

*(Convenience Translation of Consolidated Financial Report Originally Issued in Turkish)*  
*(See Note 5.II)*

**Denizbank Anonim Şirketi and Its Subsidiaries**

Consolidated Interim Financial Statements  
**As of and for the Nine Months Period Ended**

**30 September 2006**

**With Independent Auditor's Review Report Thereon**

Akis Bağımsız Denetim ve Serbest  
Muhasebeci Mali Müşavirlik  
Anonim Şirketi  
14 November 2006

*This report contains 57 pages.*

- I. Independent Auditor's Review Report
- II. Consolidated Interim Financial Report to be Disclosed to the Public



**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**

To the Board of Directors of Denizbank Anonim Şirketi:

We have reviewed the consolidated balance sheet of Denizbank Anonim Şirketi (the Bank) and its subsidiaries as of 30 September 2006 and the related consolidated statements of income, changes in shareholders' equity and cash flows for the nine months period then ended. 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 did not review the financial statements of certain consolidated companies as of 30 September 2006, which statements reflect total assets constituting 15 percent; and total interest and commission income constituting 6 percent after elimination of intercompany balances and transactions as of and for the nine months period ended 30 September 2006 of the related consolidated totals. Those statements were reviewed by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for those companies is based solely on the reports of the other auditors.

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

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly the financial position of Denizbank Anonim Şirketi and its subsidiaries as of 30 September 2006, and of the results of its operations and its cash flows for the nine months period then ended, in all material respects in accordance with regulations described in Article 13 "Accounting and Recording Rules" of (Turkish) Banking Law.

Istanbul,  
14 November 2006

Akis Bağımsız Denetim ve  
Serbest Muhasebeci Mali Müşavirlik  
Anonim Şirketi

Murat Alsan  
Partner

**Additional paragraph for convenience translation to English:**

As explained in Note 5.II, 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.

**DENİZBANK A.Ş. AND ITS SUBSIDIARIES**  
**CONSOLIDATED INTERIM FINANCIAL REPORT AS OF 30 SEPTEMBER 2006**

Address of the Bank's Headquarters  
Büyükdere Caddesi No:106  
34394 –ESETEPE/İSTANBUL

Telephone and Fax Numbers  
Tel : 0.212.355 08 00  
Fax: 0.212.267 27 24

Website of the Bank  
[www.denizbank.com](http://www.denizbank.com)

E-mail address of the Bank  
investorrelations@denizbank.com

The financial report package prepared in accordance with the statement no. 17 "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 INTERIM FINANCIAL STATEMENTS
- INFORMATION RELATED TO FINANCIAL POSITION OF THE CONSOLIDATED GROUP
- DISCLOSURES AND FOOTNOTES ON CONSOLIDATED INTERIM FINANCIAL STATEMENTS
- OTHER DISCLOSURES AND FOOTNOTES
- INDEPENDENT AUDITOR'S REVIEW REPORT

The subsidiaries and associates included in the consolidation are as follows:

	Subsidiaries	Associates	Jointly Controlled Companies
1.	DenizBank AG, Wien		
2.	Eurodeniz Off Shore Bank Ltd.		
3.	Ekspres Yatırım Menkul Değerler A.Ş.		
4.	Deniz Türev Menkul Değerler A.Ş.		
5.	Deniz Yatırım Menkul Kıymetler A.Ş.		
6.	CJSC Denizbank, Moscow		
7.	Deniz Portföy Yönetimi A.Ş.		
8.	Deniz Finansal Kiralama A.Ş.		
9.	Deniz Faktoring A.Ş.		

The consolidated interim financial statements and related disclosures and footnotes that were subject to independent review, are prepared in accordance with the "Regulation on Accounting Principles" and the related statements and in compliance with the financial records of our Bank. Unless stated otherwise, the accompanying consolidated interim financial statements are presented in **New Turkish Lira (YTL) thousands** as of 30 September 2006; and enclosed.

**KÜRŞAD TAÇALAN**  
Senior Vice President  
General Accounting

**SUAVİ DEMİRCİOĞLU**  
Executive Vice President

**HAKAN ATEŞ**  
Member of Board of Directors  
General Manager

**MUSTAFA TINAS TİTİZ**  
Member of Board of Directors  
and Audit Committee

**İHSAN VEYSİ SEVİĞ**  
Member of Board of Directors  
and Audit Committee

Contact information for questions on this financial report  
Name/Title: Şehsuvar ALADAĞ/ Investor Relations Department Manager  
Tel No: 0 212 336 41 44  
Fax No: 0 212 336 30 38

## **SECTION ONE**

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- V. Other information

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- II. Consolidated off-balance sheet items statements
- III. Consolidated income statements
- IV. Consolidated statements of changes in shareholders' equity
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# Denizbank Anonim Şirketi and Its Subsidiaries

## Consolidated Interim Financial Report as of 30 September 2006

(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**

Denizbank A.Ş. ("the Bank") was established as a public bank to provide financing services to the marine sector in 1938. In 1992, as a result of the resolution of the Government to merge some public banks, the Bank was merged to Emlakbank. Following the resolution of the High Council of Privatization numbered 97/5 and dated 20 March 1997 to privatize 100% of shares of Denizbank A.Ş., share sale agreement between Zorlu Holding A.Ş. and the Privatization Administration was signed on 29 May 1997 and the Bank started its activities on 25 August 1997. Bank's shares have been listed on Istanbul Stock Exchange since 1 October 2004. 25% of Bank's shares are publicly held.

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

Zorlu Holding A.Ş. has 75% ownership in the Bank's shares. Bank's shares are listed on Istanbul Stock Exchange since 1 October 2004.

On 17 October 2006, Dexia Participation Belgique SA, 100% of which is directly and indirectly owned by Dexia SA/NV, became the main shareholder of the Bank, after acquisition of the 75% of the total outstanding shares from Zorlu Holding A.Ş.

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

<u>Name</u>	<u>Job Description</u>	<u>Shares (%)</u>
<u>President of the Board of Directors</u>		
İhsan Veysi Seviğ	Chairman	--
<u>Board of Directors</u>		
M.Cem Bodur	Vice Chairman	--
Mustafa Tinas Titiz	Member	--
Fikret Arabacı	Member	--
Cemalettin Hasdemir	Member	--
Can Taşpulat	Member -	--
	Responsible from Internal Audit	
Hakan Ateş	Member - General Manager	0.001

<u>Name</u>	<u>Shares (%)</u>
<u>Audit Committee Members</u>	
Cem Kadırgan	--
Şerif Arı	--
<u>Assistant General Managers</u>	
A. Dinçer Alpman	--
Bora Böcügöz	--
Suavi Demircioğlu	--
Arif İsfendiyaroğlu	--
Tanju Kaya	--
Behçet Perim	--
Mehmet Saraç	--
Nihat Sevinç	--
Nesrin Sungu	--
Burçin Tunca	--
Hüseyin Uyar	--

At the meeting of Denizbank Board of Directors no. 2006/48 dated 17 October 2006, it has been decided that as a result of the resignations of Can Taşpulat and Cemalettin Hasdemir from the Board of Directors, according to the Turkish Commercial Code article no. 315, until the following General Assembly, Dirk G.M. Bruneel and Bruno Accou will be nominated as the members of the Board of Directors.

According to the Turkish Commercial Code article no. 351, until the following General Assembly, Mehmet Uğur Ok will be nominated as the member of the Audit Committee in replacement of Şerif Arı who resigned from his position on 17 October 2006.

At 31 October 2006, A. Dinçer Alpman and Burçin Tunca have resigned from their duties as assistant general managers.

#### IV. Explanations relating to interim financial statements

- The accounting policies and methods that have been applied in preparation of the year-end financial statements are similar to those that are used in preparation of the interim financial statements, except as explained below;  
“Leasehold Improvements” which have been previously classified in “Tangible Assets” are included in “Intangible Assets” as required by BRSA’s regulation BN-8.1 BE7.3-1910, dated 17 April 2006.
- Interim operations do not have seasonality and cyclicity;
- There are no errors affecting the financial statements and non-continuous operations;
- There are no unusual items affecting assets, liabilities, equity, net income or cash flows because of their nature, size and incidence;
- There are no changes in estimates of amounts reported in prior financial years that have a material effect in the current interim period;
- There are no issues and repayments of debt and equity securities;
- There are no dividends paid for ordinary shares and other shares;
- Events that need disclosure which occurred subsequent to the end of the interim period are explained in section 4-XI.

- There are no changes in the composition of the entity during the interim period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinued operations;
- There are no changes in contingent liabilities and contingent assets since the last annual balance sheet date.

**V. Other Information**

Bank's Official Title:	Denizbank Anonim Şirketi
Address of Bank's Headquarters:	Büyükdere Caddesi No: 106 Esentepe 34394 İstanbul
Telephone and fax numbers:	Telephone: (0212) 355 08 00 Fax : (0212) 267 27 24
Bank's internet address:	<a href="http://www.denizbank.com">www.denizbank.com</a>
Bank's e-mail address:	<a href="mailto:investorrelations@denizbank.com">investorrelations@denizbank.com</a>
Reporting period:	1 January 2006 - 30 September 2006

Unless stated otherwise, the accompanying consolidated interim financial statements and disclosures are presented in New Turkish Lira (YTL) thousands as of 30 September 2006.



## SECTION TWO FINANCIAL STATEMENTS

- I. Consolidated Balance Sheets
- II. Consolidated Off-Balance Sheet Items Statements
- III. Consolidated Income Statements
- IV. Consolidated Statements of Changes in Shareholders' Equity
- V. Consolidated Cash Flow Statements

ASSETS	Footnotes	CURRENT PERIOD			PRIOR PERIOD		
		(30/09/2006)			(31/12/2005)		
		YTL	FC	Total	YTL	FC	Total
<b>I. CASH AND BALANCES WITH THE CENTRAL BANK</b>	(4.1.1)	<b>213,206</b>	<b>302,057</b>	<b>515,263</b>	<b>170,980</b>	<b>268,682</b>	<b>439,662</b>
1.1.Cash		44,808	-	44,808	40,328	-	40,328
1.2.Cash in foreign currency		-	138,629	138,629	-	145,779	145,779
1.3.Balances with the Central Bank		168,398	154,133	322,531	130,652	121,854	252,506
1.4.Other		-	9,295	9,295	-	1,049	1,049
<b>II. TRADING SECURITIES (Net)</b>	(4.1.2)	<b>133,104</b>	<b>146,256</b>	<b>279,360</b>	<b>186,034</b>	<b>107,672</b>	<b>293,706</b>
2.1.Public sector debt securities		119,427	26,913	146,340	93,313	8,760	102,073
2.1.1.Government bonds		55,832	7,774	63,606	87,127	8,760	95,887
2.1.2.Treasury bills		63,595	-	63,595	6,186	-	6,186
2.1.3.Other		-	19,139	19,139	-	-	-
2.2.Share certificates		13,305	-	13,305	92,721	-	92,721
2.3.Other securities		372	119,343	119,715	-	98,912	98,912
<b>III. BANKS AND OTHER FINANCIAL INSTITUTIONS</b>	(4.1.3)	<b>14,524</b>	<b>1,354,407</b>	<b>1,368,931</b>	<b>95,613</b>	<b>2,180,208</b>	<b>2,275,821</b>
3.1.Banks		3,898	1,352,138	1,356,036	95,613	2,180,208	2,275,821
3.1.1.Domestic banks		3,874	441,170	445,044	83,748	546,124	629,872
3.1.2.Foreign banks		24	910,968	910,992	11,865	1,634,084	1,645,949
3.1.3.Foreign branches		-	-	-	-	-	-
3.2.Other financial institutions		10,626	2,269	12,895	-	-	-
<b>IV. INTERBANK MONEY MARKET</b>	(4.1.4)	<b>265,330</b>	<b>30,812</b>	<b>296,142</b>	<b>390,312</b>	<b>-</b>	<b>390,312</b>
4.1.Interbank money market placements		26,500	-	26,500	226,000	-	226,000
4.2.Istanbul Stock Exchange money market placements		-	-	-	800	-	800
4.3.Receivables from reverse repurchase agreements		238,830	30,812	269,642	163,512	-	163,512
<b>V. INVESTMENT SECURITIES AVAILABLE FOR SALE (Net)</b>	(4.1.5)	<b>583,184</b>	<b>1,024,505</b>	<b>1,607,689</b>	<b>801,557</b>	<b>447,536</b>	<b>1,249,093</b>
5.1.Share certificates		3,867	60	3,927	4,134	15	4,149
5.2.Other securities		579,317	1,024,445	1,603,762	797,423	447,521	1,244,944
<b>VI. LOANS</b>	(4.1.6)	<b>4,331,139</b>	<b>3,053,604</b>	<b>7,384,743</b>	<b>3,131,326</b>	<b>2,606,516</b>	<b>5,737,842</b>
6.1.Short term		2,316,244	1,525,850	3,842,094	2,182,473	1,395,517	3,577,990
6.2.Medium and long term		2,006,834	1,527,431	3,534,265	936,425	1,210,750	2,147,175
6.3.Loans under follow-up		162,140	3,848	165,988	132,436	2,653	135,089
6.4.Specific provisions (-)		154,079	3,525	157,604	120,008	2,404	122,412
<b>VII. FACTORING RECEIVABLES</b>	(4.1.7)	<b>202,068</b>	<b>32,352</b>	<b>234,420</b>	<b>150,728</b>	<b>45,832</b>	<b>196,560</b>
<b>VIII. INVESTMENT SECURITIES HELD TO MATURITY (Net)</b>	(4.1.8)	<b>-</b>	<b>186,791</b>	<b>186,791</b>	<b>24,115</b>	<b>201,817</b>	<b>225,932</b>
8.1.Public sector debt securities		-	63,238	63,238	24,115	72,208	96,323
8.1.1.Government bonds		-	63,238	63,238	24,115	72,208	96,323
8.1.2.Treasury bills		-	-	-	-	-	-
8.1.3.Other		-	-	-	-	-	-
8.2.Other securities		-	123,553	123,553	-	129,609	129,609
<b>IX. INVESTMENTS IN ASSOCIATES</b>	(4.1.9)	<b>3,689</b>	<b>-</b>	<b>3,689</b>	<b>121,487</b>	<b>-</b>	<b>121,487</b>
9.1.Financial investments in associates		107	-	107	9	-	9
9.2.Non-Financial investments in associates		3,582	-	3,582	121,478	-	121,478
<b>X. INVESTMENTS IN SUBSIDIARIES</b>	(4.1.10)	<b>5,015</b>	<b>-</b>	<b>5,015</b>	<b>8,042</b>	<b>-</b>	<b>8,042</b>
10.1.Financial investments in subsidiaries		-	-	-	119	-	119
10.2.Non-Financial investments in subsidiaries		5,015	-	5,015	7,923	-	7,923
<b>XI. OTHER INVESTMENTS</b>	(4.1.11)	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>XII. FINANCIAL LEASE RECEIVABLES (Net)</b>	(4.1.12)	<b>76,183</b>	<b>386,107</b>	<b>462,290</b>	<b>24,187</b>	<b>214,868</b>	<b>239,055</b>
12.1.Gross financial lease receivables		102,208	450,486	552,694	33,361	258,451	291,812
12.2.Unearned income (-)		26,025	64,379	90,404	9,174	43,583	52,757
<b>XIII. RESERVE DEPOSITS</b>		<b>-</b>	<b>412,748</b>	<b>412,748</b>	<b>-</b>	<b>325,113</b>	<b>325,113</b>
<b>XIV. MISCELLANEOUS RECEIVABLES</b>	(4.1.13)	<b>83,617</b>	<b>21,243</b>	<b>104,860</b>	<b>60,108</b>	<b>5,422</b>	<b>65,530</b>
<b>XV. ACCRUED INTEREST AND INCOME</b>	(4.1.14)	<b>212,359</b>	<b>110,383</b>	<b>322,742</b>	<b>84,111</b>	<b>59,602</b>	<b>143,713</b>
15.1.Loans		139,471	54,547	194,018	43,291	30,410	73,701
15.2.Securities		27,929	9,829	37,758	34,100	14,803	48,903
15.3.Other		44,959	46,007	90,966	6,720	14,389	21,109
<b>XVI. TANGIBLE ASSETS (Net)</b>	(4.1.15)	<b>97,009</b>	<b>3,894</b>	<b>100,903</b>	<b>127,942</b>	<b>3,439</b>	<b>131,381</b>
16.1.Cost		169,539	8,136	177,675	203,340	6,495	209,835
16.2.Accumulated Depreciation (-)		72,530	4,242	76,772	75,398	3,056	78,454
<b>XVII. INTANGIBLE ASSETS [Net]</b>	(4.1.16)	<b>40,725</b>	<b>3,335</b>	<b>44,060</b>	<b>11,275</b>	<b>2,340</b>	<b>13,615</b>
17.1.Goodwill		-	-	-	-	-	-
17.2.Other		94,129	7,164	101,293	36,859	4,816	41,675
17.3.Accumulated Amortisation (-)		53,404	3,829	57,233	25,584	2,476	28,060
<b>XVIII. DEFERRED TAX ASSET</b>	(4.1.17)	<b>2,156</b>	<b>-</b>	<b>2,156</b>	<b>5,075</b>	<b>17</b>	<b>5,092</b>
<b>XIX. OTHER ASSETS</b>	(4.1.18)	<b>52,120</b>	<b>53,592</b>	<b>105,712</b>	<b>102,372</b>	<b>11,222</b>	<b>113,594</b>
<b>TOTAL ASSETS</b>		<b>6,315,428</b>	<b>7,122,086</b>	<b>13,437,514</b>	<b>5,495,264</b>	<b>6,480,286</b>	<b>11,975,550</b>

LIABILITIES AND EQUITY	Footnotes	CURRENT PERIOD			PRIOR PERIOD		
		( 30/09/2006 )			( 31/12/2005 )		
		YTL	FC	Total	YTL	FC	Total
<b>I. DEPOSITS</b>	(4.II.1)	<b>3,036,437</b>	<b>4,744,776</b>	<b>7,781,213</b>	<b>2,704,889</b>	<b>4,549,213</b>	<b>7,254,102</b>
1.1.Bank deposits		149,143	170,495	319,638	61,420	212,552	273,972
1.2.Saving deposits		2,056,772	-	2,056,772	1,655,078	-	1,655,078
1.3.Public sector deposits		28,942	-	28,942	43,919	-	43,919
1.4.Commercial deposits		757,650	-	757,650	915,935	-	915,935
1.5.Other institutions deposits		43,930	-	43,930	28,537	-	28,537
1.6.Foreign currency deposits		-	4,565,232	4,565,232	-	4,336,087	4,336,087
1.7.Precious metals deposits		-	9,049	9,049	-	574	574
<b>II. INTERBANK MONEY MARKET</b>	(4.II.2)	<b>275,897</b>	-	<b>275,897</b>	<b>480,354</b>	<b>35,662</b>	<b>516,016</b>
2.1.Interbank money market takings		-	-	-	-	-	-
2.2.Istanbul Stock Exchange money market takings		-	-	-	92,500	-	92,500
2.3.Funds provided under repurchase agreements		275,897	-	275,897	387,854	35,662	423,516
<b>III. FUNDS BORROWED</b>	(4.II.3)	<b>212,984</b>	<b>3,254,984</b>	<b>3,467,968</b>	<b>203,519</b>	<b>2,387,355</b>	<b>2,590,874</b>
3.1.Funds borrowed from the Central Bank		-	-	-	-	-	-
3.2.Other funds borrowed		212,984	3,254,984	3,467,968	203,519	2,387,355	2,590,874
3.2.1.Domestic banks and institutions		90,291	70,053	160,344	99,494	46,317	145,811
3.2.2.Foreign banks, institutions and funds		122,693	3,184,931	3,307,624	104,025	2,341,038	2,445,063
<b>IV. SECURITIES ISSUED (Net)</b>	(4.II.4)	-	-	-	-	-	-
4.1.Bills		-	-	-	-	-	-
4.2.Asset backed securities		-	-	-	-	-	-
4.3.Bonds		-	-	-	-	-	-
<b>V. FUNDS</b>	(4.II.5)	-	-	-	-	-	-
<b>VI. MISCELLANEOUS PAYABLES</b>	(4.II.6)	<b>220,697</b>	<b>80,876</b>	<b>301,573</b>	<b>180,220</b>	<b>12,443</b>	<b>192,663</b>
<b>VII. OTHER EXTERNAL RESOURCES PAYABLE</b>	(4.II.7)	<b>38,744</b>	<b>18,863</b>	<b>57,607</b>	<b>54,537</b>	<b>2,623</b>	<b>57,160</b>
<b>VIII. TAXES AND OTHER DUTIES PAYABLE</b>	(4.II.8)	<b>29,474</b>	<b>1,580</b>	<b>31,054</b>	<b>25,283</b>	<b>716</b>	<b>25,999</b>
<b>IX. FACTORING PAYABLES</b>	(4.II.9)	-	-	-	<b>1,892</b>	<b>13,630</b>	<b>15,522</b>
<b>X. FINANCIAL LEASE PAYABLES (Net)</b>	(4.II.10)	-	-	-	<b>9</b>	<b>1</b>	<b>10</b>
10.1.Financial Lease Payables		-	-	-	14	2	16
10.2.Deferred financial leasing expenses ( - )		-	-	-	5	1	6
<b>XI. ACCRUED INTEREST AND EXPENSES</b>	(4.II.11)	<b>59,299</b>	<b>105,374</b>	<b>164,673</b>	<b>28,471</b>	<b>70,980</b>	<b>99,451</b>
11.1.Deposits		18,991	37,318	56,309	17,907	23,792	41,699
11.2.Borrowings		7,121	29,782	36,903	4,187	29,459	33,646
11.3.Repurchase agreements		39	-	39	319	-	319
11.4.Other		33,148	38,274	71,422	6,058	17,729	23,787
<b>XII. PROVISIONS</b>	(4.II.12)	<b>96,565</b>	<b>14,393</b>	<b>110,958</b>	<b>119,081</b>	<b>12,631</b>	<b>131,712</b>
12.1.General provisions		40,575	-	40,575	34,786	-	34,786
12.2.Reserve for employee termination benefits		19,538	591	20,129	19,434	436	19,870
12.3.Provisions for income taxes		27,603	2,748	30,351	58,724	481	59,205
12.4.Insurance technical provisions		-	-	-	-	-	-
12.5.Other provisions		8,849	11,054	19,903	6,137	11,714	17,851
<b>XIII. SUBORDINATED LOANS</b>	(4.II.12)	-	-	-	-	-	-
<b>XIV. MINORITY INTEREST</b>	-	-	-	-	-	-	-
<b>XV. DEFERRED TAX LIABILITY</b>	(4.II.14)	-	<b>294</b>	<b>294</b>	<b>384</b>	<b>187</b>	<b>571</b>
<b>XVI. SHAREHOLDERS' EQUITY</b>	(4.II.13)	<b>1,201,890</b>	<b>44,387</b>	<b>1,246,277</b>	<b>1,061,627</b>	<b>29,843</b>	<b>1,091,470</b>
16.1.Paid-in capital		316,100	-	316,100	316,100	-	316,100
16.2.Supplementary capital		288,203	378	288,581	406,997	800	407,797
16.2.1.Share premium	(4.II.14)	98,351	-	98,351	98,351	-	98,351
16.2.2.Share cancellation profits		-	-	-	-	-	-
16.2.3.Securities value increase fund	(4.II.15)	676	378	1,054	107,992	800	108,792
16.2.4.Revaluation fund	(4.II.16)	-	-	-	-	-	-
16.2.5.Revaluation surplus	(4.II.17)	12	-	12	11,490	-	11,490
16.2.6.Other supplementary capital	(4.IX.4)	189,164	-	189,164	189,164	-	189,164
16.2.7.Capital reserves from inflation adjustments to paid-in capital		-	-	-	-	-	-
16.3.Profit reserves		340,419	23,812	364,231	113,608	(292)	113,316
16.3.1.Legal reserves	(4.II.18)	16,990	5,138	22,128	5,631	-	5,631
16.3.2.Status reserves		-	-	-	-	-	-
16.3.3.Extraordinary reserves	(4.II.19)	317,131	11,531	328,662	106,983	-	106,983
16.3.4.Other profit reserves		6,298	7,143	13,441	994	(292)	702
<b>15.4. Profit or loss</b>	(4.II.20)	<b>257,168</b>	<b>20,197</b>	<b>277,365</b>	<b>224,922</b>	<b>29,335</b>	<b>254,257</b>
16.4.1.Prior periods income/loss		11,337	8,045	19,382	10,708	17,097	27,805
16.4.1.1.Group's share		11,337	8,045	19,382	10,708	17,097	27,805
16.4.1.2.Minority shares		-	-	-	-	-	-
16.4.2.Current period income/loss		245,831	12,152	257,983	214,214	12,238	226,452
16.4.2.1.Group's share		245,831	12,152	257,983	214,214	12,238	226,452
16.4.2.2.Minority shares		-	-	-	-	-	-
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>5,171,987</b>	<b>8,265,527</b>	<b>13,437,514</b>	<b>4,860,266</b>	<b>7,115,284</b>	<b>11,975,550</b>

	Footnotes	CURRENT PERIOD			PRIOR PERIOD		
		( 30/09/2006 )			( 31/12/2005 )		
		YTL	FC	Total	YTL	FC	Total
<b>A. OFF BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I-II-III)</b>		<b>5,076,157</b>	<b>8,191,759</b>	<b>13,267,916</b>	<b>4,023,895</b>	<b>5,937,781</b>	<b>9,961,676</b>
<b>I. GUARANTEES</b>	(4.IV.5)	<b>1,197,883</b>	<b>3,006,234</b>	<b>4,204,117</b>	<b>1,009,502</b>	<b>2,201,508</b>	<b>3,211,010</b>
1.1.Letters of guarantee	(4.IV.3)	1,197,883	1,702,516	2,900,399	1,009,502	1,159,022	2,168,524
1.1.1.Guantees subject to State Tender Law		-	-	-	-	-	-
1.1.2.Guarantees given for foreign trade operations		-	-	-	476	22,234	22,710
1.1.3.Other letters of guarantee		1,197,883	1,702,516	2,900,399	1,009,026	1,136,788	2,145,814
1.2.Bank acceptances		-	225,159	225,159	-	197,318	197,318
1.2.1.Import letter of acceptance		-	225,159	225,159	-	197,318	197,318
1.2.2.Other bank acceptances		-	-	-	-	-	-
1.3.Letters of credit		-	988,852	988,852	-	758,533	758,533
1.3.1.Documentary letters of credit		-	730,871	730,871	-	667,999	667,999
1.3.2.Other letters of credit		-	257,981	257,981	-	90,534	90,534
1.4.Prefinancing given as guarantee		-	-	-	-	-	-
1.5.Endorsements		-	-	-	-	-	-
1.5.1.Endorsements to the Central Bank of Turkey		-	-	-	-	-	-
1.5.2.Other endorsements		-	-	-	-	-	-
1.6.Purchase guarantees for securities issued		-	-	-	-	-	-
1.7.Factoring related guarantees		-	-	-	-	-	-
1.8.Other collaterals		-	89,707	89,707	-	86,635	86,635
1.9.Other sureties		-	-	-	-	-	-
<b>II. COMMITMENTS</b>	(4.IV.5)	<b>2,622,442</b>	<b>29,942</b>	<b>2,652,384</b>	<b>2,061,290</b>	<b>7,122</b>	<b>2,068,412</b>
2.1.Irrevocable commitments	(4.IV.1)	2,621,761	29,942	2,651,703	2,060,609	-	2,060,609
2.1.1.Asset purchase commitments		-	-	-	-	-	-
2.1.2.Deposit purchase and sales commitments		-	-	-	-	-	-
2.1.3.Share capital commitment to associates and subsidiaries		-	-	-	-	-	-
2.1.4.Loan granting commitments		37,909	-	37,909	-	-	-
2.1.5.Securities issue brokerage commitments		-	-	-	-	-	-
2.1.6.Commitments for reserve deposit requirements		-	-	-	-	-	-
2.1.7.Commitments for cheque payments		426,371	-	426,371	360,270	-	360,270
2.1.8.Tax and fund obligations from export commitments		-	-	-	-	-	-
2.1.9.Commitments for credit card limits		2,066,536	-	2,066,536	1,649,932	-	1,649,932
2.1.10.Receivables from "short" sale commitments on securities		-	-	-	-	-	-
2.1.11.Payables for "short" sale commitments on securities		-	-	-	-	-	-
2.1.12.Other irrevocable commitments		90,945	29,942	120,887	50,407	-	50,407
2.2.Revocable commitments		681	-	681	681	7,122	7,803
2.2.1.Revocable loan granting commitments		-	-	-	-	-	-
2.2.2.Other revocable commitments		681	-	681	681	7,122	7,803
<b>III. DERIVATIVE FINANCIAL INSTRUMENTS</b>	(4.IV.2)	<b>1,255,832</b>	<b>5,155,583</b>	<b>6,411,415</b>	<b>953,103</b>	<b>3,729,151</b>	<b>4,682,254</b>
3.1.Forward foreign currency purchases/sales		203,171	3,837,046	4,040,217	120,398	2,136,524	2,256,922
3.1.1.Forward foreign currency purchases		72,409	1,949,195	2,021,604	92,801	1,035,966	1,128,767
3.1.2.Forward foreign currency sales		130,762	1,887,851	2,018,613	27,597	1,100,558	1,128,155
3.2.Currency and interest rate swaps		500,554	729,628	1,230,182	41,060	307,614	348,674
3.2.1.Currency swaps-purchases		478	439,595	440,073	-	161,340	161,340
3.2.2.Currency swaps-sales		271,142	155,819	426,961	41,060	127,112	168,172
3.2.3.Interest rate swaps-purchases		114,467	67,107	181,574	-	9,581	9,581
3.2.4.Interest rate swaps-sales		114,467	67,107	181,574	-	9,581	9,581
3.3.Currency, interest rate and security options		374,952	475,991	850,943	791,645	1,127,339	1,918,984
3.3.1.Currency options-purchases		167,995	256,709	424,704	402,573	556,991	959,564
3.3.2.Currency options-sales		206,957	219,282	426,239	389,072	570,348	959,420
3.3.3.Interest rate options-purchases		-	-	-	-	-	-
3.3.4.Interest rate options-sales		-	-	-	-	-	-
3.3.5.Securities options-purchases		-	-	-	-	-	-
3.3.6.Securities options-sales		-	-	-	-	-	-
3.4.Currency futures		-	106,364	106,364	-	75,482	75,482
3.4.1.Currency futures-purchases		-	56,883	56,883	-	52,801	52,801
3.4.2.Currency futures-sales		-	49,481	49,481	-	22,681	22,681
3.5.Interest rate futures		-	-	-	-	-	-
3.5.1.Interest rate futures-purchases		-	-	-	-	-	-
3.5.2.Interest rate futures-sales		-	-	-	-	-	-
3.6.Others		177,155	6,554	183,709	-	82,192	82,192
<b>B. CUSTODY AND PLEDGED SECURITIES (IV+V+VI)</b>		<b>8,560,622</b>	<b>4,333,111</b>	<b>12,893,733</b>	<b>3,746,457</b>	<b>1,010,071</b>	<b>4,756,528</b>
<b>IV. ITEMS HELD IN CUSTODY</b>	(4.IV.6)	<b>3,469,963</b>	<b>866,855</b>	<b>4,336,818</b>	<b>3,464,523</b>	<b>741,166</b>	<b>4,205,689</b>
4.1.Customers' securities held		-	-	-	-	-	-
4.2.Investment securities held in custody		2,821,355	172,222	2,993,577	2,858,753	180,522	3,039,275
4.3.Checks received for collection		219,661	217,854	437,515	149,780	132,959	282,739
4.4.Commercial notes received for collection		223,478	397,834	621,312	98,479	298,016	396,495
4.5.Other assets received for collection		-	-	-	-	-	-
4.6.Assets received for public offering		155,195	-	155,195	119,021	-	119,021
4.7.Other items under custody		383	78,945	79,328	201	129,669	129,870
4.8.Custodians		49,891	-	49,891	238,289	-	238,289
<b>V. PLEDGED ITEMS</b>		<b>5,090,482</b>	<b>3,392,575</b>	<b>8,483,057</b>	<b>281,934</b>	<b>268,905</b>	<b>550,839</b>
5.1.Securities		398,010	20,472	418,482	1	-	1
5.2.Guarantee notes		983,075	532,610	1,515,685	281,933	242,632	524,565
5.3.Commodities		1,007,466	799,621	1,807,087	-	23,818	23,818
5.4.Warranties		-	-	-	-	-	-
5.5.Immovables		2,490,215	1,747,769	4,237,984	-	-	-
5.6.Other pledged items		211,716	292,103	503,819	-	2,455	2,455
5.7.Pledged items-depository		-	-	-	-	-	-
<b>VI. CONFIRMED BILLS OF EXCHANGE AND SURETIES</b>		<b>177</b>	<b>73,681</b>	<b>73,858</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL OFF BALANCE SHEET ITEMS (A+B)</b>		<b>13,636,779</b>	<b>12,524,870</b>	<b>26,161,649</b>	<b>7,770,352</b>	<b>6,947,852</b>	<b>14,718,204</b>

**Denizbank Anonim Şirketi and Its Subsidiaries**  
**Consolidated Income Statements**  
For the Nine Month Periods Ended 30 September 2006 and 2005  
(Currency: Thousands of YTL - New Turkish Lira)

**Convenience Translation of Consolidated Financial  
Statements Originally Issued in Turkish, See Note 5.II**

INCOME AND EXPENSE ITEMS	Footnotes	CURRENT PERIOD		PRIOR PERIOD	
		(01/01/2006 - 30/09/2006)	(01/01/2005 - 30/09/2005)	(01/07/2006 - 30/09/2006)	(01/07/2005 - 30/09/2005)
<b>I. INTEREST INCOME</b>	(4.III.1)	<b>1,046,880</b>	<b>749,590</b>	<b>396,191</b>	<b>282,286</b>
1.1. Interest on loans		747,164	450,306	290,832	162,235
1.1.1. Interest on TL loans		599,887	359,447	235,551	128,076
1.1.1.1. Short term loans		392,341	293,837	151,023	98,684
1.1.1.2. Medium and long term loans		207,546	65,610	84,528	29,392
1.1.2. Interest on foreign currency loans		141,332	85,711	52,618	32,185
1.1.2.1. Short term loans		56,358	40,331	19,784	14,633
1.1.2.2. Medium and long term loans		84,974	45,380	32,834	17,552
1.1.3. Interest on loans under follow-up		5,945	5,148	2,663	1,974
1.1.4. Premiums received from Resource Utilisation Support Fund		-	-	-	-
1.2. Interest received from reserve deposits		21,482	11,266	8,723	4,377
1.3. Interest received from banks		59,546	26,774	24,853	16,810
1.3.1. The Central Bank of Turkey		2,442	669	1,863	59
1.3.2. Domestic banks		12,396	9,557	3,420	6,364
1.3.3. Foreign banks		44,708	16,548	19,570	10,387
1.3.4. Interest received from foreign branches		-	-	-	-
1.4. Interest received from money market transactions		30,712	1,887	1,758	2,534
1.5. Interest received from marketable securities portfolio		142,904	218,911	51,274	85,849
1.5.1. Trading securities		18,693	45,287	9,349	23,732
1.5.2. Available-for-sale securities		110,928	167,271	39,321	59,974
1.5.3. Held to maturity securities		13,283	6,353	2,604	2,143
1.6. Other interest income		45,072	40,446	18,751	10,481
<b>II. INTEREST EXPENSE</b>	(4.III.2)	<b>562,810</b>	<b>356,793</b>	<b>211,794</b>	<b>142,312</b>
2.1. Interest on deposits		401,943	266,384	148,258	100,841
2.1.1. Bank deposits		23,961	14,655	11,261	8,697
2.1.2. Saving deposits		205,179	126,682	79,114	45,724
2.1.3. Public sector deposits		2,651	787	514	715
2.1.4. Commercial deposits		62,810	67,805	4,841	24,576
2.1.5. Other institutions deposits		1,163	1,236	484	592
2.1.6. Foreign currency deposits		106,177	55,219	52,042	20,537
2.1.7. Precious metals deposits		2	-	2	-
2.2. Interest on money market transactions		1,413	6,730	513	428
2.3. Interest on funds borrowed		144,662	65,436	52,612	31,931
2.3.1. The Central Bank of Turkey		-	-	-	-
2.3.2. Domestic banks		18,621	13,595	9,457	3,925
2.3.3. Foreign banks		126,041	51,841	43,155	28,006
2.3.4. Foreign branches		-	-	-	-
2.3.4. Other financial institutions		-	-	-	-
2.4. Interest on securities issued		-	-	-	-
2.5. Other interest expense		14,792	18,243	10,411	9,112
<b>III. NET INTEREST INCOME (I - II)</b>		<b>484,070</b>	<b>392,797</b>	<b>184,397</b>	<b>139,974</b>
<b>IV. NET FEES AND COMMISSIONS INCOME</b>		<b>146,518</b>	<b>101,964</b>	<b>46,684</b>	<b>33,714</b>
4.1. Fees and commissions received	(4.III)	199,529	134,171	67,779	47,474
4.1.1. Cash loans		12,222	9,153	4,295	3,985
4.1.2. Non-cash loans		31,311	24,875	11,490	8,718
4.1.3. Other		155,996	100,143	51,994	34,771
4.2. Fees and commissions paid	(4.III)	53,011	32,207	21,095	13,760
4.2.1. Cash loans		1,251	4,020	688	1,483
4.2.2. Non-cash loans		424	195	281	122
4.2.3. Other		51,336	27,992	20,126	12,155
<b>V. DIVIDEND INCOME</b>		-	-	-	-
5.1. Trading securities		-	-	-	-
5.2. Available-for-sale securities		-	-	-	-
<b>VI. NET TRADING INCOME/LOSS</b>		<b>(93,044)</b>	<b>(2,419)</b>	<b>31,885</b>	<b>(7,796)</b>
6.1. Profit/losses on trading account securities (Net)		36,073	(13,802)	(37,665)	(4,501)
6.1.1. Profit on trading account securities		121,453	51,046	(27,933)	8,531
6.1.1.1. Profit on derivatives		101,550	23,529	(29,802)	-
6.1.1.2. Other		19,903	27,517	1,869	8,531
6.1.2. Losses on trading account securities (-)		85,380	64,848	9,732	13,032
6.1.2.1. Losses on derivatives		55,519	49,888	(10,610)	13,032
6.1.2.2. Other		29,861	14,960	20,342	-
6.2. Foreign exchange gains/losses (Net)		(129,117)	11,383	69,550	(3,295)
6.2.1. Foreign exchange gains		4,716,045	2,312,396	1,442,599	426,257
6.2.2. Foreign exchange losses (-)		4,845,162	2,301,013	1,373,049	429,552
<b>VII. OTHER OPERATING INCOME</b>	(4.III.3)	<b>212,682</b>	<b>94,672</b>	<b>36,364</b>	<b>13,593</b>
<b>VIII. TOTAL OPERATING INCOME (III+IV+V+VI+VII)</b>		<b>750,226</b>	<b>587,014</b>	<b>299,330</b>	<b>179,485</b>
<b>IX. PROVISION FOR LOAN LOSSES OR OTHER RECEIVABLES (-)</b>	(4.III.4)	<b>78,568</b>	<b>62,198</b>	<b>(8,672)</b>	<b>8,506</b>
<b>X. OTHER OPERATING EXPENSES (-)</b>	(4.III.5)	<b>378,401</b>	<b>296,354</b>	<b>143,844</b>	<b>103,835</b>
<b>XI. NET OPERATING PROFIT/LOSS (VIII-IX-X)</b>		<b>293,257</b>	<b>228,462</b>	<b>164,158</b>	<b>67,144</b>
<b>XII. INCOME/LOSSES FROM ASSOCIATES AND SUBSIDIARIES</b>	(4.III.6)	<b>958</b>	<b>1,790</b>	<b>6</b>	<b>1,776</b>
<b>XIII. GAIN/LOSS ON NET MONETARY POSITION</b>		-	-	-	-
<b>XIV. PROFIT/LOSS BEFORE TAXES (XI+XII+XIII)</b>		<b>294,215</b>	<b>230,252</b>	<b>164,164</b>	<b>68,920</b>
<b>XV. PROVISION FOR TAXES ON INCOME (-)</b>	(4.III.7)	<b>(36,232)</b>	<b>(49,370)</b>	<b>(15,876)</b>	<b>(16,140)</b>
15.1. Current Tax Provision		(61,000)	(33,377)	(19,904)	(17,090)
15.2. Deferred Tax Provision		(2,855)	11,630	4,028	950
<b>XVI. NET OPERATING PROFIT/LOSS AFTER TAXES (XIV-XV)</b>		<b>257,983</b>	<b>180,882</b>	<b>148,288</b>	<b>52,780</b>
<b>XVII. EXTRAORDINARY INCOME/EXPENSE AFTER TAXES</b>		-	<b>(81)</b>	-	<b>(764)</b>
17.1. Extraordinary net income/expense before taxes		-	(81)	-	(764)
17.1.1. Extraordinary income		-	18	-	(755)
17.1.2. Extraordinary expense (-)		-	99	-	9
17.2. Provision for taxes on extraordinary income		-	-	-	-
<b>XVIII. PROFIT/LOSSES ON UNCONSOLIDATED INVESTMENTS (-)</b>	(4.III.8)	-	-	-	-
<b>XIX. NET PROFIT/LOSSES (XVI+XVII+XVIII)</b>	(4.III.9)	<b>257,983</b>	<b>180,801</b>	<b>148,288</b>	<b>52,016</b>
19.1. Group's profit/loss		257,983	180,801	148,288	52,016
19.2. Minority shares		-	-	-	-
Earnings/Losses per share (Full YTL)		0.82	0.57	0.47	0.16

**Denizbank Anonim Şirketi and Its Subsidiaries**

Consolidated Statements of Changes in Shareholders' Equity  
For the Nine Month Periods Ended 30 September 2006 and 2005  
(Currency: Thousands of YTL - New Turkish Lira)

*Convenience Translation of Consolidated Financial  
Statements Originally Issued in Turkish, See Note 5.II*

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	Footnotes														
		Paid-in Capital	Capital Reserve from Inflation Adjustments to Paid-in Capital	Share Premium	Share Cancellation Profits	Legal Reserves	Status Reserves	Extraordinary Reserves	Other Reserves	Current Period Net Profit/(Loss)	Prior Period Net Profit/(Loss)	Revaluation Fund	Revaluation Surplus	Securities Value Increase Fund	Total
<b>PRIOR PERIOD ( 30/09/2005 )</b>															
<b>I. Balances at the beginning of period</b>		316,100	189,164	98,351	-	-	-	-	(6,071)	136,707	9,782	-	13,859	115,078	872,970
II. Effect of changes in accounting policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>III. Adjusted beginning balance ( I + II )</b>		316,100	189,164	98,351	-	-	-	-	(6,071)	136,707	9,782	-	13,859	115,078	872,970
<b>IV. Current period net profit</b>		-	-	-	-	-	-	-	-	180,801	-	-	-	-	180,801
<b>V. Profit distribution</b>		-	-	-	-	5,631	-	106,983	6,071	(136,707)	18,022	-	(2,369)	(11,469)	(13,838)
5.1. Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-
5.2. Transferred to legal reserves		-	-	-	-	5,631	-	106,983	-	(112,614)	-	-	-	-	-
5.3. Others		-	-	-	-	-	-	-	6,071	(24,093)	18,022	-	(2,369)	(11,469)	(13,838)
<b>VI. Capital increase</b>		-	-	-	-	-	-	-	(91)	-	91	-	-	-	-
6.1. Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.2. Revaluation fund		-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.3. Revaluation surplus		-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.4. Securities value increase fund		-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.5. Capital reserves from inflation adjustments to paid-in capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.6. Issuance of share certificates		-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.7. Foreign exchange differences		-	-	-	-	-	-	-	(91)	-	91	-	-	-	-
6.8. Others	(4.V.6)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VII. Bonds transferred to share certificates</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balances at the end of period (I+II+IV+V+VI+VII)</b>		316,100	189,164	98,351	-	5,631	-	106,983	(91)	180,801	27,895	-	11,490	103,609	1,039,933
<b>CURRENT PERIOD ( 30/09/2006 )</b>															
<b>I. Balances at the beginning of period</b>		316,100	189,164	98,351	-	5,631	-	106,983	702	226,452	27,805	-	11,490	108,792	1,091,470
Increases during the period:	(4.V.1)	-	-	-	-	-	-	-	-	-	-	-	-	(44,813)	(44,813)
<b>II. "Available-for-sale" securities</b>		-	-	-	-	-	-	-	-	-	-	-	-	(44,813)	(44,813)
2.1. Net fair value gains/losses		-	-	-	-	-	-	-	-	-	-	-	-	(44,813)	(44,813)
<b>III. Cash flow hedges</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.1. Net fair value gains/losses		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers:	(4.V.2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>IV. "Available-for-sales" securities</b>		-	-	-	-	-	-	-	-	-	-	-	(11,478)	(62,925)	(74,403)
4.1. Transferred to net profit		-	-	-	-	-	-	-	-	-	-	-	(11,478)	(62,925)	(74,403)
<b>V. Cash flow hedges</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-
5.1. Transferred to net profit		-	-	-	-	-	-	-	-	-	-	-	-	-	-
5.2. Transferred to net assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VI. Current period net profit</b>		-	-	-	-	-	-	-	-	257,983	-	-	-	-	257,983
<b>VII. Profit distribution</b>		-	-	-	-	16,497	-	221,679	-	(226,452)	(9,125)	-	-	-	2,599
7.1. Dividends	(4.V.3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7.2. Transferred to legal reserves	(4.V.4)	-	-	-	-	16,497	-	221,679	-	-	(235,577)	-	-	-	2,599
7.3. Others		-	-	-	-	-	-	-	-	(226,452)	226,452	-	-	-	-
<b>VIII. Capital increase</b>		-	-	-	-	-	-	-	12,739	-	-	-	-	-	13,441
8.1. Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-
8.2. Revaluation fund		-	-	-	-	-	-	-	-	-	-	-	-	-	-
8.3. Revaluation surplus		-	-	-	-	-	-	-	-	-	-	-	-	-	-
8.4. Securities value increase fund		-	-	-	-	-	-	-	-	-	-	-	-	-	-
8.5. Capital reserves from inflation adjustments to paid-in capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-
8.6. Issuance of share certificates		-	-	-	-	-	-	-	-	-	-	-	-	-	-
8.7. Foreign exchange differences		-	-	-	-	-	-	-	13,441	-	-	-	-	-	13,441
8.8. Others	(4.V.6)	-	-	-	-	-	-	-	(702)	-	702	-	-	-	-
<b>IX. Bonds transferred to share certificates</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balances at the end of period (I-II+III+IV+V+VI+VII+VIII+IX)</b>		316,100	189,164	98,351	-	22,128	-	328,662	13,441	257,983	19,382	-	12	1,054	1,246,277

	Footnotes	CURRENT PERIOD ( 30/09/2006 )	PRIOR PERIOD ( 30/09/2005 )
<b>A. CASH FLOWS FROM BANKING OPERATIONS</b>			
<b>1.1. Operating profit before changes in operating assets and liabilities(+)</b>		<b>338,175</b>	<b>250,568</b>
1.1.1. Interest received(+)		929,668	725,758
1.1.2. Interest paid(-)		522,386	300,954
1.1.3. Dividend received(+)		958	1,790
1.1.4. Fees and commissions received(+)		199,529	134,171
1.1.5. Other income(+)		190,328	119,108
1.1.6. Collections from previously written off loans and other receivables(+)		43,825	21,595
1.1.7. Payments to personnel and service suppliers(-)		175,186	131,821
1.1.8. Taxes paid(-)		18,543	13,262
1.1.9. Extraordinary items(+/-)		-	(81)
1.1.10. Other(+/-)	(4. VI.1)	(310,018)	(305,736)
<b>1.2. Changes in operating assets and liabilities</b>		<b>(1,171,539)</b>	<b>182,211</b>
1.2.1. Net (increase) decrease in trading securities(+/-)		(205,324)	(5,442)
1.2.2. Net (increase) decrease in due from banks and other financial institutions(+/-)		(288,793)	28,826
1.2.3. Net (increase) decrease in loans(+/-)		(1,932,161)	(2,477,063)
1.2.4. Net (increase) decrease in other assets(+/-)		(39,799)	(7,767)
1.2.5. Net increase (decrease) in bank deposits(+/-)		45,666	162,842
1.2.6. Net increase (decrease) in other deposits(+/-)		481,445	1,224,236
1.2.7. Net increase (decrease) in funds borrowed(+/-)		877,094	992,358
1.2.8. Net increase (decrease) in matured payables(+/-)		-	-
1.2.9. Net increase (decrease) in other liabilities(+/-)	(4. VI.1)	(109,667)	264,221
<b>I. Net cash (used in)/provided by banking operations(+/-)</b>		<b>(833,364)</b>	<b>432,779</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>II. Net cash provided by/(used in) investing activities(+/-)</b>		<b>272,338</b>	<b>(431,564)</b>
2.1. Cash paid for purchase of investments, associates and subsidiaries(-)	(4. VI.2)	672	101
2.2. Cash obtained from sale of investments, associates and subsidiaries(+)	(4. VI.3)	76,444	3,362
2.3. Fixed assets purchases(-)		22,664	28,618
2.4. Fixed assets sales(+)		1,753	2,889
2.5. Cash paid for purchase of investments available for sale(-)		554,828	382,101
2.6. Cash obtained from sale of investments available for sale(+)		693,894	-
2.7. Cash paid for purchase of investment securities(-)		12,725	38,546
2.8. Cash obtained from sale of investment securities(+)		91,136	11,551
2.9. Extraordinary items(+/-)		-	-
2.10. Other (+/-)		-	-
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>III. Net cash used in financing activities(+/-)</b>		<b>-</b>	<b>(18,300)</b>
3.1. Cash obtained from funds borrowed and securities issued(+)		-	-
3.2. Cash used for repayment of funds borrowed and securities issued(-)		-	-
3.3. Capital increase(+)		-	-
3.4. Dividends paid(-)		-	-
3.5. Payments for finance leases(-)		-	18,300
3.6. Extraordinary items(+/-)		-	-
3.7. Other(+/-)	(4. VI.1)	-	-
IV. Effect of change in foreign exchange rate on cash and cash equivalents(+/-)	(4. VI.1)	(168,387)	27,776
<b>V. Net increase (decrease) in cash and cash equivalents(I+II+III+IV)</b>		<b>(729,413)</b>	<b>10,691</b>
VI. Cash and cash equivalents at the beginning of period(+)	(4. VI.4)	3,414,136	2,282,258
<b>VII. Cash and cash equivalents at the end of period(V+VI)</b>	(4. VI.5)	<b>2,684,723</b>	<b>2,292,949</b>

## SECTION THREE

### Consolidated Financial Position

#### I. Strategy for the use of financial instruments and the foreign currency operations:

Denizbank Financial Services Group (“DFS Group”)’s external sources of funds are comprised of deposits with various maturity periods, and short-term borrowings. These funds are fixed rate in general and are utilized in high yield financial assets. The bulk of the funds are allocated to high yield, floating rate instruments, such as Turkish Lira and foreign currency government securities and Eurobonds, and to loans provided to customers on a selective basis in order to increase revenue and support liquidity.

The liquidity structure, insures meeting all liabilities becoming due, is formed by keeping sufficient levels of cash and cash equivalents by diversifying the sources of funds. The Bank assesses the maturity structure of the sources, and the maturity structure and yield of placements at market conditions and adopts a high yield policy in long-term placements.

There is not any segment of the DFS Group generating more return than the calculated average return for the DFS Group.

The DFS Group assumes risks within the pre-determined risk limits short-term currency, interest and price movements in money and capital markets and market conditions.

These positions are closely monitored by the Risk Management System of the Bank and the necessary precautions are taken if the limits are exceeded or should there be a change in the market environment.

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

The asset-liability balance is monitored on a daily basis in accordance with their maturity structure and foreign currency type. The risks associated with short-term positions are hedged through derivatives such as forwards, swaps and options.

No risks are taken on foreign currencies other than USD and Euro. If the position taken because of customer based activities exceeds 0.01% of the balance sheet size, derivative products are used to cover the position.

Net foreign currency position of the DFS Group in foreign enterprises is considered along with the position of the DFS Group and the specific position is evaluated within the risk limits.

#### II. Consolidated capital adequacy ratio

The Bank’s consolidated capital adequacy ratio is 12.84% as of 30 September 2006 (31 December 2005: 14.69%). Minimum requirement for this ratio is stipulated as 8% in related legislation.

##### 1. Risk measurement methods in the calculation of consolidated capital adequacy ratio:

Consolidated capital adequacy ratio is calculated in accordance with the “Regulation on Measurement and Assessment of Capital Adequacy Ratio of Banks” published in the Official Gazette No.24657 dated 31 January 2002. For the calculation of the consolidated capital adequacy ratio, the accounting records prepared in compliance with the current legislation are used. Moreover, market risk value is calculated in accordance with the “Regulation on Banks’ Internal Control and Risk Management Systems” and factored into capital adequacy ratio.

The items deducted from the capital base are not included in the calculation of risk weighted assets, non-cash loans and liabilities. For the calculation of risk weighted assets, impairments, depreciation and amortization, and provisions are considered as deduction items.



For the calculation of their risk-based values, non-cash loans are weighted after netting with specific provisions that are classified under liabilities and calculated based on 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”. The net amounts are then multiplied by the rates stated in the Article 21, paragraph (1) of “Regulation on the Establishment and Operations of Banks”.

For the calculation of their risk based values, derivative financial instruments are re-weighted and classified according to the related risk groups after being multiplied by the rates stated in the Article 21, paragraph (2) of “Regulation on the Establishment and Operations of Banks”.

## 2. Consolidated and unconsolidated capital adequacy ratios:

	Risk Weights							
	Bank				Consolidated			
	0%	20%	50%	100%	0%	20%	50%	100%
<b>Risk Weighted Assets, Liabilities, Off-Balance Sheet Items</b>								
<b>Balance Sheet Items (Net)</b>	<b>1,309,332</b>	<b>832,868</b>	<b>1,060,090</b>	<b>4,990,019</b>	<b>1,760,303</b>	<b>1,297,792</b>	<b>1,523,767</b>	<b>6,422,347</b>
Cash in vault	185,406	448	--	--	192,284	448	--	--
Banks	322,530	781,255	--	4,293	322,531	1,239,774	--	126,888
Interbank Money Market	25,000	--	--	--	26,500	--	--	--
Receivables from Reverse Repos	--	--	--	--	238,830	30,812	--	--
Reserve Deposits	409,545	--	--	--	412,748	--	--	--
Special Purpose Financial Inst.	--	2,269	--	--	--	2,269	--	--
Loans	351,142	2,810	1,029,011	4,772,344	543,911	9,608	1,029,011	5,793,829
Loans under follow-up (Net)	--	--	--	8,018	--	--	--	8,384
Investment in Associates and	--	--	--	12,205	--	--	--	12,631
Miscellaneous Receivables	--	--	--	82,860	--	--	--	339,280
Investment Securities Held to Mat. (Net)	--	44,304	--	--	--	12,725	--	--
Advances for Assets Acquired under								
Financial Leases	--	--	--	--	--	--	--	--
Financial Lease Receivables	--	--	--	--	--	--	462,290	--
Leased Assets (Net)	--	--	31,079	--	--	--	32,466	--
Tangible Assets (Net)	--	--	--	63,947	--	--	--	81,579
Other Assets	15,709	1,782	--	46,352	23,499	2,156	--	59,757
<b>Off-Balance Sheet Items</b>	<b>197,845</b>	<b>1,499,483</b>	<b>2,206,773</b>	<b>338,158</b>	<b>198,007</b>	<b>1,499,860</b>	<b>2,269,611</b>	<b>362,313</b>
Guarantees	178,663	1,418,098	311,665	185,998	178,663	1,418,098	367,527	185,997
Commitments	681	--	1,866,478	--	681	--	1,866,478	--
Other Off-Balance Sheet-Items	--	--	--	--	--	--	--	--
Derivative Financial Instruments	--	80,403	--	18,604	--	75,656	--	19,696
Accrued Interest and Income	18,501	982	28,630	133,556	18,663	6,106	35,606	156,620
<b>Items Not Risk Weighted</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total Assets Exposed to Risk</b>	<b>1,507,177</b>	<b>2,332,351</b>	<b>3,266,863</b>	<b>5,328,177</b>	<b>1,958,310</b>	<b>2,797,652</b>	<b>3,793,378</b>	<b>6,784,660</b>
<b>Total Risk Weighted Assets</b>	<b>--</b>	<b>466,470</b>	<b>1,633,432</b>	<b>5,328,177</b>	<b>--</b>	<b>559,530</b>	<b>1,896,689</b>	<b>6,784,660</b>

**3. Summary information related to consolidated and unconsolidated capital adequacy ratio:**

	<b>Bank</b>		<b>Consolidated</b>	
	<b>Current Period</b>	<b>Prior Period</b>	<b>Current Period</b>	<b>Prior Period</b>
Total Risk Weighted Assets	7,428,079	5,928,377	9,240,879	6,920,441
Value at Risk	272,700	463,525	369,938	420,288
Shareholders' Equity	952,811	902,563	1,234,261	1,078,608
Shareholders' Equity/ (RWA+VaR)*100	12.37%	14.12%	12.84%	14.69%

RWA: Total Risk Weighted Assets

VaR: Value at Risk

**4. Components of shareholders' equity:**

	<b>Current Period</b>	<b>Prior Period</b>
<b>CORE CAPITAL</b>		
Paid-in Capital	316,100	316,100
Nominal Capital	316,100	316,100
Capital Commitments (-)	--	--
Capital Reserves Arising From Inflation Adjustments to Paid-in Capital	189,164	189,164
Share Premium and Cancellation Profit	98,351	98,351
Legal Reserves	22,128	5,631
I. Legal Reserve (Turkish Commercial Code 466/1)	22,128	5,631
II. Legal Reserve (Turkish Commercial Code 466/2)	--	--
Other Legal Reserve per Special Legislation	--	--
Status Reserves	--	--
Extraordinary Reserves	328,662	106,983
Reserve Allocated at the General Assembly	328,662	106,983
Retained Earnings	--	--
Accumulated Losses	--	--
Foreign currency exchange differences	--	--
Profit	277,365	254,257
Current Period Profit	257,983	226,452
Prior Years Profit	19,382	27,805
Loss (-)	--	--
Current Period Loss	--	--
Prior Years Loss	--	--
<b>Total Core Capital</b>	<b>1,231,770</b>	<b>970,486</b>
<b>SUPPLEMENTARY CAPITAL</b>		
Revaluation Fund	--	--
Movables	--	--
Immovables	--	--
Income on Sale of Equity Shares and Real Estates	--	--
Revaluation Fund on Leasehold Improvements	--	--
Revaluation Surplus	12	11,490
Foreign Exchange Differences	13,441	702
General Provisions	40,575	34,786
Provision for Possible Losses	1,505	800
Subordinated Loans	--	--
Securities Value Increase Fund (Unrealized gain on investments)	1,054	108,792
Associates and Subsidiaries	3	100,748
Investments Available for Sale	1,051	8,044
Securities Held for Structural Position	--	--
<b>Total Supplementary Capital</b>	<b>56,587</b>	<b>156,570</b>
<b>TIER III CAPITAL</b>	<b>--</b>	<b>--</b>
<b>CAPITAL</b>	<b>1,288,357</b>	<b>1,127,056</b>
<b>DEDUCTIONS FROM CAPITAL</b>	<b>54,096</b>	<b>48,448</b>
Investments in Entities Operating in Financial Sectors such as Money Markets, Capital Markets, Insurance under the Related Special Laws	--	--
Leasehold improvements	30,591	30,381
Start-up Costs	327	776
Prepaid Expenses	23,178	17,291
Negative Difference between the Fair Values and the Carrying Values of Investments, Associates, Subsidiaries, Other Investments, Property and Equipment	--	--
Subordinated Loans Granted to Banks Operating in Turkey	--	--
Goodwill (Net)	--	--
Capitalized Expenses	--	--
<b>Total Shareholders' Equity</b>	<b>1,234,261</b>	<b>1,078,608</b>

### III. Consolidated credit risk

Credit risk is not required to be disclosed in interim financial statements.

### IV. Consolidated market risk

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

The Bank has defined its risk management procedures and has taken necessary precautions in order to avoid market risks, in compliance with “Regulation on Bank’s Internal Control and Risk Management Systems” and “Regulation on Measurement and Assessment of Capital Adequacy Ratio of Banks”.

As the main precaution against being exposed to market risk, the Bank’s Board of Directors identifies risk limits determined in the context of economic capital.

Standard method and the internal risk measurement model are 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. Internal risk measurement model is applied on a daily basis.

	<b>Amount</b>
<b>Capital Obligation against Interest Rate Risk - Standard Method</b>	<b>16,111</b>
General Market Risk	13,806
Specific Risk	2,305
Options Subject to Interest Rate Risk	--
<b>Capital Obligation against Common Stock Position Risk – Standard Method</b>	<b>1,709</b>
General Market Risk	1,139
Specific Risk	570
Options Subject to Common Stock Position Risk	--
<b>Capital Obligation against Currency Risk – Standard Method</b>	<b>11,775</b>
Capital Obligation	11,773
Capital Obligation against Options Subject to Currency Risk	2
Total Value-At-Risk – Home Model	--
<b>Total Capital Obligations against Market Risk</b>	<b>29,595</b>
<b>Value-At-Risk Amount</b>	<b>369,938</b>

### V. Consolidated foreign currency exchange rate risk

#### 1. Whether the group is exposed to foreign exchange risk, whether the effects of this situation are estimated, and whether the board of directors of the bank sets limits for positions that are monitored daily:

Foreign currency exchange and parity risks are not taken by the DFS Group and transactions are simultaneously hedged in conformity with foreign currency basket of the Central Bank of Turkey. Measurable and manageable risks are taken within legal limits.

Foreign currency exchange rate risk is monitored along with potential evaluation differences in foreign currency transactions in accordance with “Regulation on Bank’s Internal Control and Risk Management Systems”. Standard method is used in measuring currency exchange rate risk on a weekly basis.

The Bank’s Board of Directors reviews the risk limits and makes the necessary changes, daily, based on general economic environment and market conditions.

**2. The magnitude of hedging foreign currency debt instruments and net foreign currency investments by using derivatives:**

The DFS Group does not hedge foreign currency borrowings and net foreign currency investments by way of derivative instruments.

**3. Foreign exchange risk management strategy:**

Foreign currency exchange and parity risks are not taken by the Bank and transactions are simultaneously hedged in conformity with foreign currency basket of the Central Bank of Turkey. Measurable and manageable risks are taken within legal limits.

**4. Bank's spot foreign exchange bid rates as of the balance sheet date and for each of the five days prior to that date:**

US Dollar purchase rate at the date of the balance sheet	YTL 1.4971
Euro purchase rate at the date of the balance sheet	YTL 1.8964

Date	US Dollar	Euro
25 September 2006	1.5020	1.9193
26 September 2006	1.5168	1.9284
27 September 2006	1.4872	1.8876
28 September 2006	1.4919	1.8971
29 September 2006	1.4971	1.8964

**5. The basic arithmetical average of the bank's foreign exchange bid rate for the last thirty days:**

The arithmetical average of the Bank's US Dollar and Euro purchase rates for September 2006 are YTL 1.4745 and YTL 1.8778, respectively.

**Information on currency risk: (Thousands of YTL)**

<b>Current Period</b>	<b>Euro</b>	<b>USD</b>	<b>Yen</b>	<b>Others</b>	<b>Total</b>
<b>Assets</b>					
Cash (Cash in Vault, Foreign currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	61,009	227,743	35	13,270	302,057
Due from Banks and Other Financial Institutions	479,328	785,555	526	88,998	1,354,407
Trading Securities	6,904	29,936	--	109,416	146,256
Interbank Money Market Placements	--	--	--	30,812	30,812
Investment Securities Available-for-Sale	148,625	875,880	--	--	1,024,505
Loans (*)	1,299,099	2,461,895	--	19,699	3,780,693
Investments in Subsidiaries and Associates	--	--	--	--	--
Investment Securities Held-to-Maturity	174,066	12,725	--	--	186,791
Property and Equipment	3,463	19	--	412	3,894
Goodwill	--	--	--	--	--
Other Assets (*) (***)	352,388	623,846	7	11,950	988,191
<b>Total Assets</b>	<b>2,524,882</b>	<b>5,017,599</b>	<b>568</b>	<b>274,557</b>	<b>7,817,606</b>
<b>Liabilities</b>					
Bank Deposits	10,789	156,188	--	3,518	170,495
Foreign Currency Deposits	2,210,540	2,246,521	1,782	115,438	4,574,281
Interbank Money Markets	--	--	--	--	--
Funds Borrowed from Other Financial Institutions	166,730	3,086,939	--	1,315	3,254,984
Marketable Securities Issued	--	--	--	--	--
Miscellaneous Payables	27,817	52,951	--	108	80,876
Other Liabilities (**)(***)	51,755	61,436	11	1,013	114,215
<b>Total Liabilities</b>	<b>2,467,631</b>	<b>5,604,035</b>	<b>1,793</b>	<b>121,392</b>	<b>8,194,851</b>
Net On Balance Sheet Position	57,251	(586,436)	(1,225)	153,165	(377,245)
Net Off Balance Sheet Position	(101,355)	506,912	1,258	(23,419)	383,396
Financial Derivatives (Assets)	553,688	1,648,009	102,080	465,714	2,769,491
Financial Derivatives (Liabilities)	655,043	1,141,097	100,822	489,133	2,386,095
Non-Cash Loans	778,014	2,154,306	3,386	70,528	3,006,234
<b>Prior Period</b>					
Total Assets	1,929,551	5,042,282	528	140,213	7,112,574
Total Liabilities	2,120,496	4,893,366	3,640	58,595	7,076,097
Net On Balance Sheet Position	(190,945)	148,916	(3,112)	81,618	36,477
Net Off Balance Sheet Position	154,002	(168,053)	14,659	(34,345)	(33,737)
Non-Cash Loans	509,698	1,625,326	16,737	49,747	2,201,508

(\*) : Assets indexed to foreign currency are included.

(\*\*) : FC equity items are excluded.

(\*\*\*): Accrued interest income/expense on derivative transactions are excluded.

## VI. Consolidated interest rate risk

### 1. Interest rate sensitivity of the assets, liabilities and off-balance sheet:

Standard method is used in measuring the interest rate risk of assets, liabilities and off-balance sheet items.

### 2. The expected effects of the fluctuations of market interest rates on the group's financial position and cash flows, the expectations for interest income, and the limits the board of directors has established on daily interest rates:

The Bank relies on historical stress-testing in determining limits against negative market conditions and monitors the risk within this context.

Market interest rates are monitored daily and interest rates are revised when necessary.

### 3. The precautions taken for the interest rate risk the Group was exposed to during the current year and their expected effects on net income and shareholders' equity in the future periods:

The Bank uses value at risk, historical stress-testing, gapping and duration gap methods to analyze and take precautions against interest rate risk faced during current period. Interest rate risk is minimized, by way of historical stress-testing.

Information related to the interest rate mismatch of the group (Interest rate sensitivity of assets, liabilities and off-balance sheet items based on repricing dates):

Current Period	Up to 1 Month	1 – 3 Months	3 – 6 Months	6 – 12 Months	1 Year and Over	Non-Interest Bearing (*)	Total
<b>Assets</b>							
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	--	--	--	--	--	515,263	515,263
Due from Banks and Other Fin.Inst.	920,413	126,810	152,333	72,370	19,554	77,451	1,368,931
Trading securities	35,963	5,485	89,728	13,403	121,476	13,305	279,360
Interbank Money Market Placements	296,142	--	--	--	--	--	296,142
Investment Securities Av.-for-Sale	1,064,048	77,828	125,941	102,393	233,552	3,927	1,607,689
Loans	1,532,019	1,428,034	913,421	1,112,292	2,390,592	8,385	7,384,743
Investment Securities Held-to-Mat.	--	7,610	16,242	2,745	160,194	--	186,791
Other Assets (*)	164,167	579,243	131,231	120,908	416,766	386,280	1,798,595
<b>Total Assets</b>	<b>4,012,752</b>	<b>2,225,010</b>	<b>1,428,896</b>	<b>1,424,111</b>	<b>3,342,134</b>	<b>1,004,611</b>	<b>13,437,514</b>
<b>Liabilities</b>							
Bank Deposits	144,740	78,785	37,088	13,475	--	45,550	319,638
Other Deposits	3,828,936	710,532	490,134	321,724	380,931	1,729,318	7,461,575
Interbank Money Markets	275,897	--	--	--	--	--	275,897
Miscellaneous Payables	35,530	1,859	12,782	3,653	--	247,749	301,573
Marketable Securities Issued	--	--	--	--	--	--	--
Funds Borrowed from Other Fin.Inst.	927,388	1,416,290	452,334	432,293	239,663	--	3,467,968
Other Liabilities (**)	65,067	30,084	20,906	11,953	7,508	1,475,345	1,610,863
<b>Total Liabilities</b>	<b>5,277,558</b>	<b>2,237,550</b>	<b>1,013,244</b>	<b>783,098</b>	<b>628,102</b>	<b>3,497,962</b>	<b>13,437,514</b>
On Balance Sheet Interest Sensitivity Gap	(1,264,806)	(12,540)	415,652	641,013	2,714,032	(2,493,351)	--
Off Balance Sheet Interest Sensitivity Gap	--	--	--	--	--	--	--
<b>Total Interest Sensitivity Gap</b>	<b>(1,264,806)</b>	<b>(12,540)</b>	<b>415,652</b>	<b>641,013</b>	<b>2,714,032</b>	<b>(2,493,351)</b>	<b>--</b>

(\*) Tangible Assets, Intangible Assets, Investments in Associates and Investments in Subsidiaries and Deferred Tax Asset with balances of YTL 100,903, YTL 44,060, YTL 3,689, YTL 5,015, and YTL 2,156, respectively, are included.

(\*\*) Shareholders' equity amounting YTL 1,246,277 is included.

Prior Period	Up to 1 Month	1 – 3 Months	3 – 6 Months	6 – 12 Months	1 Year and Over	Non- Interest Bearing (*)	Total
<b>Assets</b>							
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	--	--	--	--	--	439,662	439,662
Due from Banks and Other Fin.Inst.	1,885,489	126,330	98,195	51,978	30,236	83,593	2,275,821
Trading securities	624	64,888	24,547	38,684	72,133	92,830	293,706
Interbank Money Market Placements	390,312	--	--	--	--	--	390,312
Investment Securities Av.-for-Sale	49,365	767,159	115,939	82,485	229,996	4,149	1,249,093
Loans	1,470,585	1,396,529	529,691	838,916	1,464,719	37,402	5,737,842
Investment Securities Held-to-Mat.	65,704	107,769	34,974	17,485	--	--	225,932
Other Assets (*)	85,808	477,731	100,628	80,477	137,071	481,467	1,363,182
<b>Total Assets</b>	<b>3,947,887</b>	<b>2,940,406</b>	<b>903,974</b>	<b>1,110,025</b>	<b>1,934,155</b>	<b>1,139,103</b>	<b>11,975,550</b>
<b>Liabilities</b>							
Bank Deposits	85,968	68,378	76,735	15,475	--	27,416	273,972
Other Deposits	3,310,789	1,084,128	357,495	355,955	313,350	1,558,413	6,980,130
Interbank Money Markets	516,016	--	--	--	--	--	516,016
Miscellaneous Payables	481	--	--	--	--	192,182	192,663
Marketable Securities Issued	--	--	--	--	--	--	--
Funds Borrowed from Other Fin.Inst.	349,780	1,158,459	354,713	476,385	251,537	--	2,590,874
Other Liabilities (**)	52,324	20,557	7,808	17,352	11,527	1,312,327	1,421,895
<b>Total Liabilities</b>	<b>4,315,358</b>	<b>2,331,522</b>	<b>796,751</b>	<b>865,167</b>	<b>576,414</b>	<b>3,090,338</b>	<b>11,975,550</b>
On Balance Sheet Interest Sensitivity Gap	(367,471)	608,884	107,223	244,858	1,357,741	(1,951,235)	--
Off Balance Sheet Interest Sensitivity Gap	--	--	--	--	--	--	--
<b>Total Interest Sensitivity Gap</b>	<b>(367,471)</b>	<b>608,884</b>	<b>107,223</b>	<b>244,858</b>	<b>1,357,741</b>	<b>(1,951,235)</b>	<b>--</b>

(\*) Tangible Assets, Intangible Assets, Investments in Associates, Investments in Subsidiaries and Deferred Tax Asset with balances of YTL 131,381, YTL 13,615, YTL 121,487, YTL 8,042 and YTL 5,092 respectively, are included.

(\*\*) Shareholders' Equity amounting YTL 1,091,470 is included.



Average interest rates applied to monetary financial instruments:

<b>Current Period</b>	<b>Euro</b>	<b>USD</b>	<b>Yen</b>	<b>YTL</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
<b>Assets</b>				
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	--	--	--	--
Due from Banks and Other Financial Institutions	3.07	5.39	--	19.57
Trading Securities	4.75	6.84	--	20.16
Interbank Money Market Placements	--	--	--	17.50
Investment Securities Available-for-Sale	4.76	6.29	--	21.89
Loans	5.65	7.00	--	20.75
Investment Securities Held-to-Maturity	4.88	8.3	--	--
<b>Liabilities</b>				
Bank Deposits	3.61	5.48	--	19.20
Other Deposits	3.48	5.17	--	17.86
Interbank Money Markets	--	--	--	--
Miscellaneous Payables	--	--	--	--
Marketable Securities Issued	--	--	--	--
Funds Borrowed from Other Financial Institutions	3.61	6.02	--	12.69
<b>Current Period</b>				
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
<b>Assets</b>				
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	--	--	--	--
Due from Banks and Other Financial Institutions	2.40	4.31	--	15.08
Trading Securities	4.36	5.63	--	14.34
Interbank Money Market Placements	--	--	--	13.50
Investment Securities Available-for-Sale	4.63	4.81	--	14.39
Loans	5.69	6.43	--	16.01
Investment Securities Held-to-Maturity	4.47	6.54	--	--
<b>Liabilities</b>				
Bank Deposits	3.37	5.01	--	14.55
Other Deposits	3.45	4.16	--	16.64
Interbank Money Markets	--	--	--	13.81
Miscellaneous Payables	--	--	--	--
Marketable Securities Issued	--	--	--	--
Funds Borrowed from Other Financial Institutions	3.27	5.57	--	--

## **VII. Consolidated liquidity risk**

### **1. The sources of the current liquidity risk of the DFS Group; whether the necessary precautions have been taken, whether the board of directors sets limits on the funds available to meet the urgent liquidity requirements and to be able pay borrowings when they become due:**

Liquidity risk arises from maturity mismatch between assets and liabilities. Maturity mismatch between assets and liabilities is kept under control based on certain criteria set by the DFS Group. The DFS Group maintains liquid assets to guarantee sufficient liquidity during market fluctuations. In order to meet any urgent liquidity needs, approximately 17% of the balance sheet is allocated to cash balances, 16% to investment securities which are cash equivalent, and the present borrowing limits (such as Central Bank of Turkey and ISE repurchase market) are not used. The DFS Group's short-term liquidity needs are mainly met with deposits and short-term funds borrowed from foreign banks.

### **2. Whether the payments, assets and liabilities match with the interest rates, and whether the effect of mismatch on profitability is measured:**

The DFS Group's payments, assets and liabilities match with the interest rates.

### **3. Internal and external sources to meet the short and long-term liquidity needs, significant sources of liquidity that are not utilized:**

Approximately 17% of balance sheet size is allocated to cash balances, 16% to investment securities which are cash equivalent in order to meet any urgent liquidity needs. The present borrowing limits (such as Central Bank of Turkey and ISE repurchase market) are not used. The DFS Group's short-term liquidity needs are mainly met with deposits and short-term funds borrowed from foreign banks.

### **4. Evaluation of the DFS Group's cash flows and their resources:**

Cash flows of the DFS Group mainly consist of Turkish Lira, US Dollars and Euro. In the short and long run, liquidity needs or surplus funds are utilized in interbank money market placements, deposits and loans.

**Presentation of assets and liabilities according to their outstanding maturities:**

<b>Current Period</b>	<b>Demand</b>	<b>Up to 1 month</b>	<b>1-3 months</b>	<b>3-6 months</b>	<b>6-12 months</b>	<b>1 year and over</b>	<b>Undist. (*)</b>	<b>Total</b>
<b>Assets</b>								
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	515,263	--	--	--	--	--	--	515,263
Due from Banks and Other Financial Institutions	77,451	917,362	25,057	150,219	80,441	118,401	--	1,368,931
Trading Securities	14,026	5,105	3,290	68,649	13,893	174,397	--	279,360
Interbank Money Market Placements	30,812	265,330	--	--	--	--	--	296,142
Investment Securities Available-for-Sale	3,927	616,879	1,626	54,851	102,393	828,013	--	1,607,689
Loans	8,332	1,405,458	948,330	819,626	1,136,224	3,066,773	--	7,384,743
Investment Securities Held-to-Maturity	--	1,923	5,687	16,242	2,745	160,194	--	186,791
Other Assets	188,254	518,489	221,141	131,316	118,650	424,798	195,947	1,798,595
<b>Total Assets</b>	<b>838,065</b>	<b>3,730,546</b>	<b>1,205,131</b>	<b>1,240,903</b>	<b>1,454,346</b>	<b>4,772,576</b>	<b>195,947</b>	<b>13,437,514</b>
<b>Liabilities</b>								
Bank Deposits	45,550	144,740	78,785	37,088	13,475	--	--	319,638
Other Deposits	1,729,320	3,825,541	714,041	490,018	321,724	380,931	--	7,461,575
Funds Borrowed from Other Financial Institutions	--	178,839	667,739	287,560	1,345,617	988,213	--	3,467,968
Interbank Money Markets	--	275,897	--	--	--	--	--	275,897
Marketable Securities Issued	--	--	--	--	--	--	--	--
Miscellaneous Payables	248,177	32,873	1,859	12,782	3,653	--	2,229	301,573
Other Liabilities	32,319	60,680	25,222	20,906	14,880	12,459	1,444,397	1,610,863
<b>Total Liabilities</b>	<b>2,055,366</b>	<b>4,518,570</b>	<b>1,487,646</b>	<b>848,354</b>	<b>1,699,349</b>	<b>1,381,603</b>	<b>1,446,626</b>	<b>13,437,514</b>
<b>Net Liquidity Gap</b>	<b>(1,217,301)</b>	<b>(788,024)</b>	<b>(282,515)</b>	<b>392,549</b>	<b>(245,003)</b>	<b>3,390,973</b>	<b>(1,250,679)</b>	<b>--</b>
<b>Prior Period</b>								
Total Assets	663,747	3,939,905	1,622,201	933,216	1,682,786	2,717,207	416,488	11,975,550
Total Liabilities	1,777,163	4,070,894	1,408,768	811,338	1,366,835	1,263,457	1,277,095	11,975,550
<b>Net Liquidity Gap</b>	<b>(1,113,416)</b>	<b>(130,989)</b>	<b>213,433</b>	<b>121,878</b>	<b>315,951</b>	<b>1,453,750</b>	<b>(860,607)</b>	<b>--</b>

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

**VIII. Presentation of financial assets and liabilities at their fair value**

This disclosure is not required for interim consolidated financial statements.

**IX. Activities carried out on behalf and account of other persons**

This disclosure is not required for interim consolidated financial statements

**X. Operational segments**

This disclosure is not required for interim consolidated financial statements.

## SECTION FOUR

### Disclosures and Footnotes on Consolidated Financial Statements

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

##### 1. Balances with the Central Bank of Turkey:

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Unrestricted Demand Deposits	168,398	154,133	130,652	121,854
Unrestricted Time Deposits	--	--	--	--
<b>Total</b>	<b>168,398</b>	<b>154,133</b>	<b>130,652</b>	<b>121,854</b>

##### 2. Further information related to trading securities:

###### 2.1 Trading securities given as collateral or blocked

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Share Certificates	--	--	--	--
Bonds, Treasury Bills and Similar				
Marketable Securities	8,441	121,539	1,705	9,040
Other	--	--	--	--
<b>Total</b>	<b>8,441</b>	<b>121,539</b>	<b>1,705</b>	<b>9,040</b>

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

###### 2.2 Trading securities subject to repurchase agreements

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Government Bonds	370	--	23,688	--
Treasury Bills	200	--	--	--
Other Debt Securities	--	--	--	--
Bonds Issued or Guaranteed by				
Banks	--	--	--	--
Asset Backed Securities	--	--	--	--
Other	--	--	--	--
<b>Total</b>	<b>570</b>	<b>--</b>	<b>23,688</b>	<b>--</b>

##### 3. Information on foreign bank accounts:

This disclosure is not required for interim consolidated financial statements.

##### 4. Receivables from reverse repurchase agreements:

This disclosure is not required for interim consolidated financial statements.

**5. Information on investment securities available-for-sale:**

**5.1 Major types of investment securities available-for-sale**

Investment securities available-for-sale consist of Çukorova Holding A.Ş. share certificates (YTL 3,867) that are not quoted at Istanbul Stock Exchange; and debt securities representing government bonds; Eurobonds and foreign currency government bonds issued by the Turkish Treasury and foreign government bonds.

**5.2 Information on investment securities available-for-sale**

	Current Period	Prior Period
<b>Debt Securities</b>	<b>1,608,121</b>	<b>1,246,948</b>
Quoted in Stock Exchange	817,442	1,035,755
Not Quoted in Stock Exchange	790,679	211,193
<b>Share Certificates</b>	<b>3,927</b>	<b>4,149</b>
Quoted in Stock Exchange	--	668
Not Quoted in Stock Exchange	3,927	3,481
<b>Impairment Provision (-)</b>	<b>4,359</b>	<b>2,004</b>
<b>Total</b>	<b>1,607,689</b>	<b>1,249,093</b>

**5.3 Investment securities available-for-sale given as collateral**

Investment securities available-for-sale given as collateral are government bonds amounting to YTL 287,893 (31 December 2005: YTL 466,048).

**5.4 Investment securities available-for-sale given as collateral or blocked**

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Share certificates	--	--		
Bonds, T-bills and Similar				
Marketable Securities	94,968	192,925	273,191	192,857
Other	--	--		
<b>Total</b>	<b>94,968</b>	<b>192,925</b>	<b>273,191</b>	<b>192,857</b>

**5.5 Investment securities available-for-sale subject to repurchase agreements**

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Government Bonds	38,820	30,437	140,919	--
Treasury Bills	--	--	60,000	--
Other Debt Securities	--	--	--	--
Bonds issued or guaranteed by				
Banks	--	--	--	--
Asset backed securities	--	--	--	--
Other	--	--	--	--
<b>Total</b>	<b>38,820</b>	<b>30,437</b>	<b>200,919</b>	<b>--</b>

**6. Information related to loans:**

**6.1 Information on all types of loans and advances given to shareholders and employees of the Bank**

	Current Period		Prior Period	
	Cash	Non-Cash	Cash	Non-Cash
<b>Direct Loans Granted to Shareholders</b>	<b>11,977</b>	<b>156</b>	--	--
Corporate Shareholders	11,977	130	--	--
Individual Shareholders	--	26	--	--
<b>Indirect Loans Granted to Shareholders</b>	<b>32,422</b>	<b>181,802</b>	<b>21,162</b>	<b>186,340</b>
<b>Loans Granted to Employees</b>	<b>12,355</b>	<b>31</b>	<b>9,044</b>	--
<b>Total</b>	<b>56,754</b>	<b>181,989</b>	<b>30,206</b>	<b>186,340</b>

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

Cash Loans	Standard Loans and Other Receivables		Loans and Other Receivables Under Close Monitoring	
	Loans and Other Receivables	Restructured or Rescheduled	Loans and Other Receivables	Restructured or Rescheduled
<b>Non-specialized Loans</b>	<b>7,019,058</b>	--	<b>12,882</b>	<b>2,242</b>
Discount Notes	40,227	--	--	--
Export Loans	916,195	--	3,743	--
Import Loans	49,618	--	--	--
Loans Given to Financial Sector	63,858	--	--	--
Foreign Loans	275,136	--	--	--
Consumer Loans	1,619,750	--	--	--
Credit Cards	386,041	--	--	--
Precious Metal Loans	1,556	--	--	--
Other	3,666,677	--	9,139	2,242
<b>Specialization Loans</b>	<b>342,177</b>	--	--	--
<b>Other Receivables</b>	--	--	--	--
<b>Total</b>	<b>7,361,235</b>	--	<b>12,882</b>	<b>2,242</b>

**6.3 Loans according to their maturity structure**

This disclosure is not required for interim consolidated financial statements.

6.4 Information on consumer loans

	Short Term	Medium or Long Term	Total	Accrued Interest and Income
<b>Consumer Loans-YTL</b>	<b>76,069</b>	<b>1,437,863</b>	<b>1,513,932</b>	<b>16,580</b>
Real estate Loans	3,076	445,593	448,669	3,778
Automotive Loans	2,578	144,774	147,352	1,843
Consumer Loans	30,958	847,496	878,454	10,904
Other	39,457	--	39,457	55
<b>Consumer Loans-Indexed to FC</b>	<b>2,028</b>	<b>62,573</b>	<b>64,601</b>	<b>13,543</b>
Real estate Loans	195	50,750	50,945	5,495
Automotive Loans	339	8,877	9,216	4,174
Consumer Loans	1,494	2,946	4,440	3,874
Other	--	--	--	--
<b>Consumer Loans-FC</b>	<b>15,888</b>	<b>16,988</b>	<b>32,876</b>	<b>--</b>
Real estate Loans	--	--	--	--
Automotive Loans	--	--	--	--
Consumer Loans	648	16,988	17,636	--
Other	15,240	--	15,240	--
<b>Credit Cards-YTL</b>	<b>350,537</b>	<b>25,665</b>	<b>376,202</b>	<b>17,466</b>
Installment	95,841	25,665	121,506	--
Non installment	254,696	--	254,696	17,466
<b>Credit Cards-FC</b>	<b>315</b>	<b>--</b>	<b>315</b>	<b>--</b>
Installment	--	--	--	--
Non installment	315	--	315	--
<b>Loans Given to Employees-YTL</b>	<b>3,607</b>	<b>3,906</b>	<b>7,513</b>	<b>53</b>
Real estate Loans	--	631	631	3
Automotive Loans	6	55	61	1
Consumer Loans	1,425	3,220	4,645	49
Other	2,176	--	2,176	--
<b>Loans Given to Employees - Indexed to FC</b>	<b>391</b>	<b>437</b>	<b>828</b>	<b>1</b>
Real estate Loans	--	406	406	1
Automotive Loans	--	--	--	--
Consumer Loans	--	31	31	--
Other	391	--	391	--
<b>Loans Given to Employees - FC</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
Real estate Loans	--	--	--	--
Automotive Loans	--	--	--	--
Consumer Loans	--	--	--	--
Other	--	--	--	--
<b>Employee Credit Cards-YTL</b>	<b>3,762</b>	<b>234</b>	<b>3,996</b>	<b>--</b>
Installment	1,442	234	1,676	--
Non installment	2,320	--	2,320	--
<b>Employee Credit Cards-FC</b>	<b>16</b>	<b>--</b>	<b>16</b>	<b>--</b>
Installment	--	--	--	--
Non installment	16	--	16	--
<b>Total</b>	<b>452,613</b>	<b>1,547,666</b>	<b>2,000,279</b>	<b>47,643</b>

**6.5 Information on installment corporate loans and corporate credit cards**

	Short Term	Medium or Long Term	Total	Accrued Interest and Income
<b>Installment Corporate Loans -</b>				
YTL	94,187	220,168	314,355	4,307
Real estate Loans	4,302	53,284	57,586	401
Automotive Loans	24,224	80,080	104,304	1,036
Consumer Loans	65,661	83,774	149,435	2,560
Other	--	3,030	3,030	310
<b>Installment Corporate Loans –</b>				
<b>Indexed to FC</b>	<b>15,238</b>	<b>68,501</b>	<b>83,739</b>	<b>1,852</b>
Real estate Loans	3,425	8,829	12,254	895
Automotive Loans	5,352	21,258	26,610	363
Consumer Loans	6,461	36,011	42,472	248
Other	--	2,403	2,403	346
<b>Installment Corporate Loans -</b>				
<b>FC</b>	<b>16</b>	<b>5,675</b>	<b>5,691</b>	<b>--</b>
Real estate Loans	--	--	--	--
Automotive Loans	--	--	--	--
Consumer Loans	16	5,675	5,691	--
Other	--	--	--	--
<b>Corporate Credit Cards - YTL</b>	<b>5,379</b>	<b>38</b>	<b>5,417</b>	<b>--</b>
Installment	146	38	184	--
Non installment	5,233	--	5,233	--
<b>Corporate Credit Cards - FC</b>	<b>95</b>	<b>--</b>	<b>95</b>	<b>--</b>
Installment	--	--	--	--
Non installment	95	--	95	--
<b>Total</b>	<b>114,915</b>	<b>294,382</b>	<b>409,297</b>	<b>6,159</b>

**6.6 Analysis of loans based on customer classification**

This disclosure is not required for interim consolidated financial statements.

**6.7 Domestic and international loans**

	Current Period	Prior Period
Domestic Loans	7,101,223	5,008,458
Foreign Loans	275,136	716,707
<b>Total</b>	<b>7,376,359</b>	<b>5,725,165</b>

**6.8 Loans granted to subsidiaries and investments**

	Current Period	Prior Period
Direct Loans Granted to Subsidiaries and Investments	6,759	6,589
Indirect Loans Granted to Subsidiaries and Investments	--	--
<b>Total</b>	<b>6,759</b>	<b>6,589</b>



## 6.9 Specific provisions for loans

Specific Provisions	Current Period	Prior Period
Loans and Receivables with Limited Collectibility	19,287	16,915
Loans and Receivables with Doubtful Collectibility	33,999	28,956
Uncollectible Loans and Receivables	104,318	76,541
<b>Total</b>	<b>157,604</b>	<b>122,412</b>

## 6.10 Information on non-performing loans (Net)

### 6.10.1 Information on loans under follow-up, loans and other receivables those are restructured/rescheduled

	III. Group	IV. Group	V. Group
	Loans and receivables with limited collectibility	Loans and receivables with doubtful collectibility	Uncollectible loans and receivables
<b>Current Period</b>	--	<b>49</b>	<b>13,347</b>
(Gross Amounts Before Specific Reserves)			
Loans and Other Receivables which are Restructured	--	--	--
Rescheduled Loans and Other Receivables	--	49	13,347
<b>Prior Period</b>	--	<b>36</b>	<b>8,604</b>
(Gross Amounts Before Specific Reserves)			
Loans and Other Receivables which are Restructured	--	--	--
Rescheduled Loans and Other Receivables	--	36	8,604

### 6.10.2 Movements in non-performing loan groups

	III. Group	IV. Group	V. Group
	Loans and receivables with limited collectibility	Loans and receivables with doubtful collectibility	Uncollectible loans and receivables
<b>Balances at Beginning of Period</b>	<b>16,976</b>	<b>29,211</b>	<b>88,902</b>
Additions (+)	68,049	2,856	4,133
Transfers from Other Categories of Non-Performing Loans (+)	--	49,896	34,028
Transfers to Other Categories of Non-Performing Loans (-)	49,564	34,028	--
Collections (-)	16,174	12,429	15,222
Write-offs (-)	--	646	--
<b>Balances at End of the Period</b>	<b>19,287</b>	<b>34,860</b>	<b>111,841</b>
Specific Provisions (-)	19,287	33,999	104,318
<b>Net Balance on Balance Sheet</b>	<b>--</b>	<b>861</b>	<b>7,523</b>

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

	III. Group	IV. Group	V. Group
	Loans and receivables with limited	Loans and receivables with doubtful collectibility	Uncollectible loans and receivables
<b>Current Period</b>			
Period End Balance	--	3,644	204
Specific Provision (-)	--	3,321	204
<b>Net Balance on Balance Sheet</b>	--	<b>323</b>	--
<b>Prior Period</b>			
Period End Balance	--	1,721	932
Specific Provision (-)	--	1,472	932
<b>Net Balance on Balance Sheet</b>	--	<b>249</b>	--

6.11 Liquidation policy for uncollectible loans and receivables

For uncollectible loans and receivables, the Bank tries to solve the issue with the customer. If no result is obtained, all legal actions are taken.

7. Information on factoring receivables:

This disclosure is not required for interim consolidated financial statements.

8. Information on investment securities held-to-maturity:

8.1 Information on investment securities held-to-maturity

	Current Period	Prior Period
<b>Debt Securities</b>	<b>186,791</b>	<b>225,932</b>
Quoted	174,066	201,817
Not Quoted	12,725	24,115
<b>Impairment Loss Provision (-)</b>	--	--
<b>Total</b>	<b>186,791</b>	<b>225,932</b>

8.2 Movement of investment securities held-to-maturity

	Current Period	Prior Period
<b>Balances at Beginning of the Period</b>	<b>225,932</b>	<b>167,887</b>
Foreign Currency Gains / Losses on Monetary Assets	39,594	--
Purchases During the Period	12,401	101,193
Disposals Through Sales / Redemptions and the Restatement		
Effects of Inflation Accounting (*)	(91,136)	(43,148)
Impairment Loss Provision (-)	--	--
<b>Period End Balance</b>	<b>186,791</b>	<b>225,932</b>

(\*) Disposals from investment securities held-to-maturity are amounts related to securities which have matured during the period.

8.3 *Information on accounts in which investment securities held-to-maturity are reflected*

Current Period	Historical Cost		Valuation	
	YTL	FC	YTL	FC
Collateralized/Blocked Securities	--	32,334	--	32,628
Securities Subject to Repurchase				
Agreements	--	--	--	--
Securities Held for Structural				
Position	--	--	--	--
Receivables from Security Lending	--	--	--	--
Guarantees to Security Lending	--	--	--	--
Other (*)	--	154,457	--	155,851
<b>Total</b>	--	<b>186,791</b>	--	<b>188,479</b>

Prior Period	Historical Cost		Valuation	
	YTL	FC	YTL	FC
Collateralized/Blocked Securities	--	35,117	--	36,078
Securities Subject to Repurchase				
Agreements	--	31,142	--	33,772
Securities Held for Structural				
Position	--	--	--	--
Receivables from Security Lending	--	--	--	--
Guarantees to Security Lending	--	--	--	--
Other (*)	24,115	135,558	28,170	137,689
<b>Total</b>	<b>24,115</b>	<b>201,817</b>	<b>28,170</b>	<b>207,539</b>

(\*) Securities which are not collateralized or blocked are presented under the heading "Other".

8.3.1 *Investment securities held-to-maturity given as collateral*

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Bills	--	--	--	--
Bonds and Similar Securities	--	32,334	--	35,117
Other	--	--	--	--
<b>Total</b>	--	<b>32,334</b>	--	<b>35,117</b>

8.3.2 *Investment securities held-to-maturity subject to repurchase agreements*

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Government Bonds	--	--	--	31,142
Treasury Bills	--	--	--	--
Other Debt Securities	--	--	--	--
Bonds Issued or Guaranteed by				
Banks	--	--	--	--
Asset Backed Securities	--	--	--	--
Other	--	--	--	--
<b>Total</b>	--	--	--	<b>31,142</b>

8.3.3 *Investment securities held-to-maturity held for structural position*

None.

**9. Investments in associates (Net):**

**9.1 Investments in unconsolidated associates:**

Description	Address (City/Country)	Bank's share percentage- If different voting percentage (%)	Bank's risk group share percentage (%)
1-Kredi Kayıt Bürosu A.Ş.	İstanbul / Turkey	9	--
2-Gelişen İşletmeler Piyasası A.Ş.	İstanbul / Turkey	5	5

The Bank acquired 5% of the shares of Gelişen İşletmeler Piyasaları A.Ş. for YTL 500 on 1 March 2006 and paid in cash YTL 250 of the amount in March and July.

Deniz Yatırım acquired 5% of the shares of Gelişen İşletmeler Piyasaları A.Ş. for YTL 500 on 1 March 2006 and paid in cash YTL 250 of the amount in March and July.

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Trading Income	Current Period Profit / Loss	Prior Period Profit / Loss	Fair Value
1	18,498	16,827	2,826	--	--	4,262	3,986	--
2	2,520	2,505	--	--	--	5	--	--

**9.2 Investments in consolidated associates**

None.

## **10. Information related to subsidiaries:**

The Bank has 99.97% ownership in Deniz Yatırım, a brokerage and investment company, located in Istanbul. Deniz Yatırım, established on 29 January 1997, is mainly involved in purchasing, selling and investing in any kind of securities, stocks, treasury bills and government bonds provided from capital markets; the management of mutual funds and performing intermediary services.

The Bank, together with Deniz Yatırım, acquired 78.01% of the shares of Ekspres Yatırım from Saving Deposit Insurance Fund (SDIF) at the end of 2002. With subsequent acquisitions, the Bank and Deniz Yatırım's share increased to 99.82% as of 31 March 2006. Ekspres Yatırım, located in Istanbul, is engaged in purchasing, selling and investing in any kind of securities, stocks, treasury bills and government bonds provided from capital markets.

Tariş Menkul Değerler A.Ş. (Tariş Menkul) was originally established as a subsidiary of Tarişbank in 1997 for handling the brokerage activities of its parent bank. With the acquisition of Tarişbank in 2002, Tariş Menkul became a subsidiary of the Bank. The name of the company changed to Deniz Türev Menkul Değerler A.Ş. on 12 October 2005.

The Bank has 99.99% ownership in Denizbank AG, a commercial bank located in Austria. Established in 1996 by the former Esbank A.Ş. (a Turkish bank which was taken over by SDIF), Esbank AG in Vienna offered foreign trade finance and payment services to a client base in Europe and Turkey. The DFS Group entered the Euro zone banking market by acquiring Esbank AG in August 2002. Subsequent to the acquisition, the name of Esbank AG was changed to Denizbank AG, Vienna at the beginning of 2003. Denizbank AG, Vienna has seven branches – three in Vienna, one in Bregenz, one in Frankfurt, one in Linz and one in Innsbruck and provides trade finance and payment services to its customers in Europe and Turkey.

The Bank acquired 49% of the outstanding shares of İktisat Bank Moscow at the beginning of 2003. The remaining 51% of the shares were acquired by Denizbank AG. Subsequent to the acquisition, the name of İktisat Bank Moscow was changed to CJSC Denizbank, Moscow. CJSC Denizbank Moscow is licensed to undertake all commercial banking transactions.

The Bank acquired 99.88% of the shares of Eurodeniz, established in the Turkish Republic of Northern Cyprus, from SDIF at the beginning of 2002. Eurodeniz is licensed to undertake all commercial banking transactions.

In May 2003, Deniz Yatırım acquired 98.43% of the shares of Ege Portföy Yönetimi A.Ş. and changed its name to Deniz Portföy. Deniz Yatırım's share in Deniz Portföy's share capital has increased to 99.15% with subsequent purchases. Deniz Portföy is engaged in serving domestic mutual funds and investment portfolios.

The Bank acquired 10.87% of the shares of Deniz Leasing for YTL 1,959 on 21 February 2005. Deniz Leasing was established on 12 December 1997, pursuant to the license obtained from the Undersecretariat of Treasury and Foreign Trade for the purpose of financial leasing as permitted by Law number 3226. Deniz Leasing started its operations in December 1998 and the Company's leasing operations principally focused on transport vehicles, machinery and equipment and office equipment. Deniz Leasing increased its share capital on 29 July 2005. YTL 816 and YTL 6,696 of the increase were paid in cash by the Bank and Deniz Faktoring, respectively. The remaining increase of YTL 2,324 and YTL 2,888 were made from the reserves by the Bank and Deniz Faktoring, respectively.

In June 2006, Deniz Leasing increased its share capital by YTL 39,900, all of which was paid in cash by Denizbank. 68% of the share capital of Deniz Leasing belongs to the Bank, while the remaining 32% belongs to Deniz Faktoring A.Ş. (Deniz Faktoring).

The Bank acquired 99.99% of the shares of Deniz Faktoring for YTL 15,184 on 21 February 2005. Deniz Faktoring was incorporated on 2 July 1998 pursuant to the license obtained from the Undersecretariat of Treasury for the purpose of giving factoring services as permitted by Law number 6762.

Deniz Faktoring increased its share capital on 21 February 2005. YTL 9,197 of the increase was paid in cash by the Bank and the remaining portion of YTL 6,002 was made from the reserves.

Deniz Yatırım increased its share capital on 22 August 2005, through the cash payment of the Bank amounting YTL 11,549.

Denizbank Kültür Sanat Yayıncılık Ticaret ve Sanayi A.Ş. (Deniz Kültür) increased its share capital by YTL 125 on 19 April 2006, and further increased it by YTL 40 on 18 September 2006 in cash.

The Bank acquired 99.9% of the shares of Adana Haddecilik Metal Sanayi ve Ticaret A.Ş. for YTL 101 on 3 August 2005 for loans previously given, however could not be collected.

Deniz Türev increased its share capital by YTL 1,000 on 12 October 2005. Deniz Yatırım paid the whole amount in cash.

Denizbank Moscow increased its share capital on 12 December 2005. The Bank paid USD 4,944,379 and Denizbank AG paid Euro 4,311,126 in cash.

### 10.1 Information on subsidiaries not consolidated

Description	Address (City/Country)	Bank's share percentage- If different from voting percentage(%)	Other subsidiaries' share percentage(%)
1 İntertech Bilgi İşlem ve Pazarlama Ticaret A.Ş.	İstanbul/Turkey	100.00	0.00
2 Denizbank Kültür Sanat Yayıncılık Ticaret ve Sanayi A.Ş.	İstanbul/Turkey	100.00	0.00
3 Adana Haddecilik Metal San. ve Tic. A.Ş.	Adana/Turkey	99.90	0.10

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Trading Income	Current Period Profit / Loss	Prior Period Profit / Loss	Fair value
1	3,419	3,044	111	237	5	(31)	(406)	--
2	336	245	1	3	--	(9)	(12)	--
3	6,923	--	3,278	--	--	(110)	--	--

## 10.2 Movement of subsidiaries

	Current Period	Prior Period
<b>Balance at the Beginning of the Period</b>	<b>171,700</b>	<b>99,974</b>
<b>Movements during the Period</b>	<b>51,743</b>	<b>71,726</b>
Purchases	39,900	74,329
Bonus Shares Received	--	7,578
Dividends from Current Year Profit	--	--
Sales	--	--
Revaluation Increase, Effect of Inflation and F/X Difference	11,843	(10,181)
Impairment Provision (+)	--	--
<b>Balance at the End of the Period</b>	<b>223,443</b>	<b>171,700</b>
<b>Capital Commitments</b>	<b>--</b>	<b>--</b>
<b>Share Percentage at the end of Period (%)</b>	<b>--</b>	<b>--</b>

### 10.2.1 Valuation of the investments in subsidiaries

	Current Period	Prior Period
Valued at Inflation-Adjusted Historical Costs	223,443	171,700
Valued at Fair Value	--	--
Valued by Equity Method of Accounting	--	--

### 10.2.2 Sectoral distribution of subsidiaries

	Current Period	Prior Period
Banks	89,905	75,983
Insurance Companies	--	--
Factoring Companies	30,383	30,383
Leasing Companies	65,380	25,481
Finance Companies	37,775	39,853
Other Subsidiaries	--	--

### 10.2.3 Quoted subsidiaries

None.

**10.2.4 Other information on consolidated subsidiaries**

Description	Address (City/Country)	Bank's share percentage- If different from voting percentage	Other subsidiaries' share percentage	Method of consolidation
1 Denizbank AG, Vienna	Vienna/Austria	100%	0%	Full consolidation
2 Eurodeniz Off-Shore Bank Ltd., Cyprus	Nicosia/Cyprus	100%	0%	Full consolidation
3 Deniz Yatırım Menkul Kıymetler A.Ş.	Istanbul/Turkey	100%	0%	Full consolidation
4 Deniz Türev Menkul Değerler A.Ş.	Istanbul/Turkey	100%	0%	Full consolidation
5 Ekspres Yatırım Menkul Değerler A.Ş.	Istanbul/Turkey	71%	29%	Full consolidation
6 CJSC Denizbank, Moscow	Moscow/Russia	49%	51%	Full consolidation
7 Deniz Portföy Yönetimi A.Ş.	Istanbul/Turkey	0%	100%	Full consolidation
8 Deniz Finansal Kiralama A.Ş.	Istanbul/Turkey	68%	32%	Full consolidation
9 Deniz Faktoring A.Ş.	Istanbul/Turkey	100%	0%	Full consolidation

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Trading Income	Current Period Profit / Loss	Prior Period Profit / Loss	Fair value
1	1,922,044	98,107	5,886	67,158	16,722	13,742	--	--
2	694,192	46,622	82	47,418	96	33,992	9,110	--
3	272,518	27,148	1,471	3,303	741	2,776	(631)	--
4	10,709	4,125	305	648	457	1,195	(5,070)	--
5	26,786	22,434	681	1,997	(498)	5,712	468	--
6	248,061	38,449	956	12,362	6,024	4,982	(5,305)	--
7	2,561	2,293	21	226	15	698	(33)	--
8	596,852	82,163	192	36,056	--	11,983	--	--
9	286,289	40,144	149	33,859	(218)	7,695	--	--

**10.2.5 Subsidiaries disposed during the current period**

None.

**10.2.6 Subsidiaries purchased in the current period**

None.

**11. Information on other investments:**

This disclosure is not required for interim consolidated financial statements.

**12. Information on financial lease receivables (Net):**

**12.1 Maturity analysis of financial lease receivables**

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	192,865	151,478	112,051	88,146
Between 1-4 years	278,348	235,553	161,616	136,656
Over 4 years	81,481	75,259	18,145	14,253
<b>Total</b>	<b>552,694</b>	<b>462,290</b>	<b>291,812</b>	<b>239,055</b>



**12.2 Information on net financial lease receivables**

This disclosure is not required for interim consolidated financial statements.

**12.3 Information on financial lease agreements of the Bank**

This disclosure is not required for interim consolidated financial statements.

**13. Information on receivables arising from term sales of assets included in miscellaneous receivables:**

This disclosure is not required for interim consolidated financial statements.

**14. Disclosures related to accrued interest and income:**

**14.1 Information on accrued interest and income on loans**

	Current Period		Prior Period	
	YTL	FC	YTL	FC
<b>Accrued Interest and Income on Loans</b>				
Uncollected Interest Income	3,287	253	1,405	632
Accrued Interest Income	122,459	54,294	41,814	29,778
Uncollected Commissions and Other Income	179	--	72	--
Accrued Commissions and Other Income	13,546	--	--	--
<b>Total</b>	<b>139,471</b>	<b>54,547</b>	<b>43,291</b>	<b>30,410</b>

**14.2 Information on other accrued interest and income**

	Current Period		Prior Period	
	YTL	FC	YTL	FC
<b>Other Accrued Interest and Income</b>				
Trading Securities	3,033	2,752	5,078	2,473
Investment Securities Available-for-Sale	24,896	5,389	24,967	6,608
Investment Securities Held-to-Maturity	--	1,688	4,055	5,722
Reverse Repurchase Agreements	--	--	--	--
Reserve Deposits	6,224	2,507	3,738	1,341
Financial Derivative Instruments	35,120	33,234	802	5,735
Interest and Income Accruals	33,566	1,665	1	577
Income Accruals on Foreign Exchange	1,554	31,569	801	5,158
Factoring Receivables	525	172	598	173
Other	3,090	10,094	1,582	7,140
<b>Total</b>	<b>72,888</b>	<b>55,836</b>	<b>40,820</b>	<b>29,192</b>

**15. Information on tangible assets (Net):**

This disclosure is not required for interim consolidated financial statements.

**16. Information on intangible assets (Net):**

This disclosure is not required for interim consolidated financial statements.

**17. Information on deferred tax asset:**

**17.1 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**

Deferred tax asset calculated on the basis of related regulation is YTL 2,156 (31 December 2005: YTL 5,092) and deferred tax liability is YTL 294 (31 December 2005: YTL 571). The amount is the net of deductible temporary differences and taxable temporary differences calculated as of the balance sheet date.

According to article 9 of Regulation on Accounting Principles No 18, deferred tax assets and liabilities are offset against each other in the financial statements. However, deferred tax assets and liabilities relating to individual consolidated subsidiaries that do not report to the same fiscal authority are not permitted to offset against each other in the accompanying consolidated financial statements.

As of 30 September 2006 there is no unused tax losses carried forward and unused tax credits over which the deferred tax asset is computed.

**17.2 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.

**17.3 Deferred tax asset resulting from the cancellation of the provision for impairment losses related to the deferred taxes**

None.

**18. Information on other assets:**

**18.1 Information on prepaid expense, tax and similar items**

Prepaid taxes are YTL 18,543 (31 December 2005: YTL 55,396) and prepaid expenses are YTL 23,689 (31 December 2005: YTL 17,291).

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

## II. Information and disclosures related to liabilities

### 1. Information on maturity profile of deposits:

#### Current Period

	Demand	7 Days Notice	Up to 1 month	1-3 Months	3-6 Months	6 Month- 1 Year	1 Year and Over
<b>Saving Deposits</b>	235,978	--	559,300	1,216,513	23,717	15,645	5,619
<b>Foreign Currency Deposits</b>	1,056,185	--	1,059,267	1,309,933	380,545	531,549	227,753
Residents in Turkey	669,233	--	415,373	1,193,634	134,813	116,104	22,069
Residents Abroad	386,952	--	643,894	116,299	245,732	415,445	205,684
<b>Public Sector Deposits</b>	24,029	--	4,541	337	35	--	--
<b>Commercial Deposits</b>	374,291	--	303,120	62,568	10,060	7,377	234
<b>Other Ins. Deposits</b>	29,786	--	11,158	2,920	23	43	--
<b>Precious Metal Deposits</b>	9,049	--	--	--	--	--	--
<b>Bank Deposits</b>	45,550	--	51,308	136,991	72,736	13,053	--
Central Bank	--	--	--	--	--	--	--
Domestic Banks	9,568	--	19,930	39,127	52,293	1,000	--
Foreign Banks	35,982	--	31,378	97,864	20,443	12,053	--
Special Financial Inst.	--	--	--	--	--	--	--
Other	--	--	--	--	--	--	--
<b>Total</b>	<b>1,774,868</b>	--	<b>1,988,694</b>	<b>2,729,262</b>	<b>487,116</b>	<b>567,667</b>	<b>233,606</b>

#### Prior Period

	Demand	7 Days Notice	Up to 1 month	1-3 Months	3-6 Months	6 Month- 1 Year	1 Year and Over
<b>Saving Deposits</b>	199,509	--	724,433	684,279	27,635	14,190	5,032
<b>Foreign Currency Deposits</b>	829,228	--	518,684	1,291,392	399,855	966,156	330,772
Residents in Turkey	740,647	--	425,329	1,116,857	281,612	263,480	200,967
Residents Abroad	88,581	--	93,355	174,535	118,243	702,676	129,805
<b>Public Sector Deposits</b>	1,972	--	5,306	36,153	154	334	--
<b>Commercial Deposits</b>	504,058	--	364,921	39,635	5,070	1,945	306
<b>Other Ins. Deposits</b>	22,923	--	4,135	1,387	42	50	--
<b>Precious Metal Deposits</b>	574	--	--	--	--	--	--
<b>Bank Deposits</b>	26,281	--	80,104	73,556	78,556	15,475	--
Central Bank	--	--	--	--	--	--	--
Domestic Banks	6,283	--	35,500	736	7,000	--	--
Foreign Banks	19,537	--	44,604	72,820	71,556	15,475	--
Special Financial Inst.	461	--	--	--	--	--	--
Other	--	--	--	--	--	--	--
<b>Total</b>	<b>1,584,545</b>	--	<b>1,697,583</b>	<b>2,126,402</b>	<b>511,312</b>	<b>998,150</b>	<b>336,110</b>

**1.1 Information on savings deposits insured by Saving Deposit Insurance Fund and the total amount of the deposits exceeding the insurance coverage limit**

	Covered by Deposit Insurance Fund		Exceeding the Deposit Insurance Limit	
	Current Period	Prior Period	Current Period	Prior Period
<b>Saving Deposits</b>	1,141,085	953,323	800,460	602,375
Foreign Currency Savings Deposits	608,472	564,467	1,131,108	1,028,197
Other Saving Deposits	--	--	--	--
Foreign branches' Deposits Under Foreign Insurance Coverage	--	--	--	--
Off-Shore Deposits Under Foreign Insurance Coverage	--	--	--	--
<b>Total</b>	<b>1,749,557</b>	<b>1,517,790</b>	<b>1,931,568</b>	<b>1,630,572</b>

**1.2** Savings deposits in Turkey are not covered under insurance in another country since the headquarter of the Bank is not located abroad.

**1.3 Savings deposits that are not covered under the guarantee of deposit insurance fund:**

	Current Period	Prior Period
Savings Deposits at Foreign Branches	116,569	443,930
Savings Deposits at Off-shore Branches	62,100	60,898
<b>Total</b>	<b>178,669</b>	<b>504,828</b>

**2. Information on funds provided from transactions by repurchase agreements:**

	Current Period		Prior Period	
	YTL	FC	YTL	FC
<b>From Domestic Transactions</b>	<b>275,897</b>	--	<b>387,854</b>	--
Financial Institutions and Organizations	272,542	--	364,218	--
Other Institutions and Organizations	830	--	22,199	--
Real Persons	2,525	--	1,437	--
<b>From Foreign Transactions</b>	--	--	--	<b>35,662</b>
Financial Institutions and Organizations	--	--	--	35,662
Other Institutions and Organizations	--	--	--	--
Real Persons	--	--	--	--
<b>Total</b>	<b>275,897</b>	--	<b>387,854</b>	<b>35,662</b>

**3. Information on funds borrowed:**

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Short-Term	178,340	1,854,558	148,517	1,423,046
Medium and Long-Term	34,644	1,400,426	55,002	964,309
<b>Total</b>	<b>212,984</b>	<b>3,254,984</b>	<b>203,519</b>	<b>2,387,355</b>

**3.1 Additional information on concentrations of the DFS Group's liabilities**

This disclosure is not required for interim consolidated financial statements.

**4. Information on debt securities issued:**

None.

**4.1 Information on convertible bonds**

None.

**4.2 Information on maturity profile, interest structure and currency type of securities issued**

None.

**5. Explanation on funds:**

None.

**6. Explanation on miscellaneous payables:**

	<b>Current Period</b>	<b>Prior Period</b>
Cash collaterals received	927	745

**6.1 Nature of cash collaterals received**

Cash collaterals received consists of collaterals obtained for the rental of safety deposits.

**7. Components of other liabilities, those that exceed 10% of total liabilities or those that exceed 20% of the individual liability items in the consolidated balance sheet:**

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

**8. Information on taxes and other duties payable:**

This disclosure is not required for interim consolidated financial statements.

**9. Explanations on factoring payables:**

This disclosure is not required for interim consolidated financial statements.

**10. Criteria used in the determination of lease instalments in the financial lease contracts, renewal and purchase options, restrictions, and significant burdens imposed on the bank on such contracts:**

The maximum period of the lease agreements is mostly 4 years. Interest rate and cash flow of the Bank are the criteria which are taken into consideration in the leasing contracts. There are no significant obligations imposed on the Bank as a result of the lease agreements.

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

No changes have been made to the leasing agreements in the current period.

## 10.2 Obligations under financial leases

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	--	--	16	10
Between 1-4 years	--	--	--	--
More than 4 years	--	--	--	--
<b>Total</b>	<b>--</b>	<b>--</b>	<b>16</b>	<b>10</b>

## 10.3 Information on operational lease

DFS Group has operational lease agreements for its bank branches and motor vehicles. Rental payments for the majority of these agreements are made and expensed on a monthly basis. The unexpired portion of payments made for rent agreements on a yearly basis are accounted under prepaid expenses in "other assets". The Group does not have any liabilities related to operational lease agreements.

## 10.4 Information on "Sale -and- lease back" agreements

The Bank does not have any sale and lease back transactions in the current period.

## 11. Information on accrued interest and expenses:

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Accrued Interest on Deposits	18,991	37,318	17,907	23,792
Accrued Interest on Funds Borrowed	7,121	29,782	4,187	29,459
Accrued Interest on Bonds	--	--	--	--
Accrued Interest on Repurchase Agreements	39	--	319	--
Accrued Interest on Financial Derivative Instruments:	7,823	27,918	19	10,924
<i>Interest and Expense Accruals</i>	7,701	1,629	4	1,580
<i>Expense Accruals for Foreign Exchange Losses</i>	122	26,289	15	9,344
Accrued interest on Factoring Payables	--	--	--	--
Other Interest and Expense Accruals	25,325	10,356	6,039	6,805
<b>Total</b>	<b>59,299</b>	<b>105,374</b>	<b>28,471</b>	<b>70,980</b>

## 12. Information on provisions and subordinated loans:

### 12.1 Information on general provisions

	Current Period	Prior Period
Provisions for Loans and Receivables in Group I	34,425	30,253
Provisions for Loans and Receivables in Group II	--	--
Provisions for Non Cash Loans	6,150	4,533
Other	--	--
<b>Total</b>	<b>40,575</b>	<b>34,786</b>

### 12.2 Information on employee termination benefits and notification indemnity

This disclosure is not required for interim consolidated financial statements.

### 12.3 Liabilities resulting from retirement benefits

This disclosure is not required for interim consolidated financial statements.

**12.4 The nature, timing and the amount of expected payments relating to provisions and their explanation with reference to uncertainties involved**

This disclosure is not required for interim consolidated financial statements.

**12.5 Provision for currency exchange gain/loss on foreign currency indexed loans**

	Current Period	Prior Period
Foreign Exchange Provision for Foreign Currency Indexed Loans (*)	5,068	9,953

(\*) Foreign exchange differences from foreign currency indexed loans are netted-off with Loans.

**12.6 Impairment loss due to delivery date accounting**

	Current Period	Prior Period
Impairment Loss Due to Delivery Date Accounting	--	--

**12.7 Specific provisions for non cash loans that are not indemnified and converted into cash**

	Current Period	Prior Period
Specific Provisions for Non-Cash Loans that are not Indemnified and Converted into Cash	12,693	14,287

**12.8 Information on other reserves**

**12.8.1 Information on general reserves for possible loan losses**

	Current Period	Prior Period
General Reserves for Possible Loan Losses	1,505	800

**12.8.2 Information on other provisions exceeding 10% of total provisions**

None.

**12.9 Information on the number of subordinated loans used by the Bank, maturity, interest rate, the organization lending the loan and the option to convert to share certificates**

As of 30 June 2006 and 31 December 2005, the Bank does not have any subordinated loans.

**12.10 Information on subordinated loans**

None.

**13. Information on shareholders' equity:**

**13.1 Paid-in Capital**

	Current Period	Prior Period
Common Stock	316,100	316,100
Preferred Stock	--	--

The Bank's paid-in capital has been presented in nominal values. As of 30 September 2006, the Bank has capital reserves amounting to YTL 189,164 (31 December 2005: YTL 189,164) arising from the effect of inflation on the paid-in capital.

The capital reserves amounting to YTL 189,164 arising from the effect of inflation on the paid-in capital have been transferred to "other capital reserves" in accordance with the resolution of BRSB dated 28 April 2005.

**13.2 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**

Registered share capital system is not applicable at the Bank.

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

None.

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

None.

**13.5 Capital commitments for current financial year and following period**

DFS Group does not have any capital commitments.

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

The Bank does not have any preferred stocks.

**14. Common stock issue premiums, shares and equity instruments:**

	Current Period	Prior Period
Number of Shares (thousand)	50,368,526	50,368,526
Preferred Stock	--	--
Common Stock Issue Premium	98,351	98,351
Common Stock Canceling Profit	--	--
Other Equity Instruments	--	--
Total Common Stock Issued	50,369	50,369

**15. Information on marketable securities value increase fund:**

This disclosure is not required for interim financial statements.

**16. Information on revaluation fund (surplus):**

Revaluations made in accordance with Tax Law are reversed in line with the inflation accounting practice. Therefore, no balances related to revaluation exist in the accompanying financial statements.

**17. Explanations related to the components of revaluation surplus:**

This disclosure is not required for interim financial statements.

**18. Information on legal reserves:**

This disclosure is not required for interim financial statements.

**19. Information on extraordinary reserves:**

This disclosure is not required for interim financial statements.

**20. Information of minority rights:**

This disclosure is not required for interim consolidated financial statements.

**21. Information on shareholders having more than 10% share in capital and/or voting right:**

Name/Commercial Title	Share Amounts	Share Percentage	Paid-in Capital	Unpaid Portion
Zorlu Holding A.Ş.	237,064	75%	237,064	--
Publicly Held	79,025	25%	79,025	--



### III. Information on disclosures related to consolidated income statement

There isn't any material error found during supervision and audit related to a group or account balance.

**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:**

<b>Fees and Commissions Received</b>	<b>Current Period</b>	<b>Prior Period</b>
Credit Card Commissions	59,537	43,494
Brokerage Fees	58,064	41,845
Non-Cash Loans	31,311	24,875
Cash Loans	12,221	9,153
Remittance Commissions	7,286	3,011
Insurance Services	7,436	2,618
Others	23,674	9,175
<b>Total</b>	<b>199,529</b>	<b>134,171</b>

<b>Fees and Commissions Paid</b>	<b>Current Period</b>	<b>Prior Period</b>
Credit Card / POS Commissions	33,947	20,147
Brokerage Fees	9,103	895
Cash Loans	1,251	4,020
Non-Cash Loans	433	195
Others	8,277	6,950
<b>Total</b>	<b>53,011</b>	<b>32,207</b>

#### 1. Interest income:

##### 1.1 Information on interest income received from associates and subsidiaries

	<b>Current Period</b>	<b>Prior Period</b>
Interest Received from Associates and Subsidiaries	--	1

##### 1.2 Information on financial lease income

	<b>Current Period</b>	<b>Prior Period</b>
Income from Financial Lease	30,182	12,396

##### 1.3 Interest received from reverse repurchase agreements

	<b>Current Period</b>		<b>Prior Period</b>	
	YTL	FC	YTL	FC
Interests Received from Reverse Repurchase Agreements	7	28	2	--

##### 1.4 Interest income received from factoring receivables

This information is not required for interim consolidated financial statements.

**2. Interest expense:**

**2.1 Information on interest expense paid to associates and subsidiaries**

	Current Period	Prior Period
Interest Paid to Associates and Subsidiaries	--	--

**2.2 Information related to financial lease expenses**

	Current Period	Prior Period
Financial Lease Expenses	--	--

**2.3 Maturity structure of the interest expense on deposits**

Account Name	Time Deposits						Total
	Demand Deposits	Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	1 year and over	
<b>YTL</b>							
Bank Deposits	299	14,084	--	--	--	--	14,383
Saving Deposits	413	60,586	137,534	3,972	2,248	426	205,179
Public Sector Deposits	--	2,522	107	10	12	--	2,651
Commercial Deposits	433	50,104	8,842	2,868	538	25	62,810
Other Deposits	22	444	294	399	4	--	1,163
"7 Days Notice" Deposits	--	--	--	--	--	--	--
Precious Metal Deposits	--	--	--	--	--	--	--
<b>Total Turkish Lira</b>	<b>1,167</b>	<b>127,740</b>	<b>146,777</b>	<b>7,249</b>	<b>2,802</b>	<b>451</b>	<b>286,186</b>
<b>FC</b>							
Foreign Currency Deposits	3,232	30,251	35,857	20,264	11,061	5,512	106,177
Bank Deposits	258	3,558	3,419	2,249	95	--	9,578
"7 Days Notice" Deposits	--	--	--	--	--	--	--
Precious Metal Deposits	--	2	--	--	--	--	2
<b>Total Foreign Currency</b>	<b>3,490</b>	<b>33,811</b>	<b>39,276</b>	<b>22,513</b>	<b>11,156</b>	<b>5,512</b>	<b>115,757</b>
<b>Total</b>	<b>4,657</b>	<b>161,551</b>	<b>186,053</b>	<b>29,762</b>	<b>13,958</b>	<b>5,963</b>	<b>401,943</b>

**2.4 Interest expense on repurchase agreements**

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Interests Paid on Repurchase Agreements	13,270	510	17,887	118

**2.5 Interest expenses on factoring payables**

This information is not required for interim consolidated financial statements.

### 3. Other operating income:

	Current Period	Prior Period
Gain on sale of assets	81,989	17,821
Foreign exchange gain on foreign currency indexed loans *	52,878	--
Stationery expenses charged to customers	31,157	6,636
Reversals from prior year provisions	25,507	16,645
Communication income	8,296	8,304
Negative goodwill	--	4,442
Other	12,855	40,824
<b>Total</b>	<b>212,682</b>	<b>94,672</b>

(\*) In line with the regulation dated 2 November 2005 (Official Gazette no. 24984), the Bank booked foreign exchange gain on foreign currency indexed loans, amounting to YTL 52,878 among other operating income. In prior period, foreign exchange losses on foreign currency indexed loans, amounting to YTL 9,750 have been booked in provision for loan losses and other receivables.

### 4. Provision expenses on loans and other receivables:

	Current Period	Prior Period
Specific Provisions on Loans and Other Receivables:	55,432	40,663
<i>Loans and Receivables in Group III</i>	--	1,596
<i>Loans and Receivables in Group IV</i>	--	1
<i>Loans and Receivables in Group V</i>	55,432	39,066
General Provision Expenses	7,994	8,423
Provision for Possible Losses	--	1,159
Foreign Exchange Losses on Foreign Currency Indexed Loans	--	9,750
Impairment Losses on Securities:	7,688	1,577
<i>Trading securities</i>	5,338	1,117
<i>Investment Securities Available-for-Sale</i>	2,350	460
Other Impairment Losses:	--	--
<i>Associates</i>	--	--
<i>Subsidiaries</i>	--	--
<i>Joint Ventures</i>	--	--
<i>Investment Securities Held-to-Maturity</i>	--	--
Other	7,454	626
<b>Total</b>	<b>78,568</b>	<b>62,198</b>

### 5. Information related to other operational expenses:

This information is not required for interim consolidated financial statements.

### 6. Income and expenses relating to subsidiaries and associates:

#### 6.1 Profit/losses from associates and subsidiaries

	Current Period	Prior Period
Income and loss from subsidiaries (+/-)	958	1,790
Income and loss from associates (+/-)	--	--
<b>Total</b>	<b>958</b>	<b>1,790</b>

**6.2 Profit/losses from investments and associates included in statement of operations based on equity method of accounting reflected as a separate item**

The DFS Group does not have any investment in associates that would require the application of equity based accounting.

**6.3 Profit or loss from transactions with companies and individuals those are included in the DFS Group's risk group**

The DFS Group engages in a variety of banking transactions with its associates and subsidiaries. These trading transactions are made on an arms-length basis. The related gains and losses are recognized in the income statement. During the period, the Bank recorded YTL 3,716 income and YTL 8,689 expense from such transactions with the companies and the individuals included in the risk group to which the DFS Group belongs to.

**7. Provision for taxes on income:**

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

The current period taxation charge is YTL 33,377 and deferred tax charge is YTL 2,855.

Corporate Tax Rate is reduced from 30% to 20% in accordance with the article 32 of the new Corporate Tax Law No 5520, as announced in the Official Gazette dated 21 June 2006, no.26205. Consequently, corporate earnings will be subject to 20% corporate tax rate starting from 1 January 2006. It is announced that corporate taxes which have been computed and paid using the corporate tax rate of 30% for the taxation periods before the new Law is enacted, will be offset against the corporate taxes of the following periods.

**7.2 Deferred tax charge arising from origination or reversal of temporary differences**

	Current Period	Prior Period
<b>Deferred tax benefit/charge arising from temporary differences:</b>		
Arising from Origination of Deductible Temporary Differences (+)	9,752	15,139
Arising from Reversal of Deductible Temporary Differences (-)	(5,856)	(6,171)
Arising from Origination of Taxable Temporary Differences (-)	(9,796)	(1,259)
Arising from Reversal of Taxable Temporary Differences (+)	3,045	3,921
<b>Total</b>	<b>(2,855)</b>	<b>11,630</b>

**7.3 Deferred tax charge arising from temporary differences, tax losses or unused tax credits**

	Current Period	Prior Period
<b>Sources of deferred tax benefit/charge:</b>		
Arising from Origination (+)/ Reversal (-) of Deductible Temporary Differences	3,896	8,968
Arising from Origination (+)/ Reversal (-) of Taxable Temporary Differences	(6,751)	2,662
Arising from Origination (+)/ Reversal (-) of Tax Losses	--	--
Arising from Origination (+)/ Reversal (-) of Unused Tax Credits	--	--
<b>Total</b>	<b>(2,855)</b>	<b>11,630</b>

**8. Information on profit and loss of the unconsolidated subsidiaries and associates:**

This disclosure is not required for interim consolidated financial statements.

**9. Net profit and loss:**

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

Income generated from the DFS Group's ordinary banking transactions during the current and prior period are mainly consisted of interest income from loans and marketable securities and income from other banking services. Main expense items are the interest expenses related to deposits and borrowings which are the main funding sources of marketable securities and loans. The size and recurring ratio of these items are not significant which would require additional explanation and disclosure.

**9.2** Changes in estimations made by the DFS Group do not have a material effect on current and subsequent period profit/loss.

**9.3** Since there is no minority right in the share capital of the DFS Group, there is not any profit or loss related to minority rights.

**10.** No changes have been made in the accounting estimates which may have a material effect in current period and materially affect subsequent periods.

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

##### 1. Disclosures related to other contingent liabilities:

###### 1.1 *Contingent liabilities related to investments in joint ventures and the Bank's share in such contingent liabilities*

None.

###### 1.2 *Accounting for contingent assets and liabilities and their presentation in the financial statements*

The DFS Group does not have any significant contingent liabilities or assets.

There are no expected contingent gains and losses about DFS Group.

##### 2. Information related to derivative financial instruments:

This disclosure is not required for interim consolidated financial statements.

##### 3. Off-balance sheet contingencies:

###### 3.1 *Type and amount of irrevocable commitments*

All of the DFS Group's off-balance sheet loan commitments are in the nature of irrevocable commitments and amount of non-cash loans as of 30 September 2006 is YTL 4,204,117 (31 December 2005: YTL 3,211,010). These items are reflected in the off-balance sheet accounts.

###### 3.2 *Type and amount of possible losses from off-balance sheet items including those referred to below*

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

As of 30 September 2006, the DFS Group has letters of guarantee amounting to YTL 2,900,399, bills of exchange and acceptances amounting to YTL 225,159, and guarantees and sureties on letters of credit amounting to YTL 988,852. There are also other guarantees and sureties amounting to YTL 89,707.

As of 31 December 2005, the DFS Group has letters of guarantee amounting to YTL 2,168,524, bills of exchange and acceptances amounting to YTL 197,318, and guarantees and sureties amounting to YTL 758,533. There are other guarantees and sureties amounting to YTL 86,635.

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

	Current Period	Prior Period
Provisional Letters of Guarantee	220,653	188,561
Final Letters of Guarantee	2,230,474	1,719,492
Letters of Guarantee for advances	352,509	163,739
Letters of Guarantee given to Customs Offices	96,710	96,642
Other Letters of Guarantee	53	90
<b>Total</b>	<b>2,900,399</b>	<b>2,168,524</b>

##### 4. Concentration of off-balance sheet items:

This disclosure is not required for interim consolidated financial statements.

5. **Non-cash loans:**

	Current Period	Prior Period
Non-Cash Loans Given for Cash Loan Risks	105,934	118,465
With Original Maturity of 1 Year or Less	55,683	29,262
With Original Maturity of More Than 1 Year	50,251	89,203
Other Non-Cash Loans	4,098,183	3,092,545
<b>Total</b>	<b>4,204,117</b>	<b>3,211,010</b>

6. **Information on fiduciary services rendered on behalf of third parties:**

This disclosure is not required for interim consolidated financial statements.

7. **The Bank's latest international risk ratings:**

**Republic of Turkey's rating by Fitch Ratings:**

On 18 August 2006, Fitch Ratings upgraded Turkey's country ceiling rating from BB- to BB. Fitch affirmed Turkey's long term local and foreign currency ratings outlook at Positive. There has been no rating change to the long term local and foreign currency ratings of BB- and short term local and foreign currency ratings of B.

**Denizbank's rating by Fitch Ratings:**

On 18 October 2006, Fitch Ratings has upgraded Denizbank's ratings to foreign currency Issuer Default BB from BB-, local currency Issuer Default BB+ from BB-, National long-term AA(tur) from A(tur) and Support 3 from 4. The Rating Watch Positive on the above ratings has been removed. A Positive Outlook has been assigned to foreign and local currency IDRs and the Outlook for the National rating is Stable. Denizbank's other ratings are affirmed at Short-term B and Individual C/D.

Foreign Currency				Local Currency		
Short Term	Long Term	Individual	Support	Short Term	Long Term	National
B	BB (Positive)	C/D	3	B	BB+	AA

**Republic of Turkey's rating by Moody's Investors Service:**

On May 2006, Moody's Investors Service upgraded Turkey's country ceiling for foreign currency debt to Ba1 from Ba3. There has been no change to the Ba3 rating of Turkey's long term foreign currency bond ratings and Turkish Government's long term foreign and local currency issuer ratings. Moody's affirmed foreign currency bank deposit country ceiling at B1, local currency bank deposit country ceiling at A3 and the outlooks on the country and government ratings at stable.

**Denizbank's rating by Moody's Investors Service:**

On 19 October 2006, Moody's has raised the local currency deposit ratings of Denizbank to A3/Prime-2 with a stable outlook from Baa3/Prime-3. Denizbank's D+ financial strength rating remains unchanged with a stable outlook, while its foreign currency deposit ratings, currently at B1/Not-Prime.

Long Term Foreign Currency Deposit	Long Term Local Currency Deposit	Short Term Local Currency Deposit	Local Currency Deposit Outlook	Financial Strength Rating	Financial Strength Rating Outlook
B1 / Stable	A3	Prime-2	Stable	D+	Stable

8. **Sectoral risk concentrations of non-cash loans:**

This disclosure is not required for interim consolidated financial statements.

**9. Information about the first and second group of non-cash loans:**

This disclosure is not required for interim consolidated financial statements.



**V. Information and disclosures related to consolidated statement of changes in shareholders' equity**

This disclosure is not required for interim consolidated financial statements.

**VI. Information and disclosures related to consolidated cash flow statement**

**1. Disclosures for "other" items in the statement of cash flows and effect of changes in foreign currency exchange rates on cash and cash equivalents:**

This disclosure is not required for interim consolidated financial statements.

**2. Information on cash flows arising from acquisition of associates, subsidiaries and other investments:**

This disclosure is not required for interim consolidated financial statements.

**3. Information on disposals of associates, subsidiaries or other investments:**

This disclosure is not required for interim consolidated financial statements.

**4. Information on cash and cash equivalents at the beginning of the period:**

	Current Period 31.12.2005	Prior Period 31.12.2004
Cash	187,156	234,224
Interbank Money Market Placements	390,312	197,475
Trading Securities (Net)	242,007	94,501
Reserve Deposits	325,113	294,708
Banks and Other Financial Institutions	2,269,548	1,461,350
<b>Cash Equivalents</b>	<b>3,414,136</b>	<b>2,282,258</b>

**5. Information on cash and cash equivalents at the end of the period:**

	Current Period 30.09.2006	Prior Period 30.09.2005
Cash	192,732	157,008
Interbank Money Market Placements	296,142	172,925
Trading Securities (Net)	639,214	114,984
Reserve Deposits	412,748	358,408
Banks and Other Financial Institutions	1,143,887	1,489,624
<b>Cash Equivalents</b>	<b>2,684,723</b>	<b>2,292,949</b>

**6. Information on cash and cash equivalent assets of the DFS Group that are not available for free use due to legal restrictions or other reasons:**

This disclosure is not required for interim consolidated financial statements.

**7. Additional information:**

This disclosure is not required for interim consolidated financial statements.

## VII. Accounting for entities acquired through mergers and acquisitions

This disclosure is not required for interim consolidated financial statements.

## VIII. Information and disclosures related to the DFS Group'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:

1.1 As of 30 June 2006, the Bank's risk group has deposits, cash and non-cash loans at the Bank amounting to YTL 58,577, YTL 51,158 and YTL 183,068, respectively. As a result of the transactions with the risk group, the Bank has recorded interest and commission expense amounting to YTL 4,664.

#### 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
<u>Loans and Other Receivables</u>						
Balance at the Beginning of the Period	6,589	3,992	21,162	186,340	--	--
Balance at the End of the Period	6,759	1,140	44,399	181,958	--	--
Interest and Commission Income Received	--	--	3,379	337	--	--

#### 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
<u>Loans and Other Receivables</u>						
Balance at the Beginning of the Period	303	2,527	23,139	227,786	--	--
Balance at the End of the Period	6,589	3,992	21,162	186,340	--	--
Interest and Commission Income Received	1	28	4,322	629	--	--

\* As described in the Article 20, clause (2) of Regulation on Establishment and Operations of Banks.

### 1.2 Information on deposits held by the DFS Group's risk group

Bank's Risk Group (*)	Associates and subsidiaries		Bank's Direct and Indirect Shareholders		Other Components in Risk Group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
<u>Deposits</u>						
Balance at the beginning of the Period	2,732	735	590,836	585,922	--	--
Balance at the End of the Period	9	2,732	58,568	590,836	--	--
Interest on Deposits	104	67	8,276	4,802	--	--

\* As described in the Article 20, clause (2) of Regulation on Establishment and Operations of Banks.

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

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
Transactions for Trading Purposes:						
Beginning of the Period	--	--	--	10,595	--	--
End of the Period	--	--	--	--	--	--
Total Income/Loss	--	--	(309)	(3)	--	--
Transactions for Hedging Purposes:						
Beginning of the Period	--	--	--	--	--	--
End of the Period	--	--	--	--	--	--
Total Income/Loss	--	--	--	--	--	--

\* As described in the Article 20, clause (2) of Regulation on Establishment and Operations of Banks.

**2. Disclosures of transactions with the DFS Group's risk group:**

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

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

Transactions with the risk group are made on an arms-length basis; terms are set according to the market conditions and in compliance with the Banking Law.

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

The pricing of transactions with the risk group companies is set in compliance with the market prices. As of 30 June 2006, cash loans of the risk group represented 1% of the DFS Group's total cash loans and the deposits represented 1% of the DFS Group's total deposits. The non-cash loans of the risk group represented 5% of the DFS Group's total non-cash loans.

**2.3 Investments reflected under the equity method of accounting**

None.

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

The risk group, which the DFS Group belongs to, has entered into financial lease contracts with Deniz Leasing and as of 30 September 2006, their net financial lease obligations from these contracts amount to YTL 6,087 (31 December 2005: 6,906 YTL). As of 30 June 2006, factoring transactions of the group with Deniz Faktoring amounts to YTL 25,762 (31 December 2005: YTL 13,783).

**IX. Explanations and disclosures relating to inflation accounting**

Banking Regulation and Supervision Agency, through resolution 1623 on 21 April 2005 dated 28 April 2005 it is announced that the application of inflation accounting to be ceased in banking sector because the criteria per the article 5 of the Statement no.14 of "Regulation Accounting Standards"; "Accounting Standards for Financial Reporting in Hyperinflationary Economies" no longer confirm the existence of a hyperinflationary economy. Accordingly, starting from 1 January 2005 the application of inflation accounting has been ended.

**X. Domestic, foreign and off-shore banking branches and foreign representatives**

**1. Information relating to the bank's domestic and foreign branch and representatives :**

This disclosure is not required for interim consolidated financial statements.

**XI. Explanation and disclosures regarding subsequent events**

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

In the previously submitted Special Situation for Disclosure Forms, it has been announced that the execution of the Share Purchase Agreement between Dexia SA/NV and Zorlu Holding A.Ş. In accordance with this Share Purchase Agreement, the necessary approvals for the transfer of 237,063,940,440 shares amounting to USD 2,428,573,380 as disclosed by Zorlu Holding A.Ş. on 18 September 2006, which represents 75% of Denizbank's capital to Dexia Participation Belgique SA, 100% of which is directly and indirectly owned by Dexia SA/NV, have been obtained and as of 17 October 2006, the mentioned shares have been transferred to Dexia Participation Belgique SA by Zorlu Holding A.Ş.

Additionally, 2,764,890 shares owned by Ahmet Nazif Zorlu and 2,764,890 shares owned by Olgun Zorlu have been purchased by Dexia Participation Belgique SA. Pursuant to the Capital Market's Communiqué Serial IV No: 8 on the Principles regarding Proxy Voting, Proxy Solicitation and Tender Offer at Shareholders' Meetings of Publicly held Joint Stock Companies, it will be applied to Capital Markets Board to make a tender offer with respect to the shares of the publicly traded shares of Denizbank A.Ş..

On 3 October 2006, the Bank has started negotiations with Global Yatırım Holding A.Ş. regarding the possible purchase of 99.6% of Global Hayat Sigorta A.Ş. shares.

Deniz Kültür increased its share capital by YTL 60 on 17 October 2006 in cash.

**2. Information about effects on foreign currency transactions and financial statements of significant changes in foreign exchange rates after balance sheet date and foreign operations of the bank:**

There are no significant fluctuations in the currency exchange rates after the balance sheet date that would affect the analysis and decision making process should they not be mentioned.

## **SECTION FIVE**

### **I. Other Disclosures and Footnotes**

As of 30 June 2005, the Bank borrowed USD 300 million comprised of a 5 year fixed rate loan USD 70 million, 5 year floating rate loan USD 150 million, 5 year floating rate loan USD 80 million via completion of a securitization (the “DPR Securitization”) transaction.

On 25 October 2005, the Bank signed a USD 650 million syndicated term loan facility agreement arranged by 25 banks. The loan comprised of a USD 300 million portion with 1 year maturity and a USD 350 million portion with 2 years maturity. The interest rates are Libor+0.45% for the 1 year portion, and Libor+0.80% for the 2 years portion. On 7 November 2006, the Bank repaid the USD 300 million portion of the syndicated term loan facility. On 7 November 2006, the Bank repaid the USD 300 million portion of the syndicated term loan facility.

On 31 May 2006, the Bank signed a USD 500 million club loan facility agreement arranged by 20 banks with USD 25,000,000 participation amount by each. The interest rate is Libor+0.30% pa.

### **II. 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.

## **SECTION SIX**

### **I. Independent Auditor's Review Report**

#### ***1. Disclosures on Independent Auditor's Review Report***

The Bank's consolidated interim financial statements as of 30 September 2006 have been reviewed by Akis Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. It was noted in their review report dated 14 November 2006 that nothing material has come to their attention that caused them to believe that the accompanying consolidated interim financial statements do not present fairly the financial position of Denizbank Anonim Şirketi and its subsidiaries in all material respects in accordance with regulations described in Article 37, Article 38, and Provisional Article 1 of the (Turkish) Banking Law No 5411.