,428	15,863,828
<b>IV. ITEMS HELD IN CUSTODY</b>		131,954	32,725	164,679	146,402	38,032	184,434
4.1. Assets under Management		47,828	-	47,828	41,389	-	41,389
4.2. Investment Securities Held in Custody		19,814	23,679	43,493	18,094	29,480	47,574
4.3. Checks Received for Collection		64,081	8,832	72,913	86,779	8,458	95,237
4.4. Commercial Notes Received for Collection		231	214	445	140	94	234
4.5. Other Assets Received for Collection		-	-	-	-	-	-
4.6. Assets Received for Public Offering		-	-	-	-	-	-
4.7. Other Items under Custody		-	-	-	-	-	-
4.8. Custodians		-	-	-	-	-	-
<b>V. PLEDGED ITEMS</b>		9,824,033	7,078,670	16,902,703	8,742,998	6,936,396	15,679,394
5.1. Marketable Securities		197,907	3,921	201,828	75,753	3,894	79,647
5.2. Guarantee Notes		11,153	4,164	15,317	9,313	4,012	13,325
5.3. Commodity		83,140	10,906	94,046	64,245	41,048	105,293
5.4. Warranty		-	-	-	-	-	-
5.5. Properties		1,102,971	1,630,533	2,733,504	858,182	1,446,093	2,304,275
5.6. Other Pledged Items		8,428,862	5,429,146	13,858,008	7,735,505	5,441,349	13,176,854
5.7. Pledged Items-Depository		-	-	-	-	-	-
<b>VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES</b>		-	-	-	-	-	-
<b>TOTAL OFF-BALANCE SHEET ACCOUNTS (A+B)</b>		11,149,591	10,193,503	21,343,094	10,187,533	10,407,174	20,594,707

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

**FIBABANKA A.Ş.**  
**UNCONSOLIDATED INCOME STATEMENT**  
**FOR THE PERIOD ENDED 31 MARCH 2012**  
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

INCOME STATEMENT		Note	CURRENT PERIOD (01.01.2012- 31.03.2012)	PRIOR PERIOD (01.01.2011- 31.03.2011)
I.	INTEREST INCOME	(5.IV.1)	75,653	22,629
1.1	Interest Income on Loans		74,524	21,769
1.2	Interest Received from Statutory Reserves		-	-
1.3	Interest Received from Banks		227	143
1.4	Interest Received from Money Market Placements		6	143
1.5	Interest Received from Marketable Securities Portfolio		895	574
1.5.1	Financial Assets Held for Trading		653	574
1.5.2	Financial Assets at Fair Value Through Profit and Loss		-	-
1.5.3	Financial Assets Available for Sale		242	-
1.5.4	Investments Held to Maturity		-	-
1.6	Finance Lease Income		-	-
1.7	Other Interest Income		1	-
II.	INTEREST EXPENSE	(5.IV.2)	51,244	10,585
2.1	Interest on Deposits		47,923	9,752
2.2	Interest on Funds Borrowed		2,718	822
2.3	Interest on Money Market Funds		-	-
2.4	Interest on Securities Issued		491	-
2.5	Other Interest Expense		112	11
III.	NET INTEREST INCOME/EXPENSE (I - II)		24,409	12,044
IV.	NET FEES AND COMMISSIONS INCOME/EXPENSE		1,627	1,482
4.1	Fees and Commissions Received		1,884	1,700
4.1.1	Non-cash Loans		1,002	212
4.1.2	Other	(5.IV.12)	882	1,488
4.2	Fees and Commissions Paid		257	218
4.2.1	Non-cash Loans		-	-
4.2.2	Other		257	218
V.	DIVIDEND INCOME	(5.IV.3)	-	-
VI.	TRADING INCOME (Net)	(5.IV.4)	11,670	(907)
6.1	Gains/Losses on Securities Trading		860	1,166
6.2	Derivative Financial Transactions Gains/Losses		12,497	(3,138)
6.3	Foreign Exchange Gains/Losses		(1,687)	1,065
VII.	OTHER OPERATING INCOME	(5.IV.5)	868	1,901
VIII.	TOTAL OPERATING INCOME/EXPENSE (III+IV+V+VI+VII)		38,574	14,520
IX.	PROVISION FOR LOSSES ON LOANS AND OTHER RECEIVABLES (-)	(5.IV.6)	6,288	4,887
X.	OTHER OPERATING EXPENSES (-)	(5.IV.7)	21,709	13,021
XI.	NET OPERATING INCOME (VIII-IX-X)		10,577	(3,388)
XII.	AMOUNT IN EXCESS RECORDED AS GAIN AFTER MERGER		-	-
XIII.	PROFIT/LOSS FROM ASSOCIATES ACCOUNTED FOR USING THE EQUITY METHOD		-	-
XIV.	NET MONETARY POSITION GAIN/LOSS		-	-
XV.	PROFIT/LOSS ON CONTINUING OPERATIONS BEFORE TAX (XI+...+XIV)	(5.IV.8)	10,577	(3,388)
XVI.	TAX PROVISION FOR CONTINUING OPERATIONS (±)	(5.IV.9)	(3,039)	-
16.1	Current Tax Charge		-	-
16.2	Deferred Tax Charge /(Benefit)		(3,039)	-
XVII.	NET PERIOD PROFIT/LOSS FROM CONTINUING OPERATIONS (XV±XVI)	(5.IV.10)	7,538	(3,388)
XVIII.	INCOME ON DISCONTINUED OPERATIONS		-	-
18.1	Income on Assets Held for Sale		-	-
18.2	Gain on Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)		-	-
18.3	Other Income on Discontinued Operations		-	-
XIX.	EXPENSE ON DISCONTINUED OPERATIONS (-)		-	-
19.1	Expense on Assets Held for Sale		-	-
19.2	Loss on Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)		-	-
19.3	Other Expense on Discontinued Operations		-	-
XX.	PROFIT/LOSS ON DISCONTINUED OPERATIONS BEFORE TAX (XVIII-XIX)		-	-
XXI.	TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-
21.1	Current Tax Charge		-	-
21.2	Deferred Tax Charge /(Benefit)		-	-
XXII.	NET PERIOD PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XX±XXI)		-	-
XXIII.	NET PERIOD PROFIT/LOSS (XVII+XXII)	(5.IV.11)	7,538	(3,388)
23.1	Group's Profit/Loss		7,538	(3,388)
23.2	Minority Interest		-	-
	Earnings per Share		0.02	(0.02)

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

FİBABANKA A.Ş.

UNCONSOLIDATED STATEMENT OF INCOME AND EXPENSE ITEMS ACCOUNTED FOR UNDER SHAREHOLDERS' EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

STATEMENT OF INCOME AND EXPENSE ITEMS ACCOUNTED FOR UNDER EQUITY		CURRENT PERIOD (01.01.2012- 31.03.2012)	PRIOR PERIOD (01.01.2011- 31.03.2011)
I.	ADDITIONS TO MARKETABLE SECURITIES REVALUATION RESERVES FROM FINANCIAL ASSETS AVAILABLE FOR SALE	2,072	-
II.	TANGIBLE ASSETS REVALUATION RESERVES	-	-
III.	INTANGIBLE ASSETS REVALUATION RESERVES	-	-
IV.	TRANSLATION ADJUSTMENT FOR FOREIGN CURRENCY TRANSACTIONS	-	-
V.	PROFIT/LOSS ON CASH FLOW HEDGE DERIVATIVE FINANCIAL ASSETS (Effective Portion of the Changes in Fair Value)	-	-
VI.	PROFIT/LOSS ON NET FOREIGN INVESTMENT HEDGE DERIVATIVE FINANCIAL ASSETS (Effective Portion of the Changes in Fair Value)	-	-
VII.	THE EFFECT OF CORRECTIONS OF THE ERRORS AND CHANGES IN THE ACCOUNTING POLICY	-	-
VIII.	OTHER INCOME AND EXPENSES RECOGNISED IN EQUITY IN ACCORDANCE WITH TAS	-	-
IX.	DEFERRED TAX EFFECT OF REVALUATION	(414)	-
X.	NET INCOME/EXPENSE DIRECTLY RECOGNISED IN EQUITY (I+II+...+IX)	1,658	-
XI.	PROFIT/LOSS FOR THE PERIOD	-	-
11.1	Net Changes in the Fair Values of Marketable Securities (Transfer to Profit/Loss)	-	-
11.2	The Portion of Cash-flow Hedge Derivative Financial Assets Reclassified in and Transferred to Income Statement	-	-
11.3	The Portion of Net Foreign Investment Hedge Derivative Financial Assets Reclassified in and Transferred to Income Statement	-	-
11.4	Other	-	-
XII.	TOTAL PROFIT/LOSS RECOGNISED FOR THE PERIOD (X+XI)	1,658	-

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

FIBANANKA A.Ş.																	
UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY																	
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)																	
CHANGES IN SHAREHOLDERS' EQUITY																	
	Note	Paid-in Capital	Share Premium	Share Cancellation Profits	Legal Reserves	Statutory Reserves	Extraordinary Reserves	Other Reserves	Current Period Profit/Loss	Prior Period Profit/Loss	Measurable Securities Revaluation Reserve	Tangible and Intangible Assets Revaluation Reserve	Bonus Shares from Equity Participations	Accumulated Res. Reserve on Assets Held for Sale and Discontinued Oper.	Total Equity Excluding Minority Interest	Minority Interest	Total Equity
PRIOR PERIOD																	
(01.01.2013-31.03.2011)																	
I.	Beginning Balance	202,535	17,416	-	-	-	-	-	(14,642)	(107,483)	-	9,502	-	-	107,238	-	107,238
II.	Changes during the Period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1	The Effect of Correction of Errors (Note:13)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	The Effect of Changes in Account Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Adjusted Balance (I+II)	202,535	17,416	-	-	-	-	-	(14,642)	(107,483)	-	9,502	-	-	107,238	-	107,238
IV.	Changes during the Period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.	Increase/Decrease Due to Mergers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V.	Intangible Assets Revaluation Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.1	Cash Flow Hedges (Effective Portion)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.2	Net Foreign Investment Hedges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Tangible Assets Revaluation Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Intangible Assets Revaluation Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Bonus Shares from Associates, Subsidiaries and Jointly Controlled Entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	Foreign Exchange Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII.	The Effect of Disposal of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII.	The Effect of Revaluation of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV.	The Effect of Changes in the Equity of Subsidiaries on the Equity of the Bank	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV.	Capital Increase	122,465	-	-	-	-	-	-	-	-	-	-	-	-	122,465	-	122,465
14.1	Cash	122,465	-	-	-	-	-	-	-	-	-	-	-	-	122,465	-	122,465
14.2	Internal Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV.	Share Issue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.	Share Cancellation Profits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII.	Paid-in-Capital Initiation Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVIII.	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIX.	Net Profit/Loss for the Period	-	-	-	-	-	-	-	(3,389)	(14,642)	-	-	-	-	-	-	-
XX.	Profit Distribution	-	-	-	-	-	-	-	14,642	-	-	-	-	-	-	-	-
20.1	Dividend Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20.2	Transfer to Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20.3	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Ending Balance (I+II+IV+V+...+XVIII+XIX+XX)	325,000	17,416	-	-	-	-	-	(3,389)	(122,135)	-	9,502	-	-	215,405	-	215,405
CURRENT PERIOD																	
(01.01.2013-31.03.2012)																	
I.	Prior Period End Balance	325,000	17,416	-	-	-	-	-	5,187	(122,135)	(1,727)	9,502	-	-	233,253	-	233,253
II.	Changes during the Period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Increase/Decrease Due to Mergers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IV.	Intangible Assets Revaluation Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1	Cash Flow Hedges (Effective Portion)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2	Net Foreign Investment Hedges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V.	Tangible Assets Revaluation Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Intangible Assets Revaluation Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Bonus Shares from Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Foreign Exchange Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	The Effect of Disposal of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	The Effect of Revaluation of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	The Effect of Changes in the Equity of Subsidiaries on the Equity of the Bank	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII.	Capital Increase	101,650	-	-	-	-	-	-	-	-	-	-	-	-	101,650	-	101,650
12.1	Cash	101,650	-	-	-	-	-	-	-	-	-	-	-	-	101,650	-	101,650
12.2	Internal Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII.	Share Issue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV.	Share Cancellation Profits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV.	Paid-in-Capital Initiation Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII.	Net Profit/Loss for the Period	-	-	-	-	-	-	-	7,538	(5,187)	-	-	-	-	-	-	-
XVIII.	Profit Distribution	-	-	-	-	-	-	-	(5,187)	-	-	-	-	-	-	-	-
18.1	Dividend Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18.2	Transfer to Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18.3	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Ending Balance (I+II+III+IV+V+...+XVIII+XIX+XX)	426,650	17,416	-	-	-	-	-	7,538	(116,935)	(69)	9,502	-	-	344,099	-	344,099

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

**FIBABANKA A.Ş.**  
**UNCONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE PERIOD ENDED 31 MARCH 2012**  
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	Note	CURRENT PERIOD (01.01.2012- 31.03.2012)	PRIOR PERIOD (01.01.2011- 31.03.2011)
<b>A. CASH FLOWS FROM BANKING OPERATIONS</b>			
<b>1.1 Operating Profit/Loss before Changes in Operating Assets and Liabilities</b>		<b>12,993</b>	<b>(29,657)</b>
1.1.1 Interest Received (+)		70,347	21,508
1.1.2 Interest Paid (-)		42,353	10,006
1.1.3 Dividend Received (+)		-	-
1.1.4 Fees and Commissions Received (+)		1,813	1,666
1.1.5 Other Income (+)		823	1,219
1.1.6 Collections from Previously Written Off Loans (+)		468	496
1.1.7 Cash Payments to Personnel and Service Suppliers (-)		16,549	10,672
1.1.8 Taxes Paid (-)		596	572
1.1.9 Other (+/-)		(960)	(33,296)
<b>1.2 Changes in Banking Operations Assets and Liabilities</b>		<b>(47,643)</b>	<b>(64,302)</b>
1.2.1 Net (Increase) Decrease in Financial Assets Held for Trading (+/-)		9,488	54,083
1.2.2 Net(Increase) Decrease in Financial Assets at Fair Value through Profit or Loss (+/-)		-	-
1.2.3 Net (Increase) Decrease in Due From Banks (+/-)		2,711	(3,174)
1.2.4 Net (Increase) Decrease in Loans (+/-)		(411,328)	(471,374)
1.2.5 Net (Increase) Decrease in Other Assets (+/-)		(4,818)	(3,955)
1.2.6 Net Increase (Decrease) in Bank Deposits (+/-)		67,052	(72,288)
1.2.7 Net Increase (Decrease) in Other Deposits (+/-)		(20,432)	131,182
1.2.8 Net Increase (Decrease) in Borrower Funds (+/-)		300,460	298,401
1.2.9 Net Increase (Decrease) in Matured Payables (+/-)		-	-
1.2.10 Net Increase (Decrease) in Other Liabilities (+/-)		9,224	2,823
<b>I. Net Cash Flow Provided from Banking Operations (+/-)</b>		<b>(34,650)</b>	<b>(93,959)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
<b>II. Net Cash Flow Provided from Investment Activities (+/-)</b>		<b>(8,632)</b>	<b>1,481</b>
2.1 Cash Paid for Purchase of Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures) (-)		-	-
2.2 Cash Obtained from Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures) (+)		-	-
2.3 Tangible Asset Purchases (-)		563	86
2.4 Tangible Asset Sales (+)		2,396	1,567
2.5 Cash Paid for Purchase of Financial Assets Available for Sale (-)		8,966	-
2.6 Cash Obtained from Sales of Financial Assets Available for Sale (+)		-	-
2.7 Cash Paid for Purchase of Investment Securities (-)		-	-
2.8 Cash Obtained from Sales of Investment Securities (+)		-	-
2.9 Other (+/-)		(1,499)	-
<b>C. CASH FLOWS FROM FINANCIAL ACTIVITIES</b>			
<b>III. Net Cash Provided from Financing Activities (+/-)</b>		<b>71,573</b>	<b>122,465</b>
3.1 Cash Obtained from Funds Borrowed and Securities Issued (+)		71,573	-
3.2 Cash Used for Repayment of Funds Borrowed and Securities Issued (-)		-	-
3.3 Share Certificates Issued (+)		-	122,465
3.4 Dividends Paid (-)		-	-
3.5 Payments for Finance Leases (-)		-	-
3.6 Other (+/-)		-	-
<b>IV. Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents (+/-)</b>		<b>(3,267)</b>	<b>(50)</b>
<b>V. Net Increase in Cash and Cash Equivalents (I+II+III+IV)</b>		<b>25,024</b>	<b>29,937</b>
<b>VI. Cash and Cash Equivalents at the Beginning of the Period (+)</b>		<b>125,027</b>	<b>78,193</b>
<b>VII. Cash and Cash Equivalents at the End of the Period (V+VI)</b>		<b>150,051</b>	<b>108,130</b>

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

## **SECTION THREE**

### **ACCOUNTING PRINCIPLES**

#### **I. Explanations on the basis of presentation**

##### **1. Preparation of the financial statements and the accompanying footnotes in accordance with Turkish Accounting Standards and the Communiqué on Principles and Procedures on the Accounting Practice and Documentation of Banks**

The accompanying unconsolidated financial statements are prepared in accordance with Turkish Accounting Standards ("TAS"), Turkish Financial Reporting Standards ("TFRS") and related appendices and interpretations (together "Turkish Accounting Standards" or "TAS") and other regulations, communiqués and circulars issued in respect of accounting and financial reporting and pronouncements made by the Banking Regulation and Supervision Agency ("BRSA"), under the requirements of the Communiqué "Principles and Procedures on the Accounting Procedures and Retention of Banking Documentation" published in the Official Gazette numbered 26333 on 1 November 2006. The format and content of the unconsolidated financial statements and its accompanying footnotes are prepared in accordance with the Communiqué "Publicly Disclosed Financial Statements and the Accompanying Footnotes of Banks" and the appendices and amendments to the Communiqué published in the Official Gazette numbered 26430 on 10 February 2007. The Bank's accounting records are prepared in TL amounts in accordance with the Banking Law, Turkish Commercial Code and Turkish Tax Legislation.

The financial statements are prepared in TL based on the historical cost convention, except for the financial assets and liabilities carried at fair value.

##### **2. Accounting policies and valuation principles applied in preparation of financial statements**

The accounting policies and valuation principles used in the preparation of the financial statements are selected and applied in accordance with the requirements set out in TAS, TFRS, the Communiqué "Principles and Procedures on the Accounting Procedures and Retention of Banking Documentation" published in the Official Gazette numbered 26333 on 1 November 2006, the Communiqué "Publicly Disclosed Financial Statements and the Accompanying Explanations and Footnotes by Banks" published in the Official Gazette numbered 26430 on 10 February 2007. The accounting policies and valuation principles applied in the preparation of the accompanying financial statements are explained in Notes II and XXIII below.

#### **II. Explanations on the usage strategy of financial instruments and on foreign currency transactions**

##### **1. Usage strategy of the financial instruments**

The major factor in managing interest rate and liquidity risk at the balance sheet is parallel movement of asset and liability side.

Exchange rate risk, interest rate risk and liquidity risk are controlled and measured by various risk management systems, and the balance sheet is managed under the limits set by these systems and the limits legally required. Value at risk models are used for this purpose.

Purchase-sale transactions of short and long-term financial instruments are realized within pre-determined risk limits that are allowed for the purpose of increasing risk-free return on capital.

The foreign currency position is controlled by the equilibrium of a currency basket to eliminate the foreign exchange risk.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

**2. Foreign currency transactions****2.1 Foreign currency exchange rates used in converting transactions denominated in foreign currencies and their presentation in the financial statements**

The Bank recognizes the foreign currency transactions in accordance with TAS 21 "The Effects of Changes in Foreign Exchange Rates". Foreign exchange gains and losses arising from the foreign currency transactions as of 31 March 2012 are translated into Turkish Lira by using the exchange rates at the date of the transaction and recognized in accounting records. At the end of the periods, foreign currency assets and liabilities are converted into Turkish Lira by using the spot foreign currency exchange rates of the Bank at the end of the period and the related currency translation differences are recognized as foreign exchange gains and losses.

Foreign currency indexed loans are translated into Turkish Lira by using the buying exchange rates as of the balance sheet date and the related currency translation differences are recognized as foreign exchange gains and losses.

Negative foreign currency translation differences on foreign currency indexed loans due to declines in foreign exchange rates are recognized in "foreign currency indexed loans foreign currency translation allowance account at the liability side. This allowance account is offset with the foreign currency indexed loans in the accompanying financial statements.

As at the end of the related periods, the Bank's foreign currency exchange rates are as follows:

	31 March 2012	31 December 2011
US Dollar	1.7717	1.8889
Euro	2.3554	2.4438

**2.2 Foreign exchange gains and losses included in the income statement**

As of 31 March 2012, net foreign exchange loss included in the income statement amounts is TL 1,687 (31 March 2011: TL 1,065 gain).

**III. Explanations on forward transactions, options and derivative instruments**

The Bank's derivative transactions mainly consist of foreign currency swaps, foreign currency options and forward foreign currency purchase/sale contracts. The Bank does not have any embedded derivatives separated from the host contract.

In accordance with TAS 39 "Financial Instruments: Recognition and Measurement", forward foreign currency purchase/sale contracts, swaps and options are classified as "hedging purpose" and "trading purpose" transactions. Derivatives are initially recognized at cost including the transaction costs. Also, the assets and liabilities arising from the derivative transactions are recorded as off-balance sheet items at their contractual notional amounts. The derivative transactions held for trading are valued at fair-value using market prices or pricing models subsequent to initial recognition and are presented in "derivative financial assets held for trading" or "derivative financial liabilities held for trading" items of the balance sheet depending on the difference's being positive or negative. The derivative transactions held for hedging are valued at fair value using market prices or pricing models subsequent to initial recognition and are presented in "derivative financial assets held for hedging purpose" or "derivative financial liabilities held for hedging" items of the balance sheet depending on the difference's being positive or negative. Gains and losses arising from a change in the fair value are recognized in the income statement.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012**

(Amounts expressed in thousands of Turkish Lira -TL)

**IV. Explanations on interest income and expenses**

Interest income and expenses calculated using internal rate of return are recognized on accrual basis. In accordance with Banking Act No: 5411 Articles 53 and 93, based on the prevailing communique, interest accruals on loans becoming non-performing are reversed and also ceased to accrue interest on such loans until these loans are classified as performing or collected.

**V. Explanations on fee and commission income and expenses**

Fee and commission income / expenses are recognized based on cash basis or accrual basis upon the nature of the transaction.

**VI. Explanations on financial assets**

Financial assets include cash on hand, contractual rights to receive cash or another financial asset from the counterparty or the right to exchange of financial instruments or equity instrument transactions of the counterparty. Financial assets are classified into four groups as financial assets at fair value through profit or loss, held to maturity investments, loans and receivables and available-for-sale financial assets.

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

**1.1 *Financial assets held for trading***

Financial assets held for trading are recognized at their fair values and any gain or losses resulting from such valuation are recorded in the profit and loss accounts. Interests received during the holding period of such financial assets and the difference between the amortized cost (calculated using internal rate of return) and the acquisition cost are recognized as interest income in the income statement. Gains and losses on sale of held for trading financial assets before their maturity and the difference between market value and amortized cost (calculated using internal rate of return) of such financial assets are recognized in gains and losses on securities trading under income statement.

**1.2 *Financial assets at fair value through profit or loss***

None.

**2. Available for sale financial assets**

Financial assets available-for-sale, are financial assets other than assets held for trading purposes, investments held-to-maturity and originated loans and receivables.

Financial assets available-for-sale are measured at their fair values subsequently.

Premiums and discounts on investments securities available-for-sale are taken into account in computing the internal rate of return and are included in interest income in the income statement. Unrecognized gain/losses derived from the difference between their fair value and the discounted values are recorded in "Marketable Securities Revaluation Reserve" under the shareholders' equity. In case of sales, gain/losses recognized under equity are realized and recognized directly in the income statement.

Purchase and sale transactions of securities are accounted for on a settlement date.

**3. Held to maturity investments**

None.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012**

(Amounts expressed in thousands of Turkish Lira -TL)

**4. Loans and receivables**

Loans and receivables are financial assets, which are generated by providing funds, goods or services to the debtor.

Loans and receivables are financial assets with fixed or determinable repayment schedules and they are not traded in an active market.

Loans except impaired ones mentioned below are initially measured at their acquisition cost and subsequently measured at amortized cost calculated using effective interest rate method in accordance with TAS 39 "Financial Instruments: Recognition and Measurement". Duty charges, transaction fees and other expenses paid for the collaterals of the loans are considered as part of the transaction costs and charged to the customers.

**VII. Explanations on impairment of financial assets**

Financial asset or groups of financial assets are reviewed by the Bank at each balance sheet date to determine whether there is objective evidence of impairment. If any such indicator exists, the Bank determines the amount of impairment.

Impairment loss incurs if, and only if, there is objective evidence that the reliably estimated future cash flows of financial asset or group of financial assets are adversely affected by an event(s) ("loss event(s)") incurred subsequent to initial recognition.

The Bank provides specific and general allowances for loan and other receivables classified in accordance with the Communiqué published on the Official Gazette No.2633 dated November 1, 2006. The allowances are recorded in the income statement of the related period.

**VIII. Explanations on offsetting financial instruments**

If the fair values of equity shares held for trading and quoted at the stock exchanges are lower than their carrying values, allowance for impairment is recognized and the recognized impairment is offset with the related assets on the face of the balance sheet.

Specific allowances for non-performing loan and other receivables are provided in accordance with "Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves". Such allowances are offset with loans under follow-up on the asset side.

Other financial assets and liabilities are offset when the Bank has a legally enforceable right to offset.

**IX. Explanations on sale and repurchase agreements and securities lending transactions**

Securities subject to repo (repurchase agreements) are classified as "Financial assets at fair value through profit and loss", "Financial assets available for sale" or "Investments held to maturity" according to their purposes to be held in the Bank's portfolio and evaluated within the principles of the relevant portfolio. Funds obtained from repurchase agreements are followed under the "Funds from repo transactions" account in liabilities, and interest expense accruals are calculated using the effective interest (internal rate of return) method on the difference between the sales and repurchase prices corresponding to the period designated by a repurchase agreement.

Reverse repo transactions are recorded under the "Receivables from reverse repurchase agreements" account.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012**

(Amounts expressed in thousands of Turkish Lira -TL)

**X. Explanations on noncurrent assets held for sale and discontinued operations and the related liabilities**

A tangible asset (or a disposal group) classified as “asset held for sale” is measured at the lower of the carrying value or fair value less costs to sell. Assets held for sale are not depreciated and presented in the financial statements separately. An asset (or a disposal group) is regarded as “asset held for sale” only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. For a highly probable sale, there must be a valid plan prepared by the management for the sale of asset including identification of possible buyers and completion of sale process. Furthermore, the asset should be actively marketed at a price consistent with its fair value. Events or circumstances may extend the period to complete the sale beyond one year. An extension of the period required to complete a sale does not preclude an asset (or disposal group) from being classified as held for sale if the delay is caused by events or circumstances beyond the entity's control and there is sufficient evidence that the entity remains committed to its plan to sell the asset (or disposal group).

A discontinued operation is a part of the Bank’s business classified as disposed or held-for-sale. The operating results of the discontinued operations are disclosed separately in the income statement.

**XI. Explanations on goodwill and other intangible assets**

As at the balance sheet date, there is no goodwill in the accompanying financial statements. The intangible assets of the Bank consist of software, intangible rights and other intangible assets.

The costs of the intangible assets purchased before 1 January 2005 are recognized at their inflation adjusted costs as of 31 December 2004 and intangible assets purchased after 1 January 2005 are recognized at their acquisition cost less accumulated amortization and impairment, if any.

Estimated useful lives of the intangible assets are 3 to 10 years, and amortization rates are 10% to 33.3%.

If there is objective evidence of impairment, the asset’s recoverable amount is estimated in accordance with the Turkish Accounting Standard 36 (TAS 36) “Impairment of Assets” and if the recoverable amount is less than the carrying value of the related asset, an allowance for impairment is recognized.

**XII. Explanations on tangible assets**

Tangible assets are measured at cost in accordance with the Turkish Accounting Standard 16 (TAS 16) “Tangible Assets”.

The costs of the tangible assets purchased before 1 January 2005 are recognized at their inflation adjusted costs as of 31 December 2004 and tangible assets purchased after 1 January 2005 are recognized at their acquisition cost less accumulated depreciation and impairment, if any.

If there is objective evidence of impairment, the asset's recoverable amount is estimated in accordance with the Turkish Accounting Standard 36 (TAS 36) "Impairment of Assets" and if the recoverable amount is less than the carrying value of the related asset, an allowance for impairment is recognized.

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

**XII. Explanations on tangible assets (continued):**

Depreciation rates and estimated useful lives are:

Tangible Asset	Estimated useful lives (Years)	Depreciation Rate (%)
Safe boxes	2-50	2-50
Vehicles	5	20
Other Tangible Assets	4-50	2-25

**XIII. Explanations on leasing transactions**

The Bank does not have any finance lease contract as a “lesser” or “lessee”.

If the operating lease contracts are terminated earlier than their maturity dates, the penalty charges to be paid to the lesser are recorded as expense at the end of the leasing period based on the cash payment. There is no operating lease contract terminated earlier than the maturity date.

**XIV. Explanations on provisions and contingent liabilities**

Provisions and contingent liabilities other than specific and generic provisions for loan and other receivable losses are accounted in accordance with TAS 37 "Provisions, Contingent Liabilities and Contingent Assets". When there is a present obligation that arises from past events, provision is recognized by the estimated amount of the obligation. If the amount of the obligation cannot be estimated reliably, it has been considered as “contingent liability”. If the probability of the occurrence of one or more uncertain future events confirming the existence of the obligation is higher than its non-occurrence and the amount of the obligation can be measured with sufficient reliability, provision is recognized. If not, the obligation is disclosed as contingent liability.

Provisions recognized during the period are recognized within “other operating expenses”; reversals of provisions recognized in the prior periods are recognized within “other operating income”.

**XV. Explanations on contingent assets**

The contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the Bank. If an inflow of economic benefits has become probable, then the contingent asset is disclosed in the notes to 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.

**XVI. Explanations on liabilities for employee benefits**

As per the existing labor law in Turkey, the entities are required to pay 30 days’ salary for each working year to the employees retired or fired except for resignations or misbehaviors specified in the Turkish Labor Law. The Bank recognizes its obligations relating to the rights of by using actuarial method and discounts with the valid average rate of return on government bonds valid as at the balance sheet date in accordance with TAS 19 “Employee Benefits”.

The major assumptions used in the actuarial calculation are as follows:

	31 March 2012 %	31 December 2011 %
Discount Rate	10.0	10.0
Inflation Rate	5.1	5.1

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012**

(Amounts expressed in thousands of Turkish Lira -TL)

**XVI. Explanations on liabilities for employee benefits (continued):**

Total liabilities are calculated by applying the ceiling of severance pay. As at 31 March 2012 the current severance pay ceiling is TL 2,805.04 (31 December 2011: TL 2,731.85).

The Bank provided for undiscounted short-term employee benefits earned during the financial periods as per services rendered in compliance with TAS 19.

The Bank does not have any employee working for a limited term contract whose contract term expires longer than 12 months.

There is no employee foundation, fund or similar institutions.

**XVII. Explanations on taxation**

**1. Current Tax**

Statutory income is subject to corporate tax at 20% effective from 1 January 2006 according to Corporate Tax Law No: 5520 published in Official Gazette No: 26205 dated 21 June 2006.

Corporate tax return is declared between the 1<sup>st</sup> and 25<sup>th</sup> day of the fourth month following the first day of the fiscal year end and paid until the end of the fourth month as a single installment.

In accordance with the Corporate Tax Law, the tax losses can be carried forward to offset against future taxable income for up to five years. Declarations and related accounting records can be inspected within 5 years by tax authorities and the tax calculations can be controlled.

Since 24 April 2003, including the year 2002 and earlier periods, the period income is not subject to withholding tax if it is not distributed, is transferred to share capital or is distributed to resident companies while the profit distribution to the resident natural persons, to the ones exempt from corporate and income taxes, to the foreign based tax payers (except the ones generating dividend income through their operations or permanent representative offices in Turkey) is subject to withholding tax at 10% of the profit distribution. As per decision of the Council of Ministers No. 2006/10731, dated 22 July 2006 the profit distribution to the resident natural persons, to the ones exempt from corporate and income taxes, to the foreign based tax payers (except the ones generating dividend income through their operations or permanent representative offices in Turkey) is subject to withholding tax at 15% of the profit distribution as of 23 July 2006.

The temporary corporate tax basis for the period ended at March 31, 2012 is TL 2,822 and this loss is offset from carry forward tax losses.

There is no corporate tax liability of the Bank as of 31 March 2012.

**2. Deferred Tax**

The Bank calculates and recognizes tax for 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 according to the Turkish Accounting Standard 12 (TAS 12) "Income Taxes".

As of 31 March 2012, the deferred tax asset is TL 17,019 and arises mostly from carry forward tax losses (31 December 2011: TL 20,472). The deferred tax asset is calculated as the net of carry forward tax losses, taxable and deductible temporary differences.

Deferred tax benefit/ (charge) is recognized within "Deferred tax benefit/(charge)" in the income statement. As of 31 March 2012, deferred tax charge is TL 3,039 (31 March 2011: None). Deferred tax effects of the transactions and events recognized directly in the shareholders' equity are also recognized directly in the shareholders' equity which is TL 17, as of 31 March 2012 (31 March 2011: None).

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012**

(Amounts expressed in thousands of Turkish Lira -TL)

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**3. Transfer Pricing**

The article 13 of the Corporate Tax Law describes the issue of transfer pricing under the title of “disguised profit distribution” by way of transfer pricing. “The General Communiqué on Disguised Profit Distribution by Way of Transfer Pricing” published at 18 November 2007, explains the application related issues on this topic.

According to this Communiqué, if the taxpayers conduct transactions like purchase and sale of goods or services with the related parties where the prices are not determined according to the arm’s length principle, then it will be concluded that there is a disguised profit distribution by way of transfer pricing. Such disguised profit distributions will not be deducted from the corporate tax base for tax purposes.

As stated in the “7.1 Annual Documentation” section of this communiqué, the taxpayers are required to fill out the “Transfer Pricing, Controlled Foreign Entities and Thin Capitalization” form for the purchase and sale of goods or services conducted with their related parties in a taxation period, attach these forms to their corporate tax returns and submit to the tax offices.

**XVIII. Additional explanations on borrowings**

The Bank provides resources from domestic and foreign foundations. Additionally, in current period, The Bank started to raise borrowing funds by issuing bill.

Borrowing funds are initially measured at acquisition cost and subsequently measured at amortized cost. In the accompanying financial statements, foreign currency denominated borrowing funds are translated to Turkish Lira with the Bank’s spot foreign exchange buying rates and interest expenses incurred during the period relating to the borrowing funds are recognized in income statement.

The Bank applies general hedging techniques for mitigating the liquidity risk, interest rate risk and currency risk of the borrowing funds. Those techniques do not meet the definition of hedge accounting according to TAS 39. There are no convertible bonds or any other bonds issued by the Bank as at the balance sheet date.

On 2 December 2011, the Bank has been given permission by the BRSA for the purpose of issuing bonds with a maturity up to 360-days and TL 150,000 limit. The offering circular has been approved by the Capital Markets Board on 10 January 2012 and it has been registered with the Istanbul Trade Registry Office on 19 January 2012. As at 2 March 2012, the Bank has issued discounted bank bonds in nominal value of TL 75,000 with 178 maturity days.

**XIX. Explanations on share certificates issued**

Transactions related with the issuance of share certificates are explained in Note 5.II.11.3.

**XX. Explanations on bank acceptances and bills of guarantee**

Bank acceptances and bills of guarantee are presented within off-balance sheet liabilities as being possible liabilities and commitments. Cash transactions relating to bank acceptances and bills of guarantee are realized concurrently with the customer payments.

As of the balance sheet date, there are no bank acceptances and bills of guarantee recognized as liability against an asset.

**XXI. Explanation on government incentives**

As of the balance sheet date, the Bank does not have any government incentives.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

**XXII. Explanations on segment reporting**

The Bank operates in customer banking services, individual customer current accounts, deposit accounts, long term investment products, clearing and custody services, credit and atm services, customer credits, long term real estate loans, and all the other kinds of customer banking services and commercial services.

	Treasury	Other	Total Operations of the Bank
<b>Current Period– 31 March 2012</b>			
Operating Income	2,704	35,870	38,574
Operating Profit/(Loss)	2,299	8,278	10,577
Tax Charge			(3,039)
<b>Net Profit for the Year</b>			<b>7,538</b>
Segment Assets	241,521	2,646,504	2,888,025
Unallocated Assets			47,788
<b>Total Assets</b>			<b>2,935,813</b>
Segment Liabilities	456,767	2,100,603	2,557,370
Unallocated Liabilities			34,344
Shareholders' Equity			344,099
<b>Total Liabilities</b>			<b>2,935,813</b>

	Treasury	Other	Total Operations of the Bank
<b>Prior Period – 31 March 2011</b>			
Operating Income	2,175	12,345	14,520
Operating Profit/(Loss)	1,997	(5,385)	(3,388)
Tax Benefit			--
<b>Net Loss for the Year</b>			<b>(3,388)</b>
<b>Prior Period – 31 December 2011</b>			
Segment Assets	105,542	2,333,585	2,439,127
Unallocated Assets			47,622
<b>Total Assets</b>			<b>2,486,749</b>
Segment Liabilities	91,806	2,034,353	2,126,159
Unallocated Liabilities			127,337
Shareholders' Equity			233,253
<b>Total Liabilities</b>			<b>2,486,749</b>

**XXIII. Other matters**

None.



## **SECTION FOUR**

### **INFORMATION ON FINANCIAL STRUCTURE**

#### **I. Explanations on capital adequacy ratio**

As of 31 March 2012, the unconsolidated capital adequacy ratio is %14.32 (31 December 2011: %17.22).

#### **1. Risk measurement method for determining capital adequacy ratio**

Capital adequacy ratio is calculated in accordance with the Communiqué on “Measurement and Assessment of Capital Adequacy of Banks” published in the official gazette No: 26333 dated 1 November 2006. In the calculation of capital adequacy ratio, the accounting records prepared in compliance with the current legislation are used.

According to the legislation mentioned above, the value at operational risk is also taken into consideration in the calculation of capital adequacy ratio since 30 September 2007.

Additionally, the value at market risk is calculated in accordance with the Communiqué on the “Measurement and Assessment of Capital Adequacy of Banks” and taken into consideration in the calculation of capital adequacy ratio.

Deductions from capital are not included in the calculation of risk-weighted assets, non-cash loans and contingent liabilities. Assets subject to depreciation/amortization and impairment are considered with their net values (gross amounts less accumulated depreciation/amortization and impairment) in the calculation of risk-weighted assets.

In the calculation of the value at credit risk, non-cash loans are accounted at their net amounts, which is gross amounts less specific provisions that are classified under liabilities and calculated based on the “Regulation on Identification of Non-Performing Loans and Other Receivables and Provision against them”, multiplied by the loan conversion rates stated in the Article 5 of the “Regulation on Loan Transactions of the Banks” and the converted non cash loan amounts are weighted by the weight of the risk group determined based on the counterparty and the type of the collateral.

In the calculation of the value at credit risk, derivative financial instruments are converted to their loan equivalents by the loan conversion rates stated in the Article 5 of the Communiqué on the “Measurement and Assessment of Capital Adequacy of Banks” and the converted amounts are weighted with the weights of the relevant risk group.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

## 2. Information on the unconsolidated capital adequacy ratio

	0%	10%	20%	50%	100%	150%	200%
<b>Value at Credit Risk</b>							
<b>Balance Sheet Items (Net)</b>	<b>322,315</b>	--	<b>31,822</b>	<b>693,451</b>	<b>1,783,332</b>	<b>5,071</b>	<b>4,712</b>
Cash and Cash Equivalents	14,506	--	--	--	--	--	--
Matured Marketable Securities	--	--	--	--	--	--	--
Due From Central Bank of Turkey	93,222	--	--	--	--	--	--
Due From Domestic Banks, Foreign Banks, Branches and Head Office Abroad	--	--	31,822	--	2,884	--	--
Interbank Money Market Placements	16,488	--	--	--	--	--	--
Receivables from Reverse Repurchase Transactions	--	--	--	--	--	--	--
Reserve Deposits	127,723	--	--	--	--	--	--
Loans	50,331	--	--	580,374	1,725,678	5,071	4,712
Non-performing loans (Net)	--	--	--	--	13,245	--	--
Financial Lease Receivables	--	--	--	--	--	--	--
Available-For-Sale Financial Assets	--	--	--	--	--	--	--
Held to Maturity Investments	--	--	--	--	--	--	--
Receivables From Installment Sales of Assets	--	--	--	--	--	--	--
Sundry Debtors	--	--	--	--	813	--	--
Interest and Income Accruals	2,905	--	--	113,077	23,388	--	--
Subsidiaries, Associates and Entities Under Common Control (Joint Vent.) (Net))	--	--	--	--	--	--	--
Tangible Assets	--	--	--	--	8,946	--	--
Other Assets	17,140	--	--	--	8,378	--	--
<b>Off-Balance Sheet Items</b>	<b>1,473</b>	--	<b>24,961</b>	<b>10,923</b>	<b>177,585</b>	--	--
Non-Cash Loans and Commitments	1,473	--	4,665	10,923	168,431	--	--
Derivative Financial Instruments	--	--	20,296	--	9,154	--	--
<b>Non Risk Weighted Accounts</b>	--	--	--	--	--	--	--
<b>Total Risk Weighted Assets</b>	<b>323,788</b>	--	<b>56,783</b>	<b>704,374</b>	<b>1,960,917</b>	<b>5,071</b>	<b>4,712</b>

## 3. Summary information related to the capital adequacy ratio:

	Current Period	Prior Period
Value at Credit Risk (VaCR)	2,341,491	1,873,276
Value at Market Risk (VaMR)	72,763	72,513
Value at Operational Risk (VaOR)	91,250	62,486
Shareholders' Equity	358,780	345,914
Shareholders' Equity/ (VaCR+VaMR+VaOR)*100	%14.32	%17.22

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

## 4. Information related to the components of shareholders' equity:

	Current Period	Prior Period
<b>CORE CAPITAL</b>		
Paid-in capital	426,650	325,000
Nominal capital	426,650	325,000
Capital commitments (-)	--	--
Inflation adjustment to share capital	17,416	17,416
Share premium	--	--
Share cancellation profits	--	--
Legal reserves	--	--
First legal reserve (Turkish Commercial Code 466/1)	--	--
Second legal reserve (Turkish Commercial Code 466/2)	--	--
Other legal reserve per special legislation	--	--
Statutory reserves	--	--
Extraordinary reserves	--	--
Reserves allocated by the General Assembly	--	--
Retained earnings	--	--
Accumulated losses	--	--
Foreign currency share capital exchange difference	--	--
Inflation adjustment to legal reserves, status reserves and extraordinary reserves	--	--
Profit	7,538	5,187
Net income for the period	7,538	5,187
Prior years' income	--	--
Provision for possible risks up to 25% of the Core Capital	--	--
Profit on disposal of associates, subsidiaries and immovables to be transferred to share capital	9,502	9,502
Primary subordinated loans up to 15% of the Core Capital	--	--
Uncovered portion of loss with reserves (-)	116,938	122,125
Net current period loss	--	--
Prior years' loss	116,938	122,125
Leasehold improvements (-)	5,630	5,596
Intangible assets (-)	6,881	6,074
Deferred tax asset amount exceeding 10% of the Core Capital (-)	--	--
Limit Exceeding Amount Regarding the Third Clause of the Article 56 of the Law (-)	--	--
<b>Total Core Capital</b>	<b>331,657</b>	<b>223,310</b>
<b>SUPPLEMENTARY CAPITAL</b>		
General loan loss provisions	27,192	22,753
45% of the revaluation reserve for movable fixed assets	--	--
45% of the of revaluation reserve for properties	--	--
Bonus shares obtained from associates, subsidiaries and entities under common control	--	--
Primary subordinated loans that are not considered in the calculation of Core Capital	--	--
Secondary subordinated loans	--	101,650
45% of marketable securities valuation fund	(69)	(1,727)
From investments in associates and subsidiaries	--	--
From available-for-sale financial assets	(69)	(1,727)
Inflation adjustment to capital reserve, profit reserve and prior years' income or loss (Except inflation adjustment to legal reserves, status reserves and extraordinary reserves)	--	--
<b>Total Supplementary Capital</b>	<b>27,123</b>	<b>122,676</b>
<b>TIER III CAPITAL</b>		
<b>CAPITAL</b>	<b>358,780</b>	<b>345,986</b>
<b>DEDUCTIONS FROM THE CAPITAL</b>		
Shareholdings of banks and financial institutions (Domestic, Foreign) from which the Bank keeps ten percent or more of capitals	--	72
Shareholdings of unconsolidated banks and financial institutions (Domestic, Foreign) from which the Bank keeps less than ten percent of capitals which exceed the ten percent of Bank's Core and Supplementary Capital	--	--
The secondary subordinated loans extended to banks, financial Institutions (domestic or foreign) or significant shareholders of the Bank and the debt instruments that have primary or secondary subordinated loan nature purchased from them	--	--
Loans extended as contradictory to the articles 50 And 51 of the law	--	--
Excess of 50% of the Bank's immovables' total net book value and net book value of immovables obtained against Bank's receivables that must be disposed according to article 57 of the Banking Act which could not be disposed although five years have passed since the acquisition date	--	--
Other	--	72
<b>Total Shareholders' Equity</b>	<b>358,780</b>	<b>345,914</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

**4. Information related to the components of shareholders' equity (continued)**

(\*) As of 20 September 2011, the Bank decided to increase its paid in capital by 41,000,000 Euro in terms of TL equivalent. The first tranche of the related increase was transferred to the Bank on 10 October 2011 as TL 52,250; the second tranche was transferred on 1 December 2011 as TL 49,400. As of 31 December 2011, such capital payments are accounted under the "Sundry Creditors". Following the approval of BRSA, the extraordinary General Assembly was held on 26 January 2012 and the increase in paid in capital was registered. Accordingly, the Bank's capital has increased to TL 426,650.

**II. Explanations on credit risk**

Not prepared in compliance with the Article 25 of the communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

**III. Explanations on market risk**

**Whether the bank within the financial risk management objectives hedges itself against market risk, the precautions taken by the Board of Directors for market risk, the methods used for measuring market risk and time intervals for measurement of market risk**

The Bank has established market risk management operations and taken the necessary precautions in order to hedge market risk within its financial risk management purposes, in accordance with the Communiqué on "Measurement and Assessment of Capital Adequacy of Banks" issued on Official Gazette dated 1 November 2006 numbered 26333.

Being exposed to market risk, Bank's Board of Directors have defined risk management strategies and policies about risk managements in line with application and recommendation of group and have led to follow-up strategies periodically. The limits of risks are identified and these limits are revised periodically. Board of Directors ensure that risk management group and executive managers should identify, measure, control and manage the Bank's risk.

Market risk arising from trading transactions is measured by using developed internal model with the BRSA's value at risk (VaR) methodology . Additionally Financial Control Department reports the market value of daily purchases and sales and realized profit. The Bank measures the market risk with variance-covariance model, parametrically. Measurements can be done with online connection with treasury front office in real time. Market risk occurred between mismatches of asset-liability maturity is also monitored through GAP report.

Stress tests and scenario analysis are also applied in order to reflect the effects of prospective severe market fluctuations in the VaR calculations. Risk measurement methods such as cash flow projection, GAP analysis are also applied.

Capital to be kept for general market risk and specific risk are calculated by using a standard method in accordance with "Measurement and Assessment of Bank Capital Adequacy Regulation" and reported monthly.

**1. Information related to market risk**

	<b>Amount</b>
(I) Capital Requirement to be Employed For General Market Risk - Standard Method	4,032
(II) Capital Requirement to be Employed For Specific Risk - Standard Method	1,045
(III) Capital Requirement to be Employed For Currency Risk - Standard Method	744
(IV) Capital Requirement to be Employed For Commodity Risk – Standard Method	--
(V) Capital Requirement to be Employed For Settlement Risk - Standard Method	--
(VI) Total Capital Requirement to be Employed For Market Risk Resulting From Options - Standard Method	--
(VII) Total Capital Requirement to be Employed For Market Risk in Banks Using Risk Measurement Model	--
(VIII) Total Capital Requirement to be Employed For Market Risk (I+II+III+IV+V+VI)	5,821
<b>(IX) Amount Subject to Market Risk (12.5 x VIII) or (12.5 x VII)</b>	<b>72,763</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012**

(Amounts expressed in thousands of Turkish Lira -TL)

**2. Average market risk table calculated at month end during the period:**

Not prepared in compliance with the Article 25 of the communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

**IV. Explanations on operational risk**

Not prepared in compliance with the Article 25 of the communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

**V. Explanations on currency risk**

The Bank does not take foreign exchange risk; transactions are instantly hedged in accordance with Central Bank of Turkey. Measurable and manageable risks are taken within legal limits.

Position limit on currency risk is determined in line with net general position standard ratio on foreign currency. As of 31 March 2012, the Bank's net short position is TL 15,133 (31 December 2011: TL 8,363 net short position) resulting from long position on the balance sheet amounting to TL 563,769 (31 December 2011: TL 801,641) and short position on the off-balance amounting to TL 578,902 (31 December 2011: TL 810,004).

The Bank uses “Standard Method” used in legal reporting to measure the foreign exchange risk.

The announced current foreign exchange buying rates of the Bank at 31 March 2012 and the previous five working days in full TL are as follows:

US Dollar purchase rate as at the balance sheet date	TL 1.7717
Euro purchase rate as at the balance sheet date	TL 2.3554

Date	USD	EUR
26 March 2012	1.7918	2.3736
27 March 2012	1.7859	2.3651
28 March 2012	1.7918	2.3736
29 March 2012	1.7738	2.3685
30 March 2012	1.7717	2.3554

The simple arithmetic average US Dollar and Euro purchase rates for March 2012 are TL 1.7800 and TL 2.3503, respectively.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

## V. Explanations on currency risk (continued)

Current Period	EUR	USD	JPY	Other	Total
<b>Assets</b>					
Cash and Balances with the Central Bank of Turkey	4,328	159,830	4	1,861	166,023
Banks	6,044	24,978	61	3,515	34,598
Financial Assets at Fair Value through Profit/Loss	670	9,488	--	--	10,158
Money Market Placements	16,488	--	--	--	16,488
Financial Assets Available for Sale	14	23,787	--	--	23,801
Loans (*)	332,134	734,155	--	172,903	1,239,192
Subsidiaries, Associates and Entities Under Common Control (Joint Vent.)	--	--	--	--	--
Investments Held to Maturity	--	--	--	--	--
Derivative Financial Assets Held for Hedging Purposes	--	--	--	--	--
Tangible Assets	--	--	--	--	--
Intangible Assets	--	--	--	--	--
Other Assets	41	102	--	--	143
<b>Total Assets</b>	<b>359,719</b>	<b>952,340</b>	<b>65</b>	<b>178,279</b>	<b>1,490,403</b>
<b>Liabilities</b>					
Banks Deposits	29,478	54,855	--	124	84,457
Foreign Currency Deposits	134,655	361,129	48	10,368	506,200
Money Market Funds	--	--	--	--	--
Funds Provided from Other Financial Institutions	219,628	109,740	--	--	329,368
Sundry Creditors	1,787	672	--	4	2,463
Marketable Securities Issued	--	--	--	--	--
Derivative Financial Liabilities Held for Hedging Purposes	--	--	--	--	--
Other Liabilities	853	3,091	--	202	4,146
<b>Total Liabilities</b>	<b>386,401</b>	<b>529,487</b>	<b>48</b>	<b>10,698</b>	<b>926,634</b>
<b>Net Balance Sheet Position</b>	<b>(26,682)</b>	<b>422,853</b>	<b>17</b>	<b>167,581</b>	<b>563,769</b>
<b>Net Off-Balance Sheet Position</b>	<b>21,721</b>	<b>(429,182)</b>	<b>--</b>	<b>(171,441)</b>	<b>(578,902)</b>
Financial Derivative Assets(**)	349,691	587,983	--	242,312	1,179,986
Financial Derivative Liabilities(**)	327,970	1,017,165	--	413,753	1,758,888
Non-Cash Loans (***)	64,430	74,804	--	--	143,234
<b>Prior Period</b>					
Total Assets	322,118	844,478	28	200,454	1,367,078
Total Liabilities	173,403	376,046	--	15,988	565,437
<b>Net Balance Sheet Position</b>	<b>148,715</b>	<b>468,432</b>	<b>28</b>	<b>184,466</b>	<b>801,641</b>
<b>Net Off-Balance Sheet Position</b>	<b>(149,154)</b>	<b>(472,866)</b>	<b>--</b>	<b>(187,984)</b>	<b>(810,004)</b>
Financial Derivative Assets(**)	140,050	862,279	1,959	234,714	1,239,002
Financial Derivative Liabilities(**)	289,204	1,335,145	1,959	422,698	2,049,006
Non-Cash Loans (***)	59,121	85,617	--	--	144,738

(\*) The balance includes foreign currency indexed loans and accruals amounting to TL 449,639.

(\*\*) In current period, within the receivables from derivative financial instruments exchange purchase commitments amounted to TL 239,754, (31 December 2011: TL 231,544), within the loans from derivative instruments exchange sale commitments amounted to TL 262,213 (31 December 2011: TL 240,889).

(\*\*\*) There is no effect on the net off-balance sheet position.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

## V. Explanations on interest rate risk

Interest rate risk shows the probability of loss related to the changes in interest rates depending on the Bank's position, and it is managed by the Asset-Liability Committee.

Standard method, value at risk (VaR) and Asset-Liability risk measurement methods are used to measure the bank's interest rate risk.

Measurements by employing the standard method are carried out monthly by using maturity ladder. Bank applies interest rate shock analysis to interest rate sensitive assets and liabilities considering historic economic crises. Change in the net present value of the net assets of the Bank are monitored within the limits set by the Board of Directors.

"Interest rate sensitivity of assets, liabilities and off-balance sheet items (Based on repricing dates)":

Current Period End	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Non- interest Bearing	Total
<b>Assets</b>							
Cash (Cash in TL, Cash in Foreign Currency, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	--	--	--	--	--	235,451	235,451
Banks	7,086	--	--	--	--	27,620	34,706
Financial Assets at Fair Value Through Profit or Loss	1,781	17,365	24,717	11,042	983	--	55,888
Interbank Money Market Placements	16,488	--	--	--	--	--	16,488
Financial Assets Available-for-Sale	--	--	2,903	23,794	--	14	26,711
Loans	364,368	945,932	590,723	381,228	223,285	13,245	2,518,781
Investment Securities Held-to-Maturity	--	--	--	--	--	--	--
Other Assets (*)	--	--	--	--	--	47,788	47,788
<b>Total Assets</b>	<b>389,723</b>	<b>963,297</b>	<b>618,343</b>	<b>416,064</b>	<b>224,268</b>	<b>324,118</b>	<b>2,935,813</b>
<b>Liabilities</b>							
Bank Deposits	46,105	2,666	--	--	--	56,886	105,657
Other Deposits	820,656	821,471	274,930	--	--	82,066	1,999,123
Interbank money market funds	8,874	--	--	--	--	--	8,874
Sundry Creditors	--	--	--	--	--	7,754	7,754
Marketable Securities Issued	--	--	72,064	--	--	--	72,064
Funds Borrowed from Other Financial Institutions	70,911	189,078	69,023	1,949	--	--	330,961
Other Liabilities (**)	2,614	1,735	5,721	929	--	400,381	411,380
<b>Total Liabilities</b>	<b>949,160</b>	<b>1,014,950</b>	<b>421,738</b>	<b>2,878</b>	<b>--</b>	<b>547,087</b>	<b>2,935,813</b>
Balance Sheet Long Position	--	--	196,605	413,186	224,268	--	834,059
Balance Sheet Short Position	(559,437)	(51,653)	--	--	--	(222,969)	(834,059)
Off-Balance Sheet Long Position	--	190,983	--	--	--	1,757,315	1,948,298
Off-Balance Sheet Short Position	--	(180,537)	--	--	--	(1,751,074)	(1,931,611)
<b>Total Position</b>	<b>(559,437)</b>	<b>(41,207)</b>	<b>196,605</b>	<b>413,186</b>	<b>224,268</b>	<b>(216,728)</b>	<b>16,687</b>

(\*) Non-interest bearing column includes TL 11,621 tangible assets, TL 6,881 intangible assets, TL 17,019 tax assets, TL 2,955 non-current assets held for sale and TL 9,312 other assets.

(\*\*) Non-interest bearing column includes TL 344,099 shareholders' equity, TL 17,067 other liabilities, TL 32,840 provisions and TL 6,375 tax liabilities.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

## VI. Explanations on interest rate risk (continued)

Interest rate sensitivity of assets, liabilities and off-balance sheet items (Based on repricing dates):

Prior Period End	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Non- interest Bearing	Total
<b>Assets</b>							
Cash (Cash in TL, Cash in Foreign Currency, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	--	--	--	--	--	243,385	243,385
Banks	--	--	--	--	--	18,903	18,903
Financial Assets at Fair Value Through Profit or Loss	19,041	2,168	6,999	24,739	1,185	--	54,132
Interbank Money Market Placements	--	--	--	--	--	--	--
Financial Assets Available -for-Sale	--	--	--	15,830	--	14	15,844
Loans	388,058	650,948	461,807	328,069	266,154	11,641	2,106,677
Investment Securities Held-to- Maturity	--	--	--	--	--	--	--
Other Assets (*)	--	--	--	--	--	47,808	47,808
<b>Total Assets</b>	<b>407,099</b>	<b>653,116</b>	<b>468,806</b>	<b>368,638</b>	<b>267,339</b>	<b>321,751</b>	<b>2,486,749</b>
<b>Liabilities</b>							
Bank Deposits	34,181	3,784	--	--	--	751	38,716
Other Deposits	902,415	724,854	277,566	--	--	106,954	2,011,789
Interbank Money Market Funds	6,831	--	--	--	--	--	6,831
Sundry Creditors	--	--	--	--	--	105,796	105,796
Marketable Securities Issued	--	--	--	--	--	--	--
Funds Borrowed from Other Financial Institutions	7,453	20,027	2,276	--	--	--	29,756
Other Liabilities (**)	1,414	4,664	7,000	3,237	--	277,546	293,861
<b>Total Liabilities</b>	<b>952,294</b>	<b>753,329</b>	<b>286,842</b>	<b>3,237</b>	<b>--</b>	<b>491,047</b>	<b>2,486,749</b>
Balance Sheet Long Position	--	--	181,964	365,401	267,339	--	814,704
Balance Sheet Short Position	(545,195)	(100,213)	--	--	--	(169,296)	(814,704)
Off-Balance Sheet Long Position	--	373,413	190,983	--	--	1,647,482	2,211,878
Off-Balance Sheet Short Position	--	(377,781)	(192,479)	--	--	(1,658,347)	(2,228,607)
<b>Total Position</b>	<b>(545,195)</b>	<b>(104,581)</b>	<b>180,468</b>	<b>365,401</b>	<b>267,339</b>	<b>(180,161)</b>	<b>(16,729)</b>

(\*) Non-interest bearing column includes TL 11,663 tangible assets, TL 6,074 intangible assets, TL 20,472 tax assets , TL 6,270 non-current assets held for sale and TL 3,329 other assets.

(\*\*) Non-interest bearing column includes TL 233,253 shareholders' equity, TL 12,343 other liabilities, TL 25,938 provisions and TL 6,012 tax liabilities.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

## VI. Explanations on interest rate risk (continued)

## Average interest rates applied to monetary financial instruments

Current Period End	EUR %	USD %	JPY %	TL %
<b>Assets</b>				
Cash (Cash in TL, Cash in Foreign Currency, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	--	--	--	--
Banks	--	0.35	--	--
Financial Assets at Fair Value Through Profit/ Loss	4.53	7.04	--	10.17
Interbank Money Market Placements	0.50	--	--	--
Financial Assets Available-for-Sale	--	9.17	--	--
Loans	7.92	7.47	--	15.47
Investment Securities Held-to-Maturity	--	--	--	--
<b>Liabilities</b>				
Bank Deposits	3.50	1.69	--	10.42
Other Deposits	3.66	3.36	--	11.63
Interbank Money Market Funds	--	--	--	5.75
Sundry Creditors	--	--	--	--
Marketable Securities Issued	--	--	--	9.82
Funds Borrowed from Other Financial Institutions	4.14	3.43	--	7.85

Prior Period End	EURO %	USD %	JPY %	TL %
<b>Assets</b>				
Cash (Cash in TL, Cash in Foreign Currency, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	--	--	--	--
Banks	--	--	--	--
Financial Assets at Fair Value Through Profit/Loss	4.95	6.19	--	10.74
Interbank Money Market Placements	--	--	--	--
Financial Assets Available-for-Sale	--	9.58	--	--
Loans	7.67	7.20	--	15.96
Investment Securities Held-to-Maturity	--	--	--	--
<b>Liabilities</b>				
Bank Deposits	0.74	3.93	--	10.50
Other Deposits	4.17	4.23	--	11.53
Interbank Money Market Funds	--	--	--	5.75
Sundry Creditors	--	--	--	--
Marketable Securities Issued	--	--	--	--
Funds Borrowed from Other Financial Institutions	3.69	3.22	--	7.55

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

**VII. Explanations on liquidity risk**

The Bank diversifies its funding resources with deposits and bank borrowings to avoid the liquidity risk. Maturity compliance between assets and liabilities are monitored and liquid assets are kept to meet probable liquidity needs that might result from market fluctuations.

According to BRSA's Official Gazette numbered 26333, dated on November 1, 2006, "Legislation on Measurement and Assessment of Liquidity Adequacy of the Banks", liquidity ratio is required to be 80 % for foreign currency assets/liabilities and 100 % for total assets/liabilities in the calculation of the bank's weekly and monthly reporting effective from 1 June 2007. Liquidity ratios for the current period are shown below:

	First Maturity Slice (Weekly)		Second Maturity Slice (Monthly)	
	FC	FC + TL	FC	FC+TL
Average (%)	121.11	167.91	98.52	138.04
Max. (%)	147.03	189.12	111.92	184.36
Min. (%)	102.33	150.30	86.81	126.36

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

## VII. Explanation related to the liquidity risk (continued)

Presentation of assets and liabilities according to their remaining maturities:

Current Period	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Year	5 Years and Over	Unallocated	Total
<b>Assets</b>								
Cash (Cash in TL, Cash in Foreign Currency, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	107,728	127,723	--	--	--	--	--	235,451
Banks	27,620	7,086	--	--	--	--	--	34,706
Financial Assets at Fair Value Through Profit or Loss	--	1,767	16,949	13,767	11,496	11,909	--	55,888
Interbank Money Market Placements	--	16,488	--	--	--	--	--	16,488
Financial Assets Available-for-Sale	--	--	--	2,903	23,794	--	14	26,711
Loans	--	361,332	933,608	689,807	417,569	103,220	13,245	2,518,781
Investment Securities Held-to-Maturity	--	--	--	--	--	--	--	--
Other Assets (*)	--	--	--	--	--	--	47,788	47,788
<b>Total Assets</b>	<b>135,348</b>	<b>514,396</b>	<b>950,557</b>	<b>706,477</b>	<b>452,859</b>	<b>115,129</b>	<b>61,047</b>	<b>2,935,813</b>
<b>Liabilities</b>								
Bank Deposits	56,886	46,105	2,666	--	--	--	--	105,657
Other Deposits	82,066	820,656	821,471	274,930	--	--	--	1,999,123
Funds Borrowed from Other Financial Institutions	--	70,911	189,078	69,023	1,949	--	--	330,961
Interbank Money Market Funds	--	8,874	--	--	--	--	--	8,874
Marketable Securities Issued	--	--	--	72,064	--	--	--	72,064
Sundry Creditors	--	7,754	--	--	--	--	--	7,754
Other Liabilities (**)	--	18,721	2,616	7,768	4,173	804	377,298	411,380
<b>Total Liabilities</b>	<b>138,952</b>	<b>973,021</b>	<b>1,015,831</b>	<b>423,785</b>	<b>6,122</b>	<b>804</b>	<b>377,298</b>	<b>2,935,813</b>
<b>Net Liquidity Gap</b>	<b>(3,604)</b>	<b>(458,625)</b>	<b>(65,274)</b>	<b>282,692</b>	<b>446,737</b>	<b>114,325</b>	<b>(316,251)</b>	<b>--</b>
<b>Prior Period</b>								
<b>Total Assets</b>	<b>136,410</b>	<b>770,547</b>	<b>322,605</b>	<b>534,098</b>	<b>396,678</b>	<b>266,948</b>	<b>59,463</b>	<b>2,486,749</b>
<b>Total Liabilities</b>	<b>107,705</b>	<b>1,070,358</b>	<b>754,019</b>	<b>288,360</b>	<b>6,104</b>	<b>921</b>	<b>259,282</b>	<b>2,486,749</b>
<b>Net Liquidity Gap</b>	<b>28,705</b>	<b>(299,811)</b>	<b>(431,414)</b>	<b>245,738</b>	<b>390,574</b>	<b>266,027</b>	<b>(199,819)</b>	<b>--</b>

(\*) Certain assets on the balance sheet that are necessary for the banking operations but not convertible into cash in the short term such as tangible assets, investments in associates, joint ventures and subsidiaries, stationary supplies and prepaid expenses are included in this column.

(\*\*) Shareholders' equity and provisions are classified in other liabilities in unallocated column.

**VIII. Explanations on presentation of financial assets and liabilities at their fair values**

Not prepared in compliance with the Article 25 of the communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

**IX. Explanations on transactions carried out on behalf of other parties and fiduciary assets**

Not prepared in compliance with the Article 25 of the communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

## SECTION FIVE

## EXPLANATIONS AND NOTES TO THE FINANCIAL STATEMENTS

## I. Explanations and disclosures related to the assets

## 1. Information on Cash and Balances with the Central Bank of Turkey

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash in TL /Foreign Currency	4,116	10,390	3,245	12,859
Balances with the Central Bank of Turkey	65,312	155,633	74,458	152,823
Other	--	--	--	--
<b>Total</b>	<b>69,428</b>	<b>166,023</b>	<b>77,703</b>	<b>165,682</b>

## 1.1 Information related to the account of the Central Bank of Turkey

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted Demand Deposits	65,312	27,910	74,458	26,944
Unrestricted Time Deposits	--	--	--	--
Restricted Time Deposits	--	127,723	--	125,879
<b>Total</b>	<b>65,312</b>	<b>155,633</b>	<b>74,458</b>	<b>152,823</b>

According to the communiqué No: 2005/1 on "Reserve Deposits", the banks operating in Turkey are required to keep reserve deposit at the rates varying from 5% - 11% and denominated in TL for TL liabilities depending on maturities of liabilities and at the rate 6% - 11% and denominated mainly in EUR and USD for FC liabilities. Reserve deposits do not earn interest.

## 2. Information on financial assets at fair value through profit or loss:

## 2.1 Information on financial assets at fair value through profit and loss given as collateral or blocked

	Current Period		Prior Period	
	TL	FC	TL	FC
Share Certificates	--	--	--	--
Bonds, Treasury Bİlls and Similar Marketable Securities	5,925	--	5,967	756
Other	--	--	--	--
<b>Total</b>	<b>5,925</b>	<b>--</b>	<b>5,967</b>	<b>756</b>

Trading securities given as collateral represent those collaterals given to the Central Bank of Turkey, and ISE Clearing and Custody Bank (Takasbank) for liquidity, interbank money market, foreign exchange market and other transactions, as of balance sheets dates.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

2.2 *Financial assets at fair value through profit and loss subject to repurchase agreements*

	Current Period		Prior Period	
	TL	FC	TL	FC
Share Certificates	--	--	--	--
Bonds, Treasury Bills and Similar Marketable Securities	7,982	--	6,930	--
<b>Total</b>	<b>7,982</b>	<b>--</b>	<b>6,930</b>	<b>--</b>

2.3 *Positive differences relating to derivative financial assets held-for-trading*

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	1,713	--	1,691	--
Swap Transactions	24,306	--	15,038	--
Futures Transactions	--	--	--	--
Options	1,588	--	13	1,071
Other	--	--	--	--
<b>Total</b>	<b>27,607</b>	<b>--</b>	<b>16,742</b>	<b>1,071</b>

3. **Information on Banks**3.1 *Information on banks*

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks	108	34,598	122	18,781
Domestic	9	7,087	8	--
Foreign	99	27,511	114	18,781
Foreign head-offices and branches	--	--	--	--
<b>Total</b>	<b>108</b>	<b>34,598</b>	<b>122</b>	<b>18,781</b>

4. **Information on financial assets available-for-sale**

	Current Period		Prior Period	
Debt instruments	26,697		15,830	
Quoted on Stock Exchange	26,697		15,830	
Unquoted on Stock Exchange	--		--	
Share certificates	14		14	
Quoted on Stock Exchange	--		--	
Unquoted on Stock Exchange	14		14	
Impairment provision (-)	--		--	
<b>Total</b>	<b>26,711</b>		<b>15,844</b>	

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

## 5. Information on loans

## 5.1 Information on all types of loans and advances given to shareholders and employees of the Bank

	Current Period		Prior Period	
	Cash	Non-Cash	Cash	Non-Cash
Direct loans granted to shareholders	--	8,512	--	9,702
Corporate Shareholders	--	8,512	--	9,702
Individual Shareholders	--	--	--	--
Indirect Loans Granted to Shareholders	--	--	--	--
Loans Granted to Employees	381	--	366	--
<b>Total</b>	<b>381</b>	<b>8,512</b>	<b>366</b>	<b>9,702</b>

## 5.2 Information on the first and second group loans and other receivables including restructured or rescheduled loans

	Standard Loans and Other Receivables		Loans and Other Receivables Under Close Monitoring	
	Loans and Other Receivables	Restructured or Rescheduled	Loans and Other Receivables	Restructured or Rescheduled
<b>Cash Loans</b>				
Non-specialized Loans	2,465,515	--	27,543	12,478
Discount Notes	54,201	--	--	--
Export Loans	141,218	--	--	--
Import Loans	--	--	--	--
Loans given to Financial Sector	245,940	--	--	--
Foreign Loans	13,642	--	--	--
Consumer Loans	220,959	--	13,404	4,945
Credit Card	491	--	--	--
Precious Metal Loans	--	--	--	--
Other	1,789,064	--	14,139	7,533
Specialized Loans	--	--	--	--
Other Receivables	--	--	--	--
<b>Total</b>	<b>2,465,515</b>	<b>--</b>	<b>27,543</b>	<b>12,478</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

5.3 *Information on consumer loans, individual credit cards and credit cards given to personnel:*

	Short-Term	Medium or Long Term	Total
<b>Consumer Loans-TL</b>	<b>1,867</b>	<b>38,258</b>	<b>40,125</b>
Real Estate Loans	--	19,026	19,026
Vehicle Loans	3	766	769
General Purpose Loans	1,864	18,466	20,330
Other	--	--	--
<b>Consumer Loans-Indexed to FC</b>	<b>--</b>	<b>198,552</b>	<b>198,552</b>
Real Estate Loans	--	190,780	190,780
Vehicle Loans	--	--	--
General Purpose Loans	--	7,772	7,772
Other	--	--	--
<b>Consumer Loans-FC</b>	<b>--</b>	<b>--</b>	<b>--</b>
Real Estate Loans	--	--	--
Vehicle Loans	--	--	--
General Purpose Loans	--	--	--
Other	--	--	--
<b>Individual Credit Cards-TL</b>	<b>398</b>	<b>--</b>	<b>398</b>
With Installment	--	--	--
Without Installment	398	--	398
<b>Individual Credit Cards-FC</b>	<b>30</b>	<b>--</b>	<b>30</b>
With Installment	--	--	--
Without Installment	30	--	30
<b>Loans Given to Employees-TL</b>	<b>47</b>	<b>258</b>	<b>305</b>
Real Estate Loans	--	--	--
Vehicle Loans	--	--	--
General Purpose Loans	47	258	305
Other	--	--	--
<b>Loans Given to Employees - Indexed to FC</b>	<b>--</b>	<b>21</b>	<b>21</b>
Real Estate Loans	--	--	--
Vehicle Loans	--	--	--
General Purpose Loans	--	21	21
Other	--	--	--
<b>Loans Given to Employees - FC</b>	<b>--</b>	<b>--</b>	<b>--</b>
Real Estate Loans	--	--	--
Vehicle Loans	--	--	--
General Purpose Loans	--	--	--
Other	--	--	--
<b>Personnel Credit Cards - TL</b>	<b>55</b>	<b>--</b>	<b>55</b>
With Installment	--	--	--
Without Installment	55	--	55
<b>Personnel Credit Cards - FC</b>	<b>--</b>	<b>--</b>	<b>--</b>
With Installment	--	--	--
Without Installment	--	--	--
<b>Overdraft Loans-TL (Real Persons)</b>	<b>305</b>	<b>--</b>	<b>305</b>
<b>Overdraft Loans-FC (Real Persons)</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total</b>	<b>2,702</b>	<b>237,089</b>	<b>239,791</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

5.4 *Information on commercial loans with installments and corporate credit cards*

	Short Term	Medium or Long Term	Total
<b>Installment Commercial Loans - TL</b>	<b>36,455</b>	<b>113,050</b>	<b>149,505</b>
Real Estate Loans	--	58	58
Vehicle Loans	216	2,651	2,867
General Purpose Loans	36,239	110,341	146,580
Other	--	--	--
<b>Installment Commercial Loans – Indexed to FC</b>	<b>3,236</b>	<b>107,404</b>	<b>110,640</b>
Real Estate Loans	--	9,289	9,289
Vehicle Loans	--	796	796
General Purpose Loans	3,236	97,319	100,555
Other	--	--	--
<b>Installment Commercial Loans - FC</b>	<b>--</b>	<b>--</b>	<b>--</b>
Real Estate Loans	--	--	--
Vehicle Loans	--	--	--
General Purpose Loans	--	--	--
Other	--	--	--
<b>Corporate Credit Cards - TL</b>	<b>8</b>	<b>--</b>	<b>8</b>
With Installment	--	--	--
Without Installment	8	--	8
<b>Corporate Credit Cards - FC</b>	<b>--</b>	<b>--</b>	<b>--</b>
With Installment	--	--	--
Without Installment	--	--	--
<b>Overdraft Loans-TL (Legal Entities)</b>	<b>6,256</b>	<b>--</b>	<b>6,256</b>
<b>Overdraft Loans-FC (Legal Entities)</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total</b>	<b>45,955</b>	<b>220,454</b>	<b>266,409</b>

5.5 *Allocation of Domestic and Foreign Loans*

	Current Period	Prior Period
Domestic Loans	2,491,894	2,095,036
Foreign Loans	13,642	--
<b>Total</b>	<b>2,505,536</b>	<b>2,095,036</b>

5.6 *Loans granted to subsidiaries and associates*

None.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

5.7 *Specific provisions provided against loans*

Specific Provisions	Current Period	Prior Period
Loans and receivables with limited collectability	630	261
Loans and receivables with doubtful collectability	1,391	842
Uncollectible loans and receivables	4,165	3,624
<b>Total</b>	<b>6,186</b>	<b>4,727</b>

5.8 *Information on non-performing loans (Net)*5.8.1 *Information on loans and other receivables included in non-performing loans which are restructured or rescheduled*

	Group III Loans and receivables with limited collectability	Group IV Loans and receivables with doubtful collectability	Group V Uncollectible loans and receivables
<b>Current Period</b>	<b>204</b>	<b>418</b>	<b>120</b>
(Gross Amounts before Specific Provisions)			
Restructured Loans and Other Receivables	204	418	120
Rescheduled Loans and Other Receivables	--	--	--
<b>Prior Period</b>	<b>166</b>	<b>--</b>	<b>98</b>
(Gross Amounts before Specific Provisions)			
Restructured Loans and Other Receivables	166	--	98
Rescheduled Loans and Other Receivables	--	--	--

5.8.2 *Movement on non-performing loans*

	Group III Loans and receivables with limited collectability	Group IV Loans and receivables with doubtful collectability	Group V Uncollectible loans and receivables
<b>Balances at Beginning of Period</b>	<b>4,718</b>	<b>2,203</b>	<b>9,447</b>
Additions (+)	5,428	20	493
Transfers from Other Categories of Non-Performing Loans (+)	--	3,760	103
Transfers to Other Categories of Non-Performing Loans (-)	3,760	103	--
Collections (-) (*)	1,324	915	639
Write-offs (-)	--	--	--
Corporate and Commercial Loans	--	--	--
Retail Loans	--	--	--
Credit Cards	--	--	1
Other	--	--	--
<b>Balances at End of the Period</b>	<b>5,062</b>	<b>4,965</b>	<b>9,404</b>
Specific Provisions (-)	630	1,391	4,165
<b>Net Balance on Balance Sheet</b>	<b>4,432</b>	<b>3,574</b>	<b>5,239</b>

(\*) Collections during the period include transfers from non-performing loans to under close monitoring loans.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

5.8.3 *Information on non-performing loans and other receivables in foreign currencies (\*)*

	Group III	Group IV	Group V
	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectible loans and receivables
<b>Current Period</b>			
Balance as of the Period End	1,579	1,031	7,175
Specific Provisions (-)	211	154	2,881
<b>Net Balance on Balance Sheet</b>	<b>1,368</b>	<b>877</b>	<b>4,294</b>
<b>Prior Period</b>			
Balance as of the Period End	1,066	485	6,884
Specific Provisions (-)	53	80	2,539
<b>Net Balance on Balance Sheet</b>	<b>1,013</b>	<b>405</b>	<b>4,345</b>

(\*) Information refers to non-performing foreign currency indexed loans.

5.8.4 *Information regarding gross and net amounts of non-performing loans with respect to user groups*

	Group III	Group IV	Group V
	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectible loans and receivables
<b>Current Period (Net)</b>	<b>4,432</b>	<b>3,574</b>	<b>5,239</b>
Loans to Real Persons and Legal Entities (Gross)	5,062	4,965	9,404
Specific provisions (-)	630	1,391	4,165
Loans Granted to Real Persons and Legal Entities (Net)	4,432	3,574	5,239
Banks (Gross)	--	--	--
Specific provisions (-)	--	--	--
Banks (Net)	--	--	--
Other Loan and Receivables (Gross)	--	--	--
Specific provisions (-)	--	--	--
Other Loan and Receivables (Net)	--	--	--
<b>Prior Period (Net)</b>	<b>4,457</b>	<b>1,361</b>	<b>5,823</b>
Loans to Real Persons and Legal Entities (Gross)	4,718	2,203	9,447
Specific provisions (-)	261	842	3,624
Loans to Real Persons and Legal Entities (Net)	4,457	1,361	5,823
Banks (Gross)	--	--	--
Specific provisions (-)	--	--	--
Banks (Net)	--	--	--
Other Loan and Receivables (Gross)	--	--	--
Specific provisions (-)	--	--	--
Other Loan and Receivables (Net)	--	--	--

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

**5.9 Other Disclosures and Footnotes**

Explanations on the loans and other receivables of the Bank for which the payment schedules are revised as per the agreement:

(i) Loans for which the payment schedules are revised for once:

Loan with Extended Maturities						
	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and over	Total
<b>Current Period</b>						
Amount	3,889	16,796	2,641	7,087	--	30,413
Quantity	1	4	3	8	--	16
<b>Prior Period</b>						
Amount	4,063	15,299	3,154	9,050	--	31,566
Quantity	2	1	3	10	--	16

There is no loan for which the payment schedule is revised more than once ( 31 December: None).

**5.10 Liquidation policy for uncollectible loans and other receivables**

The Bank allocates 100% provision for uncollectible loans. If the Bank has collateral, non-performing loans and other receivables are collected through liquidation of these collaterals. In the absence of collateral, the Bank performs periodical market intelligence and tries to determine the assets acquired subsequently by the debtor and applies to the legal follow-up process.

**5.11 Explanations related to write-off policy**

In case of all necessary conditions based on the relevant regulation occur, all impaired loans are written-off by the Board of Directors' decision.

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

None.

**7. Information on associates**

None.

**8. Information on subsidiaries**

None.

**9. Information on entities under common control (Joint Ventures)**

None.

**10. Information on lease receivables**

None.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

**11. Information on derivative financial assets held for hedging purposes****11.1 Positive differences table of derivative financial assets held for hedging purposes**

	Current Period		Prior Period	
	TL	FC	TL	FC
Fair Value Hedge	--	--	--	--
Cash Flow Hedge	--	--	--	--
Hedging of a Net Investment in Foreign Subsidiaries	--	--	--	--
<b>Total</b>	--	--	--	--

**12. Information on tangible assets**

Not prepared in compliance with the Article 25 of the communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

**13. Information on intangible assets**

Not prepared in compliance with the Article 25 of the communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

**14. Information on investment properties**

None.

**15. Information on deferred tax asset**

As of 31 March 2012, the deferred tax asset amounting to TL 17,019 is calculated by netting of carryforward tax losses, deductible temporary differences and taxable temporary differences (31 December 2011: TL 20,472)

As of 31 March 2012, TL 20,513 (31 December 2011: TL 21,078) of deferred tax asset consist of deferred tax asset from carry forward tax losses, and remaining tax bases are the differences between the book value of assets and liabilities on the balance sheet as of 31 March 2012 and their taxable values in accordance with tax legislation which will be considered in the calculation of the subsequent periods profit and losses. The deferred tax assets and liabilities are presented as net in the accompanying financial statements.

**16. Information on assets held for sale and non-current assets related to discontinued operations**

As of 31 March 2012 the Bank has TL 2,955 assets held for sale (31 December 2011: TL 6,270).

**17. Information on other assets**

Other assets do not exceed 10% of total assets excluding the off-balance sheet items.

**17.1 Information on prepaid expenses, tax and similar items**

As of 31 March 2012, total prepaid expenses are TL 3,054 (31 December 2011: TL 1,301).

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

## II. Explanations and disclosures related to liabilities

## 1. Information on deposits

## 1.1 Information on maturity structure of deposits

*Current Period*

	Demand	7 Day Call Accounts	Up to 1 Month	1-3 Months	3-6 Months	6 Months -1 Year	1 Year and Over	Total
<b>Saving Deposits</b>	5,048	--	7,295	567,737	373,826	47,313	3,947	1,005,166
<b>Foreign Currency</b>								
<b>Deposits</b>	51,822	--	81,306	310,006	27,588	1,775	33,703	506,200
Residents in Turkey	50,110	--	70,649	304,049	26,755	590	676	452,829
Residents Abroad	1,712	--	10,657	5,957	833	1,185	33,027	53,371
<b>Public Sector Deposits</b>	--	--	--	--	--	--	--	--
<b>Commercial Deposits</b>	25,119	--	27,812	88,942	62,122	139,855	129,394	473,244
<b>Other Ins. Deposits</b>	77	--	--	13,097	281	1,058	--	14,513
<b>Precious Metal Deposits</b>	--	--	--	--	--	--	--	--
<b>Interbank Deposits</b>	56,886	--	14,705	34,066	--	--	--	105,657
Central Bank of Turkey	--	--	--	--	--	--	--	--
Domestic Banks	29,118	--	14,705	--	--	--	--	43,823
Foreign Banks	27,768	--	--	34,066	--	--	--	61,834
Special Finan.Inst.	--	--	--	--	--	--	--	--
Other	--	--	--	--	--	--	--	--
<b>Total</b>	<b>138,952</b>	<b>--</b>	<b>131,118</b>	<b>1,013,848</b>	<b>463,817</b>	<b>190,001</b>	<b>167,044</b>	<b>2,104,780</b>

*Prior Period*

	Demand	7 Day Call Accounts	Up to 1 Month	1-3 Months	3-6 Months	6 Months -1 Year	1 Year and Over	Total
<b>Saving Deposits</b>	5,202	--	4,911	633,741	299,567	30,310	2,186	975,917
<b>Foreign Currency</b>								
<b>Deposits</b>	66,053	--	38,303	319,628	37,587	2,230	35,620	499,421
Residents in Turkey	59,155	--	37,551	314,517	36,495	1,876	751	450,345
Residents Abroad	6,898	--	752	5,111	1,092	354	34,869	49,076
<b>Public Sector Deposits</b>	--	--	--	--	--	--	--	--
<b>Commercial Deposits</b>	35,461	--	9,439	172,455	204,914	113,944	--	536,213
<b>Other Ins. Deposits</b>	238	--	--	--	--	--	--	238
<b>Precious Metal</b>								
<b>Deposits</b>	--	--	--	--	--	--	--	--
<b>Interbank Deposits</b>	751	--	16,753	21,212	--	--	--	38,716
Central Bank of Turkey	--	--	--	--	--	--	--	--
Domestic Banks	--	--	16,753	5,690	--	--	--	22,443
Foreign Banks	751	--	--	15,522	--	--	--	16,273
Special Finan. Inst.	--	--	--	--	--	--	--	--
Other	--	--	--	--	--	--	--	--
<b>Total</b>	<b>107,705</b>	<b>--</b>	<b>69,406</b>	<b>1,147,036</b>	<b>542,068</b>	<b>146,484</b>	<b>37,806</b>	<b>2,050,505</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

**1.2 Information on saving deposits under the guarantee of saving deposit insurance and exceeding the limit of saving deposit insurance:**

	Under the Guarantee of Deposit Insurance		Exceeding the limit of Deposit Insurance	
	Current Period	Prior Period	Current Period	Prior Period
Saving Deposits	179,611	166,620	822,232	805,016
Foreign Currency Saving Deposits	49,129	51,406	267,780	288,005
Other Deposits in the Form of Saving Deposits	--	--	--	--
Foreign Branches' Deposits Under Insurance of Foreign Authorities	--	--	--	--
Off-shore Banking Regions' Deposits Under Foreign Authorities' Insurance	--	--	--	--
<b>Total</b>	<b>228,740</b>	<b>218,026</b>	<b>1,090,012</b>	<b>1,093,021</b>

**1.3 Saving deposits in Turkey are not covered by any insurance in any other countries since the Bank's headquarter is not located abroad.****1.4 Saving deposits that are not under the guarantee of deposit insurance fund**

	Current Period	Prior Period
Deposits and accounts in branches abroad	--	--
Deposits of ultimate shareholders and their close families	164	1,751
Deposits of chairman and members of the Board of Directors and their close families	3,176	3,223
Deposits obtained through illegal acts defined in the 282nd Article of the 5237 numbered Turkish Criminal Code dated 26 September 2004.	--	--
Saving deposits in banks established in Turkey exclusively for off shore banking activities	--	--

**2. Information on derivative financial liabilities held for trading****2.1 Information on negative differences relating to derivative financial liabilities held for trading**

Trading Purpose Derivative Financial Liabilities	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	6,979	--	10,676	--
Swap Transactions	2,585	--	4,695	--
Futures Transactions	--	--	--	--
Options	1,435	--	--	944
Other	--	--	--	--
<b>Total</b>	<b>10,999</b>	<b>--</b>	<b>15,371</b>	<b>944</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

**3. Information on banks and other financial institutions**

	Current Period		Prior Period	
	TL	FC	TL	FC
Loans from Central Bank of Turkey	--	--	--	--
From Domestic Banks and Institutions	1,593	3,168	1,115	1,638
From Foreign Banks, Institutions and Funds	--	326,200	--	27,003
<b>Total</b>	<b>1,593</b>	<b>329,368</b>	<b>1,115</b>	<b>28,641</b>

**3.1 Maturity analysis of borrowings**

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	718	328,234	1,115	28,641
Medium and Long Term	875	1,134	--	--
<b>Total</b>	<b>1,593</b>	<b>329,368</b>	<b>1,115</b>	<b>28,641</b>

**3.2 Additional explanation related to the concentrations of the Bank's major liabilities:**

In the scope of normal banking operations, the Bank funds itself through funds provided deposits, bank debts and bond issuance.

**4. Other Liabilities****4.1 Informations related with issued instruments**

As of March 2, 2012 the Bank has issued discounted bank bond with the nominal value of TL 75,000 and maturity days of 178.

	TL		FC	
	Short Term	Medium and Long Term	Short Term	Medium and Long Term
Nominal	75,000	--	--	--
Cost	71,573	--	--	--
Carrying Amount	72,064	--	--	--

**4.2 Sundry Creditors and Other Liabilities**

Sundry creditors and other liabilities of balance sheet does not exceed %10 of the balance sheet total.

**5. Criteria used in the determination of lease installments in the finance lease contracts, renewal and purchase options, restrictions, and significant burdens imposed on the bank on such contracts**

As of 31 March 2012 the Bank has no financial lease agreements ( 31 December 2011: None).

**5.1 Changes in agreements and further commitments arising**

None.

**5.2 Obligations under financial lease**

None



## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

**5.3 Information on operational leases and footnotes**

The Bank has operational lease agreements for some of its bank branches. If the rental payments is made in advance, the paid amount is accounted under prepaid expenses in "Other Assets", in the following months, the rental expenses belonging to those months are recorded in profit/loss accounts.

The Bank does not incur any liability as a result of any changes in operational lease agreements. The Bank does not have any obligation from operational lease agreements.

**5.4 Information on "Sale-and-lease back" agreements**

In the current period, there is no sale and lease back agreements.

**6. Information on derivative financial liabilities for hedging purposes**

	Current Period		Prior Period	
	TL	FC	TL	FC
Fair Value Hedge	--	--	--	--
Cash Flow Hedge	--	--	--	--
Hedging of a Net Investment in Foreign Subsidiaries	--	--	--	--
<b>Total</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>

**7. Information on provisions****7.1 Information on general provisions**

	Current Period	Prior Period
Provisions for First Group Loans and Receivables	24,958	21,013
Provisions for Second Group Loans and Receivables	1,152	869
Provisions for Non-Cash Loans	1,082	871
Other	--	--
<b>Total</b>	<b>27,192</b>	<b>22,753</b>

**7.2 Foreign exchange losses on the foreign currency indexed loans and finance lease receivables**

The foreign exchange losses on the foreign currency indexed loans as of 31 March 2012, amounting to TL 2,489 (31 December 2011: TL 305) are netted off from loans on the balance sheet.

**7.3 The specific provisions provided for unindemnified non cash loans**

As of 31 March 2012, the specific provisions provided for unindemnified non cash loans amount to TL 262 (31 December 2011: TL 63).

**7.4 Explanation on other provisions****7.4.1 Provisions for possible losses:**

None.

**7.4.2 The breakdown of the subsidiary accounts if other provisions exceed 10% of the grand total provisions:**

None.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

**7.4.3 Explanations on reserves for employee benefits**

As of 31 March 2012, reserves for employee benefits amounted to TL 4,257 (31 December 2011: TL 2,010) comprise of TL 301 reserve for employee termination benefits (31 December 2011: TL 323), TL 1,456 unused vacation accrual (31 December 2011: TL 1,687) and TL 2,500 personnel premium accrual (31 December 2011: None).

**8. Explanations on tax liabilities****8.1 Explanations on current tax liability****8.1.1 Explanations on tax provision**

As of 31 March 2012 and 31 December 2011, the Bank has no corporate tax liability.

**8.1.2 Information on taxes payable**

	Current Period	Prior Period
Corporate taxes payable	--	--
Taxation on securities	2,268	1,856
Property tax	84	93
Banking and Insurance Transaction Tax (BITT)	1,888	1,700
Taxes on foreign exchange transactions	--	--
Value added taxes payable	19	65
Income tax ceased from wages	578	920
Other	45	46
<b>Total</b>	<b>4,882</b>	<b>4,680</b>

**8.1.3 Information on premiums**

	Current Period	Prior Period
Social security premiums- employee	568	506
Social security premiums- employer	805	720
Bank social aid pension fund premium- employee	--	--
Bank social aid pension fund premium- employer	--	--
Pension fund membership fees and provisions- employee	--	--
Pension fund membership fees and provisions- employer	--	--
Unemployment insurance- employee	40	35
Unemployment insurance- employer	80	71
Other	--	--
<b>Total</b>	<b>1,493</b>	<b>1,332</b>

**8.2 Explanations on deferred tax liabilities**

None.

**9. Information on liabilities regarding assets held for sale and discontinued operations**

None.

**10. Explanations on subordinated loans**

None.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

**11. Information on shareholders' equity****11.1 Paid-in capital**

	Current Period	Prior Period
Common Stock	426,650	325,000
Preferred Stock	--	--

**11.2 Paid-in capital amount, explanation as to whether the registered share capital system is applied at the bank; if so the amount of registered share capital ceiling:**

Registered share capital system is not applied.

**11.3 Information on share capital increases and their sources; other information on increased capital shares in current period**

As of 20 September 2011, the Bank decided to increase its paid in capital by 41,000,000 Euro in terms of TL equivalent.

The first tranche of the related increase was transferred to the Bank on 10 October 2011 as TL 52,250; the second tranche was transferred on 1 December 2011 as TL 49,400. As of 31 December 2011, such capital payments are accounted for under the "Sundry Creditors". Following the approval of the BRSA, the extraordinary General Assembly was held on 26 January 2012 and the increase in paid in capital was registered. Accordingly, the Bank's capital has increased to TL 426,650.

**11.4 Information on share capital increases from revaluation funds**

None.

**11.5 Information on capital commitments the purpose and the sources until the end of the fiscal year and the subsequent interim period:**

The capital is totally paid in and there are no capital commitments.

**11.6 Indicators of the Bank's income, profitability and liquidity for the prior periods and possible effects of these future assumptions due to the uncertainty of these indicators on the Bank's equity:**

None.

**11.7 Information on privileges given to stocks representing the capital**

None.

**11.8 Common stock issue premiums, shares and equity instruments**

None.

**11.9 Information on marketable securities value increase fund**

	Current Period		Prior Period	
	TL	FC	TL	FC
From Subsidiaries, Associates, and Entities Under Common Control (Joint Ventures)	--	--	--	--
Security Valuation Difference	(3)	(66)	--	(1,727)
Exchange Difference	--	--	--	--
<b>Total</b>	<b>(3)</b>	<b>(66)</b>	<b>--</b>	<b>(1,727)</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

**11.10 Information on revaluation reserve**

TL 12,669 gain on sale of the head office building in the year 2008 had been recognized as income in accordance with Turkish Accounting Standards. With decision of the General Assembly dated 16 March 2009, 75% of the gain, which corresponds to TL 9,502 were decided to be transferred to a special funds account at the stage of distribution of profit for the year 2008 and it will not be transferred to any other account except for share capital for a 5-year period in order to benefit from the tax exemptions stated in Corporate Tax Law No: 5520, article 5/e. The Bank has transferred this amount to "Fixed Assets Revaluation Reserve" account.

**11.11 Bonus shares of Subsidiaries, Associates and Joint Ventures**

None.

**11.12 Information on legal reserves**

None.

**11.13 Information on extraordinary reserves**

None.

**12. Information on minority shares**

None.

**III. Explanations and disclosures related to off-balance sheet contingencies and commitments****1. Information on off-balance sheet commitments****1.1 Nature and amount of irrevocable loan commitments:**

	Current Period	Prior Period
Asset sale and purchase commitments	545,892	493,362
Credit card limit commitments	5,002	4,861
Commitments for promotion on credit cards and banking services	81	80
Commitments for Credit allocation with the guarantee of usage	116,401	37,652
Commitment for cheques	27,228	19,425
Other irrevocable commitments	--	--
<b>Total</b>	<b>694,604</b>	<b>555,380</b>

**1.2 Possible losses and commitments related to off-balance sheet items, including the ones listed below****1.2.1 Non-cash loans including guarantees, acceptances, financial guarantee and other letters of credits**

As of 31 March 2012, the Bank has letters of guarantee amounting to TL 198,104, letters of credit amounting to TL 44,318, and bills of exchange and acceptances amounting to TL 4,669.

As of 31 December 2011, the Bank has letters of guarantee amounting to TL 181,203, letters of credit amounting to TL 47,173.

	Current Period	Prior Period
Letters of Guarantee FC	94,247	97,565
Letters of Guarantee TL	103,857	83,638
Letters of Credit	44,318	47,173
Bills of Exchange and Acceptances	4,669	--
<b>Total</b>	<b>247,091</b>	<b>228,376</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

**1.2.2 Revocable, irrevocable guarantees and other similar commitments and contingencies**

	Current Period	Prior Period
Revocable Letters of Guarantee	47,447	30,496
Irrevocable Letters of Guarantee	108,506	114,469
Letters of Guarantee Given in Advance	25,836	15,590
Letters of Guarantee Given to Customs	1,442	976
Other Letters of Guarantee	14,873	19,672
<b>Total</b>	<b>198,104</b>	<b>181,203</b>

**2. Total amount of non-cash loans**

	Current Period	Prior Period
Non-Cash Loans Given against Cash Loans	--	--
With Original Maturity of 1 Year or Less Than 1 Year	--	--
With Original Maturity of More Than 1 Year	--	--
Other Non-Cash Loans	247,091	228,376
<b>Total</b>	<b>247,091</b>	<b>228,376</b>

**3. Information related to sector based risk explosion**

Not prepared in compliance with the Article 25 of the communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

**4. Information on the first and second group of non-cash loans**

Not prepared in compliance with the Article 25 of the communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

**5. Information related to derivative financial instruments**

Not prepared in compliance with the Article 25 of the communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

**6. Explanations on contingent liabilities and assets**

None.

**7. Custodian and intermediary services**

The Bank provides trading and safe keeping services in the name and account of third parties, which are presented in the statement of contingencies and commitments.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

**IV. Explanations and disclosures related to the income statement****1. Interest Income****1.1 Information on interest on loans (\*)**

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest on loans				
Short Term Loans	44,301	4,378	10,092	897
Medium and Long Term Loans	15,672	9,705	9,885	400
Interest on Non-Performing Loans	468	--	495	--
Premiums received from Resource Utilization Support Fund	--	--	--	--
<b>Total</b>	<b>60,441</b>	<b>14,083</b>	<b>20,472</b>	<b>1,297</b>

\*Includes fees and commissions obtained from cash loans.

**1.2 Information on interest income received from banks**

	Current Period		Prior Period	
	TL	FC	TL	FC
The Central Bank of Turkey	--	--	--	--
Domestic Banks	222	2	125	8
Foreign Banks	2	1	10	--
Branches and Head Office Abroad	--	--	--	--
<b>Total</b>	<b>224</b>	<b>3</b>	<b>135</b>	<b>8</b>

**1.3 Interest received from marketable securities portfolio**

	Current Period		Prior Period	
	TL	FC	TL	FC
Financial Assets Held for Trading	361	292	329	245
Financial Assets at Fair Value Through Profit or Loss	--	--	--	--
Financial Assets Available-for-sale	--	242	--	--
Investment Securities Held-to-maturity	--	--	--	--
<b>Total</b>	<b>361</b>	<b>534</b>	<b>329</b>	<b>245</b>

**1.4 Information on interest income received from associates and subsidiaries**

	Current Period	Prior Period
Interest Received from Associates and Subsidiaries	--	--

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

**2. Interest Expense****2.1 Information on interest on funds borrowed**

	Current Period		Prior Period	
	TL	FC	TL	FC
<b>Banks</b>	<b>28</b>	<b>2,690</b>	<b>6</b>	<b>816</b>
The Central Bank of Turkey	--	--	--	--
Domestic Banks	28	21	6	12
Foreign Banks	--	2,669	--	804
Branches and Head Office Abroad	--	--	--	--
<b>Other Financial Institutions</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total</b>	<b>28</b>	<b>2,690</b>	<b>6</b>	<b>816</b>

**2.2 Information on interest expenses to associates and subsidiaries**

None.

**2.3 Information on interest expenses to securities issued**

Not prepared in compliance with the Article 25 of the communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

**2.4 Distribution of interest expense on deposits based on maturity of deposits:**

Not prepared in compliance with the Article 25 of the communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

**3. Information on dividend income**

None.

**4. Information on net trading income / loss**

	Current Period	Prior Period
<b>Income</b>	<b>38,188</b>	<b>47,128</b>
Gains on capital market operations	1,417	1,446
Gains on derivative financial instruments	33,271	40,384
Foreign exchange gains	3,500	5,298
<b>Loss (-)</b>	<b>26,518</b>	<b>48,035</b>
Losses on capital market operations	557	280
Losses on derivative financial instruments	20,774	43,522
Foreign exchange losses	5,187	4,233
<b>Net Trading Income / Loss</b>	<b>11,670</b>	<b>(907)</b>

**5. Information on other operating income**

In the current period, other operation income consists of TL 23 gains on sales of real estates, TL 32 gains on sale of movable assets, TL 380 reversal of specific provision, TL 253 reversal of reserve for employee termination benefit and unused vacation pay accrual, and TL 180 other gains. For the period ended at 31 March 2011, other operation income consist of TL 393 reversal of general loan provision, TL 426 gains on sale of real estates, and TL 983 reversal of specific provision, and TL 99 other gains.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

## 6. Impairment on loans and other receivables

	Current Period	Prior Period
Specific Provisions on Loans and Other Receivables:	1,849	996
<i>III. Group Loans and Receivables</i>	630	26
<i>IV. Group Loans and Receivables</i>	574	228
<i>V. Group Loans and Receivables</i>	645	742
General Loan Loss Provisions	4,439	3,889
Free Provision for Probable Risks	--	--
Impairment Losses on Securities:	--	2
<i>Financial Assets at Fair Value Through Profit or Loss</i>	--	2
<i>Financial Assets Available-for-Sale</i>	--	--
Impairment Losses on Associates, Subsidiaries, Joint Ventures and Investment Securities Held to Maturity:	--	--
<i>Associates</i>	--	--
<i>Subsidiaries</i>	--	--
<i>Joint Ventures</i>	--	--
<i>Investments held to maturity</i>	--	--
Other	--	--
<b>Total</b>	<b>6,288</b>	<b>4,887</b>

## 7. Information related to other operational expenses

	Current Period	Prior Period
Personnel Expenses	13,064	7,143
Provision for Employee Termination Benefits	--	214
Provision for Bank's Social Aid Fund Deficit	--	--
Impairment Losses on Tangible Assets	--	--
Depreciation Charges of Tangible Assets	793	486
Impairment Losses on Intangible Assets	--	--
Amortization Charges of Intangible Assets	707	372
Impairment Losses on Investment Accounted for under Equity Method	--	--
Impairment of Assets to be Disposed	--	--
Depreciation of Assets to be Disposed	47	3
Impairment of Assets Held for Sale	--	--
Other Operating Expenses	4,953	3,449
<i>Operational Leases Expenses</i>	2,351	1,545
<i>Repair and Maintenance Expenses</i>	46	51
<i>Advertisement Expenses</i>	22	4
<i>Other Expenses</i>	2,534	1,849
Losses on Sale of Assets	--	--
Other	2,145	1,354
<b>Total</b>	<b>21,709</b>	<b>13,021</b>



**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012**

(Amounts expressed in thousands of Turkish Lira -TL)

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**8. Information on profit/loss before tax from continued and discontinued operations**

Not prepared in compliance with the Article 25 of the communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

**9. Information on tax provision from continued and discontinued operations**

As of the period ended at 31 March 2012, the deferred tax charge of the Bank is TL 3,039 (31 March 2011: None).

**10. Information on profit/loss from continued and discontinued operations**

Not prepared in compliance with the Article 25 of the communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

**11. Information on net profit/loss for the period**

**11.1 *The nature and amount of certain income and expense items from ordinary operations is disclosed if the disclosure for nature, amount and repetition rate of such items is required for the complete understanding of the Bank's performance for the period***

In the current and prior periods, the Bank's income from ordinary banking transactions is interest income from loans and marketable securities and other banking service income. Main expenses are interest expense on deposits and similar debt items which are funding resources of loans and marketable securities. The size and frequency of those items do not require making additional explanations.

**11.2 *Changes in estimations made by the Bank with respect to the financial statement items do not have a material effect on profit/loss.***

**11.3 *Because there is no minority share in shareholders' equity, there is no profit or loss from minority shares.***

**12. If “other” lines of the income statement exceeds 10% of the period profit/loss, information on components making up at least 20% of “other” items**

The balance of the “Other Fees and Commissions Received” in the Bank's current period income statement amounts to TL 882 (31 March 2011: TL 1,488) and comprises of TL 257 insurance commissions, TL 172 money transfer commissions, TL 81 investment fund commissions and TL 372 other fees and commissions. For the prior period, “Other Fees and Commissions Received” comprises of TL 180 insurance commissions, TL 122 money transfer commissions, TL 406 investment fund commissions, and TL 780 other fees and commissions.

**V. Explanations and disclosures related to statements of changes in shareholders' equity**

Not prepared in compliance with the Article 25 of the communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

**VI. Explanations and disclosures related to the statement of cash flows**

Not prepared in compliance with the Article 25 of the communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

## VII. Explanations and disclosures on the risk group of the Bank

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

## 1.1 Current Period

Bank's Risk Group (*)	Associates, Subsidiaries and Joint-Ventures		Bank's Direct and Indirect Shareholder		Other Real Persons and Legal Entities in Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and Other Receivables (**)						
Balance at the Beginning of the Period	--	--	6,161	9,702	3,696	1,817
Balance at the End of the Period	--	--	899	8,512	7,727	1,798
Interest and Commission Income Received	--	--	18	--	--	--

(\*) Described in article 49 of the Banking Act No: 5411.

(\*\*) Includes all transactions accepted as loans in article 48 of the Banking Act No: 5411.

## Prior Period

Bank's Risk Group (*)	Associates, Subsidiaries and Joint-Ventures		Bank's Direct and Indirect Shareholder		Other Real Persons and Legal Entities in Risk Group	
	Current Period	Prior Period	Current Period	Current Period	Prior Period	Current Period
Loans and Other Receivables						
Balance at the Beginning of the Period	--	--	--	--	--	450
Balance at the End of the Period	--	--	6,161	9,702	3,696	1,817
Interest and Commission Income Received	--	--	2	3	--	--

(\*) Described in article 49 of the Banking Act No: 5411.

## 1.2 Information on deposits to the Bank's risk group

Bank's Risk Group (*)	Associates and Subsidiaries		Bank's Direct and Indirect Shareholder		Other Real Persons and Legal Entities in Risk Group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Deposits						
Balance at the Beginning of the Period	--	--	2	113,864	95,201	--
Balance at the End of the Period	--	--	16,754	2	13,970	95,201
Deposit Interest Expense	--	--	-	1,224	608	368

(\*) Described in article 49 of the Banking Act No: 5411.

## 1.3 Information on forward and option agreements and similar agreements made with Bank's risk group

Funds borrowed from the direct and indirect shareholders of the Bank amount to TL 319,061 (31 December 2011: None).

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

**1.4 Information on forward and option agreements and similar agreements made with DFS Group's risk group**

Bank's Risk Group (*)	Associates, Subsidiaries and Joint-Ventures		Bank's Direct and Indirect Shareholder		Other Real Persons and Legal Entities in Risk Group	
	Current	Prior Period	Current	Prior Period	Current	Prior
	Period	Period	Period	Period	Period	Period
Financial Assets at Fair Value Through Profit and Loss:						
Balance at the Beginning of the Period	--	--	3,401,356	757,317	--	--
Balance at the End of the Period	--	--	1,430,520	3,401,356	--	--
Total Income/Loss	--	--	8,151	527	--	--
Transactions for Hedging Purposes:						
Balance at the Beginning of the Period	--	--	--	--	--	--
Balance at the End of the Period	--	--	--	--	--	--
Total Income/Loss	--	--	--	--	--	--

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

**2. Information on transactions with the Bank's risk group****2.1 Relations with entities in the risk group of / or controlled by the Bank regardless of the nature of relationship among the parties**

The terms of related party transactions are equivalent to those that prevail in arm's length transactions only if such terms can be substantiated regarding the limits exposed by the Banking Act. Adopted Bank policy is that assets and liabilities will not be dominated by the risk group and the balances with the risk group will have a reasonable share in the total balance sheet.

**2.2 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**

As of 31 March 2012, the ratio of the loans and other receivables used by the entities of risk group to total assets is 0.3%; the ratio of the deposits of entities of risk group to total assets is 1.05%.

In current period benefit to executive managers is TL 576 (31 March 2011: TL 480).

**2.3 Total of similar type of transactions together, unless a separate disclosure is required to present the effect of the transactions on financial statements**

None.

**2.4 Transactions accounted for under equity method**

None.

**2.5 Explanations on purchase and sale of real estate and other assets, sales and purchases of services, agency contracts, finance lease agreements, transfer of data obtained from research and development, licensing agreements, financing (including loans and cash and in-kind capital support), guarantees and promissory notes, and management contracts**

None.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2012

(Amounts expressed in thousands of Turkish Lira -TL)

**VIII. Explanations on the Bank's domestic, foreign, off-shore branches or investments in associates and foreign representative offices****1. Information related to the Bank's domestic and foreign branch and representatives**

	Number	Number of Employees			
Domestic Branch	22	477			
			Country of Incorporations		
Foreign Representation Office			1-		
			2-		
			3-		
				Total Assets	Statutory Share Capital
Foreign Branch			1-		
			2-		
			3-		
Off-shore Banking Region Branches			1-		
			2-		
			3-		

**XI. Events after balance sheet**

None.

**SECTION SIX**

**OTHER EXPLANATIONS ON THE OPERATIONS OF THE BANK**

None.

**SECTION SEVEN**

**EXPLANATIONS ON AUDITORS' LIMITED REVIEW REPORT**

**I. Explanations on the auditors' review report**

The financial statements of the Bank were reviewed by DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (member of Deloitte Touche Tohmatsu Limited) and the limited review report dated 2 May 2012 express that nothing had come to the attention that causes the auditors to believe that the accompanying financial statements do not give a true and fair view of the financial position of Fibabanka A.Ş. as at 31 March 2012, the results of its operations and its cash flows for the period then ended in accordance with the prevailing accounting principles and standards set out as per the Article No: 37 of the Banking Act No: 5411, and other regulations, communiqués and circulars in respect of accounting and financial reporting and pronouncements made by Banking Regulation and Supervision Agency.

**II. Other footnotes and explanations prepared by the independent auditors**

None.