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

Tekstil Bankası Anonim Şirketi

Consolidated Interim Financial Statements
As of and for the Nine Month Period Ended
30 September 2008
With Independent Auditor's Review Report Thereon

Akis Bağımsız Denetim ve Serbest
Muhasebeci Mali Müşavirlik
Anonim Şirketi
27 November 2008

This report contains 1 page of independent auditor's review report and 56 pages of consolidated financial statements together with their explanatory notes.

Akis Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.
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Convenience Translation of the Independent Auditor's Review Report Originally Prepared and Issued in Turkish (See Note 3.I)

To the Board of Directors of Tekstil Bankası Anonim Şirketi:

We have reviewed the consolidated financial statements of Tekstil Bankası Anonim Şirketi ("the Bank") and its financial subsidiaries, which comprise the consolidated balance sheet as at 30 September 2008, and the consolidated statements of income, changes in equity and cash flows for the period then ended, and a summary of significant accounting policies and other explanatory notes. These consolidated financial statements are the responsibility of the Bank's management. Our responsibility, as independent auditors, is to issue a report on these consolidated financial statements based on our review.

We conducted our review in accordance with the regulations related with the "Accounting and Recording Rules" and "Independent Auditing Standards" of the (Turkish) Banking Law No 5411. These regulations require that we plan and perform the review to obtain reasonable assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of the personnel of the Bank and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit, and accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly the financial position of Tekstil Bankası Anonim Şirketi and its financial subsidiaries as at 30 September 2008, and of the results of its operations and its cash flows for the nine-month period then ended in accordance with the accounting principles and standards that are based on the current regulations described in Article 37 and Article 38 of the (Turkish) Banking Law No 5411; and other communiqués, disclosures and directives announced by the Banking Regulation and Supervision Agency.

Istanbul,
27 November 2008

Akis Bağımsız Denetim ve Serbest
Muhasebeci Mali Müşavirlik
Anonim Şirketi

Özkan Genç
Partner

Additional paragraph for convenience translation to English:

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

TEKSTİL BANKASI A. Ş.
CONSOLIDATED INTERIM FINANCIAL REPORT AS OF 30 SEPTEMBER 2008

Address of the Bank's Headquarters:	: Büyükdere Caddesi No: 63 34398 Maslak - İstanbul
Telephone Number	: (0212) 335 53 35
Fax Number	: (0212) 328 13 28
Website of the Bank	: www.tekstilbank.com.tr

The interim consolidated financial report prepared in accordance with the statement "Financial Statements and Related Disclosures and Footnotes to be Announced to Public" as required by the Banking Regulation and Supervision Agency (BRSA), is comprised of the following sections:

- GENERAL INFORMATION ABOUT THE PARENT BANK
- CONSOLIDATED FINANCIAL STATEMENTS
- DISCLOSURES ON APPLIED ACCOUNTING POLICIES IN RELATED PERIOD
- INFORMATION RELATED TO FINANCIAL POSITION OF THE CONSOLIDATED GROUP
- DISCLOSURES AND FOOTNOTES TO CONSOLIDATED FINANCIAL STATEMENTS
- INDEPENDENT AUDITOR'S REVIEW REPORT

The subsidiaries, associates and jointly controlled companies included in the interim consolidated financial report are as follows:

1. **Tekstil Menkul Değerler A.Ş.**
2. **The Euro Textile Bank Off-shore Ltd.**

The consolidated financial statements and related disclosures and footnotes that were subject to independent review, are prepared in accordance with the "Regulation on Accounting Principles and Documentations", Turkish Accounting Standards, Turkish Financial Reporting Standards and the related statements, and in compliance with the financial records of our Bank. Unless stated otherwise, the accompanying consolidated financial statements are presented in **thousands of New Turkish Lira**.

Akgün TÜRER	T.Tözün TARMAN	H.Çim GÜZELAYDINLI	Nuriye DİZDAR	M.Sercan ÇOBAN
Chairman of Board of Directors and Audit Committee	Member of Board of Directors and Audit Committee	Chief Executive Officer and Member of Board of Directors	Executive Vice President	Unit Manager

Contact information for questions on this financial report:

Name-Surname	:	M. Sercan Çoban
Tel No	:	0212 335 54 94
Fax No	:	0212 328 13 23

(Currency: Thousands of YTL - New Turkish Lira)

SECTION ONE

GENERAL INFORMATION

I. Parent Bank's date of establishment, beginning statute, its history including changes on its statute

Tekstil Bankası A.Ş. ("the Bank") was established on 29 April 1986, to carry out all types of banking activities according to the Banking Law and later changes in the laws and regulations, with the permission of the Council of Ministers in accordance with the resolution numbered 85/9890 and dated 24 June 1985 and started it operations on 13 October 1986. "Articles of Association" of the Bank was published in the Official Gazette dated 31 January 1986. The statute of the Bank was not changed since its establishment.

II. Capital structure, shareholders controlling the management and supervision of the Bank directly or indirectly, and if exists, changes on these issues and the Group that the Bank belongs to

GSD Holding Anonim Şirketi ("GSD Holding") owns 75.50% of the outstanding shares of the Bank. The Bank is a subsidiary of GSD Holding. Remaining shares have been listed on Istanbul Stock Exchange since 23 May 1990.

The ultimate business of GSD Holding, which was initially established as a foreign trade company in 1986 and became a holding company to build a more efficient corporate structure for GSD Group Companies in 1996, is management of assets. GSD Holding also aims to manage the growth of the Group, finance and invest in profitable businesses. GSD Holding's shares have been listed on Istanbul Stock Exchange since November 1999. Almost all of its shares, which has nominal value of YTL 250,000 as at 30 September 2008, are held by public.

Main operations of GSD Group Companies are;

Foreign Trade:	GSD Dış Ticaret A.Ş.
Banking :	Tekstil Bankası A.Ş., GSD Yatırım Bankası A.Ş., The Euro Textile Bank Off-shore Ltd ("ETB")
Financial Services:	Tekstil Finansal Kiralama A.Ş., Tekstil Faktoring Hizmetleri A.Ş., Tekstil Menkul Değerler A.Ş.("Tekstil Menkul")
Other:	Tekstil Bilişim Hizmetleri ve Ticaret A.Ş. ("Bilişim"), GSD International Ltd., GSD Reklam ve Halkla İlişkiler Hizmetleri A.Ş., GSD Plan Proje Etüd A.Ş., GSD Gayrimenkul Yatırım ve Geliştirme A.Ş.

By the Board of Directors' of the Bank's parent company, GSD Holding has decided on 5 May 2008 to sell all or portion of its shares at the Bank to potential bidders.

III. President and members of the Board of Directors, audit committee members, general manager and executive vice presidents, and if exists, changes in these positions and Bank's shares they hold

Title	Name	Job Description	Education
Chairman of the Board of Directors ve Audit Committee	Akgün TÜRER	Chairman of the Board of Directors and Audit Committee	Graduate
Member of Audit Committee:	T. Tözün TARMAN	Member of Audit Committee	Under-Graduate
Member of Board of Directors:	Murat ATIM (*)	Member	Under-Graduate
	Cezmi ÖZTÜRK	Member	Under-Graduate
	T. Tözün TARMAN	Vice Chairman of Board of Directors	Under-Graduate
	İ. Sühan ÖZKAN	Member	Under-Graduate
General Manager:	H. Çim GÜZELAYDINLI	Chief Executive Officer and Member of Board of Directors	Graduate
Head of Board of Inspectors:	Senan DAĞAL	President of Inspectors' Group	Under-Graduate
Executive Vice Presidents:	İ.Sencan DEREBEYOĞLU	Risk Management and Support Group	Graduate
	Hüseyin H. İMECE	Treasury and Investors Relations Group	Under-Graduate
	Nuriye DİZDAR	Financial Control Group	Under-Graduate
	D.Halit DÖVER	International Relations Group	Graduate
	Ümit ALTINAY (**)	Information Technologies and Organization Group (****)	Graduate
	Y.Başbuğ SAMANCIOĞLU	Corporate and Commercial Banking Group	Under-Graduate
	Yasef COYAŞ (***)	Operations Group	Under-Graduate
	Ahmet İLERİGELEN (***)	Loans Group	Graduate
Statutory Auditors:	M.Sedat ÖZKANLI	Statutory Auditor	Under-Graduate
	Sedat TEMELTAŞ	Statutory Auditor	Under-Graduate

These people mentioned above do not own any share of the Bank.

(*) In the General Assembly dated 24 March 2008 Murat Atım has been elected instead of A. Erdem Yörükoğlu whose terms of office has finished.

(**) In January 2008, Ümit Altınay has been assigned as Executive Vice President responsible from Information Technologies Group instead of Hakan Özyenen.

(***) In March 2008, Yasef Coyaş has been assigned as Executive Vice President responsible from Operations Group. Ahmet İlerigelen, who is performing as responsible from Operations and Credits Group since April 2007, is continuing his job as Executive Vice President responsible from Loans Group since March 2008.

(****) In April 2008, Organization Department has been incorporated to Information Technologies Group.

IV. Type of services provided and the areas of operations of the Bank

The operations of the parent Bank consist of corporate and commercial banking services, fund management transactions (foreign currency, money market and securities trading), international banking services, retail banking services and credit card business. The Bank also operates, through its branches, as insurance agent of Güneş Sigorta A.Ş., Aviva Sigorta A.Ş., Vakıf Emeklilik A.Ş., Acıbadem Sigorta A.Ş. and Yapı Kredi Sigorta A.Ş..

As at 30 September 2008, the Bank has 61 branches close to industrial zones of Turkey and a representative office in Berlin, Germany. The Bank has 1,558 employees as of 30 September 2008 (As at 31 December 2007 number of branch was 59, number of employees was 1,547).

V. Other information

Bank's Official Title	: Tekstil Bankası Anonim Şirketi
Reporting Period	: 1 January – 30 September 2008
Address of Bank's Headquarters	: Büyükdere Caddesi No: 63 34398 Maslak - Istanbul
Telephone number	: (0212) 335 53 35
Fax number	: (0212) 328 13 28
Bank's Internet Address	: www.tekstilbank.com.tr
Reporting currency	: Thousands of YTL – New Turkish Lira

TEKSTİL BANKASI A.Ş. AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
AS OF 30 SEPTEMBER 2008 AND 31 DECEMBER 2007
(Currency: Thousands of YTL - New Turkish Lira)

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

			THOUSANDS OF NEW TURKISH LIRA					
			CURRENT PERIOD			PRIOR PERIOD		
	ASSETS	Footnotes	30/09/2008			31/12/2007		
		(Section 5)	YTL	FC	Total	YTL	FC	Total
I.	**CASH AND BALANCES WITH THE CENTRAL BANK**	(5.I.1)	**41,140**	**171,935**	**213,075**	**37,763**	**157,676**	**195,439**
II.	**FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Net)**	(5.I.2)	**75,657**	**2,393**	**78,050**	**96,218**	**24,622**	**120,840**
2.1	Trading Securities		74,825	291	75,116	94,328	24,167	118,495
2.1.1	Public Sector Debt Securities		74,825	291	75,116	94,328	24,167	118,495
2.1.2	Share Certificates		-	-	-	-	-	-
2.1.3	Other Securities		-	-	-	-	-	-
2.2	Financial Assets Designated at Fair Value		-	-	-	-	-	-
2.2.1	Public Sector Debt Securities		-	-	-	-	-	-
2.2.2	Share Certificates		-	-	-	-	-	-
2.2.3	Other Securities		-	-	-	-	-	-
2.3	Positive Value of Trading Purpose Derivatives		832	2,102	2,934	1,890	455	2,345
III.	**BANKS**	(5.I.3)	**16,244**	**138,843**	**155,087**	**15,626**	**161,515**	**177,141**
IV.	**INTERBANK MONEY MARKET**		-	-	-	-	-	-
4.1	Interbank Money Market Placements		-	-	-	-	-	-
4.2	Istanbul Stock Exchange Money Market Placements		-	-	-	-	-	-
4.3	Receivables from Reverse Repurchase Agreements		-	-	-	-	-	-
V.	**INVESTMENT SECURITIES AVAILABLE FOR SALE (Net)**	(5.I.4)	**229,465**	**16,840**	**246,305**	**160,726**	**17,458**	**178,184**
5.1	Share Certificates		-	-	-	-	-	-
5.2	Public Sector Debt Securities		229,465	7,339	236,804	160,726	-	160,726
5.3	Other Securities		-	9,501	9,501	-	17,458	17,458
VI.	**LOANS**	(5.I.5)	**1,956,562**	**384,878**	**2,341,440**	**1,731,352**	**470,364**	**2,201,716**
6.1	Loans		1,928,397	384,878	2,313,275	1,719,710	470,364	2,190,074
6.1.1	Loans Utilized to the Bank's Risk Group		32,360	19,711	52,071	28,734	11,451	40,185
6.1.2	Others		1,896,037	365,167	2,261,204	1,690,976	458,913	2,149,889
6.2	Loans under Follow-Up		62,873	-	62,873	28,892	-	28,892
6.3	Specific Provisions (-)		34,708	-	34,708	17,250	-	17,250
VII.	**FACTORING RECEIVABLES**		-	-	-	-	-	-
VIII.	**INVESTMENT SECURITIES HELD TO MATURITY (Net)**	(5.I.6)	**42,088**	-	**42,088**	-	-	-
8.1	Public Sector Debt Securities		42,088	-	42,088	-	-	-
8.2	Other Securities		-	-	-	-	-	-
IX.	**INVESTMENTS IN ASSOCIATES (Net)**	(5.I.7)	**50**	-	**50**	**50**	-	**50**
9.1	Equity Method Associates		-	-	-	-	-	-
9.2	Unconsolidated Associates		50	-	50	50	-	50
9.2.1	Financial Associates		50	-	50	50	-	50
9.2.2	Non-Financial Associates		-	-	-	-	-	-
X.	**INVESTMENTS IN SUBSIDIARIES (Net)**	(5.I.8)	**107**	-	**107**	**107**	-	**107**
10.1	Unconsolidated Financial Subsidiaries		-	-	-	-	-	-
10.2	Unconsolidated Non-Financial Subsidiaries		107	-	107	107	-	107
XI.	**JOINT VENTURES (Net)**	(5.I.9)	-	-	-	-	-	-
11.1	Equity Method Joint Ventures		-	-	-	-	-	-
11.2	Unconsolidated Joint Ventures		-	-	-	-	-	-
11.2.1	Financial Joint Ventures		-	-	-	-	-	-
11.2.2	Non-Financial Joint Ventures		-	-	-	-	-	-
XII.	**LEASE RECEIVABLES (Net)**	(5.I.10)	-	-	-	-	-	-
12.1	Financial Lease Receivables		-	-	-	-	-	-
12.2	Operational Lease Receivables		-	-	-	-	-	-
12.3	Others		-	-	-	-	-	-
12.4	Unearned Income (-)		-	-	-	-	-	-
XIII.	**HEDGING PURPOSE DERIVATIVES**	(5.I.11)	-	-	-	-	-	-
13.1	Fair Value Hedge		-	-	-	-	-	-
13.2	Cash Flow Hedge		-	-	-	-	-	-
13.3	Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-
XIV.	**TANGIBLE ASSETS (Net)**		**78,102**	**2**	**78,104**	**78,661**	**1**	**78,662**
XV.	**INTANGIBLE ASSETS (Net)**		**2,503**	-	**2,503**	**2,061**	-	**2,061**
15.1	Goodwill		-	-	-	-	-	-
15.2	Others		2,503	-	2,503	2,061	-	2,061
XVI.	**INVESTMENT PROPERTY (Net)**	(5.I.12)	-	-	-	-	-	-
XVII.	**TAX ASSETS**		**1,901**	-	**1,901**	**16,026**	-	**16,026**
17.1	Current Tax Assets		-	-	-	11,003	-	11,003
17.2	Deferred Tax Assets	(5.I.13)	1,901	-	1,901	5,023	-	5,023
XVIII.	**ASSETS HELD FOR SALE AND ASSETS RELATED TO DISCONTINUED OPERATIONS (Net)**	(5.I.14)	**33,425**	-	**33,425**	**28,244**	-	**28,244**
18.1	Held For Sale		33,425	-	33,425	28,244	-	28,244
18.2	Discontinued Operations		-	-	-	-	-	-
XIX.	**OTHER ASSETS**		**66,057**	**11,960**	**78,017**	**8,199**	**5,829**	**14,028**
	TOTAL ASSETS		**2,543,301**	**726,851**	**3,270,152**	**2,175,033**	**837,465**	**3,012,498**

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

			THOUSANDS OF NEW TURKISH LIRA					
			CURRENT PERIOD			PRIOR PERIOD		
			30/09/2008			31/12/2007		
	LIABILITIES AND EQUITY	Footnotes (Section 5)	YTL	FC	Total	YTL	FC	Total
I.	**DEPOSITS**	(5.II.1)	1,024,490	802,184	1,826,674	819,672	930,119	1,749,791
1.1	Deposits of the Bank's Risk Group		20,512	23,408	43,920	16,754	27,112	43,866
1.2	Others		1,003,978	778,776	1,782,754	802,918	903,007	1,705,925
II.	**NEGATIVE VALUE OF TRADING PURPOSE DERIVATIVES**	(5.II.2)	1,013	4,694	5,707	16,121	5,959	22,080
III.	**FUNDS BORROWED**	(5.II.3)	35,420	600,117	635,537	28,454	559,584	588,038
IV.	**DUE TO MONEY MARKETS**		248,861	-	248,861	182,195	-	182,195
4.1	Interbank Money Market		-	-	-	-	-	-
4.2	Istanbul Stock Exchange		9,723	-	9,723	528	-	528
4.3	Reverse Repurchase Agreements		239,138	-	239,138	181,667	-	181,667
V.	**SECURITIES ISSUED (Net)**		-	-	-	-	-	-
5.1	Bills		-	-	-	-	-	-
5.2	Asset Backed Securities		-	-	-	-	-	-
5.3	Bonds		-	-	-	-	-	-
VI.	**FUNDS**		-	-	-	-	-	-
6.1	Bank Borrowers' Funds		-	-	-	-	-	-
6.2	Others		-	-	-	-	-	-
VII.	**MISCELLANEOUS PAYABLES**		10,466	1,387	11,853	7,324	853	8,177
VIII.	**OTHER EXTERNAL RESOURCES**	(5.II.4)	57,009	6,627	63,636	24,577	14,739	39,316
IX.	**FACTORING PAYABLES**		-	-	-	-	-	-
X.	**LEASE PAYABLES (Net)**	(5.II.5)	-	1,264	1,264	-	1,717	1,717
10.1	Financial Lease Payables		-	1,330	1,330	-	1,848	1,848
10.2	Operational Lease Payables		-	-	-	-	-	-
10.3	Others		-	-	-	-	-	-
10.4	Deferred Financial Leasing Expenses (-)		-	66	66	-	131	131
XI.	**HEDGING PURPOSE DERIVATIVES**	(5.II.6)	-	-	-	-	-	-
11.1	Fair Value Hedge		-	-	-	-	-	-
11.2	Cash Flow Hedge		-	-	-	-	-	-
11.3	Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-
XII.	**PROVISIONS**	(5.II.7)	23,135	-	23,135	20,760	-	20,760
12.1	General Provisions		17,123	-	17,123	14,590	-	14,590
12.2	Restructuring Provisions		-	-	-	-	-	-
12.3	Reserve for Employee Benefits		4,485	-	4,485	3,963	-	3,963
12.4	Insurance Technical Provisions (Net)		-	-	-	-	-	-
12.5	Other Provisions		1,527	-	1,527	2,207	-	2,207
XIII.	**TAX LIABILITIES**	(5.II.8)	10,014	11	10,025	21,071	22	21,093
13.1	Current Tax Liability		10,014	11	10,025	21,071	22	21,093
13.2	Deferred Tax Liability		-	-	-	-	-	-
XIV.	**PAYABLES RELATED TO HELD FOR SALE AND DISCONTINUED OPERATIONS**		-	-	-	-	-	-
14.1	Held For Sale		-	-	-	-	-	-
14.2	Discontinued Operations		-	-	-	-	-	-
XV.	**SUBORDINATED LOANS**		-	-	-	-	-	-
XVI.	**SHAREHOLDERS' EQUITY**	(5.II.9)	443,986	(526)	443,460	379,331	-	379,331
16.1	Paid-In Capital		420,000	-	420,000	300,000	-	300,000
16.2	Supplementary Capital		3,481	(526)	2,955	15,689	-	15,689
16.2.1	Share Premium		(765)	-	(765)	(618)	-	(618)
16.2.2	Share Cancellation Profits		-	-	-	-	-	-
16.2.3	Valuation Differences of Securities		(1,702)	(526)	(2,228)	910	-	910
16.2.4	Revaluation Fund on Tangible Assets		5,948	-	5,948	5,948	-	5,948
16.2.5	Revaluation Fund on Intangible Assets		-	-	-	-	-	-
16.2.6	Revaluation Fund on Investment Property		-	-	-	-	-	-
16.2.7	Capital Bonus of Associates, Subsidiaries and Joint Ventures		-	-	-	-	-	-
16.2.8	Hedging Funds (Effective Portion)		-	-	-	-	-	-
16.2.9	Revaluation Fund on Assets Held for Sale and Discontinued Operations		-	-	-	-	-	-
16.2.10	Other Supplementary Capital		-	-	-	9,449	-	9,449
16.3	Profit Reserves		13,091	-	13,091	22,546	-	22,546
16.3.1	Legal Reserves		3,623	-	3,623	1,500	-	1,500
16.3.2	Status Reserves		-	-	-	-	-	-
16.3.3	Extraordinary Reserves		9,468	-	9,468	21,046	-	21,046
16.3.4	Other Profit Reserves		-	-	-	-	-	-
16.4	Profit or Loss		7,414	-	7,414	41,096	-	41,096
16.4.1	Prior Periods' Profit or Loss		-	-	-	(847)	-	(847)
16.4.2	Current Period Profit or Loss		7,414	-	7,414	41,943	-	41,943
16.5	Minority Shares		-	-	-	-	-	-
	TOTAL LIABILITIES AND EQUITY		1,854,394	1,415,758	3,270,152	1,499,505	1,512,993	3,012,498

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

TEKSTİL BANKASI A.Ş. AND ITS SUBSIDIARIES
CONSOLIDATED OFF BALANCE SHEET ITEMS STATEMENTS
AS OF 30 SEPTEMBER 2008 AND 31 DECEMBER 2007

(Currency: Thousands of YTL - New Turkish Lira)

		Footnotes	CURRENT PERIOD 30/09/2008			PRIOR PERIOD 31/12/2007		
		(Section 5)	YTL	FC	Total	YTL	FC	Total
A. OFF BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I+II+III)			**1,242,340**	**1,546,393**	**2,788,733**	**1,462,311**	**1,760,237**	**3,222,548**
I.	**GUARANTEES**	(5.IV.1)	**568,718**	**688,166**	**1,256,884**	**630,474**	**739,902**	**1,370,376**
1.1.	Letters of Guarantee		568,707	371,900	940,607	630,463	444,839	1,075,302
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		568,707	371,900	940,607	630,463	444,839	1,075,302
1.2.	Bank Acceptances		-	10,573	10,573	-	13,485	13,485
1.2.1.	Import Letter of Acceptance		-	10,573	10,573	-	13,485	13,485
1.2.2.	Other Bank Acceptances		-	-	-	-	-	-
1.3.	Letters of Credit		11	259,757	259,768	11	236,235	236,246
1.3.1.	Documentary Letters of Credit		-	192,659	192,659	-	179,819	179,819
1.3.2.	Other Letters of Credit		11	67,098	67,109	11	56,416	56,427
1.4.	Prefinancing Given As Guarantee		-	2,945	2,945	-	2,795	2,795
1.5.	Endorsements		-	-	-	-	-	-
1.5.1.	Endorsements to the Central Bank of Turkey		-	-	-	-	-	-
1.5.2.	Other Endorsements		-	-	-	-	-	-
1.6.	Purchase Guarantees for Securities Issued		-	-	-	-	-	-
1.7.	Factoring Related Guarantees		-	-	-	-	-	-
1.8.	Other Collaterals		-	42,991	42,991	-	42,548	42,548
1.9.	Other Sureties		-	-	-	-	-	-
II.	**COMMITMENTS**	(5.IV.1)	**331,116**	-	**331,116**	**308,855**	-	**308,855**
2.1.	Irrevocable Commitments		331,116	-	331,116	308,855	-	308,855
2.1.1.	Asset Purchase and Sale Commitments		-	-	-	-	-	-
2.1.2.	Deposit Purchase and Sales Commitments		-	-	-	-	-	-
2.1.3.	Share Capital Commitments to Associates and Subsidiaries		-	-	-	-	-	-
2.1.4.	Loan Granting Commitments		46,840	-	46,840	42,655	-	42,655
2.1.5.	Securities Issuance Brokerage Commitments		-	-	-	-	-	-
2.1.6.	Commitments for Reserve Deposit Requirements		-	-	-	-	-	-
2.1.7.	Commitments for Cheque Payments		68,958	-	68,958	61,175	-	61,175
2.1.8.	Tax and Fund Obligations from Export Commitments		-	-	-	-	-	-
2.1.9.	Commitments for Credit Card Limits		214,228	-	214,228	203,517	-	203,517
2.1.10.	Commitments for Promotional Operations Re-Credit Cards and Banking Services		1,090	-	1,090	1,508	-	1,508
2.1.11.	Receivables from "Short" Sale Commitments On Securities		-	-	-	-	-	-
2.1.12.	Payables for "Short" Sale Commitments On Securities		-	-	-	-	-	-
2.1.13.	Other Irrevocable Commitments		-	-	-	-	-	-
2.2.	Revocable Commitments		-	-	-	-	-	-
2.2.1.	Revocable Loan Granting Commitments		-	-	-	-	-	-
2.2.2.	Other Revocable Commitments		-	-	-	-	-	-
III.	**DERIVATIVE FINANCIAL INSTRUMENTS**		**342,506**	**858,227**	**1,200,733**	**522,982**	**1,020,335**	**1,543,317**
3.1	Hedging Purpose Derivatives		-	-	-	-	-	-
3.1.1	Fair Value Hedge		-	-	-	-	-	-
3.1.2	Cash Flow Hedge		-	-	-	-	-	-
3.1.3	Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-
3.2	Trading Purpose Derivatives		342,506	858,227	1,200,733	522,982	1,020,335	1,543,317
3.2.1	Forward Foreign Currency Purchases/Sales		69,230	422,684	491,914	194,449	225,044	419,493
3.2.1.1	Forward Foreign Currency Purchases		18,810	227,104	245,914	40,635	160,292	200,927
3.2.1.2	Forward Foreign Currency Sales		50,420	195,580	246,000	153,814	64,752	218,566
3.2.2	Currency and Interest Rate Swaps		158,501	223,231	381,732	226,408	694,806	921,214
3.2.2.1	Currency Swaps-Purchases		-	189,035	189,035	2,647	453,153	455,800
3.2.2.2	Currency Swaps-Sales		158,501	34,196	192,697	223,761	241,653	465,414
3.2.2.3	Interest Rate Swaps-Purchases		-	-	-	-	-	-
3.2.2.4	Interest Rate Swaps-Sales		-	-	-	-	-	-
3.2.3	Currency, Interest Rate and Security Options		114,775	113,784	228,559	101,987	100,485	202,472
3.2.3.1	Currency Options-Purchases		57,491	56,792	114,283	51,153	50,102	101,255
3.2.3.2	Currency Options-Sales		57,284	56,992	114,276	50,834	50,383	101,217
3.2.3.3	Interest Rate Options-Purchases		-	-	-	-	-	-
3.2.3.4	Interest Rate Options-Sales		-	-	-	-	-	-
3.2.3.5	Securities Options-Purchases		-	-	-	-	-	-
3.2.3.6	Securities Options-Sales		-	-	-	-	-	-
3.2.4	Currency Futures		-	-	-	-	-	-
3.2.4.1	Currency Futures-Purchases		-	-	-	-	-	-
3.2.4.2	Currency Futures-Sales		-	-	-	-	-	-
3.2.5	Interest Rate Futures		-	-	-	-	-	-
3.2.5.1	Interest Rate Futures-Purchases		-	-	-	-	-	-
3.2.5.2	Interest Rate Futures-Sales		-	-	-	-	-	-
3.2.6	Others		-	98,528	98,528	138	-	138
B. CUSTODY AND PLEDGED SECURITIES (IV+V+VI)			**1,640,452**	**469,703**	**2,110,155**	**1,502,790**	**412,006**	**1,914,796**
IV.	**ITEMS HELD IN CUSTODY**		**659,936**	**61,572**	**721,508**	**621,293**	**62,188**	**683,481**
4.1.	Customers' Securities and Portfolios Held		-	-	-	-	-	-
4.2.	Securities Held in Custody		104,044	9,538	113,582	78,380	11,175	89,555
4.3.	Checks Received for Collection		521,215	43,791	565,006	498,479	42,371	540,850
4.4.	Commercial Notes Received for Collection		20,920	4,713	25,633	25,991	4,653	30,644
4.5.	Other Assets Received for Collection		-	-	-	-	-	-
4.6.	Assets Received for Public Offering		-	-	-	-	-	-
4.7.	Other Items under Custody		277	-	277	564	-	564
4.8.	Custodians		13,480	3,530	17,010	17,879	3,989	21,868
V.	**PLEDGED ITEMS**		**980,516**	**408,131**	**1,388,647**	**881,497**	**349,818**	**1,231,315**
5.1.	Securities		3,058	-	3,058	745	233	978
5.2.	Guarantee Notes		9,307	16,206	25,513	23,120	3,454	26,574
5.3.	Commodities		82,214	44,297	126,511	78,269	37,481	115,750
5.4.	Warrants		-	-	-	-	-	-
5.5.	Immovables		835,666	241,417	1,077,083	712,489	245,536	958,025
5.6.	Other Pledged Items		50,271	106,211	156,482	66,874	63,114	129,988
5.7.	Pledged Items-Depository		-	-	-	-	-	-
VI.	**CONFIRMED BILLS OF EXCHANGE AND SURETIES**		-	-	-	-	-	-
	TOTAL OFF BALANCE SHEET ITEMS (A+B)		**2,882,792**	**2,016,096**	**4,898,888**	**2,965,101**	**2,172,243**	**5,137,344**

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

TEKSTİL BANKASI A.Ş. AND ITS SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS
FOR THE PERIODS ENDED 30 SEPTEMBER 2008 AND 2007
(Currency: Thousands of YTL - New Turkish Lira)

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

	INCOME AND EXPENSE ITEMS	Footnotes (Section 5)	CURRENT PERIOD (01/01/2008 - 30/09/2008)	PRIOR PERIOD (01/01/2007 - 30/09/2007)	CURRENT PERIOD (01/07/2008 - 30/09/2008)	PRIOR PERIOD (01/07/2007 - 30/09/2007)
I.	**INTEREST INCOME**	(5.III.1)	**332,761**	**284,436**	**120,532**	**104,099**
1.1	Interest from Loans		270,169	222,925	94,112	81,742
1.2	Interest from Reserve Deposits		1,045	1,588	229	522
1.3	Interest from Banks		13,187	13,987	5,295	4,227
1.4	Interest from Money Market Transactions		-	-	-	-
1.5	Interest from Securities Portfolio		48,331	45,936	20,884	17,608
1.5.1	Trading Securities		11,801	19,633	4,601	5,406
1.5.2	Financial Assets at Fair Value Through Profit or Loss		-	-	-	-
1.5.3	Available for Sale Securities		34,126	26,303	14,484	12,202
1.5.4	Held to Maturity Securities		2,404	-	1,799	-
1.6	Interest from Financial Leases		-	-	-	-
1.7	Other Interest Income		29	-	12	-
II.	**INTEREST EXPENSE**	(5.III.2)	**207,425**	**170,373**	**76,378**	**57,826**
2.1	Interest on Deposits		161,649	106,425	58,997	38,049
2.2	Interest on Funds Borrowed		25,624	31,330	7,350	10,017
2.3	Interest on Money Market Transactions		19,873	32,372	10,000	9,712
2.4	Interest on Securities Issued		-	-	-	-
2.5	Other Interest Expense		279	246	31	48
III.	**NET INTEREST INCOME (I - II)**		**125,336**	**114,063**	**44,154**	**46,273**
IV.	**NET FEE AND COMMISSION INCOME**		**20,450**	**20,197**	**6,828**	**7,237**
4.1	Fees and Commissions Received		23,523	23,101	7,916	8,333
4.1.1	Non-Cash Loans		10,962	11,741	3,485	3,747
4.1.2	Other		12,561	11,360	4,431	4,586
4.2	Fees and Commissions Paid		3,073	2,904	1,088	1,096
4.2.2	Non-Cash Loans		56	54	23	18
4.2.3	Other		3,017	2,850	1,065	1,078
V.	**DIVIDEND INCOME**		-	-	-	-
VI.	**TRADING INCOME/LOSS (Net)**	(5.III.3)	**(14,579)**	**(3,259)**	**(2,327)**	**(4,338)**
6.1	Profit / Loss on Trading Account Securities		(12,718)	(37,303)	(1,158)	(27,378)
6.2	Foreign Exchange Gain / Loss		(1,861)	34,044	(1,169)	23,040
VII.	**OTHER OPERATING INCOME**	(5.III.4)	**8,446**	**6,600**	**5,347**	**1,586**
VIII.	**TOTAL OPERATING INCOME (III+IV+V+VI+VII)**		**139,653**	**137,601**	**54,002**	**50,758**
IX.	**IMPAIRMENT ON LOANS AND OTHER RECEIVABLES (-)**	(5.III.5)	**32,803**	**15,643**	**17,268**	**9,793**
X.	**OTHER OPERATING EXPENSES (-)**	(5.III.6)	**96,314**	**78,521**	**32,311**	**32,139**
XI.	**NET OPERATING PROFIT/LOSS (VIII-IX-X)**		**10,536**	**43,437**	**4,423**	**8,826**
XII.	**NEGATIVE GOODWILL**		-	-	-	-
XIII.	**PROFIT / LOSS FROM EQUITY METHOD INVESTMENTS**		-	-	-	-
XIV.	**GAIN/LOSS ON NET MONETARY POSITION**		-	-	-	-
XV.	**P/L BEFORE TAXES FROM CONTINUING OPERATIONS (XI+...+XIV)**		**10,536**	**43,437**	**4,423**	**8,826**
XVI.	**TAXES ON INCOME FROM CONTINUING OPERATIONS (±)**	(5.III.7)	**(3,122)**	**(8,477)**	**(747)**	**(1,812)**
16.1	Current Tax Provision		-	(11,207)	-	(3,888)
16.2	Deferred Tax Provision		(3,122)	2,730	(747)	2,076
XVII.	**NET PROFIT / LOSS FROM CONTINUING OPERATIONS (XV±XVI)**		**7,414**	**34,960**	**3,676**	**7,014**
XVIII.	**PROFIT FROM DISCONTINUED OPERATIONS**		-	-	-	-
18.1	Assets Held for Sale		-	-	-	-
18.2	Profit on Sale of Associates, Subsidiaries and Joint Ventures		-	-	-	-
18.3	Others		-	-	-	-
XIX.	**LOSS FROM DISCONTINUED OPERATIONS (-)**		-	-	-	-
19.1	Assets Held for Sale		-	-	-	-
19.2	Loss on Sale of Associates, Subsidiaries and Joint Ventures		-	-	-	-
19.3	Others		-	-	-	-
XX.	**P/L BEFORE TAXES FROM DISCONTINUED OPERATIONS (XVIII-XIX)**		-	-	-	-
XXI.	**TAXES ON INCOME FROM DISCONTINUED OPERATIONS (±)**	(5.III.7)	-	-	-	-
21.1	Current Tax Provision		-	-	-	-
21.2	Deferred Tax Provision		-	-	-	-
XXII.	**NET PROFIT / LOSS FROM DISCONTINUED OPERATIONS (XX±XXI)**		-	-	-	-
XVIII.	**NET PROFIT/LOSS (XVII+XXII)**	(5.III.8)	**7,414**	**34,960**	**3,676**	**7,014**
23.1	Group's Profit / Loss		7,414	34,960	3,676	7,014
23.2	Minority Shares		-	-	-	-
	Earnings / Losses per Share (Full YTL)		0.0018	0.0117	0.0009	0.0023

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

TEKSTIL BANKASI A.Ş. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF RECOGNIZED INCOME AND EXPENSE
FOR THE PERIODS ENDED 30 SEPTEMBER 2008 AND 2007
(Currency: Thousands of YTL - New Turkish Lira)

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

	PROFIT/LOSS ITEMS RECOGNIZED IN EQUITY	CURRENT PERIOD 30/09/2008	PRIOR PERIOD 30/09/2007
I.	ADDITIONS TO VALUATION DIFF. ON SECURITIES FROM AVAILABLE FOR SALE INVESTMENTS	(3,138)	(1,976)
II.	REVALUATION ON TANGIBLE ASSETS	-	-
III.	REVALUATION ON INTANGIBLE ASSETS	-	-
IV.	FOREIGN EXCHANGE DIFFERENCES	-	-
V.	PROFIT/LOSS RELATED TO DERIVATIVES USED IN CASH FLOW HEDGES (Effective portion)	-	-
VI.	PROFIT/LOSS RELATED TO DERIVATIVES USED IN HEDGE OF A NET INVESTMENT IN FOREIGN SUBSIDIARIES (Effective portion)	-	-
VII.	EFFECT OF CHANGES IN ACCOUNTING POLICIES OR CORRECTION OF ERRORS	-	-
VIII.	OTHER PROFIT/LOSS ITEMS RECOGNIZED IN EQUITY PER TAS	(147)	-
IX.	DEFERRED TAXES ON VALUATION DIFFERENCES	-	-
X.	NET PROFIT/LOSS RECOGNIZED IN EQUITY (I+II+…+IX)	(3,285)	(1,976)
XI.	CURRENT PERIOD PROFIT/LOSS	7,414	34,960
11.1	Net Change in Fair Value of Securities (Transfer to Profit & Loss)	68	29
11.2	Ineffective Portion of Profit/Loss Related to Derivatives Used in Cash Flow Hedges	-	-
11.3	Ineffective Portion of Profit/Loss Related to Derivatives Used in Hedge of a Net Investment in Foreign Subsidiaries	-	-
11.4	Others	7,346	34,931
XII.	TOTAL RECOGNIZED INCOME AND EXPENSE FOR THE PERIOD (X±XI)	4,129	32,984

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

TEKSTİL BANKASI A.Ş. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIODS ENDED 30 SEPTEMBER 2008 AND 2007
(Currency: Thousands of YTL - New Turkish Lira)

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

	CHANGES IN SHAREHOLDERS' EQUITY	Paid-in Capital	Capital Reserves from Inflation Adjustments in Paid-in Capital	Share Premium	Share Cancellation Profits	Legal Reserves	Status Reserves	Extraordinary Reserves	Other Reserves	Current Period Net Profit / (Loss)	Prior Period Net Profit / (Loss)	Valuation Difference of Securities	Revaluation Surplus	Securities Value Increase Fund	Hedge Funds	Rev. Fund on Assets Held for Sale and Discontinued Operations	Total Equity Attributable to Equity Holders of the Parent	Minority Interest	Total Shareholders' Equity
	PRIOR PERIOD 30/09/2007																		
I.	**Balances at the Beginning of Period 01/01/2007**	**300,000**	9,449	(618)		**2,062**		6,731		14,913	(2,007)	828					**331,358**		331,358
II.	Corrections According to Turkish Accounting Standard No 8																		
2.1	Corrections of Errors																		
2.2	**Changes in Accounting Policies**																		
III.	**Adjusted Beginning Balance (I + II)**	**300,000**	9,449	(618)		**2,062**		6,731		14,913	(2,007)	828					**331,358**		331,358
	Changes in the Period																		
IV.	**Increase / Decrease Related to Mergers**																		
V.	**Valuation Difference of Available-for-Sale Securities**											(1,976)					(1,976)		(1,976)
VI.	**Hedging Transactions**																		
6.1	Cash Flow Hedge																		
6.2	Hedging of a Net Investment in Foreign Subsidiaries																		
VII.	Revaluation fund on tangible assets																		
VIII.	Revaluation fund on intangible assets																		
IX.	Capital Bonus of Associates, Subsidiaries and Joint Ventures																		
X.	Foreign Exchange Differences																		
XI.	Changes Related to Sale of Assets																		
XII.	Changes Related to Reclassification of Assets																		
XIII.	Effect of Changes in Equities of Associates																		
XIV.	**Capital Increase**																		
14.1	Cash																		
14.2	Domestic sources																		
XV.	Issuances of Share Certificates																		
XVI.	Abolition profit of Share Certificates																		
XVII.	Capital Reserves from Inflation Adjustments to Paid-In Capital																		
XVIII.	Others																		
XIX.	**Current Period Net Profit / Loss**									34,960							34,960		34,960
XX.	**Profit Distribution**					(562)		14,315		(14,913)	1,160								
20.1	Dividends																		
20.2	Transferred to Reserves					(562)		14,315		(14,913)	1,160								
20.3	Others																		
	Balances at the End of Period (I+II+III+...+XVIII+XIX+XX) - 30/09/2007	**300,000**	9,449	(618)	-	**1,500**	-	**21,046**	-	**34,960**	(847)	(1,148)	-	-	-	-	**364,342**	-	**364,342**
	CURRENT PERIOD 30/09/2008																		
I.	**Balances at the Beginning of Period 01/01/2008**	**300,000**	9,449	(618)		**1,500**		**21,046**		41,943	(847)	910	5,948				**379,331**		**379,331**
	Changes in the Period																		
II.	**Increase / Decrease Related to Mergers**																		
III.	**Valuation Difference of Available-for-Sale Securities**											(3,138)					(3,138)		(3,138)
IV.	**Hedging Transactions**																		
4.1	Cash Flow Hedge																		
4.2	Hedging of a Net Investment in Foreign Subsidiaries																		
V.	Revaluation fund on tangible assets																		
VI.	Revaluation fund on intangible assets																		
VII.	Capital Bonus of Associates, Subsidiaries and Joint Ventures																		
VIII.	Foreign Exchange Differences																		
IX.	Changes Related to Sale of Assets																		
X.	Changes Related to Reclassification of Assets																		
XI.	Effect of Changes in Equities of Associates																		
XII.	**Capital Increase**	120,000	(9,449)					(50,551)									60,000		60,000
12.1	Cash	60,000															60,000		60,000
12.2	Domestic sources	60,000	(9,449)					(50,551)											
XIII.	Issuances of Share Certificates			(147)													(147)		(147)
XIV.	Abolition profit of Share Certificates																		
XV.	Capital Reserves from Inflation Adjustments to Paid-In Capital																		
XVI.	Others																		
XVII.	**Current Period Net Profit / Loss**									7,414							7,414		7,414
XVIII.	**Profit Distribution**					2,123		18,973		(41,943)	847								
18.1	Dividends																		
18.2	Transferred to Reserves					2,123		18,973		(41,943)	847								
18.3	Others																		
	Balances at the End of Period (I+II+III+...+XVI+XVII+XVIII) - 30/09/2008	**420,000**	-	(765)	-	3,623	-	9,468	-	7,414	-	(2,228)	5,948	-	-	-	443,460	-	443,460

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

TEKSTİL BANKASI A.Ş. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIODS ENDED 30 SEPTEMBER 2008 AND 2007
(Currency: Thousands of YTL - New Turkish Lira)

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

		THOUSANDS OF NEW TURKISH LIRA	
		CURRENT PERIOD 30/09/2008	PRIOR PERIOD 30/09/2007
A.	**CASH FLOWS FROM BANKING OPERATIONS**		
1.1	**Operating Profit before Changes in Operating Assets and Liabilities**	**20,803**	**70,274**
1.1.1	Interest Received	323,095	294,685
1.1.2	Interest Paid	(209,684)	(176,984)
1.1.3	Dividend Received	-	-
1.1.4	Fees And Commissions Received	20,450	20,197
1.1.5	Other Income	4,907	14,195
1.1.6	Collections from Non-performing Loans	6,111	3,106
1.1.7	Payments to Personnel and Service Suppliers	(62,956)	(29,321)
1.1.8	Taxes Paid	(1,927)	(7,471)
1.1.9	Other	(59,193)	(48,133)
1.2	**Changes in Operating Assets and Liabilities**	**16,496**	**(343,349)**
1.2.1	Net (Increase) Decrease in Trading Securities	36,230	52,094
1.2.2	Net (Increase) Decrease in Financial Assets Designated at FV	-	-
1.2.3	Net (Increase) Decrease in Banks	(10,655)	(970)
1.2.4	Net (Increase) Decrease in Loans	(168,254)	(338,005)
1.2.5	Net (Increase) Decrease in Other Assets	(63,989)	(15,174)
1.2.6	Net Increase (Decrease) in Bank Deposits	(16,893)	(43,218)
1.2.7	Net Increase (Decrease) in Other Deposits	89,930	145,191
1.2.8	Net Increase (Decrease) in Funds Borrowed	120,270	(155,092)
1.2.9	Net Increase (Decrease) in Due Payables	-	-
1.2.10	Net Increase (Decrease) in Other Liabilities	29,857	11,825
I.	**Net Cash (Used in)/Provided by Banking Operations**	**37,299**	**(273,075)**
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**		
II.	**Net Cash Used in Investing Activities**	**(112,081)**	**(24,639)**
2.1	Cash Paid for Purchase of Investments, Associates and Subsidiaries	-	-
2.2	Cash Obtained From Sale of Investments, Associates And Subsidiaries	-	-
2.3	Fixed Assets Purchases	(4,193)	(6,244)
2.4	Fixed Assets Sales	99	55
2.5	Cash Paid for Purchase of Investments Available for Sale	(68,303)	(18,450)
2.6	Cash Obtained From Sale of Investments Available for Sale	-	-
2.7	Cash Paid for Purchase of Investment Securities	(39,684)	-
2.8	Cash Obtained from Sale of Investment Securities	-	-
2.9	Other	-	-
C.	**CASH FLOWS FROM FINANCING ACTIVITIES**		
III.	**Net Cash from Financing Activities**	**59,400**	**1,446**
3.1	Cash Obtained from Funds Borrowed and Securities Issued	-	-
3.2	Cash Used for Repayment of Funds Borrowed and Securities Issued	-	-
3.3	Capital Increase	60,000	-
3.4	Dividends Paid	-	-
3.5	Payments for Finance Leases	(453)	1,446
3.6	Other	(147)	-
IV.	**Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents**	-	-
V.	**Net Decrease in Cash and Cash Equivalents**	**(15,382)**	**(296,268)**
VI.	**Cash and Cash Equivalents at the Beginning of Period**	**263,074**	**534,721**
VII.	**Cash and Cash Equivalents at the End of Period**	**247,692**	**238,453**

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

SECTION THREE

ACCOUNTING POLICIES

I. Basis of presentation

Preparation of the financial statements and the accompanying footnotes in accordance with Turkish Accounting Standards and Regulation on Principles Related to Banks' Accounting Applications and Preserving the Documents:

The new Turkish Banking Law No. 5411 is published in the Official Gazette No. 25983 dated 1 November 2005. The Bank prepared the accompanying consolidated financial statements and the related disclosures and footnotes in accordance with accounting and valuation standards as described in the "Regulation on Principles Related to Banks' Accounting Applications and Preserving the Documents", dated 1 November 2006 which is published in the Official Gazette No.26333, "Communique on Financial Statements and the Accompanying Explanations and Footnotes to be Announced to the Public", dated 10 February 2007 which is published in the Official Gazette No. 26430, Turkish Accounting Standards ("TAS") and Turkish Financial Reporting Standards ("TFRS").

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

Additional paragraph for convenience translation to English

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

Accounting policies and valuation principles used in the preparation of the financial statements

Accounting policies and valuation principles used in the preparation of the consolidated financial statements are explained in footnotes II through XXVII in the following pages.

Presentation of the financial statements according to the current purchasing power of the money

The Bank's consolidated financial statements have been prepared in accordance with TAS 29 "Reporting in Hyperinflationary Economies" until 31 December 2004. By a Circular declared by BRSA at 28 April 2005, it was stated that the indicators of a need for inflation accounting have been ceased and inflation accounting would not be applied starting from 1 January 2005.

II. Strategy for the use of financial instruments and the foreign currency operations

Strategy for the use of financial instruments

The Parent Bank's main area of activities consist corporate, commercial and retail banking, fund management transactions and international banking services. The Parent Bank gives loans mainly to domestic customers by external sources of funds comprised mainly of domestic deposits and foreign borrowings and invests in marketable securities and banks placements to maintain liquidity.

The liability side of the balance sheet is intensively composed of short-term deposits and medium/long term borrowings in line with the general trend in the banking sector. Foreign currency borrowings are predominately floating rate and thus, the Parent Bank aims to minimize the effects of fluctuations in currency and interest rates in the market. Deposits collected are fixed rate and balanced with fixed rate loans and other investments. The fundamental strategy to manage the liquidity risk is to expand the deposit base through customer-oriented banking philosophy, and to increase customer transactions and retention rates.

The Parent Bank invests some of its resources to domestic government bonds and short-term placements to reduce liquidity risk.

In order to avoid currency risk, the Parent Bank aims to balance foreign currency assets and liabilities through currency swaps. Currency risk, interest rate risk and liquidity risk are monitored and measured instantly by various risk management systems, and the balance sheet is managed under the limits set by these systems and the limits legally required. Asset-liability management and value at risk models, stress tests and scenario analysis are used for this purpose.

The Parent Bank designates its loan strategy considering international and national economic data and expectations, market conditions, interest, liquidity, currency, credit and other risks. Loan portfolio of the Bank is not concentrated on a specific segment and concentration risk is taken in consideration as much as possible.

Transactions denominated in foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated by using currency exchange rates ruling at the balance sheet date. The resulting exchange differences are recorded to the income statement as "Foreign Exchange Gain/Loss".

There is no goodwill related to the Parent Bank's foreign operations.

No foreign operation has been disposed of during the period.

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

The Bank has no consolidating associate as at 30 September 2008 and 31 December 2007.

Tekstil Menkul and ETB which are financial subsidiaries of the Bank are consolidated to accompanying financial statements by using "Full Consolidation" method.

The carrying amount of the Parent Bank's investment in each subsidiary and the Bank's portion of equity of each subsidiary are eliminated. All intercompany transactions and intercompany balances between the consolidated subsidiaries and with the Parent Bank are eliminated. The financial statements which have been used in the consolidation are prepared as at 30 September 2008 and appropriate adjustments are made to financial statements to use uniform accounting policies for like transactions and events in similar circumstances.

Tekstil Bilişim, subsidiary of the Parent Bank, is not consolidated in consideration of not being a financial subsidiary.

IV. Forward transactions, options and derivative instruments:

The derivative transactions of the Parent Bank mainly consist of foreign currency swaps, foreign currency options and forward foreign currency purchase/sale contacts.

Derivatives are classified as held for trading in accordance with TAS 39 "Financial Instruments: Recognition and Measurement". The Parent Bank and its financial subsidiaries do not have any embedded derivatives.

The liabilities and receivables arising from the derivative transactions are recorded as off-balance sheet items at their contract values.

The derivative transactions are valued at fair value subsequent to initial recognition and are presented in the "Positive Value of Trading Purpose Derivatives" under the "Financial Assets at Fair Value Through Profit or Loss" and "Negative Value of Trading Purpose Derivatives" items of the balance sheet depending on the resulting positive or negative amounts of the computed value. Gains and losses arising from a change in the fair value of trading purpose derivatives are recognized in the consolidated income statement. Fair values of derivatives are determined using quoted market prices in active markets or using discounted cash flow techniques within current market interest rates.

V. Interest income and expense:

Interest is recognized using the effective interest method (the effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability) defined in TAS 39. Interest income and expense computed by using internal rate of return are recognized on an accrual basis. In accordance with the related legislation, the Parent Bank ceases to accrue interest income on loans that become non-performing. Interest accrual is not recorded as gain until such loans become performing and are classified as performing loans or until collection.

VI. Fees and commissions:

Except from commissions taken from cash loans, commission income and banking service income are booked as income as they are collected. Whereas, subject to matching principle, commissions taken from cash loans are transferred to profit and loss accounts on an accrual basis.

VII. Financial assets:

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

Financial assets at fair value through profit or loss consist of "trading securities" and "financial assets designated at fair value". The Bank does not have any financial assets classified as "financial assets designated at fair value".

Trading securities are financial assets acquired for generating a profit from short term fluctuations in price or dealer's margin.

Trading securities are recognized and derecognized on settlement date basis when purchased and disposed of. Trading securities are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, trading securities are measured at fair value and gains and losses arising from a change in the fair value are recognized in the income statement. Interest earned whilst holding trading securities is reported as interest income.

2. Investment securities available-for-sale

Available-for-sale assets are financial assets other than financial assets held for trading purposes, loans and advances to banks and customers, or financial assets held to maturity.

Financial assets available-for-sale are measured at their fair values subsequently following the initial recognition at cost. However, assets for which fair values could not be determined reliably are valued using discounting method with internal rate of return for the ones with a fixed maturity; and using valuation models or discounted cash flow techniques for the ones which do not have a fixed maturity. Unrecognized gain/losses derived from the difference between their fair value and the discounted values are recorded in "securities value increase fund" under the shareholders' equity. In case of sales, the realized gain/losses are recognized directly in the income statement.

3. Loans and receivables:

Loans and receivables arise when the Bank provides money, goods or services directly to a debtor. Such assets are initially recognized at cost and are carried at amortized cost using the effective interest rate method. Duties paid, transaction expenditures and other similar expenses on assets received against such risks are not considered as a part of transaction cost and are recorded as expense.

Based on the regular reviews of the loan portfolio by the Bank management, loans that are identified as being impaired are transferred to "loans under follow-up" accounts. Thereby, general and specific allowances are made against the carrying amount of these loans in accordance with the "Regulation on the Principles and Procedures Related to the Determination of the Loans and Other Receivables for which Provisions Shall be Set Aside by Banks and to the Provisions to be Set Aside" published on the Official Gazette no.26333 dated 1 November 2006. Provisions are deducted from the income of the current year. Collections made on loans that have been impaired are credited to the income statement account "Provision for Loan Losses or Other Receivables" if the provision was made in the current year, otherwise such collections are credited to "Other Operating Income" account with respect to allowances made in the prior years. Loans and receivables which are not possible to be collected are written off after the legal procedures are completed.

4. Investment securities held-to-maturity:

Held-to-maturity securities are financial assets with fixed maturities and pre-determined payment schedules that the Bank has the intent and ability to hold until maturity, excluding loans and receivables. Held-to-maturity securities are initially recognized at cost and are carried at amortized cost using a discounting method based on internal rate of return applied on the net investment amounts after the deduction of provision for impairments. Interest earned on held-to-maturity securities are recognized as interest income and reflected in the consolidated income statement.

There are no violation of the tainting rule.

VIII. Impairment of financial assets:

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

Impairment loss incurs if, and only if, there is an objective evidence that the expected future cash flows of financial asset or group of financial assets are adversely affected by an event(s) ("loss event(s)") incurred subsequent to recognition. The losses expected to incur due to future events are not recognized even if the probability of loss is high.

If there is an objective evidence that certain loans will not be collected, for such loans; the Bank provides specific and general allowances for loan and other receivables classified in accordance with the "Regulation on the Principles and Procedures Related to the Determination of the Loans and Other Receivables for which Provisions Shall be Set Aside by Banks and to the Provisions to be Set Aside" published on the Official Gazette no.2633 dated 1 November 2006. The allowances are recorded in the income statement of the related period.

IX. Offsetting financial instruments:

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

X. Sale And Repurchase Agreements And Transactions Related To The Lending Of Securities

Securities sold under repurchase agreements ("repo") are classified as " trading", "available for sale" or "held to maturity" based on the Bank's management's intention and measured with the same valuation principles of the portfolio they belong. Funds received through repurchase agreements are classified separately under liability accounts and the related interest expenses are accounted on an accrual basis based on the difference between selling and repurchase prices using effective interest rate method.

Securities purchased under resale agreements are classified under "Receivables from Reverse Repurchase Agreements" account. An income accrual using the effective interest rate method is accounted for the positive difference between the purchase and resale prices earned during the period. The Parent Bank does not have any transaction related to the lending of securities.

XI. Assets held for sale and discontinued operations:

The Parent Bank does not have any discontinued operations.

Assets held for sale are accounted in accordance with the "Regulation on the Methods and Principles of Purchase and Sale of Precious Metals and Disposal of Commodities and Real Estate Obtained Against Receivables", dated 1 November 2006 and published in the Official Gazette no. 26333. Assets held for sale are depreciated in accordance with this regulation and provisions for impairment are reflected to the consolidated financial statements after deducting accumulated depreciation, if any.

XII. Goodwill and other intangible assets:

There is no goodwill in the accompanying consolidated financial statements as of 30 September 2008 and 31 December 2007.

Intangible assets are initially recognized at their cost that includes expenditures that are directly attributable to the acquisition of the asset. Intangibles are reflected in the consolidated balance sheet at cost less amortization and any accumulated impairment losses.

According to the resolution of the BRSA No. 1623 dated 21 April 2005, the banks and financial subsidiaries are no longer required to prepare their financial statements in accordance with the Regulation on Accounting Principles ("RAP") No.14 "Accounting Standard for Financial Reporting in Hyperinflationary Periods" since the indicators of hyperinflation as disclosed in Article 5 of RAP 14 are no longer existing in Turkey. In line with this resolution, intangible assets have been restated for the effects of inflation, until 31 December 2004. Any currency exchange differences, financing expenses and revaluation surplus that might have been capitalized are eliminated and only the acquisition cost of the intangible assets are restated until 31 December 2004. The new additions to intangible assets after 31 December 2004 are recorded with their historic costs excluding any currency exchange differences and financing expenses capitalized.

Intangible assets are amortized on amortization rates between 2% and 33%.

(Currency: Thousands of YTL - New Turkish Lira)

Intangible assets are amortized on a straight-line basis over their estimated useful lives. Useful life of an asset is estimated by assessment of the expected life span of the asset, technical, technological wear outs and maintenance expenditures required to provide the future expected benefits of the asset.

XIII. Tangible assets:

Tangible assets are initially recognized at their cost that includes expenditures that are directly attributable to the acquisition of the asset. Tangible assets, except buildings as stated below, are reflected in the consolidated financial statements at cost less accumulated depreciation and any accumulated impairment.

According to the resolution of the BRSA No. 1623 dated 21 April 2005, the banks and financial subsidiaries are no longer required to prepare their financial statements in accordance with RAP 14 "Accounting Standard for Financial Reporting in Hyperinflationary Periods" since the indicators of hyperinflation as disclosed in Article 5 of RAP 14 are no longer existing in Turkey. In line with this resolution, tangible assets have been restated for the effects of inflation, until 31 December 2004. Any currency exchange differences, financing expenses and revaluation surplus that might have been capitalized are eliminated and only the acquisition cost of the tangible assets are restated until 31 December 2004. The new additions to tangible assets after 31 December 2004 are shown with their historic costs excluding any currency exchange differences and financing expenses capitalized.

Tangible assets are depreciated on a straight-line basis over estimated useful lives. The estimated useful lives are as follows:

Buildings	50 years
Equipments, furniture and fixtures, vehicles	3 – 50 years
Leasehold improvements	5 years

The depreciation of an asset held for a period less than a full financial year is calculated as a proportion of the full year depreciation charge from the date of acquisition to the financial year end.

In cases where the expected future benefits of the assets are less than their book values, the book values of such assets are reduced to their net realizable values and impairment losses are recorded as expense.

As of 31 December 2007, the Parent Bank has started to implement revaluation model for the buildings as permitted by TAS 16 "Property, Plant and Equipment". For this purpose, fair value of the buildings are determined by a third party appraiser. The fair value difference is recognized in "Revaluation Fund on Tangible Assets" within the equity items. As at 30 September 2008, revaluation difference on tangible assets amounts to YTL 6,261.

XIV. Leasing activities:

Leased assets are recognized by recording an asset and a liability at the same amount. In the determination of the related asset and liability amounts, the lower of the fair value of the leased asset and the present value of leasing payments is considered. Tangible assets acquired by way of financial leasing are recognized in tangible assets and depreciated in line with tangible assets group they relate to. In cases where leased assets are impaired or the expected future benefits of the assets are less than their book values, the book values of such leased assets are reduced to their net realizable values. The obligations under financial leases arising from the lease contracts are presented under "Financial Lease Payables" account in the balance sheet. Interest expense and currency exchange rate differences related to leasing activities are recognized in the income statement. The Parent Bank does not enter into financial lease transactions by acting as the "lessor".

In operating leases, the rent payments are charged to the income statement on an accrual basis and according to contract terms.

XV. Provisions and contingencies:

Provisions, other than specific and general provisions for loans and other receivables, and contingent liabilities are provided for in accordance with TAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

Provisions are accounted for immediately when obligations arise as a result of past events and a reliable estimate of the obligation is made by the Parent Bank management. If the possibility of an outflow of resources embodying economic benefits becomes probable and the amount of the obligation can be measured with sufficient reliability, a provision is recognized. Provisions related to past events are provided at the related period accordint to matching principle. If the amount of the obligation cannot be measured with sufficient reliability or the possibility of an outflow of resources embodying economic benefits is remote, such liabilities are regarded as "Contingent" and are disclosed in the notes to the consolidated financial statements.

XVI. Contingent assets:

The contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the Bank or its subsidiaries. Presentation of contingent assets at the financial statements may give rise to recognition of an income which will never be actually gained, such assets are not included in financial statements. If an inflow of economic benefits has become probable, then the contingent asset is disclosed in the notes to the consolidated financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the consolidated financial statements of the period in which the change occurs.

XVII. Obligations concerning employee rights:

Obligations concerning employee severance indemnities and vacation pay are accounted in accordance with the Turkish Accounting Standard 19 ("TAS 19") "Employee Benefits".

In accordance with existing legislation in Turkey, the banks have to make certain lump-sum payments to employees who has completed one year of service with the Bank and whose employment is terminated due to retirement or reasons other than resignation or misconduct. Provision for employee severance benefits has been accounted for discounting of total estimated provision and reflected to the consolidated financial statements.

XVIII. Taxation:

a. *Current taxes*:

In accordance with the amendments made to the tax legislation by Law No. 5520, effective 21 June 2006, the corporate tax rate is levied at the rate 20%, beginning from 2006. This rate is applied to accounting income modified for certain exemptions (like dividend income) and deductions (like investment incentives), and additions for certain non-tax deductible expenses and allowances for tax purposes. If there is no dividend distribution planned, no further tax charges are made.

Dividends paid to the resident institutions and the institutions working through local offices or representatives in Turkey are not subject to withholding tax. As per the decision no.2006/10731 of the Council of Ministers published in the Official Gazette no.26237 dated 23 July 2006, certain duty rates included in the articles no.15 and 30 of the new Corporate Tax Law no.5520 are revised. Accordingly, the withholding tax rate on the dividend payments other than the ones paid to the nonresident institutions generating income in Turkey through their operations or permanent representatives and the resident institutions is 15%. In applying the withholding tax rates on dividend payments to the nonresident institutions and the individuals, the withholding tax rates covered in the related Double Tax Treaty Agreements are taken into account. Appropriation of the retained earnings to capital is not considered as profit distribution and therefore is not subject to withholding tax.

The foreign subsidiary of the Parent Bank that operate in Cyprus, ETB, is entitled to corporate tax rate of 2%.

In accordance with the tax legislation, corporate taxes are paid in advance based on the tax base calculated on the quarterly earnings of the companies at the rate of 20%. These payments can be deducted from the annual corporate tax calculated for the whole year earnings. Such taxes paid in advance are deducted from the final corporate tax liability.

In accordance with the Turkish tax legislation, the tax losses can be carried forward to offset against future taxable income for up to five years. Tax losses cannot be carried back to offset profits from previous periods.

In Turkey, there is no procedure for a final and definite agreement on tax assessments. Companies file their tax returns with their tax offices by the end of 25th of the fourth month following the close of the accounting period to which they relate. Tax returns are open for five years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

b. Deferred taxes:

In accordance with TAS 12 "Income Taxes", the Parent Bank accounts for deferred taxes based on the tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred taxes are based on tax rates (and tax laws) that have been enacted at the balance sheet date.

Deferred income tax assets are recognized for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry-forward of unused tax credits and unused tax losses can be utilized.

Deferred tax assets and liabilities have been offset in financial statements.

Deferred taxes directly related to equity items are recognized and offset in related equity accounts.

As at 30 September 2008 and 31 December 2007, the Parent Bank has calculated deferred tax and reflected to the consolidated financial statements.

c. Transfer pricing

In Turkey, the transfer pricing provisions have been stated under the Article 13 of Corporate Tax Law with the heading of "disguised profit distribution via transfer pricing". The General Communiqué on disguised profit distribution via Transfer Pricing, dated 18 November 2007 sets details about implementation.

If a taxpayer enters into transactions regarding sale or purchase of goods and services with related parties, where the prices are not set in accordance with arm's length principle, then related profits are considered to be distributed in a disguised manner through transfer pricing. Such disguised profit distributions through transfer pricing are not accepted as tax deductible for corporate income tax purposes.

As required in "section 7.1 annual documentation" part of related communiqué, corporate tax-payers have to fill the "form relating to transfer pricing, controlled foreign companies and thin capitalization" ("the Form") as associated with purchasing and selling goods or services with related parties in an accounting period and send it to the tax office submitted as an appendix to the corporate tax return. However, Ministry of Finance, with declaration of serial no (2) communiqué, has specified that the Form for 2007 can be filed until the end of the evening of 14th day of August which is the last day of second temporary tax return of the year 2008. The Parent Bank has fulfilled such requirement.

XIX. Additional explanations on borrowings:

Financial liabilities held for trading and negative value of derivative instruments are carried at fair value and all other financial liabilities are carried at amortized cost using effective interest rate method.

XX. Issued shares:

In the current period, 1,200 million units of issued stock shares, 0.01 YTL for each unit are issued.

XXI. Acceptances:

Acceptances are realized simultaneously with the customer payments and recorded in off-balance sheet accounts, if any.

XXII. Government grants:

As at 30 September 2008 and 31 December 2007, the Bank does not have any government grants.

XXIII. Reserves and profit distribution:

Retained earnings at statutory books are allowed for distribution except for the following clause on legal reserves.

The legal reserves consist of first and second reserves, in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of the statutory profit at the rate of 5% until the total reserve reaches a maximum of 20% of the Company's paid-in capital. The second legal reserve is appropriated at the rate of 10% of all distributions in excess of 5% of the Company's share capital. The first and second legal reserves are not available for distribution unless they exceed 50% of the share capital.

XXIV. Related parties:

For the purpose of the consolidated financial statements, shareholders, top management and members of board of directors, related companies managed by their own and families, associates and jointly controlled entities are accepted as related party in accordance with TAS 24 "Related Party Disclosures".

XXV.Cash and cash equivalents

For the purposes of the consolidated cash flow statements, cash and cash equivalents comprise cash and balances with central banks, deposits with banks and other financial institutions and other money market placements with an original maturity of three months or less.

XXVI. Segment reporting:

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. Segment reporting is presented in Section Four, Footnote VI.

XXVII. Reclassifications:

In accordance with the regulation of BRSA published in the Official Gazette dated 22 September 2007, No 26651 "Change in Communique on Financial Statements and the Accompanying Explanations and Footnotes to be Announced to the Public", leasehold improvements amounting YTL 2,239 as at 31 December 2007, are classified to "tangible assets" from "intangible assets" to provide consistency with 30 September 2008. The following income statement items for the period ended 30 September 2007 are also reclassified as follows: commissions received for cash loans amounting YTL 1,603 are classified to "interest income from loans", commissions paid for funds borrowed amounting YTL 1,544 are classified to "interest expense on funds borrowed" and interest income on demand deposits from the Central Bank of Turkey amounting YTL 3,541 are classified to "interest income from banks".

(Currency: Thousands of YTL - New Turkish Lira)

SECTION FOUR

CONSOLIDATED FINANCIAL POSITION

I. Consolidated capital adequency ratio

As at 30 September 2008, the Bank's consolidated capital adequacy ratio is 12.94% (31 December 2007: 12.73%).

Risk measurement methods used in the calculation of consolidated capital adequacy ratio is the sum of risk weighted assets and non-cash loans weighted based on the regulation; and market risk on marketable securities, specific risk and foreign currency exchange risk also based on the regulation, which are aggregatelly defined as Value at Risk calculated by standardized method. The following tables present details of "risk weighted assets" and determination of "capital" which are basis for the calculation of capital adequacy ratio of the Bank.

Consolidated Capital Adequacy Ratio:

	Risk Weights						Risk Weights					
	Unconsolidated						Consolidated					
	0%	20%	50%	100%	150%	200%	0%	20%	50%	100%	150%	200%
Credit Risk Based												
Balance Sheet Items (Net)	518,157	173,111	382,602	2,041,211	773	10	525,599	173,130	382,602	2,084,711	773	10
Cash in Vault	17,852	-	-	-	-	-	17,852	-	-	-	-	-
Due Dated Financial Assets	-	-	-	-	-	-	-	-	-	-	-	-
Central Bank of Turkey	74,833	-	-	-	-	-	74,833	-	-	-	-	-
Domestic and Foreign Banks, Foreign Branches	-	154,990	-	-	-	-	-	155,009	-	-	-	-
Interbank Money Market	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Reverse Repos	-	-	-	-	-	-	-	-	-	-	-	-
Reserve Deposits	118,024	-	-	-	-	-	118,024	-	-	-	-	-
Loans	25,461	5,493	382,602	1,795,863	773	10	32,143	5,493	382,602	1,849,076	773	10
Non-performing Loans (Net)	-	-	-	28,165	-	-	-	-	-	28,165	-	-
Receivables from Leasing Operations	-	-	-	-	-	-	-	-	-	-	-	-
Investments Available-for-Sale	227,711	-	-	9,305	-	-	228,420	-	-	9,305	-	-
Investments Held-to-Maturity	39,684	-	-	-	-	-	39,684	-	-	-	-	-
Receivables from Sale of Assets	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Receivables	967	10,424	-	4,323	-	-	967	10,424	-	4,558	-	-
Accrued Interest and Other Income	11,026	2,204	-	42,766	-	-	11,026	2,204	-	43,376	-	-
Investments in Associates, Subsidiaries and Joint Ventures (Net)	-	-	-	10,901	-	-	-	-	-	157	-	-
Tangible Assets	-	-	-	93,677	-	-	-	-	-	93,852	-	-
Other Assets	2,599	-	-	56,211	-	-	2,650	-	-	56,222	-	-
Off-Balance Sheet Items	**6,986**	**54,756**	**39,200**	**637,385**	-	-	**6,986**	**54,728**	**39,200**	**638,379**	-	-
Non-Cash Loans and Commitments	6,986	48,971	39,200	634,518	-	-	6,986	48,971	39,200	635,174	-	-
Derivatives	-	5,785	-	2,867	-	-	-	5,757	-	3,205	-	-
Accounts Not Risk Weighted	-	-	-	-	-	-	-	-	-	-	-	-
Total Risk Weighted Assets	**525,143**	**227,867**	**421,802**	**2,678,596**	**773**	**10**	**532,585**	**227,858**	**421,802**	**2,723,090**	**773**	**10**

(Currency: Thousands of YTL - New Turkish Lira)

Summary information related to consolidated and unconsolidated capital adequacy ratio:

	Unconsolidated		Consolidated	
	Current Period	Prior Period	Current Period	Prior Period
Risk Weighted Assets (RWA)	2,936,250	2,551,033	2,980,742	2,652,261
Market Risk (MR)	121,013	43,938	107,163	30,475
Operational Risk (OR)	245,194	193,417	250,759	196,304
Shareholders' Equity	437,081	367,747	432,035	366,588
Shareholders' Equity /(RWA+MR+OR) *100	13.24	13.19	12.94	12.73

Components of shareholders' equity :

	Current Period	Prior Period
CORE CAPITAL		
Paid-in Capital	420,000	300,000
Nominal Capital	420,000	300,000
Capital Commitments (-)	-	-
Capital Reserves Arising From Inflation Adjustments to Paid-in Capital	-	9,449
Share Premium	(765)	(618)
Share Cancellation Profit	-	-
Legal Reserves	3,623	1,500
I. Legal Reserve (Turkish Commercial Code 466/1)	3,623	1,500
II. Legal Reserve (Turkish Commercial Code 466/2)	-	-
Other Legal Reserve per Special Legislation	-	-
Status Reserves	-	-
Extraordinary Reserves	9,468	21,046
Reserve Allocated at the General Assembly	-	-
Retained Earnings	9,468	21,046
Accumulated Losses	-	-
Foreign Currency Translation Differences	-	-
Inflation Component of Legal Reserves, Status Reserves and Extraordinary Reserves	-	-
Profit	7,414	41,943
Current Period Profit	7,414	41,943
Prior Periods' Profit	-	-
Free Provisions Booked for Possible Losses (Up to 25% of the Core Capital)	-	-
Gain on Sale of Real Estate and Investments in Associates and Subsidiaries to be Added to the Share Capital	-	-
Primary Subordinated Loans (Up to 15% of the Core Capital)	-	-
Accumulated Losses (-)	-	847
Current Period Loss	-	-
Prior Periods' Loss	-	847
Leasehold Improvements (-) (Reclassified under 100% risk weighted assets as of January 1, 2008)	-	2,239
Prepaid Expenses (-)	5,097	2,983
Intangible Assets (-)	2,503	2,061
Deferred Tax Assets (Amount Exceeding 10% of the Core Capital) (-)	-	-
Amount Excess of Article 56/3 of the Law (-)	-	-
Total Core Capital	439,740	372,473

(Currency: Thousands of YTL - New Turkish Lira)

SUPPLEMENTARY CAPITAL		
General Loan Loss Reserves	17,123	14,590
45% of Revaluation Fund of Securities	-	-
45% of Revaluation Fund of Real Estate	2,677	2,677
Bonus Shares from Subsidiaries and Joint Ventures	-	-
Amount not Included in Core Capital for Primary Subordinated Loans	-	-
Secondary Subordinated Loans	-	-
45% of Securities Value Increase Fund (100% in case of a decifit)	(2,228)	410
Associates and Subsidiaries	-	-
Investments Available-for-Sale	(2,228)	410
Inflation Component of Capital Reserves, Profit Reserves and Prior Period Profits		
Total Supplementary Capital	17,572	17,677
TIER III CAPITAL	-	-
CAPITAL	**457,312**	**390,150**
DEDUCTIONS FROM CAPITAL	**25,277**	**23,562**
Shares in Unconsolidated Banks and Financial Institutions	-	-
Secondary Subordinated Loans Granted to Banks, Financial Institutions (Foreign and Domestic), or Preferred Shareholders, and Primary/Secondary Subordinated Loans Obtained from Them	-	-
Shares in Banks and Financial Institutions Accounted under the Equity Method		
Loans Granted in Violation of the Articles 50 and 51 of the Law	-	-
Amount in Excess of 50% of the Equities of the Net Book Value of the Real Estate of the Banks, and Net Book Value of the Assets Held for Sale that Should Be Disposed of According to the Article 57 of the Law which is not Disposed of in Five Years	17,677	16,279
Others	-	-
TOTAL SHAREHOLDERS' EQUITY	**432,035**	**366,588**

II. Consolidated market risk

Consolidated market risk is the potential risk of loss arising from changes in interest rates, foreign currency exchange rates and equity prices regarding the assets and liabilities of the Parent Bank's on-off balance sheet.

Standard method defined in the "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks" published in Official Gazette no. 26333 dated 1 November 2006 is used in calculating the market risk. The criteria for the standard method have been set by the BRSA and are reported on a monthly basis.

Market risk is calculated by employing the Standard Method and internal risk measurement models using value at risk (VaR) methodology. VaR represents the potential losses from adverse changes in market factors for a specified time period and confidence level.

The internal methods used by the Parent Bank are Parametric Method, Historical Simulation and Monte Carlo Simulation. In calculating VaR, a one-tailed 99% confidence level is used regarding one-day holding period. The results are regularly reported to the Senior Level Risk Committee and Asset-Liability Committee.

(Currency: Thousands of YTL - New Turkish Lira)

Consolidated market risk:

	Amount
(I) Capital Obligation against General Market Risk - Standard Method	3,590
(II) Capital Obligation against Specific Risk - Standard Method	149
III) Capital Obligation against Currency Risk - Standard Method	3,979
(IV) Capital Obligation against Commodity Risk - Standard Method	-
(V) Capital Obligation against Clearing Risk - Standard Method	-
(VI) Capital Obligation against Options Subject to Market Risk – Standard Method	855
(VII) Capital Obligation against Market Risk at the Banks calculating Risk Measuring Models	-
(VIII) Total Capital Obligation against Market Risk (I+II+III+IV+V+VI) (*)	8,573
(IX Value-At-Risk Amount (12.5 x VIII) or (12.5 x VII)	107,163

(*) Value at Risk does not represent all of YTL 107,163 but 8%, of which is YTL 8,573, is the market risk. This amount, YTL 8,573, is also the minimum capital obligation to eliminate the market risk.

III. Consolidated foreign currency exchange rate risk

Foreign currency risk indicates the possibilities of the potential losses that banks are subject to due to adverse movements between currencies. The Parent Bank monitors foreign currency exchange rate risk in currency/YTL and parity basis and uses different risk methods and tools for each. The Parent Bank hedges parity risks through spot/arbitrage and future transactions.

The Parent Bank's foreign currency exchange rate risk is measured by Standard Method and Value at Risk Method.

The Parent Bank considers all foreign currency assets and liabilities and currency forward transactions in measuring capital obligation against currency risk. Net short and long positions of YTL equivalents of all types of currencies are calculated. Position with the higher absolute value, which is the basis for the capital obligation, is used measuring the capital obligation for currency risk.

The Bank's Board of Directors, determines the Parent Bank's limits, within regulatory limitations, related to short/long positions at any period. The Treasury Department of the Parent Bank is responsible from the management of price and liquidity risks on New Turkish Lira or foreign currency in the domestic and international markets. Risk Management Department exercise continuous control on risks in the money markets and transactions creating these risks and reports to the Asset-Liability Committee of the Bank weekly.

The Parent Bank's spot foreign exchange bid rates as of the balance sheet date and for each of the five days prior to that date (YTL full),

	22/09/08	23/09/08	24/09/08	25/09/08	26/09/08	29/09/08
USD	1.2504	1.2351	1.2345	1.2340	1.2313	1.2316
GBP	2.2478	2.2733	2.2891	2.2912	2.2867	2.2631
EURO	1.7769	1.7996	1.8199	1.8121	1.8104	1.7978
JPY	0.0116	0.0116	0.0017	0.0116	0.0116	0.0117

(Currency: Thousands of YTL - New Turkish Lira)

The basic arithmetical average of the Bank's foreign exchange bid rate for the last thirty days (YTL full):

	Monthly Average FC Exchange Bid Rates
USD	1.2332
GBP	2.2210
EURO	1.7755
JPY	0.0115

Information on consolidated exchange rate risk:

Current Period	EURO	USD	JPY	OTHER FC	TOTAL
Assets					
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey.	5,038	166,635	1	261	171,935
Due from Banks and Other Financial Institutions	104,239	29,032	52	5,520	138,843
Financial Assets at Fair Value Through Profit or Loss (*)	38	253	-	-	291
Interbank Money Market Placements	-	-	-	-	-
Investment Securities Available-for-Sale	-	16,840	-	-	16,840
Loans (**)	232,634	615,550	33,219	3,070	884,473
Investments in Subsidiaries and Associates	-	-	-	-	-
Investment Securities Held-to-Maturity	-	-	-	-	-
Hedging Purpose Financial Derivatives	-	-	-	-	-
Tangible Assets	-	2	-	-	2
Intangible Assets	-	-	-	-	-
Other Assets	1,608	10,350	-	2	11,960
Total Assets	**343,557**	**838,662**	**33,272**	**8,853**	**1,224,344**
Liabilities					
Bank Deposits	-	68	-	-	68
Foreign Currency Deposits	285,500	510,316	184	6,116	802,116
Interbank Money Markets	-	-	-	-	-
Funds Borrowed from Other Financial Institutions	186,660	412,908	549	-	600,117
Marketable Securities Issued	-	-	-	-	-
Miscellaneous Payables	1,102	285	-	-	1,387
Hedging Purpose Financial Derivatives	-	-	-	-	-
Other Liabilities (*)	3,054	4,724	1	280	8,059
Total Liabilities (*) (***)	**476,316**	**928,301**	**734**	**6,396**	**1,411,747**
Net On Balance Sheet Position	**(132,759)**	**(89,639)**	**32,538**	**2,457**	**(187,403)**
Net Off Balance Sheet Position	**132,435**	**88,305**	**(32,487)**	**(2,090)**	**186,163**
Financial Derivatives (Assets)	245,366	227,361	-	204	472,931
Financial Derivatives (Liabilities)	112,931	139,056	32,487	2,294	286,768
Non-cash Loans (****)	142,190	539,186	3,531	3,259	688,166
Prior Period					
Total Assets (*) (**)	**460,332**	**721,645**	**14,059**	**7,183**	**1,203,219**
Total Liabilities (*) (***)	**315,550**	**1,187,368**	**111**	**4,005**	**1,507,034**
Net On Balance Sheet Position	**144,782**	**(465,723)**	**13,948**	**3,178**	**(303,815)**
Net Off Balance Sheet Position	**(145,027)**	**467,934**	**(13,448)**	**(2,700)**	**306,759**
Financial Derivatives (Assets)	78,806	568,703	14,662	1,376	663,547
Financial Derivatives (Liabilities)	223,833	100,769	28,110	4,076	356,788
Non-cash Loans (****)	181,613	546,921	5,271	6,097	739,902

(*) As at 30 September 2008 an accrual difference occurs in "Financial Assets At Fair Value Through Profit Or Loss" and "Negative Value Of Trading Purpose Derivatives" amounting YTL 2,102 and YTL 4,537, respectively (31 December 2007: YTL 455 and YTL 5,959). Accrual on credit default swap accrual amounting YTL 157 (31 December 2007: None) is included.

(**) As at 30 September 2008 "Loans" balance includes, in addition to the balance sheet amount, foreign currency indexed loans amounting YTL 499,595 (31 December 2007: YTL 366,209).

(***) As at 31 December 2007 "Security valuation differences" in equity amounting (YTL 526) not included.

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

(Currency: Thousands of YTL - New Turkish Lira)

The table below demonstrates prospective increase and decrease in equities and profit/loss as at 30 September 2008 and 31 December 2007 (excluding tax effect) on condition that 10 percent revaluation/devaluation of the foreign currencies below against YTL. This analysis has been prepared under the circumstances of assumption of other variables, especially interest rates, to be constant.

	30 September 2008				31 December 2007			
	Income Statement		Equity (*)		Income Statement		Equity (*)	
	10% increase	10% decrease	10% increase	10% decrease	10% increase	10% decrease	10% increase	10% decrease
USD	(134)	134	(185)	185	221	(221)	221	(221)
EURO	(32)	32	(32)	32	(25)	25	(25)	25
Other FC	42	(42)	42	(42)	98	(98)	98	(98)
Total, net	**(124)**	**124**	**(175)**	**175**	**294**	**(294)**	**294**	**(294)**

* Equity effect consists of income statement effect in the table.

IV. Consolidated interest rate risk

Consolidated interest rate risk is the probability of loss due to changes in interest rates depending on the Parent Bank's position regarding the interest bearing financial instruments.

Interest rate risk arises as a result of timing differences on the re-pricing of assets and liabilities, changes in correlation of interest rates between different financial instruments and, unexpected changes in the shape and slope of yield curves. Exposure to interest rate movements arises when there is a mismatch between rate sensitive assets and liabilities.

Interest rate risk is a key component of the Parent Bank's market risk and asset and liability management.

As part of asset and liability management, duration and sensitivity analysis are used to measure the effects of changes in yield curves on the balance sheet. The Parent Bank daily monitors interest rate movements in the market and revises the Bank's interest rates.

(Currency: Thousands of YTL - New Turkish Lira)

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

	Up to 1 Month	1 – 3 Months	3 – 12 Months	1 – 5 Years	5 Years and Over	Non-Interest Bearing (*)	Total
Current Period							
Assets							
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	150,749	-	-	-	-	62,326	213,075
Due from Banks and Other Fin.Inst.	151,936	-	-	-	-	3,151	155,087
Financial Assets at Fair Value Through Profit or Loss	2,436	562	72,215	2,649	188	-	78,050
Interbank Money Market Placements	-	-	-	-	-	-	-
Investment Securities Av.-for-Sale	-	-	133,046	105,919	7,340	-	246,305
Loans	1,110,219	355,669	476,809	308,732	61,846	28,165	2,341,440
Investment Securities Held-to-Mat.	2,100	-	-	39,988	-	-	42,088
Other Assets	147	-	-	-	-	193,960	194,107
Total Assets	**1,417,587**	**356,231**	**682,070**	**457,288**	**69,374**	**287,602**	**3,270,152**
Liabilities							
Bank Deposits	61,108	27,577	-	-	-	72	88,757
Other Deposits	1,372,433	204,572	33,481	4	-	127,427	1,737,917
Interbank Money Market Placements	248,861	-	-	-	-	-	248,861
Miscellaneous Payables	-	-	-	-	-	11,853	11,853
Marketable Securities Issued	-	-	-	-	-	-	-
Funds Borrowed from Other Fin.Inst.	38,608	383,486	209,918	3,525	-	-	635,537
Other Liabilities	6,571	599	820	246	-	538,991	547,227
Total Liabilities	**1,727,581**	**616,234**	**244,219**	**3,775**	-	**678,343**	**3,270,152**
On Balance Sheet Long Position	-	-	437,851	453,513	69,374	-	960,738
On Balance Sheet Short Position	(309,994)	(260,003)	-	-	-	(390,741)	(960,738)
Off Balance Sheet Long Position	-	-	-	-	-	-	-
Off Balance Sheet Short Position	-	-	-	-	-	-	-
Total Interest Sensitivity Gap	**(309,994)**	**(260,003)**	**437,851**	**453,513**	**69,374**	**(390,741)**	-

(*) Tangible and intangible assets amounting YTL 80,607, subsidiaries amounting YTL 157, assets held for sale amounting YTL 33,425, tax assets amounting YTL 1,901 and other assets amounting YTL 77,870 are presented within other assets as non-interest bearing; provisions amounting YTL 23,135, tax liability amounting YTL 10,025, other liabilities amounting YTL 62,371 and equity amounting 443,460 YTL are presented within other liabilities as non-interest bearing.

Average interest rates applied to monetary financial instruments:

	EURO %	USD %	JPY %	TRY %
Current Period (*)				
Assets				
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	1.89	0.75	-	13.16
Due from Banks and Other Financial Institutions	4.16	4.45	-	18.95
Financial Assets at Fair Value Through Profit or Loss	8.61	6.63	-	19.61
Interbank Money Market Placements	-	-	-	-
Investment Securities Available-for-Sale	-	8.24	-	19.72
Loans	8.10	6.75	5.79	23.05
Investment Securities Held-to-Maturity	-	-	-	20.48
Liabilities				
Bank Deposits	-	-	-	19.83
Other Deposits	5.14	4.64	-	21.25
Interbank Money Market Placements	-	-	-	18.48
Miscellaneous Payables	-	-	-	-
Marketable Securities Issued	-	-	-	-
Funds Borrowed from Other Financial Institutions	6.58	4.33	1.82	15.64

(*) Stated by compound interest rates.

(Currency: Thousands of YTL - New Turkish Lira)

	Up to 1 Month	1 – 3 Months	3 –12 Months	1 – 5 Years	5 Years and Over	Non-Interest Bearing (*)	Total
Prior Period							
Assets							
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	135,503	-	-	-	-	59,936	195,439
Due from Banks and Other Fin.Inst.	172,368	-	-	-	-	4,773	177,141
Financial Assets at Fair Value Through Profit or Loss	51,416	38,544	26,905	3,804	171	-	120,840
Interbank Money Market Placements	-	-	-	-	-	-	-
Investment Securities Av.-for-Sale	49,075	106,998	-	10,656	11,455	-	178,184
Loans	1,190,821	198,830	506,042	256,424	37,957	11,642	2,201,716
Investment Securities Held-to-Mat.	-	-	-	-	-	-	-
Other Assets	139	-	-	-	-	139,039	139,178
Total Assets	**1,599,322**	**344,372**	**532,947**	**270,884**	**49,583**	**215,390**	**3,012,498**
Liabilities							
Bank Deposits	39,204	65,891	-	-	-	160	105,255
Other Deposits	1,274,123	195,735	35,506	6	-	139,166	1,644,536
Interbank Money Market Placements	182,195	-	-	-	-	-	182,195
Miscellaneous Payables	-	-	-	-	-	8,177	8,177
Marketable Securities Issued	-	-	-	-	-	-	-
Funds Borrowed from Other Fin.Inst.	370,426	50,012	150,614	16,986	-	-	588,038
Other Liabilities	3,137	14,941	5,986	748	-	459,485	484,297
Total Liabilities	**1,869,085**	**326,579**	**192,106**	**17,740**	**-**	**606,988**	**3,012,498**
On Balance Sheet Long Position	-	17,793	340,841	253,144	49,583	-	661,361
On Balance Sheet Short Position	(269,763)	-	-	-	-	(391,598)	(661,361)
Off Balance Sheet Long Position	-	-	-	-	-	-	-
Off Balance Sheet Short Position	-	-	-	-	-	-	-
Total Interest Sensitivity Gap	**(269,763)**	**17,793**	**340,841**	**253,144**	**49,583**	**(391,598)**	**-**

(*) Tangible and intangible assets amounting YTL 80,723, subsidiaries amounting YTL 157, assets held for sale amounting YTL 28,244, tax assets amounting YTL 16,026 and other assets amounting YTL 13,889 are presented within other assets as non-interest bearing; provisions amounting YTL 20,760, tax liability amounting YTL 21,093, other liabilities amounting YTL 38,301 and equity amounting 379,331 YTL are presented within other liability as non-interest bearing.

Average interest rates applied to monetary financial instruments:

	EURO %	USD %	JPY %	TRY %
Prior Period (*)				
Assets				
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	1.88	2.19	-	13.16
Due from Banks and Other Financial Institutions	4.34	4.47	-	19.02
Financial Assets at Fair Value Through Profit or Loss	5.01	7.26	-	18.78
Interbank Money Market Placements	-	-	-	-
Investment Securities Available-for-Sale	-	9.90	-	19.17
Loans	6.97	7.39	5.49	22.59
Investment Securities Held-to-Maturity	-	-	-	-
Liabilities				
Bank Deposits	-	5.27	-	17.10
Other Deposits	4.29	5.57	-	19.20
Interbank Money Market Placements	-	-	-	17.05
Miscellaneous Payables	-	-	-	-
Marketable Securities Issued	-	-	-	-
Funds Borrowed from Other Financial Institutions	5.41	6.37	-	15.26

(*) Stated by compound interest rates.

(Currency: Thousands of YTL - New Turkish Lira)

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

The interest rate sensitivity of the income statement at 30 September 2008 and 31 December 2007 is calculated by the effect of possible changes in interest rates on the floating rate, non-trading financial assets and liabilities. The sensitivity of the equity is calculated by the revaluation of the available for sale securities portfolio based on possible interest rate changes. Tax effects are ignored during calculations. Other variables, especially foreign exchange rates are held constant in the analysis.

	Income Statement		Equity (*)	
30 September 2008	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Financial assets at fair value through profit or loss	(1,055)	1,081	(1,053)	1,081
Financial assets available for sale	-	-	(4,637)	4,746
Floating rate financial liabilities	(1,035)	1,050	(1,035)	1,050
Total, net	**(2,090)**	**2,131**	**(6,725)**	**6,877**
	Income Statement		Equity (*)	
31 December 2007	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Financial assets at fair value through profit or loss	(1,492)	1,531	(1,492)	1,531
Financial assets available for sale	-	-	(3,102)	3,216
Floating rate financial liabilities	(743)	744	(743)	744
Total, net	**(2,235)**	**2,275**	**(5,337)**	**5,491**

(*) Equity effect includes the change in income statement when interest rate increases or decreases by 100 bp.

V. Consolidated liquidity risk

Liquidity risk occurs when there is an insufficient amount of cash or cash inflows to fulfill the cash outflows in full and on time, resulting from the unstable cash inflows.

Liquidity risk may occur when there is an inadequate market penetration and the open positions cannot be closed on a timely basis with an appropriate price and sufficient amount due to barriers and break-ups at the markets.

The Parent Bank monitors the liquidity position on a daily basis. Cash flow pojections are examined and accordingly appropriate amounts of positions are determined in the weekly Asset-Liability Commission meetings. Alternative strategies are evaluated in case of a liquidity shortage. The available free lines in the ISE Settlement and Custody Bank's Stock Exchange Money Market, Interbank and secondary market are monitored frequently. Regarding maturity mismatch risk in the balance sheet, the maximum limits have been set by the Board of Directors.

Major part of the liquidity has been maintained by the deposits in the Parent Bank. Additionally, the volume of deposits has retained a stable path during the period. On the contrary, the parent Bank executes the strategy of increasing long-term loans from international markets rather than loans from domestic secondary market.

(Currency: Thousands of YTL - New Turkish Lira)

Presentation of assets and liabilities according to their residual maturities:

Current Period	Demand	Up to 1 month	1-3 months	3-12 months	1-5 years	5 years and over	Undist. (*)	Total
Assets								
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	62,326	150,749	-	-	-	-	-	213,075
Due from Banks and Other Financial Institutions	3,151	151,936	-	-	-	-	-	155,087
Financial Assets at Fair Value Through Profit or Loss	-	2,436	562	1,575	73,289	188	-	78,050
Interbank Money Market Placements	-	-	-	-	-	-	-	-
Investment Securities Available-for-Sale	-	-	-	8,849	189,939	47,517	-	246,305
Loans	-	528,597	561,610	852,414	308,811	61,843	28,165	2,341,440
Investment Securities Held-to-Maturity	-	-	-	-	42,088	-	-	42,088
Other Assets	-	77,185	-	134	-	1,901	114,887	194,107
Total Assets	**65,477**	**910,903**	**562,172**	**862,972**	**614,127**	**111,449**	**143,052**	**3,270,152**
Liabilities								
Bank Deposits	72	61,108	27,577	-	-	-	-	88,757
Other Deposits	127,427	1,372,432	204,572	33,482	4	-	-	1,737,917
Funds Borrowed from Other Financial Institutions	-	33,892	22,605	484,912	94,128	-	-	635,537
Interbank Money Markets	-	248,861	-	-	-	-	-	248,861
Marketable Securities Issued	-	-	-	-	-	-	-	-
Miscellaneous Payables	11,244	609	-	-	-	-	-	11,853
Other Liabilities	62,369	15,163	1,878	819	403	-	466,595	547,227
Total Liabilities	**201,112**	**1,732,065**	**256,632**	**519,213**	**94,535**	**-**	**466,595**	**3,270,152**
Net Liquidity Gap	**(135,635)**	**(821,162)**	**305,540**	**343,759**	**519,592**	**111,449**	**(323,543)**	**-**
Prior Period								
Total Assets	**64,710**	**814,109**	**470,553**	**1,021,353**	**433,117**	**87,489**	**121,167**	**3,012,498**
Total Liabilities	**186,090**	**1,529,337**	**321,682**	**524,714**	**50,584**	**-**	**400,091**	**3,012,498**
Net Liquidity Gap	**(121,380)**	**(715,228)**	**148,871**	**496,639**	**382,533**	**87,489**	**(278,924)**	**-**

(*) Assets on the balance sheet which are not convertible into cash in short period; tangible and intangible assets amounting YTL 80,607, subsidiaries amounting YTL 157, stationary supplies amounting YTL 698, assets held for sale amounting YTL 33,425, loans in follow-up amounting YTL 28,165 and liabilities on the balance sheet which are necessary for the banking operations; provisions amounting YTL 23,135 and equity amounting YTL 443,460 are included.

As per the BRSA Communiqué dated 1 November 2006 and became effective starting from 1 June 2007, "Measurement and Assessment of the Adequacy of Banks' Liquidity", the weekly and monthly liquidity ratios on a bank-only basis for foreign currency assets/liabilities and total assets/liabilities should be minimum 80% and 100%, respectively. The Parent Bank's liquidity ratios for 2008 are as follows:

	First Maturity Bracket		**Second Maturity Bracket**	
Liquidity Ratios	**FC Liquidity Adequacy Ratio**	**Total Liquidity Adequacy Ratio**	**FC Liquidity Adequacy Ratio**	**Total Liquidity Adequacy Ratio**
30 September 2008	207.5	148.9	149.4	110.2
Average (%)	207.4	181.3	156.0	132.6
Max. (%)	227.5	235.4	21.4	167.1
Min. (%)	144.0	141.8	115.0	102.8

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

(Currency: Thousands of YTL - New Turkish Lira)

Residual contractual maturities of financial liabilities:

30 September 2008	Book Value	Gross Nominal Disposal	Undated	Up to 1 month	1-3 months	3-12 months	1-5 years	5 years and more
Bank Deposits	88,757	90,003	72	61,735	28,196	-	-	-
Deposits from Customers	1,737,917	1,748,107	127,427	1,378,751	207,557	34,368	4	-
Due to Money Markets	248,861	249,226	-	249,226	-	-	-	-
Funds Borrowed	635,537	663,317	-	34,144	23,167	503,153	102,853	-
Total	**2,711,072**	**2,750,653**	**127,499**	**1,723,856**	**258,920**	**537,521**	**102,857**	**-**

31 December 2007	Book Value	Gross Nominal Disposal	Undated	Up to 1 month	1-3 months	3-12 months	1-5 years	5 years and more
Bank Deposits	105,255	106,808	160	39,346	67,302	-	-	-
Deposits from Customers	1,644,536	1,652,826	139,166	1,279,332	197,734	36,587	7	-
Due to Money Markets	182,195	182,278	-	182,278	-	-	-	-
Funds Borrowed	588,038	614,816	-	23,456	32,963	499,320	59,077	-
Total	**2,520,024**	**2,556,728**	**139,326**	**1,524,412**	**297,999**	**535,907**	**59,084**	**-**

Presentation of residual maturities of the derivative financial assets and liabilities are shown below:

Current Period	Up to 1 month	1-3 months	3-12 months	1-5 years	5 years and more	Total
Currency Derivative Instruments (I)	**967,743**	**126,965**	**7,497**	-	-	**1,102,205**
Forward Foreign Currency Purchases	216,519	27,252	2,143	-	-	245,914
Forward Foreign Currency Sales	216,559	27,244	2,197	-	-	246,000
Currency Swaps-Purchases	189,035	-	-	-	-	189,035
Currency Swaps-Sales	192,697	-	-	-	-	192,697
Currency Futures-Purchases	-	-	-	-	-	-
Currency Futures-Sales	-	-	-	-	-	-
Currency Options-Purchases	76,470	36,235	1,578	-	-	114,283
Currency Options-Sales	76,463	36,234	1,579	-	-	114,276
Interest Rate Derivative Instruments (II)	-	-	-	-	-	-
Forward Foreign Currency Purchases/Sales	-	-	-	-	-	-
Interest Rate Swaps-Purchases/Sales	-	-	-	-	-	-
Interest Rate Options-Purchases/Sales	-	-	-	-	-	-
Interest Rate Futures-Purchases/Sales	-	-	-	-	-	-
Others (III)	-	-	-	98,528	-	98,528
Total (I+II+III)	**967,743**	**126,965**	**7,497**	**98,528**	**-**	**1,200,733**

VI. Consolidated segment reporting:

The Group is active in three areas, namely, retail banking, corporate banking and investment banking and treasury.

Corporate banking offers YTL and foreign currency loans, corporate deposit operations, cash management, foreign currency purchases and sales, non-cash transactions (letters of credit, letters of guarantee, prefinancing, bills of exhange) and custody services.

Tresury department is consisted of marketing, foreign currency-YTL and securities units and markets, both in the name of the Bank and its customers, bonds, foreign exchange transactions and hedging purpose derivative products including swaps and options. Tekstil Menkul gives agency services in capital markets products and provides investment fund and portfolio management services.

Servicing the middle-upper segment of retail customers who require sophisticated banking and investment services falls within the scope of retail banking. Credit card services is also within the activities of retail banking.

(Currency: Thousands of YTL - New Turkish Lira)

Information related to the segments of the Group:

Segment reporting is prepared as of 30 June 2007 for the first time according to the 28th article of the BRSA's "Communique on Financial Statements and the Accompanying Explanations and Footnotes to be Announced to the Public", dated 1 November 2006 which is published in the Official Gazette No. 26333.

Current Period	Retail Banking	Corporate Banking	Investment Banking and Others	Total Operations
Operating income	18,384	73,960	47,309	139,653
Others	-	-	-	-
Operating Income	**18,384**	**73,960**	**47,309**	**139,653**
Operating profit of segment	899	21,889	(12,252)	10,536
Costs not distributed	-	-	-	-
Operating profit	-	-	-	-
Income from subsidiaries	-	-	-	-
Profit before tax	899	21,889	(12,252)	10,536
Tax provision	-	-	3,122	3,122
Profit after tax	899	21,889	(15,374)	7,414
Minority rights	-	-	-	-
Net Profit	**899**	**21,889**	**(15,374)**	**7,414**
Segment assets (*)	247,959	2,093,481	928,555	3,269,995
Investments in subsidiaries	-	-	157	157
Total Assets	**247,959**	**2,093,481**	**928,712**	**3,270,152**
Segment liabilities (*)	1,156,521	581,396	1,088,775	2,826,692
Equity	-	-	443,460	443,460
Total Liabilities	**1,156,521**	**581,396**	**1,532,235**	**3,270,152**
Other Segment Items	**229**	**1,333**	**12,198**	**13,760**
Capital expenditure	-	-	4,193	4,193
Depreciation and amortization	229	1,333	2,725	4,287
Impairment losses (**)	-	-	5,280	5,280
Other non-cash income-expenses	-	-	-	-
Restructuring costs	-	-	-	-

(*) Assets in others column contain tangible assets, intangible assets, assets held for sale, deferred tax assets and assets not distributed. Liabilities in others column contain general provisions, reserve for employee benefits, current tax liabilities and liabilities not distributed.

(**) Includes loss in value of marketable securities, fixed assets and associates.

In the table above, corporate banking, retail banking, investment banking and others represent 64%, 8%, 28%, respectively, of the balance sheet. Corporate banking, investment banking and others, and retail banking represents 53%, 34% and 13%, respectively, of the operating income.

(Currency: Thousands of YTL - New Turkish Lira)

SECTION FIVE

DISCLOSURES AND FOOTNOTES ON CONSOLIDATED FINANCIAL STATEMENTS

I. Information and disclosures related to assets

1. Information related to cash and balances with the Central Bank of Turkey:

a) Cash and balances with the Central Bank of Turkey:

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Cash	8,529	9,323	10,319	9,330
Central Bank of Turkey	32,611	162,612	27,444	148,346
Others	-	-	-	-
Total	**41,140**	**171,935**	**37,763**	**157,676**

b) Balances with the Central Bank of Turkey:

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Unrestricted Demand Deposits	32,611	44,349	26,151	40,268
Unrestricted Time Deposits	-	-	-	-
Restricted Time Deposits	-	118,263	1,293	108,078
Total	**32,611**	**162,612**	**27,444**	**148,346**

c) Explanation related to reserve deposits:

According to the no. 2005/1 announcement of the Central Bank of Turkey, "Announcement on Reserve Deposits", all banks operating in Turkey should provide a reserve amounting to 6% of the liabilities in Turkish Lira and 11% of the liabilities in foreign currencies. The Central bank of Turkey makes interest payments on a quarterly basis. As of 30 September 2008, interest rates given by the Central Bank of Turkey are 12.56% for YTL, 0.75% for USD and 1.875% for Euro.

2. Financial assets at fair value through profit or loss:

a) Financial assets at fair value through profit or loss given as collateral/blocked and subject to repurchase agreements:

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Given as collateral or blocked	21	-	5,023	23,898
Subject to repurchase agreements	49,389	-	79,308	-
Total	**49,410**	**-**	**84,331**	**23,898**

Financial assets at fair value through profit or loss (unrestricted) other than financial assets at fair value through profit or loss given as collateral/blocked and subject to repurchase agreements amount YTL 25,706 (December 31, 2007 – YTL 10,266).

(Currency: Thousands of YTL - New Turkish Lira)

b) Positive value of trading purpose derivatives:

Trading Purpose Derivatives	**Current Period**		**Prior Period**	
	YTL	**FC**	**YTL**	**FC**
Forward transactions	446	1,541	1,441	86
Swap transactions	-	247	-	199
Futures	-	-	8	-
Options	386	314	441	170
Other	-	-	-	-
Total	**832**	**2,102**	**1,890**	**455**

3. Information on banks:

	Current Period		**Prior Period**	
	YTL	**FC**	**YTL**	**FC**
Banks	**16,244**	**138,843**	**15,626**	**161,515**
Domestic	16,239	6,843	15,626	34,002
Foreign	5	132,000	-	127,513
Foreign branches	-	-	-	-
Total	**16,244**	**138,843**	**15,626**	**161,515**

4. Information on investment securities available-for-sale (net):

a) Investment securities available-for-sale given as collateral or blocked:

	Current Period		**Prior Period**	
	YTL	**FC**	**YTL**	**FC**
Given as collateral or blocked	1,822	-	699	-
Subject to repurchase agreements	202,092	-	123,246	-
Total	**203,914**	**-**	**123,945**	**-**

Investment securities available-for-sale other than investment securities available-for-sale given as collateral or subject to repurchase agreements amount YTL 42,391 (December 31, 2007 – YTL 54,239).

b) Available-for-sale securities

	Current Period	**Prior Period**
Debt instruments	251,748	178,616
Listed	242,247	161,158
Unlisted	9,501	17,458
Equity instruments	-	-
Listed	-	-
Unlisted	-	-
Impairment provision (-)	(5,443)	(432)
Total	**246,305**	**178,184**

(Currency: Thousands of YTL - New Turkish Lira)

5. Information related to loans:

a) Information on all types of loans and advances given to shareholders and employees of the Bank:

	Current Period		Prior Period	
	Cash	**Non-Cash**	**Cash**	**Non-Cash**
Direct loans granted to shareholders	6,740	-	6,884	-
Corporate shareholders	6,740	-	6,884	-
Individual shareholders	-	-	-	-
Indirect loans granted to shareholders	45,331	14,921	33,301	16,852
Loans granted to employees	77	-	274	-
Total	**52,148**	**14,921**	**40,459**	**16,852**

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

	Standard Loans and Other Receivables		Loans and Other Receivables Under Close Monitoring	
Cash Loans	**Loans and Other Receivables**	**Restructured or Rescheduled**	**Loans and Other Receivables**	**Restructured or Rescheduled**
Non-specialized Loans	2,275,780	-	37,302	193
Discount Notes	50,945	-	-	-
Export Loans	309,350	-	-	-
Import Loans	-	-	-	-
Loans Given to Financial Sector	152,132	-	-	-
Foreign Loans	3,478	-	-	-
Consumer Loans	202,084	-	8,792	-
Credit Cards	35,059	-	3,862	-
Precious Metal Loans	-	-	-	-
Other	1,522,732	-	24,648	193
Specialization Loans	-	-	-	-
Other Receivables	-	-	-	-
Total	**2,275,780**	**-**	**37,302**	**193**

(Currency: Thousands of YTL - New Turkish Lira)

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

	Short Term	Medium or Long Term	Total
Consumer Loans-YTL	**25,152**	**155,169**	**180,321**
Real estate Loans	6,907	65,604	72,511
Automotive Loans	4,377	19,903	24,280
Consumer Loans	12,898	67,338	80,236
Other	970	2,324	3,294
Consumer Loans-Indexed to FC	**939**	**25,793**	**26,732**
Real estate Loans	359	21,846	22,205
Automotive Loans	536	2,115	2,651
Consumer Loans	44	1,832	1,876
Other	-	-	-
Consumer Loans-FC	-	-	-
Real estate Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Credit Cards-YTL	**35,726**	-	**35,726**
With Installment	5,559	-	5,559
Without Installment	30,167	-	30,167
Credit Cards-FC	**234**	-	**234**
With Installment	-	-	-
Without Installment	234	-	234
Loans Given to Employees-YTL	**77**	-	**77**
Real estate Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	77	-	77
Other	-	-	-
Loans Given to Employees - Indexed to FC	-	-	-
Real estate Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Loans Given to Employees - FC	-	-	-
Real estate Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Employee Credit Cards-YTL	**1,113**	-	**1,113**
With Installment	330	-	330
Without Installment	783	-	783
Employee Credit Cards-FC	**10**	-	**10**
Without Installment	-	-	-
Without Installment	10	-	10
Overdraft Account-YTL (Individual)	**3,746**	-	**3,746**
Overdraft Account-FC (Individual)	-	-	-
Total	**66,997**	**180,962**	**247,959**

(Currency: Thousands of YTL - New Turkish Lira)

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

	Short Term	Medium or Long Term	Total
Installment Corporate Loans - YTL	**48,209**	**76,787**	**124,996**
Real Estate Loans	-	2,389	2,389
Automotive Loans	850	13,077	13,927
Consumer Loans	13,260	-	13,260
Other	34,099	61,321	95,420
Installment Corporate Loans – Indexed to FC	**8,119**	**48,320**	**56,439**
Real Estate Loans	182	35	217
Automotive Loans	379	16,937	17,316
Consumer Loans	3,131	4,804	7,935
Other	4,427	26,544	30,971
Installment Corporate Loans - FC	**90**	-	**90**
Real Estate Loans	90	-	90
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Corporate Credit Cards - YTL	**1,792**	-	**1,792**
With Installment	130	-	130
Without Installment	1,662	-	1,662
Corporate Credit Cards - FC	**46**	-	**46**
With Installment	-	-	-
Without Installment	46	-	46
Overdraft Account-YTL (Individual)	**10,441**	-	**10,441**
Overdraft Account-FC (Individual)	-	-	-
Total	**68,697**	**125,107**	**193,804**

e) Loan concentration according to counterparty:

	Current Period	Prior Period
Domestic loans	2,337,962	2,179,652
Foreign loans	3,478	22,064
Total	**2,341,440**	**2,201,716**

f) Loans granted to subsidiaries and associates: None.

(Currency: Thousands of YTL - New Turkish Lira)

g) Specific provisions for loans:

	Current Period	Prior Period
Specific Provisions		
Loans and Receivables with Limited Collectibility	6,119	1,583
Loans and Receivables with Doubtful Collectibility	14,907	4,891
Uncollectible Loans and Receivables	13,682	10,776
Total	**34,708**	**17,250**

h) Information on non-performing loans (Net):

h.1) Information on loans under follow-up, loans and other receivables those are restructured/rescheduled: None.

h.2) Information on total non-performing loans:

	Group III	Group IV	Group V
	Loans and receivables with limited collectibility	Loans and receivables with doubtful collectibility	Uncollectible loans and receivables
Balances at Beginning of Period	7,462	6,961	14,469
Additions (+)	19,515	25,397	157
Transfers from Other Categories of Non- Performing Loans (+)	-	6,623	11,081
Transfers to Other Categories of Non-Performing Loans (-)	6,623	11,081	-
Collections (-)	248	363	5,501
Write-offs (-)	99	656	4,221
Corporate and Commercial Loans	-	-	-
Retail Loans	90	34	346
Credit Cards	9	622	3,875
Other	-	-	-
Balances at End of the Period	20,007	26,881	15,985
Specific Provisions (-)	6,119	14,907	13,682
Net Balance on Balance Sheet	**13,888**	**11,974**	**2,303**

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

(Currency: Thousands of YTL - New Turkish Lira)

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

	Group III Loans and receivables with limited collectibility	Group IV Loans and receivables with doubtful collectibility	Group V Uncollectible loans and receivables
Current Period (Net)			
Loans Allowed to Real Persons and Corporate Bodies (Gross)	20,007	26,881	15,985
Specific provision (-)	6,119	14,907	13,682
Loans Allowed to Real Persons and Corporate Bodies (Net)	13,888	11,974	2,303
Banks (Gross)	-	-	-
Specific provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loan and Receivables (Gross)	-	-	-
Specific provision (-)	-	-	-
Other Loan and Receivables (Net)	-	-	-
Prior Period (Net)			
Loans Allowed to Real Persons and Corporate Bodies (Gross)	7,462	6,961	14,469
Specific provision (-)	1,583	4,891	10,776
Loans Allowed to Real Persons and Corporate Bodies (Net)	5,879	2,070	3,693
Banks (Gross)	-	-	-
Specific provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loan and Receivables (Gross)	-	-	-
Specific provision (-)	-	-	-
Other Loan and Receivables (Net)	-	-	-

6. Information on investment securities held-to-maturity (Net):

a) Information on subject to repurchase agreement and given as collateral or blocked:

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Given as collateral or blocked	7,559	-	-	-
Subject to Repurchase Agreement	11,691	-	-	-
Total	**19,250**	-	-	-

As at 30 September 2008, investment securities held-to-maturity other than those subject to repurchase agreements and given as collateral or blocked is YTL 22,838 (31 December 2007 – None).

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

	Current Period	Prior Period
Government Bonds	42,088	-
Tresury Bills	-	-
Other Government Securities	-	-
Total	**42,088**	**-**

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

	Current Period	Prior Period
Debt Securities	42,088	-
Listed	42,088	-
Unlisted	-	-
Impairment(-)	-	-
Total	**42,088**	**-**

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

	Current Period	Prior Period
Balance at the beginning of the period	-	-
Foreign exchange differences	-	-
Purchases	42,088	-
Sales and redemptions	-	-
Impairment (-)	-	-
Balance at the end of the period	**42,088**	**-**

7. Investments in associates (Net):

Tekstil Menkul Değerler A.Ş., the subsidiary of the Parent Bank, participated in "Gelişen İşletmeler Piyasaları A.Ş." with YTL 100 which is 1% of its share capital and paid YTL 50 in cash and recorded to financial statements.

(Currency: Thousands of YTL - New Turkish Lira)

8. Investments in subsidiaries (Net):

Information related to subsidiaries:

a) Information on subsidiaries not consolidated:

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

(*) Not consolidated since Bilişim is a non-financial subsidiary.

b) Information on subsidiaries according to information above:

Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Trading Income	Current Period Profit / Loss	Prior Period Profit / Loss	Fair value
55	55	1	6	-	(3)	(1)	-

c) Movement of subsidiaries:

	Current Period	Prior Period
Balance at the Beginning of the Period	107	107
Movements during the Period	-	-
Purchases	-	-
Bonus shares received	-	-
Dividends from Current Year Profit	-	-
Sales	-	-
Revaluation Increase	-	-
Impairment Provision (+)	-	-
Balance at the End of the Period	**107**	**107**
Capital Commitments	-	-
Share Percentage at the end of Period (%)	-	-

d) Sectoral distribution of subsidiaries:

	Current Period	Prior Period
Subsidiaries		
Banks	-	-
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	-	-
Finance Companies	-	-
Other Financial Subsidiaries	-	-
Other Non-Financial Subsidiaries	107	107
Total	**107**	**107**

(Currency: Thousands of YTL - New Turkish Lira)

e) Information on consolidated subsidiaries:

Description	Address (City/Country)	Bank's share percentage- If different from voting percentage	Banks Risk Group Share Percentage (%)
Tekstil Menkul Değerler A.Ş. (Tekstil Menkul)	Istanbul/Turkey	99.92	100.00
The Euro Textile Bank Off-shore Ltd (ETB)	Lefkoşa/Cyprus	99.99	100.00

f) Information on subsidiaries according to information above:

Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Trading Income	Current Period Profit / Loss	Prior Period Profit / Loss	Fair value
6,189	3,506	182	343	564	46	(418)	-
186,418	2,317	2	24,268	-	(2,775)	4,623	-

g) Movement of consolidated subsidiaries:

	Current Period	Prior Period
Balance at the Beginning of the Period	10,794	4,924
Movements during the Period	-	5,870
Purchases (*)	-	1,961
Bonus Shares Received (*)	-	790
Dividends from Current Year Profit	-	-
Sales	-	-
Revaluation Increase	-	-
Impairment Provision (+)	-	3,431
Revaluation Increase/(Decrease), Effect of Inflation and F/X Difference (**)	-	(312)
Balance at the End of the Period	**10,794**	**10,794**
Capital Commitments	-	-
Share Percentage at the end of Period (%)	-	-

(*) Tekstil Menkul increased its share capital YTL 3,800; YTL 1,961 of this amount was paid in by the Bank. The Bank received bonus shares amounting YTL 790 as a result of this increase.

(**) Foreign currency exchange difference on investment in foreign subsidiary (ETB).

(Currency: Thousands of YTL - New Turkish Lira)

h) Sectoral distribution of consolidated subsidiaries:

	Current Period	Prior Period
Subsidiaries		
Banks	5,310	5,310
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	-	-
Finance Companies	-	-
Other Financial Subsidiaries	5,484	5,484
Other Non-Financial Subsidiaries	-	-
Total	**10,794**	**10,794**

i) Listed subsidiaries: None.

j) Subsidiaries disposed during the current period: None.

k) Subsidiaries purchased in the current period: None.

9. Information on joint ventures:

None.

10. Information on financial lease receivables (net):

None.

11. Information on hedging purpose derivatives:

None.

12. Information on investment properties:

None.

13. Information on deferred tax assets:

a) Amount of deferred tax asset recognized in the balance sheet in respect of each type of deductible temporary differences, unused tax losses, unused tax credits:

The Bank has net deferred tax asset amounting YTL 1,901 which was calculated on deductible temporary differences except general provisions at 30 September 2008.

Deferred tax effects of items charged or credited to equity are also charged or credited directly to equity.

b) Amount and expiry date of deductible temporary differences, unused tax losses, unused tax credits for which no deferred tax asset is recognized in the balance sheet: None.

(Currency: Thousands of YTL - New Turkish Lira)

14. Information on assets held for sale and discontinued operations

The Bank has no discontinued operations during the current period. Assets held for sale consist of commodities and plant and property items acquired against uncollected loans.

Movement of assets held for sale is as follows:

	Current Period	Prior Period
Opening Balance, net	28,244	24,281
Purchases	9,780	6,828
Disposals, net (-)	4,515	2,662
Current Period Depreciation	84	203
Closing Net Book Value	**33,425**	**28,244**

Assets held for sale include commodities amounting YTL 28 (net).

(Currency: Thousands of YTL - New Turkish Lira)

II. Information and disclosures related to liabilities

1. Information on deposits:

a) Information on maturity profile of deposits:

The Bank does not have any deposits callable in 7 days informed and cumulative deposits.

a.1) Current Period:

	Demand	Up to 1 month	1-3 Months	3-6 Months	6 Months-1 Year	1 Year and Over	Total
Saving Deposits	10,189	236,998	417,631	6,254	3,386	21	674,479
Foreign Currency Deposits	49,947	303,589	394,012	31,439	15,403	7,726	802,116
Residents in Turkey	47,523	270,121	366,043	26,035	5,984	692	716,398
Residents Abroad	2,424	33,468	27,969	5,404	9,419	7,034	85,718
Public Sector Deposits	21,487	536	-	-	-	-	22,023
Commercial Deposits	44,388	97,664	86,560	6,794	1	-	235,407
Other Ins. Deposits	1,416	445	2,014	8	9	-	3,892
Precious Metal Deposits	-	-	-	-	-	-	-
Bank Deposits	72	88,685	-	-	-	-	88,757
Central Bank	-	-	-	-	-	-	-
Domestic Banks	72	1,250	-	-	-	-	1,322
Foreign Banks	-	87,435	-	-	-	-	87,435
Special Financial Inst.	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total	**127,499**	**727,917**	**900,217**	**44,495**	**18,799**	**7,747**	**1,826,674**

a.2) Prior Period:

	Demand	Up to 1 month	1-3 Months	3-6 Months	6 Months-1 Year	1 Year and Over	Total
Saving Deposits	11,297	183,556	284,468	4,277	1,218	-	484,816
Foreign Currency Deposits	58,730	420,690	363,056	53,388	23,990	4,940	924,794
Residents in Turkey	56,947	377,413	289,329	49,753	9,110	923	783,475
Residents Abroad	1,783	43,277	73,727	3,635	14,880	4,017	141,319
Public Sector Deposits	23,246	12	-	-	-	-	23,258
Commercial Deposits	45,324	105,301	47,441	7,572	4	-	205,642
Other Ins. Deposits	569	347	5,096	1	13	-	6,026
Precious Metal Deposits	-	-	-	-	-	-	-
Bank Deposits	160	39,205	65,890	-	-	-	105,255
Central Bank	-	-	-	-	-	-	-
Domestic Banks	160	27,588	-	-	-	-	27,748
Foreign Banks	-	11,617	65,890	-	-	-	77,507
Special Financial Inst.	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total	**139,326**	**749,111**	**765,951**	**65,238**	**25,225**	**4,940**	**1,749,791**

(Currency: Thousands of YTL - New Turkish Lira)

b) Information on deposit insurance:

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

Saving Deposits	Covered by Deposit Insurance Fund	Covered by Deposit Insurance Fund	Exceeding the Deposit Insurance Limit	Exceeding the Deposit Insurance Limit
	Current Period	Prior Period	Current Period	Prior Period
Saving Deposits	264,863	207,496	392,964	261,865
Foreign Currency Savings Deposits	121,059	127,981	335,265	351,948
Other Saving Deposits	-	-	-	-
Foreign branches' Deposits Under Foreign Insurance Coverage	-	-	-	-
Off-Shore Deposits Under Foreign Insurance Coverage	-	-	-	-
Total	**385,922**	**335,477**	**728,229**	**613,813**

b.2) Saving deposits not covered by deposit insurance: YTL 51,134 (31 December 2007- YTL 59,814).

Saving deposits that are not covered under the guarantee of deposit insurance fund:

	Current Period	Prior Period
Deposits and Other Accounts at Foreign Branches	-	-
Deposits and Other Accounts belong to Major Shareholders with Their Parents, Spouse and Children under Their Wardship	8,623	14,553
Deposits and Other Accounts belong to Members of Board of Directors, CEO and Deputy CEO with Their Parents, Spouse and Children under Their Wardship	11,507	10,127
Deposits and Other Accounts linked to Crimes Mentioned in 282nd Article of 5237 Numbered Turkish Crime Legislation dated on 26/09/2004	-	-
Deposits belong to Off-shore Banks which are established in Turkey.	31,004	35,134

2. Information on derivative financial liabilities held for trading:

Negative difference on derivatives held for trading:

Derivatives held for trading	Current Period		Prior Period	
	YTL	FC	YTL	FC
Forwards	433	1,543	15,671	57
Swaps	-	2,983	-	5,898
Futures	-	-	-	-
Options	580	11	450	4
Other	-	157	-	-
Total	**1,013**	**4,694**	**16,121**	**5,959**

(Currency: Thousands of YTL - New Turkish Lira)

3. Information on funds borrowed:

a) Information on banks and other financial institutions:

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Central Bank of Turkey	-	-	-	-
Domestic Banks and Institutions	35,420	47,840	28,454	34,307
Foreign Banks, Institutions and Funds	-	552,277	-	525,277
Total	**35,420**	**600,117**	**28,454**	**559,584**

b) Contractual maturities of funds borrowed:

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Short-Term	35,420	486,391	28,454	106,838
Medium and Long-Term	-	113,726	-	452,746
Total	**35,420**	**600,117**	**28,454**	**559,584**

4. Information on other liabilities:

Other liabilities amount YTL 63,636 (31 December 2007: YTL 39,316) and do not exceed 10% of total liabilities excluding the off-balance sheet items.

5. Obligations under financial leases:

Lease rent payments are determined according to related asset's cost, market interest rates and lease term. The Bank does not have significant obligations on financial lease agreements.

Obligations under financial leases are as follows:

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	1,079	1,018	1,069	969
Between 1-4 years	251	246	779	748
More than 4 years	-	-	-	-
Total	**1,330**	**1,264**	**1,848**	**1,717**

6. Information on liabilities arising from hedging purpose derivatives:

None.

(Currency: Thousands of YTL - New Turkish Lira)

7. Information on provisions:

a) Information on general provisions:

	Current Period	Prior Period
General Provisions		
Provisions for Loans and Receivables in Group I	14,790	12,776
Provisions for Loans and Receivables in Group II	736	18
Provisions for Non Cash Loans	1,530	1,722
Other	67	74
Total	**17,123**	**14,590**

b) Information on reserve for employee rights:

In accordance with existing legislation in Turkey, the Bank and its subsidiary in Turkey have to make certain lump-sum payments to employees who has completed one year of service with the Bank and whose employment is terminated due to retirement or reasons other than resignation or misconduct. Provision for employee severance benefits has been accounted for using discounting total provision and reflected to the consolidated financial statements.

Such payments are calculated on the basis of 30 days' pay, at 30 September 2008, at ceiling amount of YTL 2.09 (31 December 2007: YTL 2.03), per year of employment at the rate of pay applicable at the date of retirement of termination. The liability is not funded, since there is no funding requirement.

The Bank reserved for employee severance indemnities in the accompanying financial statements using actuarial method in accordance with the Turkish Accounting Standard 19 (TAS 19) "Employee Benefits". The major actuarial assumptions used in the calculation of the total liability are as follows:

	Current Period	Prior Period
Discount Ratio (%)	5.71	5.71
Expected Salary/ETI Liability Ceiling Increase Rate (%)	5.00	5.00

It is assumed that the ceiling amount would increase by the rate of inflation.

ETI liability movements at balance sheet are below:

	Current Period	Prior Period
Prior period end amount	1,455	3,254
Current year provision / (reversal of provision)	622	(1,420)
Paid in current year	(325)	(379)
Period end amount	**1,752**	**1,455**

The Bank also has vacation pay liability amounting YTL 2,733 (31 December 2007: YTL 2,508) as at 30 September 2008.

(Currency: Thousands of YTL - New Turkish Lira)

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

Foreign exchange differences on foreign currency indexed loans amounting YTL 9,000 (31 December 2007: YTL 32,704) are netted with loans on the asset side.

d) Information on other provisions:

d.1) Information on provision for possible risks: None

d.2) Information on provision for promotions related with banking services:

As at 30 September 2008, the Bank has provision for credit card service promotions amounting YTL 607 (31 December 2007: YTL 304).

8. Taxation:

a) Current tax liability: As at 30 September 2008, the Bank has no current period corporate taxes payable (31 December 2007- YTL 13,016).

b) Information on taxes payable:

	Current Period	Prior Period
Corporate taxes payable	(*) 11	13,016
Taxation on securities	2,640	2,440
Capital gains tax on property	103	98
Banking Insurance Transaction Tax (BITT)	2,787	2,669
Taxes on foreign exchange transactions	-	174
Value added tax payable	31	52
Other	1,471	1,317
Total	**7,043**	**19,766**

(*) Corporate taxes payable for 2007.

c) Information on premiums payable:

	Current Period	Prior Period
Social security premiums- employee share	1,135	511
Social security premiums- employer share	1,606	709
Bank pension fund premium- employee share	-	-
Bank pension fund premium- employer share	-	-
Pension fund membership fees and provisions- employee share	-	-
Pension fund membership fees and provisions- employer share	-	-
Unemployment insurance- employee share	80	35
Unemployment insurance- employer share	159	70
Other	2	2
Total	**2,982**	**1,327**

(Currency: Thousands of YTL - New Turkish Lira)

d) Information on deferred tax liabilities

Deferred tax liability is netted off with deferred tax assets.

9. Information on shareholders' equity:

a. Paid in capital:

	Current Period	Prior Period
Common Stock	420,000	300,000
Preferred Stock	-	-

The paid-in share capital of the Bank is represented by 4,200 million registered shares of one 0.01 New Turkish Liras each.

b. Paid-in capital amount, explanation as to whether the registered share capital system is applicable at bank; if so the amount of registered share capital: Not applicable at the Bank

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

In the current period, the paid-in capital of the Bank has been increased to YTL 420,000 from YTL 300,000; YTL 60,000 of which in cash and the remaining from equity items.

d. Information on share capital increases from revaluation funds:

YTL 9,449 from other capital reserves and TRY 50,551 from extraordinary reserves added to the capital in the current period.

e. Capital commitments for current financial year and following period: None.

f. Prior period indicators of the Bank's income, profitability and liquidity; and possible effects of the predictions on equity, considering the ambiguity of the indicators: None.

g. Information on the privileges given to stocks representing the capital: None.

h. Information on valuation of securities:

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Associates and subsidiaries	-	-	-	-
Financial assets available-for-sale	(1,702)	(526)	910	-
Marketable securities subject to structural position	-	-	-	-
Total	**(1,702)**	**(526)**	**910**	**-**

Information on portion of foreign currency securities that are related to marketable securities valuation funds:

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

(Currency: Thousands of YTL - New Turkish Lira)

III. Information on disclosures related to consolidated income statement

1. Interest income:

a) Information on interest income received from loans:

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Interest income received from loans (*)				
Short Term	215,353	19,379	188,071	18,795
Medium and Long Term	31,158	2,931	12,504	2,236
Loans Under Follow-Up	1,348	-	1,319	-
Source Utilization Support Fund	-	-	-	-
Total	**247,859**	**22,310**	**201,894**	**21,031**

(*) Includes fees and commissions from cash loans.

b) Information on interest income received from banks

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Central Bank of Turkey	5,307	385	3,346	195
Domestic Banks	1,535	1,535	900	1,305
Foreign Banks	-	4,425	40	8,201
Foreign Branches	-	-	-	-
Total	**6,842**	**6,345**	**4,286**	**9,701**

c) Information on interest income received from associates and subsidiaries: None

(Currency: Thousands of YTL - New Turkish Lira)

2. Interest expense:

a) Information on interest expense related to funds borrowed:

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Banks (*)	3,722	21,902	3,983	27,347
Central Bank of Turkey	-	-	-	-
Domestic Banks	3,599	1,937	3,827	1,289
Foreign Banks	123	19,965	156	26,058
Foreign Branches	-	-	-	-
Other Institutions	-	-	-	-
Total	**3,722**	**21,902**	**3,983**	**27,347**

(*) Includes fees and commission expenses related with funds borrowed.

b) Information on interest expense paid to associates and subsidiaries:

	Current Period	Prior Period
Interest paid to associates and subsidiaries	7	6

3. Trading income / loss (net)

	Current Period	Prior Period
Profit	**298,910**	**549,794**
Capital Market Transactions:	162,513	109,143
Derivatives	159,800	105,687
Other	2,713	3,456
Foreign Exchange Gain	136,397	440,651
Loss (-)	**313,489**	**553,053**
Capital Market Transactions:	175,231	146,446
Derivatives	174,726	145,491
Other	505	955
Foreign Exchange Loss	138,258	406,607

4. Other operating income:

There is not any extraordinary event that would effect the Parent Bank's other operating income.

(Currency: Thousands of YTL - New Turkish Lira)

5. Impairment on loans and other receivables:

	Current Period	Prior Period
Specific Provisions on Loans and Other Receivables:	24,990	5,590
Loans and Receivables in Group III	6,200	1,526
Loans and Receivables in Group IV	13,903	2,163
Loans and Receivables in Group V	4,887	1,901
General Provision Expenses	2,533	3,779
Provision for Possible Losses	-	-
Impairment Losses on Securities:	5,280	6,274
Trading securities	870	1,308
Investment Securities Available-for-Sale	4,410	4,966
Other Impairment Losses:	-	-
Associates	-	-
Subsidiaries	-	-
Joint Ventures	-	-
Investment Securities Held-to-Maturity	-	-
Other	-	-
Total	**32,803**	**15,643**

6. Information related to other operational expenses:

	Current Period	Prior Period
Personnel Expenses	62,957	47,448
Reserve for Employee Termination Indemnity Benefits	522	(1,427)
Reserve for Bank's Social Aid Fund Deficit	-	
Impairment of Tangible Assets	-	
Depreciation Expenses of Tangible Assets	3,641	2,949
Impairment of Intangible Assets	-	
Depreciation Expenses of Intangible Assets	562	825
Impairment of Investments in Associates	-	
Impairment of Securities Held for Sale	-	
Depreciation of Securities Held for Sale	84	185
Impairment of Assets Held for Sale	-	
Other Operating Expenses	22,905	24,175
Operational Leases	7,310	6,123
Repair and Maintenance	1,213	1,099
Advertising	972	6,587
Other Expenses	13,410	10,366
Loss on Sales of Assets	101	258
Other	5,542	4,108
Total	**96,314**	**78,521**

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

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

For the period ended 30 September 2008 there is no current tax expense (30 September 2007- YTL 11,207)

For the period ended 30 September 2008 deferred tax expense amounts YTL 3,122 (30 September 2007- YTL 2,730 - income).

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

For the period ended 30 September 2008 deferred tax expense arising from temporary differences amounts YTL 3,659 (30 September 2007- YTL 2,730, income).

c) Information on deferred tax income or expense by temporary difference, financial loss and tax deduction and exception reflected to income table.

For the period ended 30 September 2008 deferred tax expense arising from temporary differences and financial loss amounts YTL 3,122 (30 September 2007: YTL 2,730 - income).

For the period ended 30 September 2008 deferred tax income resulted from financial loss amounts YTL 537 (30 September 2007: None).

8. Information on net profit and loss:

a) Any further explanation on operating results needed for better understanding of the Bank's performance: None.

b) Any changes in estimations that might have a material effect on current and subsequent period results: None.

9. Information related to the components of other items in the income statement exceeding 10% of the group total, or 20% of the sub-accounts belonging to this group:

None.

(Currency: Thousands of YTL - New Turkish Lira)

IV. Information and disclosures related to consolidated off-balance sheet items

1. Disclosures related to other contingent liabilities

a) Type and amount of irrevocable commitments: As at 30 September 2008, loan granting commitments amount to YTL 46,840 (31 December 2007: YTL 42,655), commitments for credit card limits amount to YTL 214,228 (31 December 2007: YTL 203,517) commitments for cheque payments amount to YTL 68,958 (31 December 2007: YTL 61,175), commitments for promotional operations re-credit cards amount to YTL 1,090 (31 December 2007: YTL 1,508).

b) Type and amount of possible losses and commitments from off-balance sheet items: None.

Guarantees from off-balance sheet commitments are shown in Off-balance Sheet Commitments and Contingencies" table.

As at 30 September 2008, the Bank has letters of guarantees amounting to YTL 940,607 (31 December 2007- YTL 1,075,302), bills of exchange and acceptances amounting to YTL 10,573 (31 December 2007- YTL 13,485), letters of credit amounting to YTL 259,768 (31 December 2007- YTL 236,246), prefinancing given as guarantee amounting to YTL 2,945 (31 December 2007- YTL 2,795) and other guarantees amounting to YTL 42,991 (31 December 2007- YTL 42,548).

c) Non-cash loans

	Current Period	Prior Period
Non-Cash Loans Given for Cash Loan Risks	92,923	128,458
With Original Maturity of 1 Year or Less	1,000	3,150
With Original Maturity of More Than 1 Year	91,923	125,308
Other Non-Cash Loans	1,163,961	1,241,918
Total	**1,256,884**	**1,370,376**

d. There is not any fiduciary service rendered on behalf of third parties.

(Currency: Thousands of YTL - New Turkish Lira)

V. Information and disclosures related to the Bank's risk group

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:

a) Current Period:

Bank's Risk Group (*)	Associates and subsidiaries		Bank's Direct and Indirect Shareholders		Other Components in Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and Other Receivables						
Balance at the Beginning of the Period	-	-	40,185	16,750	-	-
Balance at the End of the Period	-	-	52,071	14,819	-	-
Interest and Commission Income Received	-	-	4,274	157	-	-

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

The Bank also has placements at the banks in its risk group amounting to YTL 16,230 (31 December 2007- YTL 17,584).

b) Prior Period:

Bank's Risk Group (*)	Associates and subsidiaries		Bank's Direct and Indirect Shareholders		Other Components in Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and Other Receivables						
Balance at the Beginning of the Period	-	-	37,479	5,945	-	-
Balance at the End of the Period	-	-	40,185	16,750	-	-
Interest and Commission Income Received	-	-	2,333	41	-	-

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

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

Bank's Risk Group (*)	Associates and subsidiaries		Bank's Direct and Indirect Shareholders		Other Components in Risk Group	
Deposit	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Balance at the beginning of the Period	56	59	43,810	41,583	-	-
Balance at the End of the Period	53	56	43,867	43,810	-	-
Interest on Deposits	7	6	3,466	3,007	-	-

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

d) Information on forward transactions and option agreements and similar other agreements related with the Bank's risk group: None.

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

	Number	Number of Employees	Country of Incorporation	Total Assets	Statutory Share Capital
Domestic branches	61	1,558			
Foreign representation office	1	2	Berlin, Germany		
Foreign branch	-	-	-	-	-
Off-shore banking region branches	-	-	-	-	-

VII. Information and disclosure related to subsequent events

Transactions that have not been finalized and their effect on the consolidated financial statements:

Subsequent to 30 September 2008, due to the siginificant fluctuations in money and capital markets, US Dollar, Euro and Yen, has valued against YTL by 28%, 14% and 42%, respectively, at report date compared to those at 30 September 2008.

SECTION SIX

INDEPENDENT AUDITORS' REVIEW REPORT

I. Information on the independent auditor's review report

The consolidated financial statements of the Bank and its financial subsidiaries as of and for the period ended 30 September 2008 have been reviewed by Akis Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (the member firm of KPMG International) and their review report dated 27 November 2008 has been presented before the consolidated financial statements in this financial report.

II. Information and disclosures prepared by the independent auditors

None