

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

Denizbank Anonim Őirketi and Its Subsidiaries

Consolidated Interim Financial Statements

As of and For the Six Months Period Ended

30 June 2006

With Independent Auditor's Review Report Thereon

Akis Serbest Muhasebeci

Mali Műŕavirlik

Anonim Őirketi

11 August 2006

This report contains 57 pages.

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



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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 June 2006 and the related consolidated statements of income, changes in shareholders' equity and cash flows for the six 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 June 2006, which statements reflect total assets constituting 14 percent; and total interest and commission income constituting 5 percent after elimination of intercompany balances and transactions as of and for the six months period ended 30 June 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 June 2006, and of the results of its operations and its cash flows for the six 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,
11 August 2006

Akis 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 JUNE 2006

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

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

Website of the Bank
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, Viyana		
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, Moskova		
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 June 2006; and enclosed.

KÜRŞAD TAÇALAN
Senior Vice President
General Accounting

SUAVİ DEMİRCİOĞLU
Executive Vice President

CEMALETİN HASDEMİR
Member of Board of Directors
and Audit Committee

HAKAN ATEŞ
Member of Board of Directors
General Manager

CAN TAŞPULAT
Member of Board of Directors
Responsible for
Internal Control System

İHSAN VEYSİ SEVİĞ
Chairman 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

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Denizbank Anonim Şirketi and Its Subsidiaries

Consolidated Interim Financial Report as of 30 June 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 30 May 2006, Dexia SA/NV, a major retail bank in Belgium, has signed a share purchase agreement with a view to acquiring from Zorlu Holding a 75% stake in Denizbank Financial Services Group, for a total consideration of USD 2,437,386,291. The share transfer will be realized after the completion of all necessary permissions from the regulatory authorities.

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 Tımaz 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 Kadirgan	Member	--
Şerif Arı	Member	--
<u>Assistant General Managers</u>		
Dinçer Alpman		--
Bora Böcügöz		--
Suavi Demircioğlu		--
Arif İsfendiyaroğlu		--
Tanju Kaya		--
Behçet Perim		--
Mehmet Saraç		--
Nihat Sevinç		--
Nesrin Sungu		--
Burçin Tunca		--
Hüseyin Uyar		--

IV. Explanations relating to interim financial statements

- The same accounting policies and methods are followed in the interim financial statements as compared with the most recent annual financial statements;
- 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:

www.denizbank.com

Bank's e-mail address:

investorrelations@denizbank.com

Reporting period:

1 January 2006 - 30 June 2006

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

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		
		(30/06/2006)			(31/12/2005)		
		YTL	FC	Total	YTL	FC	Total
I. CASH AND BALANCES WITH THE CENTRAL BANK	(4.1.1)	292,213	287,964	580,177	170,980	268,682	439,662
1.1.Cash		48,926	-	48,926	40,328	-	40,328
1.2.Cash in foreign currency		-	125,983	125,983	-	145,779	145,779
1.3.Balances with the Central Bank		243,222	155,790	399,012	130,652	121,854	252,506
1.4.Other		65	6,191	6,256	-	1,049	1,049
II. TRADING SECURITIES (Net)	(4.1.2)	77,637	146,692	224,329	186,034	107,672	293,706
2.1.Public sector debt securities		20,387	8,286	28,673	93,313	8,760	102,073
2.1.1.Government bonds		20,093	8,286	28,379	87,127	8,760	95,887
2.1.2.Treasury bills		294	-	294	6,186	-	6,186
2.1.3.Other		-	-	-	-	-	-
2.2.Share certificates		56,825	-	56,825	92,721	-	92,721
2.3.Other securities		425	138,406	138,831	-	98,912	98,912
III. BANKS AND OTHER FINANCIAL INSTITUTIONS	(4.1.3)	105,851	1,544,278	1,650,129	95,613	2,180,208	2,275,821
3.1.Banks		95,428	1,541,373	1,636,801	95,613	2,180,208	2,275,821
3.1.1.Domestic banks		86,222	467,296	553,518	83,748	546,124	629,872
3.1.2.Foreign banks		9,206	1,074,077	1,083,283	11,865	1,634,084	1,645,949
3.1.3.Foreign branches		-	-	-	-	-	-
3.2.Other financial institutions		10,423	2,905	13,328	-	-	-
IV. INTERBANK MONEY MARKET	(4.1.4)	461,074	-	461,074	390,312	-	390,312
4.1.Interbank money market placements		320,000	-	320,000	226,000	-	226,000
4.2.Istanbul Stock Exchange money market placements		600	-	600	800	-	800
4.3.Receivables from reverse repurchase agreements		140,474	-	140,474	163,512	-	163,512
V. INVESTMENT SECURITIES AVAILABLE FOR SALE (Net)	(4.1.5)	535,481	431,873	967,354	801,557	447,536	1,249,093
5.1.Share certificates		3,794	64	3,858	4,134	15	4,149
5.2.Other securities		531,687	431,809	963,496	797,423	447,521	1,244,944
VI. LOANS	(4.1.6)	4,290,519	3,736,163	8,026,682	3,131,326	2,606,516	5,737,842
6.1.Short term		2,353,159	1,944,238	4,297,397	2,182,473	1,395,517	3,577,990
6.2.Medium and long term		1,924,742	1,791,260	3,716,002	936,425	1,210,750	2,147,175
6.3.Loans under follow-up		156,895	2,139	159,034	132,436	2,653	135,089
6.4.Specific provisions (-)		144,277	1,474	145,751	120,008	2,404	122,412
VII. FACTORING RECEIVABLES	(4.1.7)	205,724	38,598	244,322	150,728	45,832	196,560
VIII. INVESTMENT SECURITIES HELD TO MATURITY (Net)	(4.1.8)	-	208,543	208,543	24,115	201,817	225,932
8.1.Public sector debt securities		-	-	-	24,115	72,208	96,323
8.1.1.Government bonds		-	-	-	24,115	72,208	96,323
8.1.2.Treasury bills		-	-	-	-	-	-
8.1.3.Other		-	-	-	-	-	-
8.2.Other securities		-	208,543	208,543	-	129,609	129,609
IX. INVESTMENTS IN ASSOCIATES	(4.1.9)	82,829	-	82,829	121,487	-	121,487
9.1.Financial investments in associates		90	-	90	9	-	9
9.2.Non-Financial investments in associates		82,739	-	82,739	121,478	-	121,478
X. INVESTMENTS IN SUBSIDIARIES	(4.1.10)	4,974	-	4,974	8,042	-	8,042
10.1.Financial investments in subsidiaries		-	-	-	119	-	119
10.2.Non-Financial investments in subsidiaries		4,974	-	4,974	7,923	-	7,923
XI. OTHER INVESTMENTS	(4.1.11)	-	-	-	-	-	-
XII. FINANCIAL LEASE RECEIVABLES (Net)	(4.1.12)	62,525	342,752	405,277	24,187	214,868	239,055
12.1.Gross financial lease receivables		83,857	402,991	486,848	33,361	258,451	291,812
12.2.Unearned income (-)		21,332	60,239	81,571	9,174	43,583	52,757
XIII. RESERVE DEPOSITS		-	417,839	417,839	-	325,113	325,113
XIV. MISCELLANEOUS RECEIVABLES	(4.1.13)	84,775	9,816	94,591	60,108	5,422	65,530
XV. ACCRUED INTEREST AND INCOME	(4.1.14)	202,902	182,060	384,962	84,111	59,602	143,713
15.1.Loans		173,248	50,487	223,735	43,291	30,410	73,701
15.2.Securities		13,041	11,869	24,910	34,100	14,803	48,903
15.3.Other		16,613	119,704	136,317	6,720	14,389	21,109
XVI. TANGIBLE ASSETS (Net)	(4.1.15)	97,037	3,973	101,010	127,942	3,439	131,381
16.1.Cost		163,493	8,100	171,593	203,340	6,495	209,835
16.2.Accumulated Depreciation (-)		66,456	4,127	70,583	75,398	3,056	78,454
XVII. INTANGIBLE ASSETS [Net]	(4.1.16)	41,481	3,477	44,958	11,275	2,340	13,615
17.1.Goodwill		-	-	-	-	-	-
17.2.Other		91,396	7,259	98,655	36,859	4,816	41,675
17.3.Accumulated Amortisation (-)		49,915	3,782	53,697	25,584	2,476	28,060
XVIII. DEFERRED TAX ASSET	(4.1.17)	402	-	402	5,075	17	5,092
XIX. OTHER ASSETS	(4.1.18)	54,911	53,425	108,336	102,372	11,222	113,594
TOTAL ASSETS		6,600,335	7,407,453	14,007,788	5,495,264	6,480,286	11,975,550

LIABILITIES AND EQ UITY	Footnotes	CURRENT PERIOD			PRIOR PERIOD		
		(30/06/2006)			(31/12/2005)		
		YTL	FC	Total	YTL	FC	Total
I. DEPOSITS	(4.II.1)	3,377,001	4,839,891	8,216,892	2,704,889	4,549,213	7,254,102
1.1.Bank deposits		157,657	195,115	352,772	61,420	212,552	273,972
1.2.Saving deposits		2,190,697	-	2,190,697	1,655,078	-	1,655,078
1.3.Public sector deposits		18,942	-	18,942	43,919	-	43,919
1.4.Commercial deposits		905,831	-	905,831	915,935	-	915,935
1.5.Other institutions deposits		103,874	-	103,874	28,537	-	28,537
1.6.Foreign currency deposits		-	4,638,888	4,638,888	-	4,336,087	4,336,087
1.7.Precious metals deposits		-	5,888	5,888	-	574	574
II. INTERBANK MONEY MARKET	(4.II.2)	173,576	35,660	209,236	480,354	35,662	516,016
2.1.Interbank money market takings		-	-	-	-	-	-
2.2.Istanbul StockExchange money market takings		-	-	-	92,500	-	92,500
2.3.Funds provided under repurchase agreements		173,576	35,660	209,236	387,854	35,662	423,516
III. FUNDS BORROWED	(4.II.3)	262,611	3,418,511	3,681,122	203,519	2,387,355	2,590,874
3.1.Funds borrowed from the Central Bank		-	-	-	-	-	-
3.2.Other funds borrowed		262,611	3,418,511	3,681,122	203,519	2,387,355	2,590,874
3.2.1.Domestic banks and institutions		119,463	52,111	171,574	99,494	46,317	145,811
3.2.2.Foreign banks, institutions and funds		143,148	3,366,400	3,509,548	104,025	2,341,038	2,445,063
IV. SECURITIES ISSUED (Net)	(4.II.4)	-	-	-	-	-	-
4.1.Bills		-	-	-	-	-	-
4.2.Asset backed securities		-	-	-	-	-	-
4.3.Bonds		-	-	-	-	-	-
V. FUNDS	(4.II.5)	-	-	-	-	-	-
VI. MISCELLANEOUS PAYABLES	(4.II.6)	219,312	66,859	286,171	180,220	12,443	192,663
VII. OTHER EXTERNAL RESOURCES PAYABLE	(4.II.7)	118,970	12,969	131,939	54,537	2,623	57,160
VIII. TAXES AND OTHER DUTIES PAYABLE	(4.II.8)	26,412	1,499	27,911	25,283	716	25,999
IX. FACTORING PAYABLES	(4.II.9)	-	-	-	1,892	13,630	15,522
X. FINANCIAL LEASE PAYABLES (Net)	(4.II.10)	-	8	8	9	1	10
10.1.Financial Lease Payables		-	8	8	14	2	16
10.2.Deferred financial leasing expenses (-)		-	-	-	5	1	6
XI. ACCRUED INTEREST AND EXPENSES	(4.II.11)	40,655	155,037	195,692	28,471	70,980	99,451
11.1.Deposits		19,293	36,769	56,062	17,907	23,792	41,699
11.2.Borrowings		5,044	51,903	56,947	4,187	29,459	33,646
11.3.Repurchase agreements		40	-	40	319	-	319
11.4.Other		16,278	66,365	82,643	6,058	17,729	23,787
XII. PROVISIONS	(4.II.12)	81,593	16,765	98,358	119,081	12,631	131,712
12.1.General provisions		42,317	155	42,472	34,786	-	34,786
12.2.Reserve for employee termination benefits		19,477	597	20,074	19,434	436	19,870
12.3.Provisions for income taxes		9,707	2,503	12,210	58,724	481	59,205
12.4.Insurance technical provisions		-	-	-	-	-	-
12.5.Other provisions		10,092	13,510	23,602	6,137	11,714	17,851
XIII. SUBORDINATED LOANS	(4.II.12)	-	-	-	-	-	-
XIV. MINORITY INTEREST		-	-	-	-	-	-
XV. DEFERRED TAX LIABILITY	(4.II.14)	959	1,901	2,860	384	187	571
XVI. SHAREHOLDERS' EQ UITY	(4.II.13)	1,086,543	71,056	1,157,599	1,061,627	29,843	1,091,470
16.1.Paid-in capital		316,100	-	316,100	316,100	-	316,100
16.2.Supplementary capital		344,402	(406)	343,996	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)	45,397	(406)	44,991	107,992	800	108,792
16.2.4.Revaluation fund	(4.II.16)	-	-	-	-	-	-
16.2.5.Revaluation surplus	(4.II.17)	11,490	-	11,490	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		342,326	26,773	369,099	113,608	(292)	113,316
16.3.1.Legal reserves	(4.II.18)	16,991	5,409	22,400	5,631	-	5,631
16.3.2.Status reserves		-	-	-	-	-	-
16.3.3.Extraordinary reserves	(4.II.19)	317,131	12,327	329,458	106,983	-	106,983
16.3.4.Other profit reserves		8,204	9,037	17,241	994	(292)	702
15.4. Profit or loss	(4.II.20)	83,715	44,689	128,404	224,922	29,335	254,257
16.4.1.Prior periods income/loss		2,201	16,508	18,709	10,708	17,097	27,805
16.4.1.1.Group's share		2,201	16,508	18,709	10,708	17,097	27,805
16.4.1.2.Minority shares		-	-	-	-	-	-
16.4.2.Current period income/loss		81,514	28,181	109,695	214,214	12,238	226,452
16.4.2.1.Group's share		81,514	28,181	109,695	214,214	12,238	226,452
16.4.2.2.Minority shares		-	-	-	-	-	-
TOTAL LIABILITIES AND EQ UITY		5,387,632	8,620,156	14,007,788	4,860,266	7,115,284	11,975,550

	Footnotes	CURRENT PERIOD			PRIOR PERIOD		
		(30/06/2006)			(31/12/2005)		
		YTL	FC	Total	YTL	FC	Total
A. OFF BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I+II+III)		4,925,884	9,961,130	14,887,014	4,023,895	5,937,781	9,961,676
I. GUARANTEES	(4.IV.5)	1,125,390	2,897,102	4,022,492	1,009,502	2,201,508	3,211,010
1.1.Letters of guarantee	(4.IV.3)	1,125,390	1,541,939	2,667,329	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		-	60,063	60,063	476	22,234	22,710
1.1.3.Other letters of guarantee		1,125,390	1,481,876	2,607,266	1,009,026	1,136,788	2,145,814
1.2.Bank acceptances		-	234,760	234,760	-	197,318	197,318
1.2.1.Import letter of acceptance		-	234,760	234,760	-	197,318	197,318
1.2.2.Other bank acceptances		-	-	-	-	-	-
1.3.Letters of credit		-	990,987	990,987	-	758,533	758,533
1.3.1.Documentary letters of credit		-	728,132	728,132	-	667,999	667,999
1.3.2.Other letters of credit		-	262,855	262,855	-	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		-	129,416	129,416	-	86,635	86,635
1.9.Other sureties		-	-	-	-	-	-
II. COMMITMENTS	(4.IV.5)	2,487,062	-	2,487,062	2,061,290	7,122	2,068,412
2.1.Irrevocable commitments	(4.IV.1)	2,486,381	-	2,486,381	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		43,443	-	43,443	-	-	-
2.1.5.Securities issue brokerage commitments		-	-	-	-	-	-
2.1.6.Commitments for reserve deposit requirements		-	-	-	-	-	-
2.1.7.Commitments for cheque payments		408,321	-	408,321	360,270	-	360,270
2.1.8.Tax and fund obligations from export commitments		-	-	-	-	-	-
2.1.9.Commitments for credit card limits		1,955,323	-	1,955,323	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		79,294	-	79,294	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
III. DERIVATIVE FINANCIAL INSTRUMENTS	(4.IV.2)	1,313,432	7,064,028	8,377,460	953,103	3,729,151	4,682,254
3.1.Forward foreign currency purchases/sales		431,310	5,568,136	5,999,446	120,398	2,136,524	2,256,922
3.1.1.Forward foreign currency purchases		126,715	2,872,901	2,999,616	92,801	1,035,966	1,128,767
3.1.2.Forward foreign currency sales		304,595	2,695,235	2,999,830	27,597	1,100,558	1,128,155
3.2.Currency and interest rate swaps		388,012	780,688	1,168,700	41,060	307,614	348,674
3.2.1.Currency swaps-purchases		30,069	397,308	427,377	-	161,340	161,340
3.2.2.Currency swaps-sales		158,241	249,366	407,607	41,060	127,112	168,172
3.2.3.Interest rate swaps-purchases		99,851	67,007	166,858	-	9,581	9,581
3.2.4.Interest rate swaps-sales		99,851	67,007	166,858	-	9,581	9,581
3.3.Currency, interest rate and security options		492,110	630,617	1,122,727	791,645	1,127,339	1,918,984
3.3.1.Currency options-purchases		248,432	313,167	561,599	402,573	556,991	959,564
3.3.2.Currency options-sales		243,678	317,450	561,128	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		-	36,747	36,747	-	75,482	75,482
3.4.1.Currency futures-purchases		-	35,089	35,089	-	52,801	52,801
3.4.2.Currency futures-sales		-	1,658	1,658	-	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		2,000	47,840	49,840	-	82,192	82,192
B. CUSTODY AND PLEDGED SECURITIES (IV+V+VI)		7,884,050	4,355,230	12,239,280	3,746,457	1,010,071	4,756,528
IV. ITEMS HELD IN CUSTODY	(4.IV.6)	3,379,958	934,713	4,314,671	3,464,523	741,166	4,205,689
4.1.Customers' securities held		-	-	-	-	-	-
4.2.Investment securities held in custody		2,968,713	178,121	3,146,834	2,858,753	180,522	3,039,275
4.3.Checks received for collection		23	158,266	158,289	149,780	132,959	282,739
4.4.Commercial notes received for collection		215,736	435,288	651,024	98,479	298,016	396,495
4.5.Other assets received for collection		-	-	-	-	-	-
4.6.Assets received for public offering		140,552	-	140,552	119,021	-	119,021
4.7.Other items under custody		217	163,038	163,255	201	129,669	129,870
4.8.Custodians		54,717	-	54,717	238,289	-	238,289
V. PLEDGED ITEMS		4,503,915	3,370,430	7,874,345	281,934	268,905	550,839
5.1.Securities		371,691	19,653	391,344	1	-	1
5.2.Guarantee notes		787,353	459,583	1,246,936	281,933	242,632	524,565
5.3.Commodities		966,417	808,588	1,775,005	-	23,818	23,818
5.4.Warranties		-	-	-	-	-	-
5.5.Immovables		2,208,477	1,819,803	4,028,280	-	-	-
5.6.Other pledged items		169,977	262,803	432,780	-	2,455	2,455
5.7.Pledged items-depository		-	-	-	-	-	-
VI. CONFIRMED BILLS OF EXCHANGE AND SURETIES		177	50,087	50,264	-	-	-
TOTAL OFF BALANCE SHEET ITEMS (A+B)		12,809,934	14,316,360	27,126,294	7,770,352	6,947,852	14,718,204

INCOME AND EXPENSE ITEMS	Footnotes	CURRENT PERIOD		PRIOR PERIOD	
		(01/01/2006 - 30/06/2006)	(01/01/2005 - 30/06/2005)	(01/04/2006 - 30/06/2006)	(01/04/2005 - 30/06/2005)
I. INTEREST INCOME	(4.III.1)	650,689	467,304	371,546	230,339
1.1. Interest on loans		456,332	288,071	273,580	144,241
1.1.1. Interest on TL loans		364,336	231,371	220,359	113,826
1.1.1.1. Short term loans		241,318	195,153	145,595	91,704
1.1.1.2. Medium and long term loans		123,018	36,218	74,764	22,122
1.1.2. Interest on foreign currency loans		88,714	53,526	51,691	28,790
1.1.2.1. Short term loans		36,574	25,698	22,160	13,211
1.1.2.2. Medium and long term loans		52,140	27,828	29,531	15,579
1.1.3. Interest on loans under follow-up		3,282	3,174	1,530	1,625
1.1.4. Premiums received from Resource Utilisation Support Fund		-	-	-	-
1.2. Interest received from reserve deposits		12,759	6,889	7,057	3,383
1.3. Interest received from banks		34,693	9,964	17,470	3,994
1.3.1. The Central Bank of Turkey		579	610	579	363
1.3.2. Domestic banks		8,976	3,193	5,300	2,097
1.3.3. Foreign banks		25,138	6,161	11,591	1,534
1.3.4. Interest received from foreign branches		-	-	-	-
1.4. Interest received from money market transactions		28,954	4,040	23,214	1,911
1.5. Interest received from marketable securities portfolio		91,630	133,062	43,209	64,011
1.5.1. Trading securities		9,344	21,555	3,372	10,090
1.5.2. Available-for-sale securities		71,607	107,297	32,637	51,599
1.5.3. Held to maturity securities		10,679	4,210	7,200	2,322
1.6. Other interest income		26,321	25,278	7,016	12,799
II. INTEREST EXPENSE	(4.III.2)	351,016	214,482	196,252	108,292
2.1. Interest on deposits		253,685	165,543	141,004	85,461
2.1.1. Bank deposits		12,700	5,958	8,017	3,934
2.1.2. Saving deposits		126,065	80,958	67,252	40,773
2.1.3. Public sector deposits		2,137	72	746	47
2.1.4. Commercial deposits		57,969	43,229	33,359	22,966
2.1.5. Other institutions deposits		679	644	448	149
2.1.6. Foreign currency deposits		54,135	34,682	31,182	17,592
2.1.7. Precious metals deposits		-	-	-	-
2.2. Interest on money market transactions		900	6,302	11	2,308
2.3. Interest on funds borrowed		92,050	33,505	53,179	17,785
2.3.1. The Central Bank of Turkey		-	-	-	-
2.3.2. Domestic banks		9,164	9,670	3,740	3,391
2.3.3. Foreign banks		82,886	23,835	49,439	14,394
2.3.4. Foreign branches		-	-	-	-
2.3.4. Other financial institutions		-	-	-	-
2.4. Interest on securities issued		-	-	-	-
2.5. Other interest expense		4,381	9,132	2,058	2,738
III. NET INTEREST INCOME (I - II)		299,673	252,822	175,294	122,047
IV. NET FEES AND COMMISSIONS INCOME		99,834	68,250	54,202	39,411
4.1. Fees and commissions received	(4.III)	131,750	86,697	71,262	49,439
4.1.1. Cash loans		7,927	5,168	2,489	2,526
4.1.2. Non-cash loans		19,821	16,157	10,920	8,085
4.1.3. Other		104,002	65,372	57,853	38,828
4.2. Fees and commissions paid	(4.III)	31,916	18,447	17,060	10,028
4.2.1. Cash loans		563	2,537	288	1,275
4.2.2. Non-cash loans		188	73	176	33
4.2.3. Other		31,165	15,837	16,596	8,720
V. DIVIDEND INCOME		-	25	-	25
5.1. Trading securities		-	25	-	25
5.2. Available-for-sale securities		-	-	-	-
VI. NET TRADING INCOME/LOSS		(124,929)	5,352	(137,865)	6,262
6.1. Profit/losses on trading account securities (Net)		73,738	(9,326)	59,421	(11,611)
6.1.1. Profit on trading account securities		149,386	48,696	103,650	15,423
6.1.1.1. Profit on derivatives		131,352	29,041	100,404	12,758
6.1.1.2. Other		18,034	19,655	3,246	2,665
6.1.2. Losses on trading account securities (-)		75,648	58,022	44,229	27,034
6.1.2.1. Losses on derivatives		66,129	42,368	38,894	20,704
6.1.2.2. Other		9,519	15,654	5,335	6,330
6.2. Foreign exchange gains/losses (Net)		(198,667)	14,678	(197,286)	17,873
6.2.1. Foreign exchange gains		3,273,446	1,886,139	2,637,435	795,356
6.2.2. Foreign exchange losses (-)		3,472,113	1,871,461	2,834,721	777,483
VII. OTHER OPERATING INCOME	(4.III.3)	176,318	81,079	140,445	36,757
VIII. TOTAL OPERATING INCOME (III-IV+V+VI-VII)		450,896	407,528	232,076	204,502
IX. PROVISION FOR LOAN LOSSES OR OTHER RECEIVABLES (-)	(4.III.4)	87,240	53,692	47,635	31,365
X. OTHER OPERATING EXPENSES (-)	(4.III.5)	234,557	192,519	126,720	98,967
XI. NET OPERATING PROFIT/LOSS (VIII-IX-X)		129,099	161,317	57,721	74,170
XII. INCOME/LOSSES FROM ASSOCIATES AND SUBSIDIARIES	(4.III.6)	952	14	349	14
XIII. GAIN/LOSS ON NET MONETARY POSITION		-	-	-	-
XIV. PROFIT/LOSS BEFORE TAXES (XI+XII+XIII)		130,051	161,331	58,070	74,184
XV. PROVISION FOR TAXES ON INCOME (-)	(4.III.7)	(20,356)	(33,230)	(4,486)	(17,792)
15.1. Current Tax Provision		(13,473)	(43,910)	7,225	(21,731)
15.2. Deferred Tax Provision		(6,883)	10,680	(11,711)	3,939
XVI. NET OPERATING PROFIT/LOSS AFTER TAXES (XIV-XV)		109,695	128,101	53,584	56,392
XVII. EXTRAORDINARY INCOME/EXPENSE AFTER TAXES		-	683	-	675
17.1. Extraordinary net income/expense before taxes		-	683	-	675
17.1.1. Extraordinary income		-	773	-	746
17.1.2. Extraordinary expense (-)		-	90	-	71
17.2. Provision for taxes on extraordinary income		-	-	-	-
XVIII. PROFIT/LOSSES ON UNCONSOLIDATED INVESTMENTS (-)	(4.III.8)	-	-	-	-
XIX. NET PROFIT/LOSSES (XVI+XVII+XVIII)	(4.III.9)	109,695	128,784	53,584	57,067
19.1. Group's profit/loss		109,695	128,784	53,584	57,067
19.2. Minority shares		-	-	-	-
Earnings/Losses per share (Full YTL)		0.35	0.44	0.17	0.20

Denizbank Anonim Şirketi and Its Subsidiaries

Consolidated Statements of Changes in Shareholders' Equity

For the Six Month Periods Ended 30 June 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
PRIOR PERIOD															
(30/06/2005)															
I. Balances at the beginning of period		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		-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Adjusted beginning balance (I + II)		316,100	189,164	98,351	-	-	-	-	(6,071)	136,707	9,782	-	13,859	115,078	872,970
IV. Current period net profit		-	-	-	-	-	-	-	-	71,717	-	-	-	-	71,717
V. Profit distribution		-	-	-	-	5,631	-	106,983	6,071	(136,707)	18,022	(854)	(27,492)	(28,346)	
5.1. Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	
5.2. Transferred to legal reserves		-	-	-	-	5,631	-	106,983	-	(112,614)	-	-	-	-	
5.3. Others		-	-	-	-	-	-	-	6,071	(24,093)	18,022	(854)	(27,492)	(28,346)	
VI. Capital increase		-	-	-	-	-	-	-	3,431	-	(2,996)	-	-	435	
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		-	-	-	-	-	-	-	3,431	-	-	-	-	435	
6.8. Others	(4.V.6)	-	-	-	-	-	-	-	-	-	(2,996)	-	-	-	
VII. Bonds transferred to share certificates		-	-	-	-	-	-	-	-	-	-	-	-	-	
Balances at the end of period (I-II+IV+V+VI+VII)		316,100	189,164	98,351	-	5,631	-	106,983	3,431	71,717	24,808	-	13,005	87,586	916,776
CURRENT PERIOD															
(30/06/2006)															
I. Balances at the beginning of period		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:															
II. "Available-for-sale" securities															
2.1. Net fair value gains/losses	(4.V.1)	-	-	-	-	-	-	-	-	-	-	-	-	(57,879)	(57,879)
III. Cash flow hedges															
3.1. Net fair value gains/losses		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers:															
IV. "Available-for-sales" securities															
4.1. Transferred to net profit	(4.V.2)	-	-	-	-	-	-	-	-	-	-	-	-	(5,922)	(5,922)
V. Cash flow hedges															
5.1. Transferred to net profit		-	-	-	-	-	-	-	-	-	-	-	-	(5,922)	(5,922)
5.2. Transferred to net assets		-	-	-	-	-	-	-	-	-	-	-	-	-	
VI. Current period net profit		-	-	-	-	-	-	-	-	109,695	-	-	-	-	109,695
VII. Profit distribution		-	-	-	-	16,769	-	222,475	-	(226,452)	(8,394)	-	-	4,398	
7.1. Dividends	(4.V.3)	-	-	-	-	-	-	-	-	-	-	-	-	-	
7.2. Transferred to legal reserves	(4.V.4)	-	-	-	-	16,769	-	222,475	-	-	(234,846)	-	-	4,398	
7.3. Others		-	-	-	-	-	-	-	-	-	-	-	-	-	
VIII. Capital increase		-	-	-	-	-	-	-	16,539	(226,452)	226,452	-	-	-	
8.1. Cash		-	-	-	-	-	-	-	-	-	(702)	-	-	15,837	
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		-	-	-	-	-	-	-	16,539	-	-	-	-	16,539	
8.8. Others	(4.V.6)	-	-	-	-	-	-	-	-	-	(702)	-	-	(702)	
IX. Bonds transferred to share certificates		-	-	-	-	-	-	-	-	-	-	-	-	-	
Balances at the end of period (I-II+III+IV+V+VI+VII+VIII+IX)		316,100	189,164	98,351	-	22,400	-	329,458	17,241	109,695	18,709	-	11,490	44,991	1,157,599

	Footnotes	CURRENT PERIOD (30/06/2006)	PRIOR PERIOD (30/06/2005)
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1. Operating profit before changes in operating assets and liabilities(+)		184,713	158,631
1.1.1. Interest received(+)		497,117	436,524
1.1.2. Interest paid(-)		307,112	165,955
1.1.3. Dividend received(+)		952	14
1.1.4. Fees and commissions received(+)		131,750	86,697
1.1.5. Other income(+)		198,938	49,103
1.1.6. Collections from previously written off loans and other receivables(+)		30,869	22,675
1.1.7. Payments to personnel and service suppliers(-)		113,851	80,366
1.1.8. Taxes paid(-)		16,833	54,073
1.1.9. Extraordinary items(+/-)		-	683
1.1.10. Other(+/-)	(4.VI.1)	(237,117)	(136,671)
1.2. Changes in operating assets and liabilities		(1,037,823)	(331,660)
1.2.1. Net (increase) decrease in trading securities(+/-)		(95,473)	36,322
1.2.2. Net (increase) decrease in due from banks and other financial institutions(+/-)		(274,899)	(36,939)
1.2.3. Net (increase) decrease in loans(+/-)		(2,525,878)	(1,771,566)
1.2.4. Net (increase) decrease in other assets(+/-)		(36,127)	(321,802)
1.2.5. Net increase (decrease) in bank deposits(+/-)		78,800	273,060
1.2.6. Net increase (decrease) in other deposits(+/-)		883,990	718,036
1.2.7. Net increase (decrease) in funds borrowed(+/-)		1,090,248	791,069
1.2.8. Net increase (decrease) in matured payables(+/-)		-	-
1.2.9. Net increase (decrease) in other liabilities(+/-)	(4.VI.1)	(158,484)	(19,840)
I. Net cash (used in)/provided by banking operations(+/-)		(853,110)	(173,029)
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II. Net cash provided by/(used in) investing activities(+/-)		342,307	(149,855)
2.1. Cash paid for purchase of investments, associates and subsidiaries(-)	(4.VI.2)	385	-
2.2. Cash obtained from sale of investments, associates and subsidiaries(+)	(4.VI.3)	-	-
2.3. Fixed assets purchases(-)		10,254	19,257
2.4. Fixed assets sales(+)		1,850	1,862
2.5. Cash paid for purchase of investments available for sale(-)		-	128,256
2.6. Cash obtained from sale of investments available for sale(+)		281,739	-
2.7. Cash paid for purchase of investment securities(-)		13,342	12,253
2.8. Cash obtained from sale of investment securities(+)		82,699	8,049
2.9. Extraordinary items(+/-)		-	-
2.10. Other (+/-)		-	-
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net cash used in financing activities(+/-)		-	-
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(-)		-	-
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)	(250,634)	31,497
V. Net increase (decrease) in cash and cash equivalents(I+II+III+IV)		(761,437)	(291,387)
VI. Cash and cash equivalents at the beginning of period(+)	(4.VI.4)	3,414,136	2,282,258
VII. Cash and cash equivalents at the end of period(V+VI)	(4.VI.5)	2,652,699	1,990,871

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 11.70% as of 30 June 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%
Risk Weighted Assets, Liabilities, Off-Balance Sheet Items								
Balance Sheet Items (Net)	1,633,544	1,242,390	975,117	5,182,413	2,635,315	1,521,478	1,381,781	6,659,466
Cash in vault	174,820	303	--	--	180,861	303	--	--
Banks	399,013	1,190,193	--	2,291	399,013	1,495,974	--	151,249
Interbank Money Market	320,000	--	--	--	320,600	--	--	--
Receivables from Reverse Repos	--	--	--	--	140,474	--	--	--
Reserve Deposits	414,406	--	--	--	417,839	--	--	--
Special Purpose Financial Inst.	--	2,905	--	--	--	2,905	--	--
Loans	296,009	2,105	944,592	4,892,578	1,146,929	8,555	944,592	5,913,323
Loans under follow-up (Net)	--	--	--	12,579	--	--	--	13,283
Investment in Associates and	--	--	--	91,363	--	--	--	91,661
Miscellaneous Receivables	--	--	--	85,712	--	--	--	338,913
Investment Securities Held to Mat. (Net)	--	46,884	--	--	--	13,339	--	--
Advances for Assets Acquired under								
Financial Leases	--	--	--	--	--	--	--	--
Financial Lease Receivables	--	--	--	--	--	--	405,277	--
Leased Assets (Net)	--	--	30,525	--	--	--	31,912	--
Tangible Assets (Net)	--	--	--	64,110	--	--	--	83,076
Other Assets	29,296	--	--	33,780	29,599	402	--	67,961
Off-Balance Sheet Items	240,799	1,304,292	2,059,844	418,265	240,982	1,306,918	2,139,549	442,581
Guarantees	223,406	1,271,202	284,681	224,345	223,406	1,271,202	358,673	224,345
Commitments	681	--	1,744,353	--	681	--	1,744,353	--
Other Off-Balance Sheet-Items	--	--	--	--	--	--	--	--
Derivative Financial Instruments	--	30,361	--	33,562	--	28,701	--	34,039
Accrued Interest and Income	16,712	2,729	30,810	160,358	16,895	7,015	36,523	184,197
Items Not Risk Weighted								
Total Assets Exposed to Risk	1,874,343	2,546,682	3,034,961	5,600,678	2,876,297	2,828,396	3,521,330	7,102,047
Total Risk Weighted Assets	--	509,336	1,517,481	5,600,678	--	565,679	1,760,665	7,102,047

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

	Bank		Consolidated	
	Current Period	Prior Period	Current Period	Prior Period
Total Risk Weighted Assets	7,627,495	5,928,377	9,428,392	6,920,441
Value at Risk	375,625	463,525	358,875	420,288
Shareholders' Equity	865,020	902,563	1,144,946	1,078,608
Shareholders' Equity/ (RWA+VaR)*100	10.81%	14.12%	11.70%	14.69%

RWA: Total Risk Weighted Assets

VaR: Value at Risk

4. Components of shareholders' equity:

	Current Period	Prior Period
CORE CAPITAL		
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	22,400	5,631
I. Legal Reserve (Turkish Commercial Code 466/1)	22,400	5,631
II. Legal Reserve (Turkish Commercial Code 466/2)	--	--
Other Legal Reserve per Special Legislation	--	--
Status Reserves	--	--
Extraordinary Reserves	329,458	106,983
Reserve Allocated at the General Assembly	329,458	106,983
Retained Earnings	--	--
Accumulated Losses	--	--
Foreign currency exchange differences	--	--
Profit	128,404	254,257
Current Period Profit	109,695	226,452
Prior Years Profit	18,709	27,805
Loss (-)	--	--
Current Period Loss	--	--
Prior Years Loss	--	--
Total Core Capital	1,083,877	970,486
SUPPLEMENTARY CAPITAL		
Revaluation Fund	--	--
Movables	--	--
Immovables	--	--
Income on Sale of Equity Shares and Real Estates	--	--
Revaluation Fund on Leasehold Improvements	--	--
Revaluation Surplus	11,490	11,490
Foreign Exchange Differences	17,241	702
General Provisions	42,472	34,786
Provision for Possible Losses	1,241	800
Subordinated Loans	--	--
Securities Value Increase Fund (Unrealized gain on investments)	44,991	108,792
Associates and Subsidiaries	58,666	100,748
Investments Available for Sale	(13,675)	8,044
Securities Held for Structural Position	--	--
Total Supplementary Capital	117,435	156,570
TIER III CAPITAL		
CAPITAL	1,201,312	1,127,056
DEDUCTIONS FROM CAPITAL	56,366	48,448
Investments in Entities Operating in Financial Sectors such as Money Markets, Capital Markets, Insurance under the Related Special Laws		
Leasehold improvements	30,563	30,381
Start-up Costs	417	776
Prepaid Expenses	25,386	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	--	--
Total Shareholders' Equity	1,144,946	1,078,608

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.

	Amount
Capital Obligation against Interest Rate Risk - Standard Method	14,188
General Market Risk	12,274
Specific Risk	1,914
Options Subject to Interest Rate Risk	--
Capital Obligation against Common Stock Position Risk – Standard Method	8,613
General Market Risk	4,542
Specific Risk	4,071
Options Subject to Common Stock Position Risk	--
Capital Obligation against Currency Risk – Standard Method	5,909
Capital Obligation	5,885
Capital Obligation against Options Subject to Currency Risk	24
Total Value-At-Risk – Home Model	--
Total Capital Obligations against Market Risk	28,710
Value-At-Risk Amount	358,875

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 1.5697
Euro purchase rate at the date of the balance sheet	YTL 1.9963

Date	US Dollar	Euro
26 June 2006	1.6836	2.1158
27 June 2006	1.6375	2.0603
28 June 2006	1.6118	2.0251
29 June 2006	1.6029	2.0095
30 June 2006	1.5697	1.9963

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 June 2006 are YTL 1.5933 and YTL 2.0174, respectively.

Information on currency risk: (Thousands of YTL)

Current Period	Euro	USD	Yen	Others	Total
Assets					
Cash (Cash in Vault, Foreign currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	61,832	214,120	210	11,802	287,964
Due from Banks and Other Financial Institutions	424,503	1,068,960	42	50,773	1,544,278
Trading Securities	7,908	31,884	--	106,900	146,692
Interbank Money Market Placements	--	--	--	--	--
Investment Securities Available-for-Sale	140,566	291,307	--	--	431,873
Loans (*)	1,342,273	3,205,543	1,613	20,809	4,570,238
Investments in Subsidiaries and Associates	--	--	--	--	--
Investment Securities Held-to-Maturity (*)	195,201	13,342	--	--	208,543
Property and Equipment	3,457	23	--	493	3,973
Goodwill	--	--	--	--	--
Other Assets (*) (***)	325,996	636,735	30	14,408	977,169
Total Assets	2,501,736	5,461,914	1,895	205,185	8,170,730
Liabilities					
Bank Deposits	9,271	185,416	8	420	195,115
Foreign Currency Deposits	2,047,196	2,522,932	1,472	73,176	4,644,776
Interbank Money Markets	35,660	--	--	--	35,660
Funds Borrowed from Other Financial Institutions	207,652	3,209,851	--	1,008	3,418,511
Marketable Securities Issued	--	--	--	--	--
Miscellaneous Payables	19,503	47,242	--	114	66,859
Other Liabilities (**)(***)	46,082	85,053	69	1,532	132,736
Total Liabilities	2,365,364	6,050,494	1,549	76,250	8,493,657
Net On Balance Sheet Position	136,372	(588,580)	346	128,935	(322,927)
Net Off Balance Sheet Position	(143,317)	553,184	(8,168)	(64,640)	337,059
Financial Derivatives (Assets)	949,648	2,024,698	135,090	591,107	3,700,543
Financial Derivatives (Liabilities)	1,092,965	1,471,514	143,258	655,747	3,363,484
Non-Cash Loans	788,818	2,014,618	8,163	85,503	2,897,102
Prior Period					
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
Assets							
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	--	--	--	--	--	580,177	580,177
Due from Banks and Other Fin.Inst.	1,129,364	157,043	176,710	65,162	31,026	90,824	1,650,129
Trading securities	10,646	17,218	7,051	20,376	97,599	71,439	224,329
Interbank Money Market Placements	461,074	--	--	--	--	--	461,074
Investment Securities Av.-for-Sale	28,785	543,652	41,485	91,754	257,821	3,857	967,354
Loans	1,395,204	1,930,944	778,522	1,474,833	2,433,882	13,297	8,026,682
Investment Securities Held-to-Mat.	53,720	101,586	2,024	37,874	13,339	--	208,543
Other Assets (*)	137,752	647,375	133,834	132,068	367,446	471,025	1,889,500
Total Assets	3,216,545	3,397,818	1,139,626	1,822,067	3,201,113	1,230,619	14,007,788
Liabilities							
Bank Deposits	117,232	63,543	54,749	92,654	--	24,594	352,772
Other Deposits	3,559,766	883,166	330,726	469,582	435,003	2,185,877	7,864,120
Interbank Money Markets	173,576	35,660	--	--	--	--	209,236
Miscellaneous Payables	32,274	21,577	15,908	1,472	--	214,940	286,171
Marketable Securities Issued	--	--	--	--	--	--	--
Funds Borrowed from Other Fin.Inst.	337,887	2,445,325	235,068	346,400	316,442	--	3,681,122
Other Liabilities (**)	116,500	56,432	13,638	45	11,712	1,416,040	1,614,367
Total Liabilities	4,337,235	3,505,703	650,089	910,153	763,157	3,841,451	14,007,788
On Balance Sheet Interest Sensitivity Gap	(1,120,690)	(107,885)	489,537	911,914	2,437,956	(2,610,832)	--
Off Balance Sheet Interest Sensitivity Gap	--	--	--	--	--	--	--
Total Interest Sensitivity Gap	(1,120,690)	(107,885)	489,537	911,914	2,437,956	(2,610,832)	--

(*) Tangible Assets, Intangible Assets, Investments in Associates and Investments in Subsidiaries and Deferred Tax Asset with balances of YTL 101,010, YTL 44,958, YTL 82,829, YTL 4,974, and YTL 402 respectively, are included.

(**) Shareholders' equity amounting YTL 1,157,599 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
Assets							
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
Total Assets	3,947,887	2,940,406	903,974	1,110,025	1,934,155	1,139,103	11,975,550
Liabilities							
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
Total Liabilities	4,315,358	2,331,522	796,751	865,167	576,414	3,090,338	11,975,550
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	--	--	--	--	--	--	--
Total Interest Sensitivity Gap	(367,471)	608,884	107,223	244,858	1,357,741	(1,951,235)	--

(*) 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:

Current Period	Euro	USD	Yen	YTL
	%	%	%	%
Assets				
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	2.83	5.34	--	18.55
Trading Securities	6.16	7.51	--	19.98
Interbank Money Market Placements	--	--	--	19.09
Investment Securities Available-for-Sale	4.51	6.75	--	20.28
Loans	5.67	6.77	1.80	17.26
Investment Securities Held-to-Maturity	4.76	8.16	--	--
Liabilities				
Bank Deposits	3.40	5.19	--	13.98
Other Deposits	3.41	4.94	--	16.15
Interbank Money Markets	--	--	--	--
Miscellaneous Payables	--	--	--	--
Marketable Securities Issued	--	--	--	--
Funds Borrowed from Other Financial Institutions	--	5.51	--	--
Prior Period				
	Euro	USD	Yen	YTL
	%	%	%	%
Assets				
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	--	--
Liabilities				
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 21% of the balance sheet is allocated to cash balances, 10% 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 21% of balance sheet size is allocated to cash balances, 10% 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:

Current Period	Demand	Up to 1 month	1-3 months	3-6 months	6-12 months	1 year and over	Undist. (*)	Total
Assets								
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	580,177	--	--	--	--	--	--	580,177
Due from Banks and Other Financial Institutions	97,759	1,096,243	135,897	137,200	65,937	117,093	--	1,650,129
Trading Securities	71,439	10,320	14,259	3,359	19,772	105,180	--	224,329
Interbank Money Market Placements	--	461,074	--	--	--	--	--	461,074
Investment Securities Available-for-Sale	3,858	--	407,263	1,681	99,095	455,457	--	967,354
Loans	--	1,131,357	1,454,446	897,525	1,469,726	3,060,345	13,283	8,026,682
Investment Securities Held-to-Maturity	--	11,969	--	8,010	17,097	171,467	--	208,543
Other Assets	187,011	408,435	285,121	174,681	97,310	375,862	361,080	1,889,500
Total Assets	940,244	3,119,398	2,296,986	1,222,456	1,768,937	4,285,404	374,363	14,007,788
Liabilities								
Bank Deposits	24,594	117,336	117,798	54,749	38,295	--	--	352,772
Other Deposits	2,185,877	3,556,572	878,051	339,035	469,582	435,003	--	7,864,120
Funds Borrowed from Other Financial Institutions	--	337,887	404,715	705,978	1,131,250	1,101,292	--	3,681,122
Interbank Money Markets	--	173,576	35,660	--	--	--	--	209,236
Marketable Securities Issued	--	--	--	--	--	--	--	--
Miscellaneous Payables	175,659	32,277	21,577	15,908	1,471	--	39,279	286,171
Other Liabilities	25,980	111,361	17,955	26,238	11,218	103,634	1,317,981	1,614,367
Total Liabilities	2,412,110	4,329,009	1,475,756	1,141,908	1,651,816	1,639,929	1,357,260	14,007,788
Net Liquidity Gap	(1,471,866)	(1,209,611)	821,230	80,548	117,121	2,645,475	(982,897)	--
Prior Period								
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
Net Liquidity Gap	(1,113,416)	(130,989)	213,433	121,878	315,951	1,453,750	(860,607)	--

(*) 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 and loans under follow-up, 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	243,222	155,790	130,652	121,854
Unrestricted Time Deposits	--	--	--	--
Total	243,222	155,790	130,652	121,854

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	7,356	15,822	1,705	9,040
Other	--	--	--	--
Total	7,356	15,822	1,705	9,040

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	1,124	--	23,688	--
Treasury Bills	--	--	--	--
Other Debt Securities	--	--	--	--
Bonds Issued or Guaranteed by				
Banks	--	--	--	--
Asset Backed Securities	--	--	--	--
Other	--	--	--	--
Total	1,124	--	23,688	--

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 3,794) 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
Debt Securities	975,837	1,246,948
Quoted in Stock Exchange	769,565	1,035,755
Not Quoted in Stock Exchange	206,272	211,193
Share Certificates	3,858	4,149
Quoted in Stock Exchange	--	668
Not Quoted in Stock Exchange	3,858	3,481
Impairment Provision (-)	12,341	2,004
Total	967,354	1,249,093

5.3 Investment securities available-for-sale given as collateral

Investment securities available-for-sale given as collateral are government bonds amounting to YTL 331,311 (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	126,615	204,696	273,191	192,857
Other	--	--		
Total	126,615	204,696	273,191	192,857

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

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Government Bonds	32,409	--	140,919	--
Treasury Bills	--	--	60,000	--
Other Debt Securities	--	--	--	--
Bonds issued or guaranteed by				
Banks	--	--	--	--
Asset backed securities	--	--	--	--
Other	--	--	--	--
Total	32,409	--	200,919	--

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
Direct Loans Granted to Shareholders	12,558	128	--	--
Corporate Shareholders	12,558	102	--	--
Individual Shareholders	--	26	--	--
Indirect Loans Granted to Shareholders	32,542	188,423	21,162	186,340
Loans Granted to Employees	10,210	--	9,044	--
Total	55,310	188,551	30,206	186,340

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
Non-specialized Loans	7,684,572	--	14,790	2,547
Discount Notes	41,695	--	--	--
Export Loans	764,085	--	--	--
Import Loans	53,320	--	--	--
Loans Given to Financial Sector	109,919	--	--	--
Foreign Loans	881,004	--	--	--
Consumer Loans	1,577,261	--	1,697	--
Credit Cards	373,811	--	--	--
Precious Metal Loans	1,507	--	--	--
Other	3,881,970	--	13,093	2,547
Specialization Loans	311,490	--	--	--
Other Receivables	--	--	--	--
Total	7,996,062	--	14,790	2,547

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
Consumer Loans-YTL	81,671	1,394,239	1,475,910	13,684
Real estate Loans	3,268	452,876	456,144	3,088
Automotive Loans	3,302	162,048	165,350	1,780
Consumer Loans	36,845	779,315	816,160	8,757
Other	38,256	--	38,256	59
Consumer Loans-Indexed to FC	3,772	60,258	64,030	1,042
Real estate Loans	337	47,205	47,542	599
Automotive Loans	656	10,000	10,656	381
Consumer Loans	2,779	3,053	5,832	62
Other	--	--	--	--
Consumer Loans-FC	12,786	17,836	30,622	--
Real estate Loans	--	--	--	--
Automotive Loans	--	--	--	--
Consumer Loans	206	17,836	18,042	--
Other	12,580	--	12,580	--
Credit Cards-YTL	339,233	25,233	364,466	2,792
Installment	94,498	25,233	119,731	--
Non installment	244,735	--	244,735	2,792
Credit Cards-FC	340	--	340	--
Installment	--	--	--	--
Non installment	340	--	340	--
Loans Given to Employees-YTL	2,633	3,294	5,927	34
Real estate Loans	--	526	526	2
Automotive Loans	9	64	73	1
Consumer Loans	1,149	2,704	3,853	31
Other	1,475	--	1,475	--
Loans Given to Employees - Indexed to FC	--	428	428	1
Real estate Loans	--	426	426	1
Automotive Loans	--	--	--	--
Consumer Loans	--	2	2	--
Other	--	--	--	--
Loans Given to Employees - FC	147	197	344	--
Real estate Loans	--	--	--	--
Automotive Loans	--	--	--	--
Consumer Loans	--	197	197	--
Other	147	--	147	--
Employee Credit Cards-YTL	3,600	239	3,839	--
Installment	1,497	239	1,736	--
Non installment	2,103	--	2,103	--
Employee Credit Cards-FC	6	--	6	--
Installment	--	--	--	--
Non installment	6	--	6	--
Total	444,188	1,501,724	1,945,912	17,553

6.5 Information on installment corporate loans and corporate credit cards

	Short Term	Medium or Long Term	Total	Accrued Interest and Income
Installment Corporate Loans - YTL	102,619	193,850	296,469	2,618
Real estate Loans	4,626	50,144	54,770	313
Automotive Loans	32,370	82,083	114,453	1,013
Consumer Loans	65,623	57,695	123,318	1,044
Other	--	3,928	3,928	248
Installment Corporate Loans – Indexed to FC	19,957	66,154	86,111	1,538
Real estate Loans	3,995	8,523	12,518	87
Automotive Loans	7,419	20,143	27,562	517
Consumer Loans	8,517	34,630	43,147	341
Other	26	2,858	2,884	593
Installment Corporate Loans - FC	--	5,786	5,786	--
Real estate Loans	--	--	--	--
Automotive Loans	--	--	--	--
Consumer Loans	--	5,786	5,786	--
Other	--	--	--	--
Corporate Credit Cards - YTL	5,055	32	5,087	--
Installment	144	32	176	--
Non installment	4,911	--	4,911	--
Corporate Credit Cards - FC	73	--	73	--
Installment	--	--	--	--
Non installment	73	--	73	--
Total	127,704	265,822	393,526	4,156

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	7,132,395	5,008,458
Foreign Loans	881,004	716,707
Total	8,013,399	5,725,165

6.8 Loans granted to subsidiaries and investments

	Current Period	Prior Period
Direct Loans Granted to Subsidiaries and Investments	6,729	6,589
Indirect Loans Granted to Subsidiaries and Investments	--	--
Total	6,729	6,589

6.9 Specific provisions for loans

Specific Provisions	Current Period	Prior Period
Loans and Receivables with Limited Collectibility	21,213	16,915
Loans and Receivables with Doubtful Collectibility	30,527	28,956
Uncollectible Loans and Receivables	94,011	76,541
Total	145,751	122,412

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
Current Period	--	94	13,395
(Gross Amounts Before Specific Reserves)			
Loans and Other Receivables which are Restructured	--	--	--
Rescheduled Loans and Other Receivables	--	94	13,395
Prior Period	--	36	8,604
(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
Balances at Beginning of Period	16,976	29,211	88,902
Additions (+)	46,759	2,536	1,589
Transfers from Other Categories of Non-Performing Loans (+)	--	32,184	22,464
Transfers to Other Categories of Non-Performing Loans (-)	31,746	22,450	--
Collections (-)	10,776	7,489	6,902
Write-offs (-)	--	2,224	--
Balances at End of the Period	21,213	31,768	106,053
Specific Provisions (-)	21,213	30,527	94,011
Net Balance on Balance Sheet	--	1,241	12,042

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
Current Period			
Period End Balance	--	2,017	122
Specific Provision (-)	--	1,352	122
Net Balance on Balance Sheet	--	665	--
Prior Period			
Period End Balance	--	1,721	932
Specific Provision (-)	--	1,313	1,091
Net Balance on Balance Sheet	--	408	(159)

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
Debt Securities	208,543	225,932
Quoted	195,204	201,817
Not Quoted	13,339	24,115
Impairment Loss Provision (-)	--	--
Total	208,543	225,932

8.2 Movement of investment securities held-to-maturity

	Current Period	Prior Period
Balances at Beginning of the Period	225,932	167,887
Foreign Currency Gains / Losses on Monetary Assets	53,907	--
Purchases During the Period	11,403	101,193
Disposals Through Sales / Redemptions and the Restatement		
Effects of Inflation Accounting (*)	(82,699)	(43,148)
Impairment Loss Provision (-)	--	--
Period End Balance	208,543	225,932

(*) 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	--	35,033	--	35,257
Securities Subject to Repurchase				
Agreements	--	39,926	--	40,985
Securities Held for Structural				
Position	--	--	--	--
Receivables from Security Lending	--	--	--	--
Guarantees to Security Lending	--	--	--	--
Other (*)	--	133,584	--	135,196
Total	--	208,543	--	211,438

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
Total	24,115	201,817	28,170	207,539

(*) 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	--	35,033	--	35,117
Other	--	--	--	--
Total	--	35,033	--	35,117

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	--	39,926	--	--
Asset Backed Securities	--	--	--	--
Other	--	--	--	--
Total	--	39,926	--	31,142

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-Zorlu Enerji Elektrik Üretimi Otoprodüktör Grubu A.Ş.	İSTANBUL/TÜRKİYE	40	83
2-Kredi Kayıt Bürosu A.Ş.	İSTANBUL/TÜRKİYE	9	--
3-Gelişen İşletmeler Piyasası A.Ş.	İSTANBUL/TÜRKİYE	5	5

The Bank does not have voting right on this investment since the shares the Bank hold are Class B shares.

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Trading Income	Current Period Profit / Loss	Prior Period Profit / Loss	Fair Value
1	635,540	311,409	464,274	--	--	(10,802)	48,290	312,778
2	18,498	16,827	2,826	--	--	4,262	3,986	--
3	2,520	2,505	--	--	--	5	--	--

The financial statements of Zorlu Enerji Elektrik Üretimi Otoprodüktör A.Ş. as of the report date have not been completed; therefore, the data above are taken from the consolidated balance sheet as of 31 March 2006.

The Bank acquired 5% of the shares of Gelişen İşletmeler Piyasaları A.Ş. for YTL 500 on 1 March 2006. YTL 125 of the amount was paid in cash.

Deniz Yatırım acquired 5% of the shares of Gelişen İşletmeler Piyasaları A.Ş. for YTL 500 on 1 March 2006. YTL 125 of the amount was paid in cash.

9.2 Investments in consolidated associates

None.

10. Investments in subsidiaries (Net):

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.

Located in Izmir, 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.

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 EUR 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/Türkiye	100.00	0.00
2 Denizbank Kültür Sanat Yayıncılık Ticaret ve Sanayi A.Ş.	İstanbul/Türkiye	100.00	0.00
3 Adana Haddecilik Metal San. ve Tic. A.Ş.	Adana/Türkiye	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	3,352	3,017	141	157	157	58	--	--
2	306	209	2	2	--	5	12	--
3	6,923	--	3,278	--	--	(110)	--	--

10.2 Movement of subsidiaries

	Current Period	Prior Period
Balance at the Beginning of the Period	171,700	99,974
Movements during the Period	56,447	71,726
Purchases	39,910	74,329
Bonus Shares Received	--	7,578
Dividends from Current Year Profit	--	--
Sales	--	--
Revaluation Increase, Effect of Inflation and F/X Difference	16,537	(10,181)
Impairment Provision (+)	--	--
Balance at the End of the Period	228,147	171,700
Capital Commitments	--	--
Share Percentage at the end of Period (%)	--	--

10.2.1 Valuation of the investments in subsidiaries

	Current Period	Prior Period
Valued at Inflation-Adjusted Historical Costs	228,147	171,700
Valued at Fair Value	--	--
Valued by Equity Method of Accounting	--	--

10.2.2 Sectoral distribution of subsidiaries

	Current Period	Prior Period
Banks	94,590	75,983
Insurance Companies	--	--
Factoring Companies	30,383	30,383
Leasing Companies	65,380	25,481
Finance Companies	37,894	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	Istanbul/Turkey	%49	%51	Full consolidation
7 Deniz Portföy Yönetimi A.Ş.	Istanbul/Turkey	%0	%100	Full consolidation
8 Deniz Finansal Kiralama A.Ş.	Istanbul/Turkey	%11	%89	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	1,895,978	104,163	5,944	41,123	14,888	14,347	--	--
2	1,286,946	39,960	97	30,614	110	25,338	9,109	--
3	177,997	28,102	1,356	2,100	(761)	3,730	(631)	--
4	7,788	3,455	355	329	1,125	525	(5,070)	--
5	24,780	20,784	744	1,064	(696)	4,062	468	--
6	232,917	37,433	1,037	7,784	3,196	2,712	(5,953)	--
7	2,366	2,114	24	122	--	520	(33)	--
8	532,484	77,000	194	21,537	--	6,820	--	--
9	289,126	35,096	163	19,187	(229)	2,647	--	--

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	177,446	140,532	112,051	88,146
Between 1-4 years	245,122	207,240	161,616	136,656
Over 4 years	64,280	57,505	18,145	14,253
Total	486,848	405,277	291,812	239,055

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
Accrued Interest and Income on Loans				
Uncollected Interest Income	1,935	179	1,405	632
Accrued Interest Income	171,208	50,308	41,814	29,778
Uncollected Commissions and Other Income	105	--	72	--
Accrued Commissions and Other Income	--	--	--	--
Total	173,248	50,487	43,291	30,410

14.2 Information on other accrued interest and income

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Other Accrued Interest and Income				
Trading Securities	1,269	2,804	5,078	2,473
Investment Securities Available-for-Sale	11,772	6,170	24,967	6,608
Investment Securities Held-to-Maturity	--	2,895	4,055	5,722
Reverse Repurchase Agreements	--	--	--	--
Reserve Deposits	4,928	2,129	3,738	1,341
Financial Derivative Instruments	8,324	107,609	802	5,735
Interest and Income Accruals	17	36,811	1	577
Income Accruals on Foreign Exchange	8,307	70,798	801	5,158
Factoring Receivables	437	47	598	173
Other	2,924	9,919	1,582	7,140
Total	29,654	131,573	40,820	29,192

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 402 (31 December 2005: YTL 5,092) and deferred tax liability is YTL 2,860 (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.

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 16,904 (31 December 2005: YTL 55,396) and prepaid expenses are YTL 25,386 (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
Saving Deposits	220,290	--	689,336	1,226,509	33,968	19,172	1,422
Foreign Currency Deposits	1,504,384	--	357,600	1,178,068	364,422	796,183	438,231
Residents in Turkey	813,152	--	300,969	1,083,366	237,834	489,357	434,907
Residents Abroad	691,232	--	56,631	94,702	126,588	306,826	3,324
Public Sector Deposits	12,775	--	5,590	542	35	--	--
Commercial Deposits	351,330	--	400,082	112,109	34,436	7,630	244
Other Ins. Deposits	91,210	--	1,567	3,546	7,510	41	--
Precious Metal Deposits	5,888	--	--	--	--	--	--
Bank Deposits	24,628	--	66,331	90,738	78,977	92,098	--
Central Bank	--	--	--	--	--	--	--
Domestic Banks	12,364	--	18,153	16,488	23,554	1,000	--
Foreign Banks	12,254	--	48,178	74,250	55,423	91,098	--
Special Financial Inst.	10	--	--	--	--	--	--
Other	--	--	--	--	--	--	--
Total	2,210,505	--	1,520,506	2,611,512	519,348	915,124	439,897

Prior Period

	Demand	7 Days Notice	Up to 1 month	1-3 Months	3-6 Months	6 Month- 1 Year	1 Year and Over
Saving Deposits	199,509	--	724,433	684,279	27,635	14,190	5,032
Foreign Currency Deposits	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
Public Sector Deposits	1,972	--	5,306	36,153	154	334	--
Commercial Deposits	504,058	--	364,921	39,635	5,070	1,945	306
Other Ins. Deposits	22,923	--	4,135	1,387	42	50	--
Precious Metal Deposits	574	--	--	--	--	--	--
Bank Deposits	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	--	--	--	--	--	--	--
Total	1,584,545	--	1,697,583	2,126,402	511,312	998,150	336,110

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
Saving Deposits	1,207,427	953,323	874,247	602,375
Foreign Currency Savings Deposits	559,850	564,467	1,066,294	1,028,197
Other Saving Deposits	--	--	--	--
Foreign branches' Deposits Under Foreign Insurance Coverage	--	--	--	--
Off-Shore Deposits Under Foreign Insurance Coverage	--	--	--	--
Total	1,767,277	1,517,790	1,940,541	1,630,572

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	554,238	443,930
Savings Deposits at Off-shore Branches	63,757	60,898
Total	617,995	504,828

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

	Current Period		Prior Period	
	YTL	FC	YTL	FC
From Domestic Transactions	173,576	--	387,854	--
Financial Institutions and Organizations	169,389	--	364,218	--
Other Institutions and Organizations	1,138	--	22,199	--
Real Persons	3,049	--	1,437	--
From Foreign Transactions	--	35,660	--	35,662
Financial Institutions and Organizations	--	35,660	--	35,662
Other Institutions and Organizations	--	--	--	--
Real Persons	--	--	--	--
Total	173,576	35,660	387,854	35,662

3. Information on funds borrowed:

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Short-Term	262,611	2,279,681	148,517	1,423,046
Medium and Long-Term	--	1,138,830	55,002	964,309
Total	262,611	3,418,511	203,519	2,387,355

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:

	Current Period	Prior Period
Cash collaterals received	911	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	8	8	16	10
Between 1-4 years	--	--	--	--
More than 4 years	--	--	--	--
Total	8	8	16	10

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	19,293	36,769	17,907	23,792
Accrued Interest on Funds Borrowed	5,044	51,903	4,187	29,459
Accrued Interest on Bonds	--	--	--	--
Accrued Interest on Repurchase Agreements	40	--	319	--
Accrued Interest on Financial Derivative Instruments:	5,667	57,613	19	10,924
Interest and Expense Accruals	4,006	2,169	4	1,580
Expense Accruals for Foreign Exchange Losses	1,661	55,444	15	9,344
Accrued interest on Factoring Payables	--	--	--	--
Other Interest and Expense Accruals	10,611	8,752	6,039	6,805
Total	40,655	155,037	28,471	70,980

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	36,804	30,253
Provisions for Loans and Receivables in Group II	--	--
Provisions for Non Cash Loans	5,668	4,533
Other	--	--
Total	42,472	34,786

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	1,616	9,953

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	16,234	14,287

12.8 Information on other reserves

12.8.1 General reserves for possible loan losses

	Current Period	Prior Period
General Reserves for Possible Loan Losses	1,241	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 June 2006, the Bank has capital reserves amounting to 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

The Bank 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):

There are no balances related to revaluation 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:

Fees and Commissions Received	Current Period	Prior Period
Brokerage Fees	43,788	27,448
Credit Card Commissions	35,318	24,327
Non-Cash Loans	19,821	16,157
Cash Loans	7,927	5,168
Insurance Services	5,523	1,980
Remittance Commissions	4,568	1,743
Others	14,805	9,874
Total	131,750	86,697

Fees and Commissions Paid	Current Period	Prior Period
Credit Card / POS Commissions	20,174	13,089
Brokerage Fees	563	2,537
Cash Loans	7,059	504
Non-Cash Loans	188	73
Others	3,932	2,244
Total	31,916	18,447

1. Interest income:

1.1 Information on interest income received from associates and subsidiaries

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

1.2 Information on financial lease income

	Current Period	Prior Period
Income from Financial Lease	17,403	7,103

1.3 Interest received from reverse repurchase agreements

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Interests Received from Reverse Repurchase Agreements	7	--	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	12

2.2 Information related to financial lease expenses

	Current Period	Prior Period
Financial Lease Expenses	--	58

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	
YTL							
Bank Deposits	115	6,839	--	--	--	--	6,954
Saving Deposits	258	38,069	83,297	2,690	1,570	181	126,065
Public Sector Deposits	--	2,028	89	8	12	--	2,137
Commercial Deposits	277	34,559	7,294	1,845	286	16	44,277
Other Deposits	15	187	200	274	3	--	679
"7 Days Notice" Deposits	--	--	--	--	--	--	--
Precious Metal Deposits	--	--	--	--	--	--	--
Total Turkish Lira	665	81,682	90,880	4,817	1,871	197	180,112
FC							
Foreign Currency Deposits	1,328	11,002	22,485	9,669	16,694	6,649	67,827
Bank Deposits	--	2,417	1,233	1,570	526	--	5,746
"7 Days Notice" Deposits	--	--	--	--	--	--	--
Precious Metal Deposits	--	--	--	--	--	--	--
Total Foreign Currency	1,328	13,419	23,718	11,239	17,220	6,649	73,573
Total	1,993	95,101	114,598	16,056	19,091	6,846	253,685

2.4 Interest expense on repurchase agreements

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Interests Paid on Repurchase Agreements	3,286	278	9,111	--

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
Foreign exchange gain on foreign currency indexed loans *	109,043	--
Stationery expenses charged to customers	24,307	4,410
Reversals from prior year provisions	17,370	14,396
Communication income	5,680	5,218
Gain on sale of assets	1,068	17,466
Negative goodwill	--	4,442
Other	18,850	35,147
Total	176,318	81,079

(*) 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 109,043 among other operating income. In prior period, foreign exchange losses on foreign currency indexed loans amounting to YTL 15,959 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:	39,008	28,455
<i>Loans and Receivables in Group III</i>	404	1,024
<i>Loans and Receivables in Group IV</i>	81	1
<i>Loans and Receivables in Group V</i>	38,523	27,430
General Provision Expenses	9,537	6,957
Provision for Possible Losses	997	431
Foreign Exchange Losses on Foreign Currency Indexed Loans	--	15,959
Impairment Losses on Securities:	30,666	1,380
<i>Trading securities</i>	29,495	1,021
<i>Investment Securities Available-for-Sale</i>	1,171	359
Other Impairment Losses:	--	--
<i>Associates</i>	--	--
<i>Subsidiaries</i>	--	--
<i>Joint Ventures</i>	--	--
<i>Investment Securities Held-to-Maturity</i>	--	--
Other	7,032	510
Total	87,240	53,692

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 (+/-)	952	14
Income and loss from associates (+/-)	--	--
Total	952	14

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 3,154 income and YTL 5,934 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 13,473 and deferred tax charge is YTL 6,883.

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
Deferred tax benefit/charge arising from temporary differences:		
Arising from Origination of Deductible Temporary Differences (+)	12,179	2,437
Arising from Reversal of Deductible Temporary Differences (-)	(4,321)	(11,207)
Arising from Origination of Taxable Temporary Differences (-)	(17,659)	(3,543)
Arising from Reversal of Taxable Temporary Differences (+)	2,918	5,703
Total	(6,883)	(6,610)

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

	Current Period	Prior Period
Sources of deferred tax benefit/charge:		
Arising from Origination (+)/ Reversal (-) of Deductible Temporary Differences	7,858	(8,770)
Arising from Origination (+)/ Reversal (-) of Taxable Temporary Differences	(14,741)	2,160
Arising from Origination (+)/ Reversal (-) of Tax Losses	--	--
Arising from Origination (+)/ Reversal (-) of Unused Tax Credits	--	--
Total	(6,883)	(6,610)

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.

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 June 2006 is YTL 4,022,492 (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 June 2006, the DFS Group has letters of guarantee amounting to YTL 2,667,329, bills of exchange and acceptances amounting to YTL 234,760, and guarantees and sureties on letters of credit amounting to YTL 990,987. There are also other guarantees and sureties amounting to YTL 129,416.

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	199,803	188,561
Final Letters of Guarantee	2,135,452	1,719,492
Letters of Guarantee for advances	249,547	163,739
Letters of Guarantee given to Customs Offices	82,475	96,642
Other Letters of Guarantee	52	90
Total	2,667,329	2,168,524

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	159,064	118,465
With Original Maturity of 1 Year or Less	61,736	29,262
With Original Maturity of More Than 1 Year	97,328	89,203
Other Non-Cash Loans	3,863,428	3,092,545
Total	4,022,492	3,211,010

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

DFS Group grants custody services on behalf of its customers for all kinds of securities. Additionally, the Group acts as a trust for any kind of customer portfolio.

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

Republic of Turkey's rating by FitchRatings:

On 6 December 2005, FitchRatings upgraded Turkey's long term local and foreign currency ratings outlook to Positive from Stable and affirmed BB- rating for long term foreign and local currency ratings. Additionally, Fitch also affirmed short term foreign and local currency ratings as B together with BB-rating of country ceiling.

Denizbank's rating by FitchRatings (Current Position):

On 1 June 2006, FitchRatings has placed Denizbank's local currency Issuer Default, National Long-term and Support ratings on Rating Watch Positive (RWP) following the announcement from Belgium-based Dexia that it is planning to acquire 75% of the bank from Zorlu Holding.

Foreign Currency				Local Currency		
Short Term	Long Term	Individual	Support	Short Term	Long Term	National
B	BB-(Positive)	C/D	4	B	BB-(RWP)	A (RWP)

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

On 14 December 2005, Moody's Investors Service: Turkey's country ceiling for foreign-currency debt and the Turkish government's foreign and domestic currency issuer ratings were raised to Ba3 from B1.

Accordingly, the ratings on the Republic of Turkey's long-term foreign currency bonds have been upgraded to Ba3 from B1. The country ceiling for bank deposits has been raised to B1 from B2.

The outlooks on the country and government ratings have been revised to stable. Turkey's local currency guideline is A3 and its A3 local currency bank deposit ceiling has been affirmed.

Denizbank's rating by Moody's Investors Service (current position)

On 31 May 2006, Moody's Investors Service has placed on review for possible upgrade the Baa3/Prime-3 local currency deposit ratings of Denizbank following the announcement from Belgium-based Dexia that it is planning to acquire 75% of the bank from Zorlu Holding.

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	Baa3	Prime-3	Stable (Review for a possible upgrade)	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	1,461,349
Cash Equivalents	3,414,136	2,282,257

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

	Current Period 30.06.2006	Prior Period 30.06.2005
Cash	181,165	148,330
Interbank Money Market Placements	461,074	146,984
Trading Securities (Net)	77,156	155,892
Reserve Deposits	417,839	268,657
Banks and Other Financial Institutions	1,515,465	1,271,008
Cash Equivalents	2,652,699	1,990,871

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 68,792, YTL 51,654 and YTL 191,907, respectively. As a result of the transactions with the risk group, the Bank has recorded interest and commission expense amounting to YTL 2,780.

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	6,729	3,364	44,925	188,543	--	--
Interest and Commission Income Received	--	168	2,166	722	--	--

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	3,002	2,732	65,790	590,836	--	--
Interest on Deposits	2	67	5,932	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	--	--	98	(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 June 2006, their net financial lease obligations from these contracts amount to YTL 6,629 (31 December 2005: 6,906 YTL). As of 30 June 2006, factoring transactions of the group with Deniz Faktoring amounts to YTL 27,328 (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

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:

A joint venture that was established as a potential buyer of certain state enterprises that are to be privatized in Turkey, deposited a total of USD 355.8 million at Denizbank and Eurodeniz in 2004 to be used in the acquisition process. As a result of negative outcome of privatization activities and continuance of liquidation process of the joint venture, the foreign partner of the joint venture subsequently obtained loans from Eurodeniz at an equivalent amount of USD 355.8 million (YTL 477,412) deposited and collateralized the loan with the deposits. As of 30 June 2006, the deposits are closed. The loans are also closed on 5 July 2006, subsequent to the balance sheet date.

On 10 August 2006, Turkish Competition Authority has approved Dexia SA/NV's application regarding the purchase of %75 of the Bank. The Austrian and German competition authorities have also approved the related purchase. In addition, the Russian Federation Central Bank indicated that the related purchase is not subject to preapproval and Bahrain Monetary Agency stated that it has no objections to the said purchase.

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 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.

On 30 May 2006 Dexia SA/NV, a major retail bank in Belgium, has signed a share purchase agreement with a view to acquiring from Zorlu Holding a 75% stake in Denizbank Financial Services Group, for a total consideration of USD 2,437,386,291. According to the agreement, Zorlu Enerji Elektrik Üretimi Otoprodüktör Grubu A.Ş. (“Zorlu Enerji”) shares held by Denizbank and amounting to 39.77% of share capital of Zorlu Enerji will be transferred to Zorlu Holding prior to the consummation of the purchase agreement. The said transfer will be realized via an application to the Energy Market Regulatory Authority. The transfer price of the said shares is determined as the arithmetic mean of the price of the shares on Istanbul Stock Exchange on the five working days prior to the transfer. The purchase of Denizbank’s shares is subject to the approval of the BRSA, Turkish Competition Authority and foreign official authorities. Following the purchase Dexia SA/NV will appeal to the Capital Markets Board for a tender offer for the remaining ordinary shares held by minority shareholders and listed on the Istanbul Stock Exchange. After the Zorlu Enerji shares are transferred to Zorlu Holding, the holding will appeal to the Capital Markets Board for a tender offer exemption.

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 June 2006 have been reviewed by Akis Serbest Muhasebeci Mali Müşavirlik A.Ş. It was noted in their review report dated 11 August 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.