

(Convenience Translation of Consolidated Financial Report Originally Issued in Turkish)
(See Note 3.I.2)

Denizbank Anonim Őirketi and Its Subsidiaries

Consolidated Interim Financial Statements
As of and for the Three Months Period Ended
31 March 2007
With Independent Auditor's Review Report Thereon

Akis Serbest Muhasebeci
Mali Műŕavirlik
Anonim Őirketi
11 May 2007

This report contains 61 pages.

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

**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 31 March 2007 and the related consolidated statements of income, changes in shareholders' equity and cash flows for the three 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 31 March 2007, which statements reflect total assets constituting 14 percent; and total interest and commission income constituting 7 percent after elimination of intercompany balances and transactions as of and for the three months period ended 31 March 2007 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 31 March 2007, and of the results of its operations and its cash flows for the three months period then ended, in all material respects in accordance with regulations described in Article 37 and Article 38 of the (Turkish) Banking Law No 5411; and other regulations, explanations and circulars on accounting and financial reporting principles announced by BRSA.

Istanbul,
11 May 2007

Akis Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik
Anonim Şirketi

Murat Alsan
Partner

Additional paragraph for convenience translation to English:

As explained in Note 3.I.2, 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 31 MARCH 2007

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

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

Website of the Bank
www.denizbank.com

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

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

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

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

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

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

HAKAN ELVERDİ
Senior Vice President
International and Legal Reporting

SUAVİ DEMİRCİOĞLU
Executive Vice President
Financial Affairs

HAKAN ATEŞ
Member of Board of Directors
and President and Chief Executive Officer

ERIC P.B.A. HERMANN
Member of Board of Directors
and Audit Committee

MUSTAFA TINAS TİTİZ
Deputy Chairman of Board of Directors
and Member of Audit Committee

DIRK G.M. BRUNEEL
Chairman of Board of Directors
and Member of Audit Committee

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Denizbank Anonim Şirketi and Its Subsidiaries

Consolidated Financial Report as of 31 March 2007

(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. 0.23% of the Bank's shares are publicly held as of 31 March 2007.

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

Name of the Shareholder	Amount (YTL)	Share %
Dexia Participation Belgique SA	315,361,832	99.77
M. Cem Bodur	5	0.00
Hakan Ateş	5	0.00
Ayfer Yılmaz	5	0.00
Mustafa Tinas Titiz	5	0.00
Publicly traded	738,148	0.23
	316,100,000	100.00

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

<u>Name</u>	<u>Job Description</u>	<u>Shares owned (%)</u>
<u>President of the Board of Directors</u>		
Dirk G.M. Bruneel	Chairman	--
<u>Board of Directors</u>		
Mustafa Tınas Titiz	Deputy Chairman, Independent Member	0.000002
Hakan Ateş	Member, President and CEO	0.000002
Ayfer Yılmaz	Independent Member	0.000002
M. Cem Bodur	Member	0.000002
Fikret Arabacı	Member	--
Bruno R.D.J. Accou	Member	--
Alain P.B. Delouis	Member	--
Hugo R.R. Lasat	Member	--
Bruno Y.M.R. Deletre	Member	--
Eric P.B.A. Hermann	Member	--
<u>Audit Committee</u>		
Dirk G.M. Bruneel	Member	--
Eric P.B.A. Hermann	Member	--
Mustafa Tınas Titiz	Independent Member	0.000002
<u>Audit Board</u>		
Cem Kadırgan	Member	--
Mehmet Uğur Ok	Member	--
<u>Executive Vice Presidents</u>		
Bora Böcügöz	Treasury	--
Suavi Demircioğlu	Financial Affairs	--
Gökhan Ertürk	SME and Agricultural Banking	--
Arif İsfendiyaroğlu	Retail Banking	--
Tanju Kaya	Administrative Services	--
Mehmet Saraç	Central Operations	--
Nihat Sevinç	Foreign Subsidiaries and Branches	--
Nesrin Sungu	Financial Institutions	--
Hüseyin Uyar	Commercial Marketing	--
Wouter G.M. Van Roste	Public and Project Finance	--
Mehmet Ali Yetim	Corporate Banking	--

Wouter G.M. Van Roste has been assigned as executive vice president responsible from public and project finance by the resolution dated 10 January 2007 and numbered 2007/1 of the Board of Directors.

Mustafa Tınas Titiz has been assigned as deputy chairman of the Board of Directors by the resolution dated 17 January 2007 and numbered 2007/2 of the Board of Directors.

The number of members of the Board of Directors has been determined as 11 at the Extraordinary General Assembly held on 17 January 2007; and Ayfer Yılmaz, Hugo R.R. Lasat, Bruno Yves Marie Rene Deletre, Alain Philippe Bernard Delouis and Eric P.B.A. Hermann have been assigned as new members of the Board of Directors.

Dirk G.M. Bruneel, Mustafa Tinas Titiz and Eric P.B.A. Hermann have been assigned as the members of the Audit Committee, by the resolution dated 17 January 2007 and numbered 2007/2 of the Board of Directors.

Mehmet Ali Yetim has been assigned as executive vice president responsible from corporate banking by the resolution dated 24 January 2007 and numbered 2007/4 of the Board of Directors.

IV. 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 2007 - 31 March 2007

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

SECTION TWO
CONSOLIDATED 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 Statements of Cash Flows

ASSETS		Footnotes	CURRENT PERIOD (31/03/2007)			PRIOR PERIOD (31/12/2006)		
			YTL	FC	Total	YTL	FC	Total
I.	CASH AND BALANCES WITH THE CENTRAL BANK	(5.1.1)	379,337	587,766	967,103	147,293	727,923	875,216
II.	FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	(5.1.2)	398,337	173,547	571,884	204,258	171,100	375,358
2.1	Trading Securities		365,821	152,255	518,076	170,442	157,221	327,663
2.1.1	Public Sector Debt Securities		355,978	12,966	368,944	156,845	20,937	177,782
2.1.2	Share Certificates		9,843	13	9,856	13,209	-	13,209
2.1.3	Other Securities		-	139,276	139,276	388	136,284	136,672
2.2	Financial Assets Designated at Fair Value		-	-	-	-	-	-
2.2.1	Public Sector Debt Securities		-	-	-	-	-	-
2.2.2	Share Certificates		-	-	-	-	-	-
2.2.3	Other Securities		-	-	-	-	-	-
2.3	Positive Value of Trading Purpose Derivatives		32,516	21,292	53,808	33,816	13,879	47,695
III.	BANKS AND OTHER FINANCIAL INSTITUTIONS	(5.1.3)	838	2,295,695	2,296,533	63,629	2,717,593	2,781,222
IV.	INTERBANK MONEY MARKET		272,780	-	272,780	260,743	27,390	288,133
4.1	Interbank Money Market Placements		950	-	950	-	27,390	27,390
4.2	Istanbul Stock Exchange Money Market Placements		-	-	-	1,450	-	1,450
4.3	Receivables from Reverse Repurchase Agreements		271,830	-	271,830	259,293	-	259,293
V.	INVESTMENT SECURITIES AVAILABLE FOR SALE (Net)	(5.1.4)	971,744	355,246	1,326,990	582,181	391,585	973,766
5.1	Share Certificates		3,867	58	3,925	3,867	58	3,925
5.2	Public Sector Debt Securities		967,877	260,335	1,228,212	578,314	288,063	866,377
5.3	Other Securities		-	94,853	94,853	-	103,464	103,464
VI.	LOANS	(5.1.5)	5,113,475	3,177,495	8,290,970	4,992,720	3,070,659	8,063,379
6.1	Loans		5,106,255	3,177,055	8,283,310	4,986,668	3,070,323	8,056,991
6.2	Loans under Follow-Up		186,395	4,061	190,456	166,049	3,885	169,934
6.3	Specific Provisions (-)		179,175	3,621	182,796	159,997	3,549	163,546
VII.	FACTORING RECEIVABLES		290,921	13,805	304,726	288,469	16,365	304,834
VIII.	INVESTMENT SECURITIES HELD TO MATURITY (Net)	(5.1.6)	-	158,546	158,546	-	177,381	177,381
8.1	Public Sector Debt Securities		-	36,498	36,498	-	62,591	62,591
8.2	Other Securities		-	122,048	122,048	-	114,790	114,790
IX.	INVESTMENTS IN ASSOCIATES (Net)	(5.1.7)	3,686	-	3,686	3,686	-	3,686
9.1	Equity Method Associates		-	-	-	-	-	-
9.2	Unconsolidated		3,686	-	3,686	3,686	-	3,686
9.2.1	Financial Investments		104	-	104	104	-	104
9.2.2	Non-Financial Investments		3,582	-	3,582	3,582	-	3,582
X.	INVESTMENTS IN SUBSIDIARIES (Net)	(5.1.8)	7,950	-	7,950	5,145	-	5,145
10.1	Unconsolidated Financial Investments		2,700	-	2,700	-	-	-
10.2	Unconsolidated Non-Financial Investments		5,250	-	5,250	5,145	-	5,145
XI.	JOINT VENTURES (Net)	(5.1.9)	-	-	-	-	-	-
11.1	Equity Method Joint Ventures		-	-	-	-	-	-
11.2	Unconsolidated		-	-	-	-	-	-
11.2.1	Financial Investments		-	-	-	-	-	-
11.2.2	Non-Financial Investments		-	-	-	-	-	-
XII.	LEASE RECEIVABLES (Net)	(5.1.10)	98,662	501,892	600,554	87,048	443,819	530,867
12.1	Financial Lease Receivables		133,430	585,839	719,269	117,657	523,850	641,507
12.2	Operational Lease Receivables		-	-	-	-	-	-
12.3	Others		-	-	-	-	-	-
12.4	Unearned Income (-)		34,768	83,947	118,715	30,609	80,031	110,640
XIII.	HEDGING PURPOSE DERIVATIVES	(5.1.11)	-	-	-	-	-	-
13.1	Fair Value Hedge		-	-	-	-	-	-
13.2	Cash Flow Hedge		-	-	-	-	-	-
13.3	Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-
XIV.	TANGIBLE ASSETS (Net)		90,495	3,762	94,257	94,484	3,796	98,280
XV.	INTANGIBLE ASSETS (Net)		42,275	3,444	45,719	43,628	3,353	46,981
15.1	Goodwill		-	-	-	-	-	-
15.2	Others		42,275	3,444	45,719	43,628	3,353	46,981
XVI.	TAX ASSETS		1,909	380	2,289	-	-	-
16.1	Current Tax Assets		813	380	1,193	-	-	-
16.2	Deferred Tax Assets	(5.1.12)	1,096	-	1,096	-	-	-
XVII.	ASSETS HELD FOR SALE (Net)		15,299	-	15,299	15,363	-	15,363
XVIII.	OTHER ASSETS	(5.1.13)	137,972	84,324	222,296	118,678	46,738	165,416
	TOTAL ASSETS		7,825,680	7,355,902	15,181,582	6,907,325	7,797,702	14,705,027

LIABILITIES AND EQUITY	Footnotes	CURRENT PERIOD			PRIOR PERIOD		
		(31/03/2007)			(31/12/2006)		
		YTL	FC	Total	YTL	FC	Total
I. DEPOSITS	(5.II.1)	3,460,429	6,233,004	9,693,433	3,260,206	6,202,819	9,463,025
II. NEGATIVE VALUE OF TRADING PURPOSE DERIVATIVES	(5.II.2)	16,397	11,331	27,728	26,037	20,243	46,280
III. FUNDS BORROWED	(5.II.3)	257,926	1,920,425	2,178,351	255,029	2,445,707	2,700,736
IV. INTERBANK MONEY MARKET		1,115,122	-	1,115,122	455,630	-	455,630
4.1 Interbank Money Market Takings		-	-	-	-	-	-
4.2 Istanbul Stock Exchange Money Market Takings		-	-	-	-	-	-
4.3 Funds Provided under Repurchase Agreements		1,115,122	-	1,115,122	455,630	-	455,630
V. SECURITIES ISSUED (Net)		-	-	-	-	-	-
5.1 Bills		-	-	-	-	-	-
5.2 Asset Backed Securities		-	-	-	-	-	-
5.3 Bonds		-	-	-	-	-	-
VI. FUNDS		-	-	-	-	-	-
VII. MISCELLANEOUS PAYABLES		209,555	105,882	315,437	222,137	63,718	285,855
VIII. OTHER EXTERNAL RESOURCES	(5.II.4)	99,728	20,478	120,206	68,146	27,539	95,685
IX. FACTORING PAYABLES		-	-	-	-	-	-
X. LEASE PAYABLES (Net)	(5.II.5)	-	1	1	1	1	2
10.1 Financial Lease Payables		-	1	1	2	1	3
10.2 Operational Lease Payables		-	-	-	-	-	-
10.3 Others		-	-	-	-	-	-
10.4 Deferred Financial Leasing Expenses (-)		-	-	-	1	-	1
XI. HEDGING PURPOSE DERIVATIVES	(5.II.6)	-	-	-	-	-	-
11.1 Fair Value Hedge		-	-	-	-	-	-
11.2 Cash Flow Hedge		-	-	-	-	-	-
11.3 Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-
XII. PROVISIONS	(5.II.7)	70,040	11,630	81,670	68,546	12,664	81,210
12.1 General Provisions		51,043	1,673	52,716	52,559	-	52,559
12.2 Restructuring Provisions		-	-	-	-	-	-
12.3 Reserve for Employee Termination Benefits		6,998	1,302	8,300	6,071	601	6,672
12.4 Insurance Technical Provisions (Net)		-	-	-	-	-	-
12.5 Other Provisions		11,999	8,655	20,654	9,916	12,063	21,979
XIV. TAX LIABILITIES	(5.II.8)	49,532	3,279	52,811	52,365	3,011	55,376
14.1 Current Tax Liability		48,853	3,084	51,937	51,041	2,978	54,019
14.2 Deferred Tax Liability		679	195	874	1,324	33	1,357
XV. PAYABLES RELATED TO ASSETS HELD FOR SALE		-	-	-	-	-	-
XIII. SUBORDINATED LOANS		-	168,035	168,035	-	166,746	166,746
XVI. SHAREHOLDERS' EQUITY	(5.II.9)	1,369,445	59,343	1,428,788	1,301,590	52,892	1,354,482
16.1 Paid-In Capital		316,100	-	316,100	316,100	-	316,100
16.2 Supplementary Capital		291,133	7,838	298,971	292,764	7,293	300,057
16.2.1 Share Premium	(5.II.10)	98,351	-	98,351	98,351	-	98,351
16.2.2 Share Cancellation Profits		-	-	-	-	-	-
16.2.3 Securities Value Increase Fund	(5.II.11)	3,606	7,838	11,444	5,248	7,293	12,541
16.2.4 Revaluation Fund on Tangible Assets		-	-	-	-	-	-
16.2.5 Revaluation Fund on Intangible Assets		-	-	-	-	-	-
16.2.6 Capital Bonus of Associates, Subsidiaries and Joint Ventures		12	-	12	1	-	1
16.2.7 Hedging Funds (Effective Portion)		-	-	-	-	-	-
16.2.8 Revaluation Fund on Assets Held for Sale		-	-	-	-	-	-
16.2.9 Other Supplementary Capital		189,164	-	189,164	189,164	-	189,164
16.3 Profit Reserves		629,174	20,417	649,591	338,970	21,189	360,159
16.3.1 Legal Reserves		30,807	5,017	35,824	16,990	5,017	22,007
16.3.2 Status Reserves		-	-	-	-	-	-
16.3.3 Extraordinary Reserves		598,367	10,576	608,943	317,136	10,486	327,622
16.3.4 Other Profit Reserves		-	4,824	4,824	4,844	5,686	10,530
16.4 Profit or Loss		133,038	31,088	164,126	353,756	24,410	378,166
16.4.1 Prior Periods Profit or Loss		51,940	31,088	83,028	27,904	7,973	35,877
16.4.2 Current Period Profit or Loss		81,098	-	81,098	325,852	16,437	342,289
16.5 Minority Shares		-	-	-	-	-	-
TOTAL LIABILITIES AND EQUITY		6,648,174	8,533,408	15,181,582	5,709,687	8,995,340	14,705,027

	Footnotes	CURRENT PERIOD			PRIOR PERIOD		
		(31/03/2007)			(31/12/2006)		
		YTL	FC	Total	YTL	FC	Total
A. OFF BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I+II+III)		6,084,889	9,122,200	15,207,089	5,339,036	8,489,068	13,828,104
I. GUARANTEES	(5.III.1-3)	1,354,341	3,038,464	4,392,805	1,278,620	2,932,197	4,210,817
1.1. Letters of Guarantee		1,354,341	1,634,668	2,989,009	1,278,502	1,624,720	2,903,222
1.1.1. Guarantees Subject to State Tender Law		-	-	-	-	-	-
1.1.2. Guarantees Given for Foreign Trade Operations		89,998	16,886	106,884	131,769	124,771	256,540
1.1.3. Other Letters of Guarantee		1,264,343	1,617,782	2,882,125	1,146,733	1,499,949	2,646,682
1.2. Bank Acceptances		-	138,853	138,853	-	142,409	142,409
1.2.1. Import Letter of Acceptance		-	138,853	138,853	-	142,409	142,409
1.2.2. Other Bank Acceptances		-	-	-	-	-	-
1.3. Letters of Credit		-	1,190,427	1,190,427	118	1,086,574	1,086,692
1.3.1. Documentary Letters of Credit		-	792,701	792,701	118	687,528	687,646
1.3.2. Other Letters of Credit		-	397,726	397,726	-	399,046	399,046
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		-	74,516	74,516	-	78,494	78,494
1.9. Other Sureties		-	-	-	-	-	-
II. COMMITMENTS		2,947,652	-	2,947,652	2,728,283	98,392	2,826,675
2.1. Irrevocable Commitments		2,946,971	-	2,946,971	2,727,602	98,392	2,825,994
2.1.1. Asset Purchase Commitments		-	-	-	-	-	-
2.1.2. Deposit Purchase and Sales Commitments		-	-	-	-	-	-
2.1.3. Share Capital Commitment to Associates and Subsidiaries		350	-	350	455	-	455
2.1.4. Loan Granting Commitments		49,564	-	49,564	53,383	-	53,383
2.1.5. Securities Issue Brokerage Commitments		-	-	-	-	-	-
2.1.6. Commitments for Reserve Deposit Requirements		-	-	-	-	-	-
2.1.7. Commitments for Cheque Payments	(5.III.1)	491,650	-	491,650	431,925	-	431,925
2.1.8. Tax and Fund Obligations from Export Commitments		-	-	-	-	-	-
2.1.9. Commitments for Credit Card Limits	(5.III.1)	2,304,724	-	2,304,724	2,146,292	-	2,146,292
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		100,683	-	100,683	95,547	98,392	193,939
2.2. Revocable Commitments		681	-	681	681	-	681
2.2.1. Revocable Loan Granting Commitments		-	-	-	-	-	-
2.2.2. Other Revocable Commitments		681	-	681	681	-	681
III. DERIVATIVE FINANCIAL INSTRUMENTS		1,782,896	6,083,736	7,866,632	1,332,133	5,458,479	6,790,612
3.1. Hedging Purpose Derivatives		-	-	-	-	-	-
3.1.1. Fair Value Hedge		-	-	-	-	-	-
3.1.2. Cash Flow Hedge		-	-	-	-	-	-
3.1.3. Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-
3.2. Trading Purpose Derivatives		1,782,896	6,083,736	7,866,632	1,332,133	5,458,479	6,790,612
3.2.1. Forward Foreign Currency Purchases/Sales		107,902	3,330,353	3,438,255	363,959	3,637,017	4,000,976
3.2.1.1. Forward Foreign Currency Purchases		63,609	1,656,593	1,720,202	73,855	1,920,855	1,994,710
3.2.1.2. Forward Foreign Currency Sales		44,293	1,673,760	1,718,053	290,104	1,716,162	2,006,266
3.2.2. Currency and Interest Rate Swaps		673,369	1,788,358	2,461,727	467,519	1,013,491	1,481,010
3.2.2.1. Currency Swaps-Purchases		-	862,277	862,277	-	564,103	564,103
3.2.2.2. Currency Swaps-Sales		252,099	602,519	854,618	238,585	328,092	566,677
3.2.2.3. Interest Rate Swaps-Purchases		102,915	267,359	370,274	114,467	60,648	175,115
3.2.2.4. Interest Rate Swaps-Sales		318,355	56,203	374,558	114,467	60,648	175,115
3.2.3. Currency, Interest Rate and Security Options		653,296	638,184	1,291,480	500,654	770,858	1,271,512
3.2.3.1. Currency Options-Purchases		268,197	368,401	636,598	268,197	368,401	636,598
3.2.3.2. Currency Options-Sales		380,907	269,783	650,690	232,457	402,457	634,914
3.2.3.3. Interest Rate Options-Purchases		-	-	-	-	-	-
3.2.3.4. Interest Rate Options-Sales		-	-	-	-	-	-
3.2.3.5. Securities Options-Purchases		2,096	-	2,096	-	-	-
3.2.3.6. Securities Options-Sales		2,096	-	2,096	-	-	-
3.2.4. Currency Futures		-	7,385	7,385	-	13,906	13,906
3.2.4.1. Currency Futures-Purchases		-	4,503	4,503	-	7,768	7,768
3.2.4.2. Currency Futures-Sales		-	2,882	2,882	-	6,138	6,138
3.2.5. Interest Rate Futures		-	-	-	-	5,622	5,622
3.2.5.1. Interest Rate Futures-Purchases		-	-	-	-	-	-
3.2.5.2. Interest Rate Futures-Sales		-	-	-	-	5,622	5,622
3.2.6. Others		348,329	319,456	667,785	1	17,585	17,586
B. CUSTODY AND PLEDGED SECURITIES (IV+V+VI)		9,904,387	4,647,274	14,551,661	8,361,794	4,409,305	12,771,099
IV. ITEMS HELD IN CUSTODY		3,481,933	773,154	4,255,087	2,646,418	818,888	3,465,306
4.1. Customers' Securities Held		-	-	-	-	-	-
4.2. Investment Securities Held in Custody		2,285,123	192,992	2,478,115	1,805,642	156,617	1,962,259
4.3. Checks Received for Collection		1	138,148	138,149	266,618	231,591	498,209
4.4. Commercial Notes Received for Collection		164,469	442,014	606,483	170,801	347,495	518,296
4.5. Other Assets Received for Collection		-	-	-	-	-	-
4.6. Assets Received for Public Offering		138,330	-	138,330	175,324	-	175,324
4.7. Other Items under Custody		894,010	-	894,010	3,015	83,185	86,200
4.8. Custodians		-	-	-	225,018	-	225,018
V. PLEDGED ITEMS		6,422,277	3,802,383	10,224,660	5,715,199	3,522,621	9,237,820
5.1. Securities		470,964	18,312	489,276	522,582	18,415	540,997
5.2. Guarantee Notes		1,432,064	608,923	2,040,987	1,178,272	586,352	1,764,624
5.3. Commodities		1,089,856	827,378	1,917,234	1,043,363	798,403	1,841,766
5.4. Warranties		-	-	-	-	-	-
5.5. Immovables		3,211,481	2,125,215	5,336,696	2,759,254	1,876,488	4,635,742
5.6. Other Pledged Items		217,912	222,555	440,467	211,728	242,963	454,691
5.7. Pledged Items-Depository		-	-	-	-	-	-
VI. CONFIRMED BILLS OF EXCHANGE AND SURETIES		177	71,737	71,914	177	67,796	67,973
TOTAL OFF BALANCE SHEET ITEMS (A+B)		15,989,276	13,769,474	29,758,750	13,700,830	12,898,373	26,599,203

INCOME AND EXPENSE ITEMS		Footnotes	CURRENT PERIOD (31/03/2007)	PRIOR PERIOD (31/03/2006)
I.	INTEREST INCOME	(5.IV.1)	433,878	279,003
1.1	Interest on Loans		305,049	182,752
1.2	Interest Received from Reserve Deposits		9,069	5,702
1.3	Interest Received from Banks		27,731	17,223
1.4	Interest Received from Money Market Transactions		3,736	5,740
1.5	Interest Received from Securities Portfolio		62,386	48,281
1.5.1	Trading Securities		16,514	5,972
1.5.2	Financial Assets at Fair Value Through Profit or Loss		-	-
1.5.3	Available for Sale Securities		43,442	38,830
1.5.4	Held to Maturity Securities		2,430	3,479
1.6	Interest Received from Financial Leases		15,651	7,379
1.7	Other Interest Income		10,256	11,926
II.	INTEREST EXPENSE	(5.IV.2)	247,388	154,764
2.1	Interest on Deposits		189,127	112,681
2.3	Interest on Funds Borrowed		40,455	38,871
2.4	Para Piyasası İşlemlerine Verilen Faizler		16,731	922
2.5	Interest on Securities Issued		-	-
2.6	Other Interest Expense		1,075	2,290
III.	NET INTEREST INCOME (I - II)		186,490	124,239
IV.	NET FEES AND COMMISSIONS INCOME	(5.IV.9)	54,754	45,632
4.1	Fees and Commissions Received		73,598	60,488
4.1.1	Cash Loans		3,941	5,438
4.1.2	Non-Cash Loans		14,070	8,901
4.1.3	Other		55,587	46,149
4.2	Fees and Commissions Paid		18,844	14,856
4.2.1	Cash Loans		375	275
4.2.2	Non-Cash Loans		465	219
4.2.3	Other		18,004	14,362
V.	DIVIDEND INCOME		291	603
VI.	TRADING INCOME/LOSS (Net)	(5.IV.3)	(3,307)	12,936
6.1	Profit / Losses on Trading Account Securities		5,489	14,317
6.2	Foreign Exchange Gains / Losses		(8,796)	(1,381)
VII.	OTHER OPERATING INCOME	(5.IV.4)	40,417	35,873
VIII.	TOTAL OPERATING INCOME (III+IV+V+VI+VII)		278,645	219,283
IX.	PROVISION FOR LOAN LOSSES OR OTHER RECEIVABLES (-)	(5.IV.5)	39,510	33,182
X.	OTHER OPERATING EXPENSES (-)	(5.IV.6)	139,718	114,589
XI.	NET OPERATING PROFIT/LOSS (VIII-IX-X)		99,417	71,512
XII.	NEGATIVE GOODWILL		-	-
XIII.	PROFIT / LOSS FROM ASSOCIATES		-	-
XIV.	GAIN/LOSS ON NET MONETARY POSITION		-	-
XV.	PROFIT / LOSS BEFORE TAXES (XI+XII+XIII+XIV)		99,417	71,512
XVI.	PROVISION FOR TAXES ON INCOME (±)	(5.IV.7)	(18,319)	(15,776)
16.1	Current Tax Provision		(19,884)	(20,698)
16.2	Deferred Tax Provision		1,565	4,922
XVII.	NET OPERATING PROFIT / LOSS AFTER TAXES (XV±XVI)		81,098	55,736
17.1	Ceased Operations		-	-
17.2	Other		-	-
XVIII.	NET PROFIT /LOSS (XVII+XIX)		81,098	55,736
18.1	Group's Profit / Loss		81,098	55,736
18.2	Minority Shares		-	-
	Earnings / Losses per Share (Full YTL)		0.26	0.18

Denizbank Anonim Şirketi and Its Subsidiaries
Consolidated Statements of Changes in Shareholders' Equity
For the Three Month Periods Ended 31 March 2007 and 2006
(Currency: Thousands of YTL - New Turkish Lira)

*Convenience Translation of Consolidated Financial
Report Originally Issued in Turkish, See Note 3.I.2*

CHANGES IN SHAREHOLDERS' EQUITY	Footnotes	CHANGES IN SHAREHOLDERS' EQUITY															
		Paid-In Capital	Capital Reserves from Inflation Adjustments to Paid-In Capital	Share Premium	Share Cancellation Profits	Legal Reserves	Status Reserves	Extraordinary Reserves	Other Reserves	Current Period Net Profit / (Loss)	Prior Period Net Profit / (Loss)	Revaluation Fund	Revaluation Surplus	Securities Value Increase Fund	Total Equity Attributable to Equity Holders of the Parent	Minority Interest	Total Shareholders' Equity
PRIOR PERIOD																	
(31/03/2006)																	
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	-	1,091,470
II. Corrections According to Turkish Accounting Standard No.8		-	-	-	-	-	-	-	-	4,761	7,117	-	-	8,323	20,201	-	20,201
2.1 Corrections of Errors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Changes in Accounting Policies		-	-	-	-	-	-	-	-	4,761	7,117	-	-	8,323	20,201	-	20,201
III. Adjusted Beginning Balance (I + II)		316,100	189,164	98,351	-	5,631	-	106,983	702	231,213	34,922	-	11,490	117,115	1,111,671	-	1,111,671
Changes in the Period		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IV. Increase / Decrease Related to Mergers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V. Available-for-Sale Securities		-	-	-	-	-	-	-	-	-	-	-	-	(20,850)	(20,850)	-	(20,850)
VI. Hedging Transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.1 Cash Flow Hedge		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.2 Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Available-for-Sale Securities		-	-	3	-	-	-	-	-	-	-	-	-	(5,505)	(5,502)	-	(5,502)
VIII. Hedging Transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8.1 Cash Flow Hedge		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8.2 Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Current Period Net Profit / Loss		-	-	-	-	-	-	-	-	55,736	-	-	-	-	55,736	-	55,736
X. Profit Distribution		-	-	-	-	15,758	-	212,606	-	(231,213)	2,849	-	-	-	-	-	-
10.1 Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10.2 Transferred to Reserves		-	-	-	-	15,758	-	212,606	-	-	(228,364)	-	-	-	-	-	-
10.3 Others		-	-	-	-	-	-	-	-	-	231,213	-	-	-	-	-	-
XI. Capital Increase		-	-	-	-	-	-	-	(103)	(231,213)	(247)	-	-	-	(350)	-	(350)
11.1 Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2 Revaluation Fund on Tangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.3 Capital Bonus of Associates, Subsidiaries and Joint Ventures		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.4 Securities Value Increase Fund		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.5 Capital Reserves from Inflation Adjustments to Paid-In Capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.6 Issuance of Share Certificates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.7 Foreign Exchange Differences		-	-	-	-	-	-	-	(103)	-	(247)	-	-	-	(350)	-	(350)
11.8 Others		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII. Changes Related to Sale of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII. Changes Related to Reclassification of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV. Primary Subordinated Loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV. Secondary Subordinated Loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI. Effects of Changes in Equities of Associates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances at the End of Period (III+IV+.....+XIV+XV+XVI)		316,100	189,164	98,354	-	21,389	-	319,589	599	55,736	37,524	-	11,490	90,760	1,140,705	-	1,140,705
CURRENT PERIOD																	
(31/03/2007)																	
I. Balances at the Beginning of Period		316,100	189,164	98,351	-	22,007	-	327,622	10,530	342,289	35,877	-	1	12,541	1,354,482	-	1,354,482
Changes in the Period		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
II. Increase / Decrease Related to Mergers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Available-for-Sale Securities		-	-	-	-	-	-	-	-	-	-	-	-	(4,074)	(4,063)	-	(4,063)
IV. Hedging Transactions		-	-	-	-	-	-	-	-	-	-	-	11	-	-	-	-
4.1 Cash Flow Hedge		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2 Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers		-	-	-	-	-	-	-	-	-	-	-	-	(2,056)	(2,056)	-	(2,056)
V. Available-for-Sale Securities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Hedging Transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.1 Cash Flow Hedge		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.2 Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Current Period Net Profit / Loss		-	-	-	-	-	-	-	-	81,098	-	-	-	-	81,098	-	81,098
VIII. Profit Distribution		-	-	-	-	13,817	-	281,321	(4,371)	(342,289)	47,151	-	-	5,033	662	-	662
8.1 Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8.2 Transferred to Reserves		-	-	-	-	13,817	-	281,321	-	-	(295,138)	-	-	-	662	-	662
8.3 Others		-	-	-	-	-	-	-	(4,371)	(342,289)	342,289	-	-	5,033	-	-	-
IX. Capital Increase		-	-	-	-	-	-	-	(1,335)	-	-	-	-	-	(1,335)	-	(1,335)
9.1 Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9.2 Revaluation Fund on Tangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9.3 Capital Bonus of Associates, Subsidiaries and Joint Ventures		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9.4 Securities Value Increase Fund		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9.5 Capital Reserves from Inflation Adjustments to Paid-In Capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9.6 Issuance of Share Certificates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9.7 Foreign Exchange Differences		-	-	-	-	-	-	-	(1,335)	-	-	-	-	-	(1,335)	-	(1,335)
9.8 Others		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Changes Related to Sale of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. Changes Related to Reclassification of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII. Primary Subordinated Loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII. Secondary Subordinated Loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV. Effects of Changes in Equities of Associates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances at the End of Period (I+II+.....+XIV)		316,100	189,164	98,351	-	35,824	-	608,943	4,824	81,098	83,028	-	12	11,444	1,428,788	-	1,428,788

	Footnotes	CURRENT PERIOD (31/03/2007)	PRIOR PERIOD (31/03/2006)
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating Profit before Changes in Operating Assets and Liabilities(+)		60,306	59,587
1.1.1 Interest Received		428,819	268,739
1.1.2 Interest Paid (-)		245,267	151,879
1.1.3 Dividend Received (+)		291	603
1.1.4 Fees And Commissions Received (+)		73,598	60,488
1.1.5 Other Income (+)		21,241	64,398
1.1.6 Collections from Previously Written-Off Loans and Other Receivables (+)		19,050	9,851
1.1.7 Payments to Personnel and Service Suppliers (-)		76,419	50,531
1.1.8 Taxes Paid (-)		20,773	1,815
1.1.9 Other (+/-)		(140,234)	(140,267)
1.2 Changes in Operating Assets and Liabilities		(368,923)	(1,065,016)
1.2.1 Net (Increase) Decrease in Trading Securities (+/-)		(175,583)	(71,887)
1.2.2 Net (Increase) Decrease in Due From Banks And Other Financial Institutions(+/-)		-	-
1.2.3 Net (Increase) Decrease in Banks (+/-)		(343,860)	(79,879)
1.2.4 Net (Increase) Decrease in Loans (+/-)		(282,570)	(1,060,137)
1.2.5 Net (Increase) Decrease in Other Assets (+/-)		8,186	(23,036)
1.2.6 Net Increase (Decrease) in Bank Deposits (+/-)		250,317	(10,233)
1.2.7 Net Increase (Decrease) in Other Deposits (+/-)		(30,068)	370,002
1.2.8 Net Increase (Decrease) in Funds Borrowed (+/-)		(514,347)	(15,686)
1.2.9 Net Increase (Decrease) in Due Payables (+/-)		-	-
1.2.10 Net Increase (Decrease) in Other Liabilities (+/-)		719,002	(174,160)
I. Net Cash (Used in)/Provided by Banking Operations (+/-)		(308,617)	(1,005,429)
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II. Net Cash Provided by / (Used in) Investing Activities (+/-)		(348,726)	265,798
2.1 Cash Paid for Purchase of Investments, Associates and Subsidiaries (-)		2,805	258
2.2 Cash Obtained From Sale of Investments, Associates And Subsidiaries (+)		-	-
2.3 Fixed Assets Purchases (-)		5,082	4,199
2.4 Fixed Assets Sales (+)		1,527	266
2.5 Cash Paid for Purchase of Investments Available for Sale (-)		715,662	37,025
2.6 Cash Obtained From Sale of Investments Available for Sale (+)		356,231	270,910
2.7 Cash Paid for Purchase of Investment Securities(-)		-	11,595
2.8 Cash Obtained from Sale of Investment Securities (+)		17,065	47,699
2.9 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 Other (+/-)		-	-
IV. Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents (+/-)		(16,063)	(6,010)
V. Net Increase (Decrease) in Cash and Cash Equivalents (I+II+III+IV)		(673,406)	(745,641)
VI. Cash and Cash Equivalents at the Beginning of Period (+)		3,017,102	3,089,023
VII. Cash and Cash Equivalents at the End of Period (V+VI)		2,343,696	2,343,382

SECTION THREE

ACCOUNTING POLICIES

I. Basis of presentation

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

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

2. 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.

3. Disclosures related to the first time application of Turkish Accounting Standards

The Bank has restated its prior period financial statements in accordance with TAS and TFRS as required by TAS 1 "Presentation of the Financial Statements". The effects of these restatements on prior period income of the accompanying financial statements, net of deferred taxes, are as follows:

	Securities Value Increase Fund	Net Profit for the Period	Prior Period Net Profit	Total Equity
Balances Reported as of 31 December 2005	108,792	226,452	27,805	1,091,470
Correction of Employee Termination Benefits (TAS 19)	-	3,575	7,233	10,808
Fair Value Corrections Made to Valuation of Trading Purpose Derivatives (TAS 39)	-	1,081	(185)	896
Fair Value Corrections Made to Trading and Available-for-Sale Securities (TAS 39)	8,323	105	69	8,497
Balances Restated as of 31 December 2005	117,115	231,213	34,922	1,111,671

	Net Profit for the Period
Balances Reported as of 31 March 2006	56,111
Correction of Employee Termination Benefits (TAS 19)	(223)
Fair Value Corrections Made to Trading Securities (TAS 39)	(152)
Balances Restated as of 31 March 2006	55,736

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

Accounting policies and valuation principles used in the preparation of the financial statements are determined and applied in accordance with the requirements of TAS, TFRS, “Regulation on Principles Related to Banks’ Accounting Applications and Preserving the Documents”, dated 1 November 2006 which is published in the Official Gazette No.26333 and “Communique on Financial Statements and the Accompanying Explanations and Footnotes to be Announced to the Public”, dated 10 February 2007 which is published in the Official Gazette No. 26430. Those policies and principles are explained by footnotes II through XXII below.

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

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

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

1. Strategy for the use of financial instruments

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.

2. Transactions denominated in foreign currencies

2.1 Foreign currency exchange rates used in converting transactions denominated in foreign currencies and presentation of them in the financial statements

DFS Group accounts for the transactions denominated in foreign currencies in accordance with TAS 21 “The Effects of Changes in Foreign Exchange Rates”. Foreign exchange gains and losses arising from transactions that are completed as of 31 March 2007 are translated to YTL by using historical foreign currency exchange rates. Balances of the foreign currency denominated assets and liabilities are translated into YTL by using foreign currency exchange rates of the Bank and the resulting exchange differences are recorded as foreign exchange gains and losses. The Bank’s foreign currency exchange rates are as follows:

	31 March 2007	31 December 2006	31 March 2006
US Dollars	YTL 1.3801	YTL 1.4056	YTL 1.3417
Euro	YTL 1.8383	YTL 1.8515	YTL 1.6254

2.2 Foreign exchange gains and losses included in the income statement

Net foreign exchange loss included in the income statement amounts to YTL 8,796 (31 March 2006: net foreign exchange loss of YTL 1,381).

2.3 Foreign operations

The assets and liabilities of foreign operations are translated to YTL at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated to YTL at quarterly average foreign exchange rates. Foreign exchange differences arising on translation are recognized directly in equity. Those foreign exchange differences amount to YTL 4,757 as of 31 March 2007.

There is no goodwill related to any of the Bank’s foreign operations.

No foreign operations are disposed of during the current year.

III. Presentation of information regarding the Bank and consolidated subsidiaries

The accompanying consolidated financial statements are prepared in accordance with TAS 27 “Consolidated and Separate Financial Statements”.

The Bank owns, directly or indirectly, the shares of Deniz Yatırım Menkul Kıymetler A.Ş. (Deniz Yatırım), Ekspres Yatırım Menkul Değerler A.Ş. (Ekspres Yatırım), Deniz Türev Menkul Değerler A.Ş. (Deniz Türev), Eurodeniz Off-shore Bank Limited (Eurodeniz), Deniz Portföy Yönetimi A.Ş. (Deniz Portföy), Denizbank AG, CJSC Denizbank Moscow (Denizbank Moscow), Deniz Finansal Kiralama A.Ş. (Deniz Leasing) and Deniz Faktoring A.Ş. (Deniz Faktoring), and these subsidiaries are consolidated as explained in detail in section 5.I.8.

Intertech Bilgi İşlem ve Pazarlama Ticaret A.Ş., Denizbank Kültür Sanat Ticaret A.Ş. and Adana Haddecilik Metal San. ve Tic. A.Ş. which are also the subsidiaries of the Bank, are not consolidated both because they are below the materiality level set forth for the Bank’s financial statements and they are non-financial subsidiaries. Global Hayat Sigorta A.Ş. is not consolidated because it is below the materiality level set forth for the Bank’s financial statements.

The Bank, as the parent bank, and its subsidiaries, Deniz Yatırım, Ekspres Yatırım, Deniz Türev, Eurodeniz, Deniz Portföy, Denizbank AG, Denizbank Moscow, Deniz Leasing and Deniz Faktoring that are included in consolidation are altogether referred to as “DFS Group” in the disclosures and footnotes related to the consolidated financial statements.

1. With respect to subsidiaries

“Full Consolidation” method has been applied in consolidating the financial statements of the Bank with the financial statements of its subsidiaries. According to this method, the financial statements of the Bank and its subsidiaries are combined on a line-by-line basis by adding together like items of assets, liabilities, income, expenses and off-balance sheet items, in preparing consolidated financial statements. Minority interests are presented separately in the consolidated balance sheet and consolidated income statement.

The major principles of consolidation

1.1 The carrying amount of the Bank’s investment in each subsidiary and the Bank’s portion of equity of each subsidiary are eliminated.

1.2 All intercompany transactions and intercompany balances between the consolidated subsidiaries and with the Bank are eliminated.

The financial statements which have been used in the consolidation are prepared as of 31 March 2007 and appropriate adjustments are made to financial statements to use uniform accounting policies for like transactions and events in similar circumstances.

No difference has occurred from consolidation adjustments which have been raised for the preparation of the consolidated financial statements of DFS Group.

2. With respect to associates

There are no financial associates included in the consolidation.

3. With respect to joint ventures

There are no joint ventures.

IV. Forward transactions, options and derivative instruments

In accordance with TAS 39 “Financial Instruments: Recognition and Measurement”, forward foreign currency purchase/sale contracts, swaps, options and futures that are not categorized as hedging-purpose tools are classified as “trading purpose” transactions and reflected at their fair values. The fair values of forward foreign currency transactions are estimated using pricing models and unrealized gains or losses are recognized in the income statement.

The DFS Group does not have any embedded derivatives or hedging instruments.

The DFS Group’s derivative transactions mainly consist of forward foreign currency purchase/sale contracts which have been transacted to reduce the foreign currency position risk and to protect the composition of the foreign currency position.

Derivatives are initially recognized at cost including the transaction costs. Also, the liabilities and receivables arising from the derivative transactions are recorded as off-balance sheet items at their contract values.

The derivative transactions are valued at fair value using the pricing models subsequent to initial recognition and are presented in the “Positive Value of Trading Purpose Derivatives” and “Negative Value of Trading Purpose Derivatives” items of the balance sheet depending on the resulting positive or negative amounts of the computed value. Gains and losses arising from a change in the fair value of trading purpose derivatives are recognized in the “Trading Income/Loss” items of the consolidated income statement.

V. Interest income and expense

Interest income and expense are recognized as they are accrued taking into account the internal rate of return method. As of 31 March 2007, the Bank ceases to accrue interest income on loans that become non-performing. Interest accrual does not start until such loans become performing and are classified as performing loans or until collection in accordance with the “Regulation on the Principles and Procedures Related to the Determination of the Loans and Other Receivables for which Provisions Shall be Set Aside by Banks and to the Provisions to be Set Aside”, which was prepared on the basis of the provisions of Articles 53 and 93 of the Banking Law no. 5411.

As of 31 March 2006, the Bank ceases to accrue interest income on loans that become non-performing. Interest accrual does not start until such loans become performing and are classified as performing loans or until collection in accordance with the “Regulation on the Principles and Procedures Related to the Determination of the Loans and Other Receivables for which Provisions Shall be Set Aside by Banks and to the Provisions to be Set Aside” published in the Official Gazette No. 24448 dated 30 June 2001.

VI. Fees and commissions

Commissions and income from banking services are spread over the life of the related services, except for some kind of transactions that the income is recognized immediately. Commission and income expenses are considered as transaction cost and recorded by “Internal rate of return” method. Income related to sale and purchase of assets on behalf of third parties are recorded when collected.

VII. Financial assets

Financial assets are classified in four categories; as financial assets at fair value through profit or loss, investment securities available-for-sale, investment securities held-to-maturity, and loans.

1. Financial assets at fair value through profit or loss

1.1 Trading securities

Trading securities are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, trading securities are measured at fair value and gains and losses arising from a change in the fair value are recognized in the income statement. Positive differences between the fair value and cost of trading securities are recorded in accrued interest and income account and negative differences between the fair value and cost of trading securities are recorded in impairment in value of marketable securities account in the financial statements.

The DFS Group recognized the gains and losses arising from the valuation of share certificates, which are classified as trading securities, in the income statement.

Interest earned whilst holding trading securities is reported as interest income.

As of the balance sheet dates, the fair values of the Turkish Lira government securities are calculated using the Istanbul Stock Exchange (ISE) last day’s weighted average prices for those securities traded in ISE; and for those securities not traded in ISE, the prices announced by the Central Bank of Turkey are used. Eurobonds and foreign currency government bonds are initially recognized at cost including transaction costs and subsequent to initial recognition, Eurobonds are measured at discounted prices while foreign currency government bonds are measured at fair value. However, those securities not traded in an active market and whose fair values cannot be reliably measured are valued using a discounting method based on internal rate of return. For equity securities, the arithmetic mean of the daily weighted average prices that are quoted during the five days prior to and including the balance sheet date are used.

1.2 Financial assets at fair value through profit or loss

DFS Group does not have any securities classified as “financial assets at fair value through profit or loss”.

2. Investment securities available-for-sale

Available-for-sale assets are financial assets that are not held for trading purposes, loans and advances to banks and customers, or held to maturity.

Premiums and discounts on investments securities available-for-sale are taken into account in computing the internal rate of return and are included in interest income in the income statement. Accrued interest income on investment securities available-for-sale are recognized in the income statement whereas gains and losses arising from the change in the fair values of such securities are reflected in equity net of their tax effect under “Securities value increase fund” (Unrealized Gains/Losses on Securities). When investment securities available-for-sale are sold, collected or otherwise disposed of, the cumulative fair value adjustments under equity is transferred to the income statement.

The account classification of the financial assets is determined at the initial recognition stage of the related financial assets.

3. Investment securities held-to-maturity

Held-to-maturity securities are financial assets with fixed maturities and pre-determined payment schedules that the Bank has the intent and ability to hold until maturity, excluding loans and receivables. These securities are identified by the Bank management at their initial recognition and are classified as held-to-maturity securities in financial statements. Investment securities available-for-sale are financial assets that are other than securities held for trading purposes, investment securities held-to-maturity and loans and receivables.

Investment securities held-to-maturity and loans are initially recognized at cost. Investment securities held-to-maturity are accounted for by using a discounting method based on internal rate of return applied on the net investment amounts after the deduction of provision for impairments. There are no provisions for the impairment of held-to-maturity securities.

There are no financial assets that are banned from being classified as investment securities held-to-maturity for two years due to the violation of the tainting rule.

Interest earned on held-to-maturity securities are recognized as interest income and are reflected in “Interest Received from Securities Portfolio - Held-to-Maturity Securities” in the consolidated income statement.

Purchases/sales of held-to-maturity securities are recognized and accounted for at their dates of delivery.

4. Loans and specific provisions

Loans are initially recorded at cost and are subsequently valued using a discounting method based on internal rate of return.

Cash loans are accounted in accordance with the principles in TAS 39 “Financial Instruments: Recognition and Measurement”.

Foreign currency loans are re-measured to reflect the changes in the currency exchange rates. Currency exchange differences arising from such re-measurements are reflected in “Foreign Exchange Gains/Losses” account in the consolidated income statement. Foreign currency-indexed loans are initially recognized in their Turkish Lira equivalents. The currency exchange differences arising from these loans are reflected as “Other Operating Income/Expense”. Accrued interest income on loans is calculated using a discounting method based on internal rate of return.

Based on the regular reviews of the loan portfolio by the Bank management, loans that are identified as being impaired are transferred to “loans under follow-up” accounts. Thereby, specific allowances are made against the carrying amount of these loans in accordance with the “Regulation on the Principles and Procedures Related to the Determination of the Loans and Other Receivables for which Provisions Shall be Set Aside by Banks and to the Provisions to be Set Aside”, which was prepared on the basis of the provisions of Articles 53 and 93 of the Banking Law no. 5411. Specific provisions are recognized in the consolidated income statement.

When collections are made on loans that have been provided for, they are credited to the income statement accounts “Provision for Loan Losses or Other Receivables” if the provision was made in the current year, otherwise such collections are credited to “Other Operating Income” account with respect to allowances made in the prior years. The interest income recovered is booked in “Other Interest Income” account.

VIII. Impairment of financial assets

If the carrying value of an asset is higher than its recoverable value, that asset is considered to be impaired and its carrying value should be adjusted to reflect its recoverable value. The impairment of financial assets are reflected to the accompanying consolidated financial statements in accordance with TAS 36 “Impairment of Assets”.

IX. Offsetting financial instruments

When the fair values of the quoted equity instruments that are classified as “trading purpose” fall below their costs, impairment provision is booked for them which is netted-off from book value in the consolidated financial statements.

In accordance with the “Regulation on the Principles and Procedures Related to the Determination of the Loans and Other Receivables for which Provisions Shall be Set Aside by Banks and to the Provisions to be Set Aside”, the Bank provides specific provisions for its loans under follow-up. Those provisions are deducted from the balance of the loans under follow-up in the assets of the consolidated balance sheet.

Financial instruments other than those mentioned above were not offset in the accompanying consolidated financial statements.

X. Sale and repurchase agreements and transactions related to the lending of securities

Government bonds and treasury bills sold to customers under repurchase agreements are reflected on the assets side of the accompanying consolidated balance sheet as “Trading Securities” or “Investment Securities Available for Sale”. The funds received on such transactions and the accrued interest expense are reflected as “Funds Provided under Repurchase Agreements” on the liability side of the accompanying consolidated balance sheet. Interest expense representing the difference between the sale and repurchase price of the related repurchase agreements is accounted on an accrual basis.

XI. Assets held for sale and ceased operations

Assets held for sale comprise tangible assets received against non-performing loans. They are accounted in accordance with the “Regulation on the Methods and Principles of Purchase and Sale of Precious Metals and Disposal of Commodities and Real Estate Obtained Against Receivables”, dated 1 November 2006 and published in the Official Gazette no. 26333. As of the balance sheet date, the Bank’s assets held for sale amount to YTL 15,299 (31 December 2006: YTL 15,363).

DFS Group does not have any ceased operations.

XII. Goodwill and other intangible assets

There is no goodwill in the accompanying consolidated financial statements.

All intangible assets are initially recognized at cost in accordance with TAS 38 “Intangible Assets”. According to the resolution of the BRSA No. 1623 dated 21 April 2005, the banks and special financial institutions are no longer required to prepare their financial statements in accordance with RAP 14 “Accounting Standard for Financial Reporting in Hyperinflationary Periods” since the indicators of hyperinflation as disclosed in Article 5 of RAP 14 are no longer existing in Turkey. In line with this resolution, other intangible assets have been restated for the effects of inflation, up to 31 December 2004. Any currency exchange differences, financing expenses and revaluation surplus that might have been capitalized are eliminated and only the acquisition cost of the intangible assets are restated until 31 December 2004. The new additions to intangible assets after 31 December 2004 are shown with their historic costs excluding any currency exchange differences and financing expenses capitalized.

Intangible assets purchased before 1 January 2003 and those purchased in 2007 are amortized on a straight-line basis based on the amortization rate of 20% and those purchased between the dates mentioned above are amortized using the double-declining balance method based on the amortization rate of 40%. The amortization rate for the software of Denizbank AG is 33%

Gains and losses resulting from the disposal of intangible assets are recognized in “Other Operating Income/Expense” account in the consolidated income statement representing the difference between the net restated value of the intangible assets after the inflation adjustment until 31 December 2004 and their net sales revenue.

Intangible assets are amortized on a straight-line basis over their estimated useful lives of five years. Useful life of an asset is estimated by assessment of the expected life span of the asset, technical, technological wear outs, of the asset. The amortization rates used approximate the useful lives of the assets.

Costs associated with the computer software that are in use are expensed at the period of occurrence.

XIII. Tangible assets

All tangible assets are initially recognized at their acquisition cost in accordance with TAS 16 “Tangible Assets”.

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

Tangible assets purchased before 2003 and after 2006 are depreciated on a straight-line basis and those purchased in 2003, 2004, 2005 and 2006 are depreciated using the double-declining balance method. The depreciation rates used are as follows:

	Purchased before 2003	Purchased between 2003-2007	Purchased in 2007
Movables			
- Office equipment	20%	40% - 50%	20% - 25%
- Furniture and fixtures	20%	20%- 50%	20%- 25%
- Vehicles	20%	40%- 50%	20% - 50%
- Other equipment	20%	4.44% -50%	4.44% -40%
Immovable	2%	2%	2%

The Bank has an impairment provision of YTL 4,402, for its buildings as of the reporting date.

Gains and losses resulting from the disposal of tangible assets are recognized in “Other Operating Income/Expense” account in the consolidated income statement representing the difference between the net restated value of the tangible assets after the inflation adjustment until 31 December 2004 and their net sales revenue.

Expenditures for maintenance and repairs that are routinely made on tangible assets are charged as expense. Expenditures that extend the capacity of the tangible assets or those that extend the useful life and service capacity of the asset, or enhance the quality of the service, or decrease the cost of services are capitalized.

There are no restrictions such as pledges and mortgages on tangible assets or any purchase commitments.

XIV. Leasing activities

The maximum period of the lease contracts is 4 years. Fixed assets acquired by way of financial leasing are recognized in tangible assets and depreciated in line with fixed assets group they relate to. The obligations under financial leases arising from the lease contracts are presented under “Financial Lease Payables” account in the balance sheet. Interest expense and currency exchange rate differences related to leasing activities are recognized in the income statement.

In the event that the lease contracts are terminated before the lease period expires, penalty required to be paid to the lessor is expensed in the period in which the lease is terminated. There are no lease contracts that were terminated before the lease period expired.

The DFS Group enters into financial lease transactions by acting as the “lessor” via its subsidiary, Deniz Leasing. The rent payments related to leased assets are recorded as financial lease receivables. Periodical financial leasing revenues, total financial leasing investments, unearned financial lease revenues and lease revenues are accounted during the whole leasing period using the net investment method.

XV. Provisions and contingencies

Provisions, other than specific and general provisions for loans and other receivables, and contingent liabilities are provided for in accordance with TAS 37 “Provisions, Contingent Liabilities and Contingent Assets”. Provisions are accounted for immediately when obligations arise as a result of past events and a reliable estimate of the obligation is made by the DFS Group management. Whenever the amount of such obligations cannot be measured, they are regarded as “Contingent”. If the possibility of an outflow of resources embodying economic benefits becomes probable and the amount of the obligation can be measured with sufficient reliability, a provision is recognized. If the amount of the obligation cannot be measured with sufficient reliability or the possibility of an outflow of resources embodying economic benefits is remote, such liabilities are disclosed in the footnotes.

Based on the representations of the DFS Group’s attorneys, there are 376 lawsuits against DFS Group with total risks amounting to YTL 30,782, USD 1,170,559 and Euro 118,379 as of 31 March 2007. There are also 5,810 follow-up cases amounting to YTL 20,857, Euro 196,251 and USD 664,324 in total that are filed by the DFS Group and are at courts.

According to the DFS Group management, there is no need to make any provision for these court cases.

XVI. Commitments for personnel rights

In accordance with existing legislation in Turkey, the banks have to make certain lump-sum payments to employees whose employment is terminated due to retirement or reasons other than resignation or misconduct. Such payments are calculated on the basis of 30 days' pay per year of employment at the rate of pay applicable at the date of retirement or termination. Provision for employee severance benefits has been accounted for in accordance with TAS 19 “Employee Benefits”, by using actuarial method and discounting total provision by using the current market yield at the balance sheet date on government bonds.

The principal actuarial assumptions used are as follows:

	31.03.2007	31.12.2006
	%	%
Discount rate	5.71	5.71
Expected rate of salary/limit increase	5.00	5.00
Turnover rate to estimate the probability of retirement	7.31	7.31

The computation of the liability is predicated upon retirement pay ceiling announced by the Government. The ceiling amount at 31 March 2007 is YTL 1,961; at 31 December 2006 it was YTL 1,857.

There are no employees who have been on an employment contract that will terminate within more than twelve months from the balance sheet date.

There are no employees who are members of foundations, pensions and similar associations.

XVII. Taxation

1. Current taxes

In accordance with the amendments made to the tax legislation by Law No. 5520, effective 21 June 2006, the corporate tax rate is levied at the rate 20% (20% for 2006), beginning from 2006. In accordance with the tax legislation, corporate taxes are paid in advance based on the tax base calculated on the quarterly earnings of the companies at the rate of 20%. These payments can be deducted from the annual corporate tax calculated for the whole year earnings. Such taxes paid in advance that are deducted from the final corporate tax liability are reflected as “Current Tax Assets” on the assets side of the balance sheet.

Companies file their tax returns until the fifteenth day of the fourth month following the closing of the fiscal year to which they relate and the payments are made until the end of that month.

The provision for corporate tax for the period is reflected as the “Current Tax Liability” and “Current Tax Provision” in the financial statements.

The foreign subsidiaries of the DFS Group that operate in Austria, the Russian Federation and Cyprus are entitled to corporate tax rates of 25%, 24% and 2%, respectively.

In accordance with the Corporate Tax Law, tax losses can be carried forward for five years. The tax authorities can inspect tax returns and the related accounting records back to a maximum period of five years.

Effective from 24 April 2003, statutory income, including retained earnings from 2002 and before, is not subject to withholding tax if retained, or transferred to share capital or distributed as dividend to the full fledged taxpayer corporations. However, it is subject to withholding tax at 10% if distributed as dividend to full fledged individual taxpayers, taxpayers who are exempt from corporate and income taxes, non-resident taxpayer companies (except for those companies having local offices or representatives) and non-resident individual taxpayers. That withholding tax has decreased to 15% by the Resolution of the Council of Ministers no. 2006/10731, dated 22 July 2006.

2. Deferred taxes

In accordance with TAS 12 “Income Taxes”, the DFS Group accounts for deferred taxes based on the tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Individual deferred tax assets and liabilities of the consolidated entities have been offset in their financial statements, amounting YTL 1,096 of deferred tax assets and YTL 874 of deferred tax liabilities.

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

XVIII. Additional explanations on borrowings

Instruments representing the borrowings are initially recognized at cost and measured by a discounting method based on the internal rate of return. Foreign currency borrowings have been translated using the foreign currency buying rate of the Bank at the balance sheet date. Interest expense incurred for the period has been recognized in the accompanying financial statements.

The Bank uses general hedging techniques for borrowings against liquidity, interest rate and currency risks. However, these are not regarded as hedging instruments according to TAS 39.

As of the balance sheet date, there are no convertible bonds issued.

As of the balance sheet date, there are no financial instruments representing borrowings issued by the DFS Group.

XIX. Paid-in capital

Transactions related to issuance of share certificates are explained in footnote 5.II.10. No dividends have been declared subsequent to the balance sheet date.

XX. Acceptances

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

As of the balance sheet date, there are no acceptances recorded as liability in return for assets.

XXI. Government grants

As of the balance sheet date, the DFS Group does not have any government grants.

XXII. Segment reporting

According to the “Communique on Financial Statements and the Accompanying Explanations and Footnotes to be Announced to the Public”, dated 10 February 2007 which is published in the Official Gazette No. 26430, this disclosure is not valid until 30 June 2007.

SECTION FOUR

CONSOLIDATED FINANCIAL POSITION

I. Consolidated capital adequacy ratio

The Bank's consolidated capital adequacy ratio is 13.85% as of 31 March 2007. 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.26333, dated 1 November 2006. 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							
	Consolidated				Bank			
	0%	20%	50%	100%	0%	20%	50%	100%
Credit Risk Base								
Balance Sheet Items (Net)	3,089,359	2,206,743	1,764,965	7,473,057	2,519,101	1,431,768	1,289,226	5,933,612
Cash in Vault	160,309	62	--	--	149,009	62	--	--
Due Dated Financial Assets	--	--	--	--	--	--	--	--
Central Bank of Turkey	451,576	--	--	--	451,576	--	--	--
Domestic and Foreign Banks, Foreign Branches	15,301	2,007,872	--	267,907	--	1,417,413	--	149,531
Interbank Money Market	950	--	--	--	--	--	--	--
Receivables from Reverse Repos	271,830	--	--	--	--	--	--	--
Reserve Deposits	347,776	--	--	--	341,743	--	--	--
Loans	552,613	24,102	1,729,899	5,807,943	328,813	11,568	1,261,997	5,222,852
Non-performing Loans (Net)	--	--	--	7,659	--	--	--	7,181
Receivables from Leasing Operations	--	--	--	592,854	--	--	--	--
Investments Available-for-Sale	1,182,035	75,240	--	24,613	1,182,035	--	--	6,381
Investments Held-to-Maturity	36,454	94,460	--	26,429	--	--	--	11,731
Receivables from Sale of Assets	--	--	--	677	--	--	--	677
Miscellaneous Receivables	--	--	--	397,249	--	--	--	77,911
Accrued Interest and Other Income	64,733	5,007	35,066	133,739	59,818	2,725	27,229	113,398
Investments in Associates, Subsidiaries and Joint Ventures (Net)	--	--	--	8,934	--	--	--	189,422
Tangible Assets	--	--	--	109,557	--	--	--	104,174
Other Assets	5,782	--	--	95,496	6,107	--	--	50,354
Off-Balance Sheet Items	105,957	1,228,147	699,596	1,467,406	105,957	1,199,520	692,618	1,407,588
Non-Cash Loans and Commitments	105,957	1,124,716	699,596	1,443,355	105,957	1,120,952	692,618	1,387,116
Derivatives	--	103,431	--	24,051	--	78,568	--	20,472
Accounts Not Risk Weighted				--				--
Total Risk Weighted Assets	3,195,316	3,434,890	2,464,561	8,940,463	2,625,058	2,631,288	1,981,844	7,341,200

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

	Consolidated	Unconsolidated
Risk Weighted Assets	10,859,722	8,858,380
Value at Risk	437,438	240,713
Shareholders' Equity	1,564,443	1,394,013
Shareholders' Equity / (RWA+VAT)*100	% 13.85	% 15.32

RWA: Risk Weighted Assets

VAT: 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	98,351	98,351
Share Cancellation Profit	--	--
Legal Reserves	35,824	22,007
I. Legal Reserve (Turkish Commercial Code 466/1)	35,824	22,007
II. Legal Reserve (Turkish Commercial Code 466/2)	--	--
Other Legal Reserve per Special Legislation	--	--
Status Reserves	--	--
Extraordinary Reserves	613,767	338,152
Reserve Allocated at the General Assembly	608,943	327,622
Retained Earnings	--	--
Accumulated Losses	--	--
Foreign Currency Translation Differences	4,824	10,530
Inflation Component of Legal Reserves, Status Reserves and Extraordinary Reserves	--	--
Profit	164,126	378,166
Current Period Profit	81,098	342,289
Prior Periods' Profit	83,028	35,877
Free Provisions Booked for Possible Losses (Up to 25% of the Core Capital)	539	2,244
Gain on Sale of Real Estate and Investments in Associates and Subsidiaries to be Added to the Share Capital	--	--
Primary Subordinated Loans (Up to 15% of the Core Capital)	--	--
Accumulated Losses (-)	--	--
Current Period Loss	--	--
Prior Periods' Loss	--	--
Leasehold Improvements (-)	32,701	32,872
Prepaid Expenses (-)	26,971	18,485
Intangible Assets (-)	13,018	14,109
Deferred Tax Assets (Amount Exceeding 10% of the Core Capital) (-)	--	--
Amount Excess of Article 56/3 of the Law (-)	--	--
Goodwill (Net) (-)	--	--
Total Core Capital	1,345,181	1,278,718
SUPPLEMENTARY CAPITAL		
General Loan Loss Reserves	52,717	52,559
45% of Revaluation Fund of Securities	--	--
45% of Revaluation Fund of Real Estate	--	--
Revaluation Surplus	11	--
Amount not Included in Core Capital for Primary Subordinated Loans	--	--
Secondary Subordinated Loans	164,084	166,616
45% of Securities Value Increase Fund	5,150	5,644
Associates and Subsidiaries	1,814	--
Investments Available-for-Sale	3,337	5,644
Inflation Component of Capital Reserves, Profit Reserves and Prior Period Profits	--	--
Total Supplementary Capital	221,962	224,819
TIER III CAPITAL		
CAPITAL	1,567,343	1,503,537
DEDUCTIONS FROM CAPITAL	2,700	--
Shares in Unconsolidated Banks and Financial Institutions	2,700	--
Secondary Subordinated Loans Granted to Banks, Financial Institutions (Foreign and Domestic), or Preferred Shareholders, and Primary/Secondary Subordinated Loans Obtained from Them	--	--
Shares in Banks and Financial Institutions Accounted under the Equity Method	--	--
Loans Granted in Violation of the Articles 50 and 51 of the Law	--	--
Amount in Excess of 50% of the Equities of the Net Book Value of the Real Estate of the Banks, and Net Book Value of the Assets Held for Sale that Should Be Disposed of According to the Article 57 of the Law which is not Disposed of in Five Years	--	--
Others	--	--
Total Shareholders' Equity	1,564,443	1,503,537

II. 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.

1. Market risk

	Amount
(I) Capital Obligation against General Market Risk - Standard Method	9,367
(II) Capital Obligation against Specific Risk - Standard Method	13,886
(III) Capital Obligation against Currency Risk - Standard Method	11,742
(IV) Capital Obligation against Commodity Risk - Standard Method	--
(V) Capital Obligation against Clearing Risk - Standard Method	--
(VI) Capital Obligation against Options Subject to Market Risk – Standard Method	--
(VII) Capital Obligation against Market Risk at the Banks calculating Risk Measuring Models	--
(VIII) Total Capital Obligation against Market Risk (I+II+III+IV+V+VI)	34,995
(IX Value-At-Risk Amount (12,5 x VIII) or (12,5 x VII))	437,438

III. 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 1.3801
Euro purchase rate at the date of the balance sheet	YTL 1.8383

Date	US Dollar	Euro
26 March 2007	1.3792	1.8300
27 March 2007	1.3833	1.8458
28 March 2007	1.3869	1.8502
29 March 2007	1.3861	1.8490
30 March 2007	1.3801	1.8383

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 March 2007 are YTL 1.4014 and YTL 1.8555, respectively.

6. Information on currency risk (Thousands of YTL)

Current Period	EUR	USD	JPY	Others	Total
Assets					
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey.	73,444	499,804	1,587	12,931	587,766
Due from Banks and Other Financial Institutions	489,932	1,744,632	2,063	59,068	2,295,695
Financial Assets at Fair Value Through Profit or Loss	13,415	41,687	--	118,445	173,547
Interbank Money Market Placements	--	--	--	--	--
Investment Securities Available-for-Sale	128,069	227,177	--	--	355,246
Loans (*)	1,487,764	2,379,586	1,873	37,905	3,907,128
Investments in Subsidiaries and Associates	--	--	--	--	--
Investment Securities Held-to-Maturity	146,514	12,032	--	--	158,546
Hedging Purpose Financial Derivatives	--	--	--	--	--
Tangible Assets	3,251	17	--	494	3,762
Intangible Assets	2,577	228	--	639	3,444
Other Assets	366,880	225,222	--	8,299	600,401
Total Assets	2,711,846	5,130,385	5,523	237,781	8,085,535
Liabilities					
Bank Deposits	22,981	306,313	--	6,531	335,825
Foreign Currency Deposits	2,526,463	3,266,662	7,105	96,949	5,897,179
Interbank Money Markets	--	--	--	--	--
Funds Borrowed from Other Financial Institutions	462,026	1,454,465	69	3,865	1,920,425
Marketable Securities Issued	--	--	--	--	--
Miscellaneous Payables	39,533	65,754	438	157	105,882
Hedging Purpose Financial Derivatives	--	--	--	--	--
Other Liabilities (**)	183,123	30,738	--	893	214,754
Total Liabilities	3,234,126	5,123,932	7,612	108,395	8,474,065
Net On Balance Sheet Position	(522,282)	6,453	(2,089)	129,387	(388,531)
Net Off Balance Sheet Position	415,639	(66,539)	(2,883)	(18,595)	327,622
Financial Derivatives (Assets)	1,026,647	1,635,464	92,584	450,984	3,205,679
Financial Derivatives (Liabilities)	611,008	1,702,003	95,467	469,579	2,878,057
Non-Cash Loans	802,020	2,184,521	7,628	44,295	3,038,464
Prior Period					
Total Assets	2,676,337	5,576,473	1,385	272,786	8,526,981
Total Liabilities	2,910,242	5,889,747	4,722	119,237	8,923,948
Net On Balance Sheet Position	(233,905)	(313,274)	(3,337)	153,549	(396,967)
Net Off Balance Sheet Position	224,524	211,464	3,741	(32,540)	407,189
Financial Derivatives (Assets)	859,749	1,649,034	61,728	362,323	2,932,834
Financial Derivatives (Liabilities)	635,225	1,437,570	57,987	394,863	2,525,645
Non-Cash Loans	714,256	2,143,969	6,316	67,656	2,932,197

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

(**) : FC equity items are excluded.

IV. 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	6,032	350,800	--	--	--	610,271	967,103
Due from Banks and Other Fin.Inst.	1,712,489	100,463	207,080	145,002	14,183	117,316	2,296,533
Financial Assets at Fair Value Through Profit or Loss	74,305	10,677	25,930	25,097	426,018	9,857	571,884
Interbank Money Market Placements	272,780	--	--	--	--	--	272,780
Investment Securities Av.-for-Sale	512,206	111,956	516,986	37,644	144,273	3,925	1,326,990
Loans	1,924,924	1,473,151	794,079	1,250,787	2,840,369	7,660	8,290,970
Investment Securities Held-to-Mat.	9,218	38,781	61,834	36,680	12,033	--	158,546
Other Assets(*)	308,044	182,345	129,709	118,770	386,517	171,391	1,296,776
Total Assets	4,819,998	2,268,173	1,735,618	1,613,980	3,823,393	920,420	15,181,582
Liabilities							
Bank Deposits	281,873	14,763	13,338	217,530	7,632	39,632	574,768
Other Deposits	5,464,582	730,735	374,178	414,762	348,231	1,786,177	9,118,665
Interbank Money Market Placements	1,115,122	--	--	--	--	--	1,115,122
Miscellaneous Payables	1,372	788	1,648	4,998	211	306,420	315,437
Marketable Securities Issued	--	--	--	--	--	--	--
Funds Borrowed from Other Fin.Inst.	153,697	967,649	370,133	619,690	67,182	--	2,178,351
Other Liabilities(**)	11,247	9,070	1,827	10,025	178,317	1,668,753	1,879,239
Total Liabilities	7,027,893	1,723,005	761,124	1,267,005	601,573	3,800,982	15,181,582
On Balance Sheet Long Position	--	545,168	974,494	346,975	3,221,820	--	5,088,457
On Balance Sheet Short Position	(2,207,895)	--	--	--	--	(2,880,562)	(5,088,457)
Off Balance Sheet Long Position	--	--	--	--	--	--	--
Off Balance Sheet Short Position	--	--	--	--	--	--	--
Total Interest Sensitivity Gap	(2,207,895)	545,168	974,494	346,975	3,221,820	(2,880,561)	--

(*) Other assets/non-interest bearings; Tangible Assets, Intangible Assets, Investments in Associates and Investments in Subsidiaries, Tax Assets and Assets Held for Sale with balances of YTL 94,257, YTL 45,719, YTL 3,684, YTL 7,952, YTL 2,289 and YTL 15,299, respectively, are included.

(**) Other Liabilities/non-interest bearings; Shareholders' Equity amounting YTL 1,428,788 YTL 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	4,777	411,018	--	--	--	459,421	875,216
Due from Banks and Other Fin.Inst.	2,097,115	121,010	108,713	97,691	13,648	343,045	2,781,222
Financial Assets at Fair Value Through Profit or Loss	48,839	28,907	23,219	76,657	184,229	13,507	375,358
Interbank Money Market Placements	288,133	--	--	--	--	--	288,133
Investment Securities Av.-for-Sale	452,762	150,526	115,826	40,151	210,576	3,925	973,766
Loans	2,026,508	1,536,450	920,927	1,063,703	2,509,403	6,388	8,063,379
Investment Securities Held-to-Mat.	39,253	104,820	1,909	18,770	12,629	--	177,381
Other Assets(*)	100,358	207,749	100,855	92,622	353,194	315,794	1,170,572
Total Assets	5,057,745	2,560,480	1,271,449	1,389,594	3,283,679	1,142,080	14,705,027
Liabilities							
Bank Deposits	266,292	44,117	28,313	140,560	8,694	31,368	519,344
Other Deposits	5,266,228	671,347	309,624	386,991	311,184	1,998,307	8,943,681
Interbank Money Market Placements	455,630	--	--	--	--	--	455,630
Miscellaneous Payables	3,552	4,479	1,832	--	2,997	272,995	285,855
Marketable Securities Issued	--	--	--	--	--	--	--
Funds Borrowed from Other Fin.Inst.	185,161	1,509,693	214,729	387,916	403,237	--	2,700,736
Other Liabilities(**)	28,910	32,169	1,766	168,143	7,165	1,561,628	1,799,781
Total Liabilities	6,205,773	2,261,805	556,264	1,083,610	733,277	3,864,298	14,705,027
On Balance Sheet Long Position	--	298,675	715,185	305,984	2,550,402	--	3,870,246
On Balance Sheet Short Position	(1,148,028)	--	--	--	--	(2,722,218)	(3,870,246)
Off Balance Sheet Long Position	--	--	--	--	--	--	--
Off Balance Sheet Short Position	--	--	--	--	--	--	--
Total Interest Sensitivity Gap	(1,148,028)	298,675	715,185	305,984	2,550,402	(2,722,218)	--

(*) Other assets/non-interest bearings; Tangible Assets, Intangible Assets, Investments in Associates and Investments in Subsidiaries and Assets Held for Sale with balances of YTL 98,280, YTL 46,981, YTL 3,686, YTL 5,145 and YTL 15,363, respectively, are included.

(**) Other Liabilities/non-interest bearings; Shareholders' Equity amounting YTL 1,354,482 YTL is included.

4. Average interest rates applied to monetary financial instruments

Current Period	EUR	USD	JPY	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	3.91	5.41	--	18.50
Financial Assets at Fair Value Through Profit or Loss	4.90	6.17	--	20.35
Interbank Money Market Placements			--	
Investment Securities Available-for-Sale	4.75	5.75	--	19.67
Loans	6.21	7.28	2.80	21.65
Investment Securities Held-to-Maturity	4.90	8.33	--	--
Liabilities				
Bank Deposits	3.71	5.25	--	18.34
Other Deposits	3.51	5.22	0.20	18.57
Interbank Money Market Placements	--	--	--	--
Miscellaneous Payables	--	--	--	--
Marketable Securities Issued	--	--	--	--
Funds Borrowed from Other Financial Institutions	5.99	6.42	--	11.90
Prior Period				
	%	%	%	%
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	3.59	5.32	--	18.87
Financial Assets at Fair Value Through Profit or Loss	5.18	6.45	--	20.51
Interbank Money Market Placements	0.00	0.00	--	0.00
Investment Securities Available-for-Sale	4.83	5.64	--	20.94
Loans	5.97	6.95	--	21.62
Investment Securities Held-to-Maturity	3.93	8.89	--	--
Liabilities				
Bank Deposits	3.64	5.25	--	18.64
Other Deposits	3.46	5.36	0.20	18.86
Interbank Money Market Placements	--	--	--	--
Miscellaneous Payables	--	--	--	--
Marketable Securities Issued	--	--	--	--
Funds Borrowed from Other Financial Institutions	6.00	5.87	--	11.90

V. Consolidated liquidity risk

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

Liquidity risk arises from maturity mismatch between assets and liabilities. Maturity mismatch between assets and liabilities is kept under control based on certain criteria set by the DFS Group. The DFS Group maintains liquid assets to guarantee sufficient liquidity during market fluctuations. In order to meet any urgent liquidity needs, approximately 17% of the balance sheet is allocated to cash balances, 1% to investment securities which are cash equivalent, and the present borrowing limits (such as Central Bank of Turkey and ISE repurchase market) are not used. The DFS Group's short-term liquidity needs are mainly met with deposits and short-term funds borrowed from foreign banks.

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

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

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

Approximately 17% of balance sheet size is allocated to cash balances, 1% 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.

5. Presentation of assets and liabilities according to their outstanding maturities

Current Period							1 year	Undist. (*)	Total
	Demand	Up to 1 month	1-3 months	3-6 months	6-12 months	and over			
Assets									
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	610,269	6,033	350,801	--	--	--	--	--	967,103
Due from Banks and Other Financial Institutions	117,317	1,541,114	21,979	205,894	271,843	138,386	--	--	2,296,533
Financial Assets at Fair Value Through Profit or Loss	9,856	16,076	10,529	7,400	19,396	508,627	--	--	571,884
Interbank Money Market Placements	--	272,780	--	--	--	--	--	--	272,780
Investment Securities Available-for-Sale	--	41,356	45,200	15,167	39,879	1,181,463	3,925	--	1,326,990
Loans	--	1,718,396	879,903	716,165	1,414,192	3,554,654	7,660	--	8,290,970
Investment Securities Held-to-Maturity	--	--	--	2,677	12,979	142,890	--	--	158,546
Other Assets	190,803	93,011	182,346	129,709	118,870	386,597	195,440	--	1,296,776
Total Assets	928,245	3,688,766	1,490,758	1,077,012	1,877,159	5,912,617	207,025	--	15,181,582
Liabilities									
Bank Deposits	39,632	281,873	14,674	13,338	217,619	7,632	--	--	574,768
Other Deposits	1,786,193	5,464,566	730,735	374,178	414,762	348,231	--	--	9,118,665
Funds Borrowed from Other Financial Institutions	--	153,698	345,681	370,132	619,690	689,150	--	--	2,178,351
Interbank Money Markets	--	1,115,122	--	--	--	--	--	--	1,115,122
Marketable Securities Issued	--	--	--	--	--	--	--	--	--
Miscellaneous Payables	306,420	1,223	804	1,680	5,095	215	--	--	315,437
Other Liabilities	104,971	15,040	9,361	1,827	10,025	178,302	1,559,713	--	1,879,239
Total Liabilities	2,237,216	7,031,522	1,101,255	761,155	1,267,191	1,223,530	1,559,713	--	15,181,582
Net Liquidity Gap	(1,308,971)	(3,342,756)	389,503	315,857	609,968	4,689,087	(1,352,688)	--	--
Prior Period									
Total Assets	905,006	4,701,016	1,163,239	1,212,027	1,565,428	4,935,920	222,391	--	14,705,027
Total Liabilities	2,230,258	6,214,060	960,875	559,440	1,746,963	1,357,971	1,635,460	--	14,705,027
Net Liquidity Gap	(1,325,252)	(1,513,044)	202,364	652,587	(181,535)	3,577,949	(1,413,069)	--	--

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

SECTION FIVE

DISCLOSURES AND FOOTNOTES ON CONSOLIDATED FINANCIAL STATEMENTS

I. Information and disclosures related to assets

1. Cash and balances with the Central Bank of Turkey

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Cash	49,273	108,423	68,991	158,736
Central bank of Turkey	323,434	129,077	78,301	151,691
Other	6,630	350,266	1	417,496
Total	379,337	587,766	147,293	727,923

1.1 Balances with the Central Bank of Turkey

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Unrestricted Demand Deposits	323,434	128,142	78,301	151,691
Unrestricted Time Deposits	--	935	--	--
Restricted Time Deposits	--	--	--	--
Total	323,434	129,077	78,301	151,691

1.2 Explanation related to "Other" item

According to the no. 2005/1 announcement of the Central Bank of Turkey, "Announcement on Reserve Deposits", all banks operating in Turkey should provide a reserve amounting to 6% of the liabilities in Turkish Lira and 11% of the liabilities in foreign currencies. The Central bank of Turkey makes interest payments on a quarterly basis. The interest rates given by the Central Bank of Turkey are 13.12% for YTL, 2.525% for USD and 1.835% for Euro as of 31 March 2007.

2. Financial assets at fair value through profit or loss

2.1 Trading securities given as collateral or blocked

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Share Certificates	--	--	--	--
Bonds, Treasury Bills and Similar Marketable Securities	8,800	309	8,388	6,324
Other	--	--	--	--
Total	8,800	309	8,388	6,324

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	217,632	--	73,151	--
Treasury Bills	--	--	--	--
Other Debt Securities	--	--	--	--
Bonds Issued or Guaranteed by Banks	--	--	--	--
Asset Backed Securities	--	--	--	--
Other	--	--	--	--
Total	217,632	--	73,151	--

2.3 *Positive value of trading purpose derivatives*

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Forward Transactions	1,859	4,244	1,378	9,337
Swap Transactions	28,468	15,232	32,328	1,044
Futures	--	132	--	117
Options	1,800	1,684	110	3,368
Other	389	--	--	13
Total	32,516	21,292	33,816	13,879

3. **Banks and other financial institutions**

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Banks	838	2,295,695	63,629	2,716,433
Domestic	240	833,195	3,631	316,658
Foreign	598	1,462,500	59,998	2,399,775
Foreign Head Offices and Branches	--	--	--	--
Other Financial Institutions	--	--	--	1,160
Total	838	2,295,695	63,629	2,717,593

4. **Information on investment securities available-for-sale**

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

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

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

Investment securities available-for-sale given as collateral are government bonds amounting to YTL 306,367 (31 December 2006: YTL 238,224).

4.3 *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 Securities	154,298	152,069	47,806	190,418
Other	--	--	--	--
Total	154,298	152,069	47,806	190,418

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

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Government Bonds	644,280	--	128,881	--
Treasury Bills	--	--	4,074	--
Other Debt Securities	--	--	--	--
Bonds issued or guaranteed by				
Banks	--	--	--	--
Asset backed securities	--	--	--	--
Other	--	--	--	--
Total	644,280	--	132,955	--

4.5 *Available-for-sale securities*

	Current Period	Prior Period
Debt instruments	1,325,886	972,593
Quoted	1,231,262	812,236
Unquoted	94,624	160,357
Equity instruments	3,925	3,925
Quoted	--	--
Unquoted	3,925	3,925
Impairment provision (-)	2,821	2,752
Total	1,326,990	973,766

5. Information related to loans

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

	Current Period		Prior Period	
	Cash	Non-Cash	Cash	Non-Cash
Direct Loans Granted to Shareholders	--	--	--	--
Corporate Shareholders	--	--	--	--
Individual Shareholders	--	--	--	--
Indirect Loans Granted to Shareholders	--	980	19	2,651
Loans Granted to Employees	11,454	28	12,631	37
Total	11,454	1,008	12,650	2,688

5.2 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	7,755,384	--	14,886	1,821
Discount Notes	11,424	--	--	--
Export Loans	732,483	--	3,706	--
Import Loans	34,607	--	--	--
Loans Given to Financial Sector	255,607	--	--	--
Foreign Loans	332,932	--	--	--
Consumer Loans	1,828,038	--	--	--
Credit Cards	417,784	--	--	--
Precious Metal Loans	5,217	--	--	--
Other	4,137,292	--	11,180	1,821
Specialization Loans	511,219	--	--	--
Other Receivables	--	--	--	--
Total	8,266,603	--	14,886	1,821

5.3 *Information on consumer loans*

	Short Term	Medium or Long Term	Total
Consumer Loans-YTL	33,261	1,636,652	1,669,913
Real estate Loans	2,917	476,885	479,802
Automotive Loans	2,119	118,023	120,142
Consumer Loans	28,225	1,041,744	1,069,969
Other	--	--	--
Consumer Loans-Indexed to FC	971	83,892	84,863
Real estate Loans	28	71,269	71,297
Automotive Loans	121	8,848	8,969
Consumer Loans	822	3,775	4,597
Other	--	--	--
Consumer Loans-FC	--	13,704	13,704
Real estate Loans	--	--	--
Automotive Loans	--	--	--
Consumer Loans	--	--	--
Other	--	13,704	13,704
Credit Cards-YTL	387,922	17,997	405,919
Installment	103,797	17,997	121,794
Non installment	284,125	--	284,125
Credit Cards-FC	334	--	334
Installment	--	--	--
Non installment	334	--	334
Loans Given to Employees-YTL	1,365	6,351	7,716
Real estate Loans	--	597	597
Automotive Loans	--	61	61
Consumer Loans	1,365	4,311	5,676
Other	--	1,382	1,382
Loans Given to Employees - Indexed to FC	--	453	453
Real estate Loans	--	417	417
Automotive Loans	--	36	36
Consumer Loans	--	--	--
Other	--	--	--
Loans Given to Employees - FC	--	--	--
Real estate Loans	--	--	--
Automotive Loans	--	--	--
Consumer Loans	--	--	--
Other	--	--	--
Employee Credit Cards-YTL	4,484	161	4,645
Installment	1,774	161	1,935
Non installment	2,710	--	2,710
Employee Credit Cards-FC	21	--	21
Installment	--	--	--
Non installment	21	--	21
Overdraft Account-YTL (Individual)	51,390	--	51,390
Overdraft Account-FC (Individual)	--	--	--
Total	479,748	1,759,210	2,238,958

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

	Short Term	Medium or Long Term	Total
Installment Corporate Loans - YTL	99,198	328,148	427,346
Real estate Loans	4,348	66,413	70,761
Automotive Loans	13,546	75,724	89,270
Consumer Loans	81,304	183,619	264,923
Other	--	2,392	2,392
Installment Corporate Loans – Indexed to FC	11,277	95,808	107,085
Real estate Loans	1,737	17,488	19,225
Automotive Loans	2,879	23,742	26,621
Consumer Loans	6,661	52,022	58,683
Other	--	2,556	2,556
Installment Corporate Loans - FC	--	--	--
Real estate Loans	--	--	--
Automotive Loans	--	--	--
Consumer Loans	--	--	--
Other	--	--	--
Corporate Credit Cards - YTL	6,679	27	6,706
Installment	116	27	143
Non installment	6,563	--	6,563
Corporate Credit Cards - FC	158	--	158
Installment	--	--	--
Non installment	158	--	158
Overdraft Account-YTL (Individual)	54,754	--	54,754
Overdraft Account-FC (Individual)	--	--	--
Total	172,066	423,983	596,049

5.5 *Domestic and international loans*

	Current Period	Prior Period
Domestic Loans	7,950,378	7,699,061
Foreign Loans	332,932	357,930
Total	8,283,310	8,056,991

5.6 *Loans granted to subsidiaries and investments*

	Current Period	Prior Period
Direct Loans Granted to Subsidiaries and Investments	8,930	8,738
Indirect Loans Granted to Subsidiaries and Investments	--	--
Total	8,930	8,738

5.7 *Specific provisions for loans*

Specific Provisions	Current Period	Prior Period
Loans and Receivables with Limited Collectibility	32,377	17,549
Loans and Receivables with Doubtful Collectibility	31,070	34,980
Uncollectible Loans and Receivables	119,349	111,017
Total	182,796	163,546

5.8 *Information on non-performing loans (Net)*

5.8.1 *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	42	52	13,850
(Gross Amounts Before Specific Reserves)			
Loans and Other Receivables which are Restructured	--	--	--
Rescheduled Loans and Other Receivables	42	52	13,850
Prior Period	--	82	13,812
(Gross Amounts Before Specific Reserves)			
Loans and Other Receivables which are Restructured	--	--	--
Rescheduled Loans and Other Receivables	--	82	13,812

5.8.2 *Information on total non-performing loans*

	Loans and receivables with limited collectibility	Loans and receivables with doubtful collectibility	Uncollectible loans and receivables
Balances at Beginning of Period	17,541	35,368	117,025
Additions (+)	39,199	19	174
Transfers from Other Categories of Non-Performing Loans (+)	--	14,867	13,015
Transfers to Other Categories of Non-Performing Loans (-)	14,687	13,015	--
Collections (-)	8,647	5,574	4,829
Write-offs (-)	--	--	--
Balances at End of the Period	33,406	31,665	125,385
Specific Provisions (-)	32,377	31,070	119,349
Net Balance on Balance Sheet	1,029	595	6,036

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

	III. Group	IV. Group	V. Group
	Loans and receivables with limited collectibility	Loans and receivables with doubtful collectibility	Uncollectible loans and receivables
Current Period			
Period End Balance	--	3,876	185
Specific Provision (-)	--	3,436	185
Net Balance on Balance Sheet	--	440	--
Prior Period			
Period End Balance	--	3,696	189
Specific Provision (-)	--	3,360	189
Net Balance on Balance Sheet	--	336	--

5.9 *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.

6. **Information on investment securities held-to-maturity**

6.1 *Information on subject to repurchase agreement and given as collateral or blocked*

6.1.1 *Information on subject to repurchase agreement*

None.

6.1.2 *Information on subject to given as collateral or blocked*

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Bills	--	--	--	--
Bonds and Similar Marketable Securities	--	14,692	--	26,016
Other	--	--	--	--
Total	--	14,692	--	26,016

6.2 *Information on accounts in which government securities held-to-maturity are reflected*

	Current Period	Prior Period
Government Bonds	36,498	62,591
Treasury Bills	--	--
Other Government Securities	--	--
Total	36,498	62,591

6.3 *Information on investment securities held-to-maturity*

	Current Period	Prior Period
Debt Securities	158,546	177,381
Listed	146,514	164,752
Unlisted	12,032	12,629
Impairment (-)	--	--
Total	158,546	177,381

6.4 Information on the movement of investment securities held-to-maturity during the period

	Current Period	Prior Period
Balance in the beginning of the period	177,381	235,709
Foreign exchange differences	(1,770)	30,401
Purchases	--	12,306
Redemptions	(17,065)	(101,035)
Impairment (-)	--	--
Balance at the end of the period	158,546	177,381

7. Investments in associates

7.1 Investments in unconsolidated associates

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

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

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

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

7.2 Investments in consolidated associates

None.

8. Investments in subsidiaries

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

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

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

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

In June 2006, Deniz Leasing increased its share capital by YTL 39,900, all of which was paid in cash by Denizbank. As of 31 March 2007, 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.

The Bank acquired 99.6% of the shares of Global Hayat Sigorta A.Ş. for YTL 2,700 on 30 March 2007.

Denizbank Kültür Sanat Yayıncılık Ticaret ve Sanayi A.Ş. (Deniz Kültür) increased its share capital by YTL 125 on 19 April 2006, and further increased it by YTL 40 on 18 September 2006 in cash. further increased it by YTL 105 on 22 January 2007 in cash

8.1 **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	%0
2 Denizbank Kültür Sanat Yayıncılık Ticaret ve Sanayi A.Ş.	İstanbul/Türkiye	%100	%0
3 Adana Haddecilik Metal San. ve Tic. A.Ş.	Adana/Türkiye	%100	%0
4 Global Hayat Sigorta A.Ş.	İstanbul/Türkiye	%100	%0

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Trading Income	Current Period Profit / Loss	Prior Period Profit / Loss	Fair value
1	3,733	2,974	81	324	7	(101)	(406)	--
2	409	404	153	5	5	20	(12)	--
3	6,923	--	3,278	--	--	(110)	--	--
4	11,008	2,516	235	--	(6)	(196)	(8,590)	--

8.2 Information on subsidiaries consolidated

8.2.1 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.	Nicosia / Cyprus	%100	%0	Full consolidation
3 Deniz Yatırım Menkul Kıymetler A.Ş.	İstanbul / Turkey	%100	%0	Full consolidation
4 Deniz Türev Menkul Değerler A.Ş.	İstanbul / Turkey	%100	%0	Full consolidation
5 Ekspres Yatırım Menkul Değerler A.Ş.	İstanbul / Turkey	%71	%29	Full consolidation
6 CJSC Denizbank, Moscow	Moscow / Russia	%49	%51	Full consolidation
7 Deniz Portföy Yönetimi A.Ş.	İstanbul / Turkey	%0	%100	Full consolidation
8 Deniz Finansal Kiralama A.Ş.	İstanbul / Turkey	%68	%32	Full consolidation
9 Deniz Faktoring A.Ş.	İstanbul / 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	2,121,860	100,648	5,828	30,296	10,531	2,860	227	--
2	787,247	20,715	54	20,556	261	7,420	9,094	--
3	302,822	24,738	1,249	980	213	79	(340)	--
4	5,476	5,062	269	349	(19)	518	(3,456)	--
5	29,254	25,981	612	1,061	292	1,921	7,807	--
6	314,996	39,797	1,133	6,750	2,665	1,394	695	--
7	2,534	2,350	18	103	9	89	151	--
8	738,951	96,575	168	18,017	360	7,831	25,400	--
9	332,874	48,852	7,206	16,853	(4,428)	4,617	(48)	--

8.2.2 *Movement of consolidated subsidiaries*

	Current Period	Prior Period
Balance at the Beginning of the Period	220,861	171,700
Movements during the Period	(647)	49,161
Purchases	--	39,910
Bonus Shares Received	--	--
Dividends from Current Year Profit	--	--
Sales	--	--
Revaluation Increase, Effect of Inflation and F/X Difference	(647)	9,251
Impairment Provision (+)	--	--
Balance at the End of the Period	220,214	220,861
Capital Commitments	--	--
Share Percentage at the end of Period (%)	--	--

8.2.3 *Sectoral distribution of consolidated subsidiaries*

	Current Period	Prior Period
Banks	86,673	87,320
Insurance Companies	--	--
Factoring Companies	30,383	30,383
Leasing Companies	65,380	65,380
Finance Companies	37,778	37,778
Other Subsidiaries	--	--

8.2.4 *Quoted subsidiaries*

None.

8.2.5 *Subsidiaries disposed during the current period*

None.

8.2.6 *Subsidiaries purchased in the current period*

None.

9. **Information on other investments:**

9.1 *Joint ventures*

DFS Group does not have any joint ventures.

10. **Information on financial lease receivables**

10.1 *Maturity analysis of financial lease receivables*

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	271,329	213,221	238,697	185,985
Between 1-4 years	286,464	242,393	363,363	308,483
Over 4 years	161,476	144,940	39,447	36,399
Total	719,269	600,554	641,507	530,867

10.2 Information on net financial lease receivables

	Current Period	Prior Period
Gross finance lease receivable	719,269	641,507
Unearned finance income (-)	118,715	110,640
Cancelled leasing agreements (-)	--	--
Net investment on leases	600,554	530,867

10.3 Information on financial lease agreements of the Bank

None.

11. Information on hedging purpose derivatives:

None.

12. Information on deferred tax asset

12.1 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 1,096 (31 December 2006: None) and deferred tax liability is YTL 874 (31 December 2006: YTL 1,357). The amount is the net of deductible temporary differences and taxable temporary differences calculated as of the balance sheet date.

According to TAS 12, 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.

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

12.2 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.

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

None.

13. Information on other assets

13.1 Information on prepaid expense, tax and similar items

Prepaid taxes are YTL 1,193 (31 December 2006: None) and prepaid expenses are YTL 26,971 (31 December 2006: YTL 18,485).

13.2 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	Acc. Account	Total
Saving Deposits	270,203	--	426,839	1,546,132	16,204	11,318	5,225	--	2,275,921
Foreign Currency Deposits	1,137,548	--	1,592,293	1,703,377	289,157	373,820	799,263	--	5,895,458
Residents in Turkey	749,024	--	1,033,336	1,619,016	131,077	111,910	89,843	--	3,734,206
Residents Abroad	388,524	--	558,957	84,361	158,080	261,910	709,420	--	2,161,252
Public Sector Deposits	9,584	--	689	892	--	1	--	--	11,166
Commercial Deposits	332,866	--	349,175	160,064	14,722	7,283	1,006	--	865,116
Other Ins. Deposits	34,272	--	16,015	18,922	47	27	--	--	69,283
Precious Metal Deposits	1,721	--	--	--	--	--	--	--	1,721
Bank Deposits	39,632	--	320,335	42,079	21,570	151,152	--	--	574,768
Central Bank	--	--	--	--	--	--	--	--	--
Domestic Banks	11,904	--	182,150	10,926	48	--	--	--	205,028
Foreign Banks	26,753	--	138,185	31,153	21,522	151,152	--	--	368,765
Special Financial Inst.	975	--	--	--	--	--	--	--	975
Other	--	--	--	--	--	--	--	--	--
Total	1,825,826	--	2,705,346	3,471,466	341,700	543,601	805,494	--	9,693,433

Prior Period

	Demand	7 Days Notice	Up to 1 month	1-3 Months	3-6 Months	6 Month- 1 Year	1 Year and Over	Acc. Account	Total
Saving Deposits	257,285	--	533,878	1,255,608	20,299	10,478	5,224	--	2,082,772
Foreign Currency Deposits	1,171,362	--	1,741,076	1,692,014	352,542	538,759	327,034	--	5,822,787
Residents in Turkey	804,370	--	1,231,124	1,468,263	135,646	144,660	47,819	--	3,831,882
Residents Abroad	366,992	--	509,952	223,751	216,896	394,099	279,215	--	1,990,905
Public Sector Deposits	12,207	--	4,100	959	--	--	--	--	17,266
Commercial Deposits	512,046	--	296,122	119,358	11,482	2,993	125	--	942,126
Other Ins. Deposits	34,225	--	25,751	10,103	41	25	--	--	70,145
Precious Metal Deposits	8,585	--	--	--	--	--	--	--	8,585
Bank Deposits	31,518	--	398,495	51,103	22,074	8,363	7,791	--	519,344
Central Bank	--	--	--	--	--	--	--	--	--
Domestic Banks	2,951	--	262,834	2,105	1,011	1,011	--	--	269,912
Foreign Banks	28,567	--	135,661	48,998	21,063	7,352	7,791	--	249,432
Special Financial Inst.	--	--	--	--	--	--	--	--	--
Other	--	--	--	--	--	--	--	--	--
Total	2,027,228	--	2,999,422	3,129,145	406,438	560,618	340,174	--	9,463,025

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	1,219,134	1,138,519	1,000,223	833,524
Foreign Currency Savings Deposits	674,547	656,789	1,496,317	1,297,654
Other Saving Deposits	--	--	--	--
Foreign branches' Deposits Under Foreign Insurance Coverage	--	--	--	--
Off-Shore Deposits Under Foreign Insurance Coverage	--	--	--	--
Total	1,893,681	1,795,308	2,496,540	2,131,178

1.2 Savings deposits that are not covered under the guarantee of deposit insurance fund

	Current Period	Prior Period
Savings Deposits at Foreign Branches	533,445	551,930
Savings Deposits at Off-shore Branches	31,318	97,944
Total	564,763	649,874

2. Information on trading purpose derivatives

2.1 Negative value of trading purpose derivatives

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Forwards	2,793	6,422	11,058	12,097
Swaps	11,676	4,411	14,960	4,933
Futures	--	44	19	--
Options	27	454	--	3,104
Other	1,901	--	--	109
Total	16,397	11,331	26,037	20,243

3. Information on banks and other financial institutions

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Central Bank of Turkey	--	--	--	--
Domestic Bank and Institutions	143,612	42,194	105,253	52,094
Foreign Bank, Institutions and Funds	114,314	1,878,231	149,776	2,393,613
Total	257,926	1,920,425	255,029	2,445,707

3.1 Maturity information of funds borrowed

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Short-Term	227,650	1,042,445	255,029	1,620,393
Medium and Long-Term	30,276	877,980	--	825,314
Total	257,926	1,920,425	255,029	2,445,707

4. 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.

5. 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.

5.1 Changes in agreements and further commitments arising

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

5.2 Obligations under financial leases

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	--	--	2	1
Between 1-4 years	1	1	1	1
More than 4 years	--	--	--	--
Total	1	1	3	2

5.3 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.

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

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

6. Information on liabilities arising from hedging purpose derivatives:

None.

7. Information on provisions

7.1 Information on general provisions

	Current Period	Prior Period
Provisions for Loans and Receivables in Group I	45,571	45,925
Provisions for Loans and Receivables in Group II	--	--
Provisions for Non Cash Loans	7,145	6,634
Other	--	--
Total	52,716	52,559

7.2 Provision for currency exchange gain/loss on foreign currency indexed loans

	Current Period	Prior Period
Foreign Exchange Provision for Foreign Currency Indexed Loans (*)	--	--

(*) Netted against loans in assets

7.3 Information on other provisions

7.3.1 Information on general reserves for possible loan losses

	Current Period	Prior Period
General Reserves for Possible Loan Losses	539	542

7.3.2 Information on other provisions exceeding 10% of total provisions

	Current Period	Prior Period
Specific Provisions for Non-Cash Loans that are not Indemnified and Converted into Cash	14,392	13,848
Other	5,723	7,589
Total	20,115	21,437

8. Taxation

8.1 Current taxes

8.1.1 Current tax liability

As of 31 March 2007, DFS Group has current tax liability of YTL 51,937 (31 December 2006: YTL 54,019) after deducting prepaid taxes.

8.1.2 Information on taxes payable

	Current Period	Prior Period
Corporate taxes payable	21,414	15,645
Taxation on securities	8,383	6,686
Capital gains tax on property	548	507
Banking Insurance Transaction Tax (BITT)	7,145	9,131
Taxes on foreign exchange transactions	528	585
Value added tax payable	206	207
Other	6,569	13,782
Total	44,793	46,543

8.1.3 Information on premiums payable

	Current Period	Prior Period
Social security premiums- employee share	2,702	2,469
Social security premiums- employer share	3,864	3,485
Bank pension fund premium- employee share	--	--
Bank pension fund premium- employer share	--	--
Pension fund membership fees and provisions- employee share	--	--
Pension fund membership fees and provisions- employer share	--	--
Unemployment insurance- employee share	190	178
Unemployment insurance- employer share	380	350
Other	8	994
Total	7,144	7,476

9. Information on shareholders' equity

9.1 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 31 March 2007, the Bank has "other capital reserves" amounting to YTL 189,164 (31 December 2006: YTL 189,164) arising from the effect of inflation on the paid-in capital.

9.2 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.

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

None.

9.4 Information on share capital increases from revaluation funds

None.

9.5 Capital commitments for current financial year and following period

DFS Group does not have any capital commitments.

9.6 Prior period indicators of the Bank's income, profitability and liquidity; and possible effects of the predictions on equity, considering the ambiguity of the indicators

None.

9.7 Information on the privileges given to stocks representing the capital

The Bank does not have any preferred stocks.

10. Common stock issue premiums, shares and equity instruments

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

11. Securities value increase fund

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Associates, Subsidiaries and JV's	--	--	3	--
FV Difference	(765)	7,176	5,245	7,293
Foreign Exchange Difference	4,371	662	--	--
Total	3,606	7,838	5,248	7,293

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

1. Disclosures related to other contingent liabilities

1.1 Type and amount of irrevocable commitments

All of the DFS Group's off-balance sheet loan commitments are in the nature of irrevocable commitments. As of 31 March 2007, non-cash loans, commitments for credit card limits and commitments for cheque payments are YTL 4,392,805, YTL 2,304,724 and YTL 491,650, respectively (31 December 2006: YTL 4,210,817, YTL 2,146,292 and YTL 431,925, respectively). These items are reflected in the off-balance sheet accounts.

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

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

As of 31 March 2007, the DFS Group has letters of guarantee amounting to YTL2,989,009, bills of exchange and acceptances amounting to YTL 138,853, and guarantees and sureties on letters of credit amounting to YTL 1,190,427. There are also other guarantees and sureties amounting to YTL 74,516.

As of 31 December 2006, the DFS Group has letters of guarantee amounting to YTL 2,903,222, bills of exchange and acceptances amounting to YTL 142,409, and guarantees and sureties amounting to YTL 1,086,692. There are other guarantees and sureties amounting to YTL 78,494.

1.2.2 Final guarantees, provisional guarantees, sureties and similar transactions

	Current Period	Prior Period
Provisional Letters of Guarantee	271,023	189,818
Final Letters of Guarantee	2,119,348	2,121,361
Letters of Guarantee for advances	392,738	391,104
Letters of Guarantee given to Customs Offices	106,884	145,929
Other Letters of Guarantee	99,016	55,010
Total	2,989,009	2,903,222

2. Non-cash loans

	Current Period	Prior Period
Non-Cash Loans Given for Cash Loan Risks	123,114	78,494
With Original Maturity of 1 Year or Less	58,724	20,899
With Original Maturity of More Than 1 Year	64,390	57,595
Other Non-Cash Loans	4,269,691	3,997,137
Total	4,392,805	4,075,631

3. Information about the first and second group of non-cash loans

	I. Group		II. Group	
	YTL	FC	YTL	FC
Letters of guarantee	1,344,561	1,625,505	9,780	9,163
Bank acceptances	--	138,852	--	--
Letters of credit	--	1,190,426	--	--
Endorsements	--	--	--	--
Underwriting commitments	--	--	--	--
Factoring commitments	--	--	--	--
Other commitments and contingencies	--	74,173	--	345
Total	1,344,561	3,028,956	9,780	9,508

4. Sectoral risk concentrations of non-cash loans

	Current Period				Prior Period			
	YTL	(%)	YTL	(%)	YTL	(%)	YTL	(%)
Agricultural	18,119	1.34	38,567	1.27	12,812	1.00	45,867	1.57
Farming and Cattle	17,611	1.30	31,718	1.04	12,302	0.96	38,636	1.32
Forestry	264	0.02	6,676	0.22	266	0.02	7,055	0.24
Fishing	244	0.02	173	0.01	244	0.02	176	0.01
Manufacturing	302,643	22.35	1,108,286	36.47	355,187	27.78	1,093,205	37.28
Mining	89,076	6.58	490,114	16.13	81,441	6.37	421,578	14.38
Production	208,385	15.39	597,700	19.67	267,251	20.90	648,985	22.13
Electric, gas and water	5,182	0.38	20,472	0.67	6,495	0.51	22,642	0.77
Construction	445,412	32.89	843,367	27.76	408,511	31.95	733,965	25.03
Services	425,840	31.43	944,358	31.08	398,172	31.14	979,915	33.42
Wholesale and retail trade	300,843	22.21	441,220	14.53	271,094	21.20	498,757	17.01
Hotel, food and beverage services	12,621	0.93	34,717	1.14	13,156	1.03	25,520	0.87
Transportation and telecommunication	54,046	3.99	261,647	8.61	53,328	4.17	256,625	8.75
Financial institutions	37,128	2.74	202,641	6.67	38,430	3.01	196,319	6.70
Real estate and renting services	55	0.00	21	0.00	72	0.01	21	0.00
Self-employment services	--	0.00	61	0.00	--	0.00	56	0.00
Education services	1,640	0.12	103	0.00	1,557	0.12	606	0.02
Health and social services	19,507	1.44	3,948	0.13	20,535	1.60	2,011	0.07
Other	162,327	11.99	103,886	3.42	103,938	8.13	79,245	2.70
Total	1,354,341	100.00	3,038,464	100.00	1,278,620	100.00	2,932,197	100.00

IV. Information on disclosures related to consolidated income statement

1. Interest income

1.1 Information on interest income received from loans

	Current Period		Prior Period	
	YTL	FC	YTL (*)	FC
Short Term	146,761	19,828	95,723	14,414
Medium and Long Term	101,456	33,490	48,254	22,609
Loans Under Follow-Up	3,514	--	1,752	--
Total	251,731	53,318	145,729	37,023

* Foreign exchange differences of foreign currency-indexed loans are included in "Interest Income on Loans" in the prior period.

1.2 Information on interest income received from banks

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Central Bank of Turkey	935	--	--	--
Domestic Banks	405	2,158	1,056	2,620
Foreign Banks	136	24,097	417	13,130
Foreign Branches	--	--	--	--
Total	1,476	26,255	1,473	15,750

1.3 Information on interest income received from associates and subsidiaries

	Current Period	Prior Period
Interest Received from Associates and Subsidiaries	2	--

2. Interest expense

2.1 Information on interest expense related to funds borrowed

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Banks	5,360	35,095	4,909	33,962
Central Bank of Turkey	--	--	--	--
Domestic Banks	2,776	7,501	2,445	2,979
Foreign Banks	2,584	27,594	2,464	30,983
Foreign Branches	--	--	--	--
Other Institutions	--	--	--	--
Total	5,360	35,095	4,909	33,962

2.2 Information on interest expense paid to associates and subsidiaries

	Current Period	Prior Period
Interest Paid to Associates and Subsidiaries	63	82

3. Trading income / loss (net)

	Current Period	Prior Period
Profit	766,678	681,747
Capital Market Transactions:	49,012	45,736
Derivatives and Financial Trans.	44,123	30,948
Other	4,889	14,788
Foreign Exchange Gain	717,666	636,011
Loss (-)	769,985	668,811
Capital Market Transactions:	43,523	31,419
Derivatives and Financial Trans.	38,862	27,235
Other	4,661	4,184
Foreign Exchange Loss	726,462	637,392
Total	(3,307)	12,936

4. Other operating income

	Current Period	Prior Period
Reversals from prior year provisions	22,508	9,000
Income from customers for banking services	9,862	11,361
Communication income	2,970	2,890
Gain on sale of assets	41	562
Other	5,036	12,060
Total	40,417	35,873

5. Provision expenses on loans and other receivables

	Current Period	Prior Period
Specific Provisions on Loans and Other Receivables:	32,730	20,324
<i>Loans and Receivables in Group III</i>	--	202
<i>Loans and Receivables in Group IV</i>	--	--
<i>Loans and Receivables in Group V</i>	32,730	20,122
Non-performing commissions and other receivables	--	--
General Provision Expenses	4,160	152
Provision for Possible Losses	--	159
Foreign Exchange Losses on Foreign Currency		
Indexed Loans	--	--
Impairment Losses on Securities:	1,640	12,295
<i>Trading securities</i>	643	12,076
<i>Investment Securities Available-for-Sale</i>	997	219
Other Impairment Losses:	--	68
<i>Associates</i>	--	--
<i>Subsidiaries</i>	--	--
<i>Joint Ventures</i>	--	--
<i>Investment Securities Held-to-Maturity</i>	--	68
Other	980	184
Total	39,510	33,182

6. Information related to other operational expenses

	Current Period	Prior Period
Personnel Expenses	75,456	50,413
Reserve for Employee Termination Indemnity Benefits	963	802
Reserve for Bank's Social Aid Fund Deficit	--	0
Impairment of Tangible Assets	--	6,473
Depreciation Expenses of Tangible Assets	6,288	6,213
Impairment of Intangible Assets	--	0
Impairment of Goodwill	--	0
Depreciation Expenses of Intangible Assets	4,372	3,822
Impairment of Investments in Associates	--	0
Impairment of Securities Held for Sale	--	0
Depreciation of Securities Held for Sale	79	0
Impairment of Assets Held for Sale	--	0
Other Operating Expenses	41,406	37,066
Operational Leases	9,609	7,076
Repair and Maintenance	1,585	1004
Advertising	3,140	7,023
Other Expenses	27,072	21,963
Loss on Sales of Assets	473	222
Other	10,681	9,578
Total	139,718	114,589

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 19,884 and deferred tax benefit is YTL 1,565.

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 is 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 (+)	3,496	6,610
Arising from Reversal of Deductible Temporary Differences (-)	(3,435)	(350)
Arising from Origination of Taxable Temporary Differences (-)	(25)	(1,771)
Arising from Reversal of Taxable Temporary Differences (+)	1,529	433
Total	1,565	4,922

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	61	6,260
Arising from Origination (+)/ Reversal (-) of Taxable Temporary Differences	1,504	(1,338)
Arising from Origination (+)/ Reversal (-) of Tax Losses	--	--
Arising from Origination (+)/ Reversal (-) of Unused Tax Credits	--	--
Total	1,565	4,922

8. Net profit and loss

8.1 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.

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

8.3 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.

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

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

Fees and Commissions Received	Current Period	Prior Period
Credit Card Commissions	27,882	16,441
Brokerage Fees	14,904	22,461
Non-Cash Loans	14,070	8,901
Cash Loans	3,941	5,438
Remittance Commissions	2,815	1,902
Insurance Services	2,392	2,719
Others	7,594	2,626
Total	73,598	60,488

Fees and Commissions Paid	Current Period	Prior Period
Credit Card / POS Commissions	13,557	7,907
Cash Loans	375	397
Brokerage Fees	947	3,882
Non-Cash Loans	465	219
Others	3,500	2,451
Total	18,844	14,856

V. 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 31 March 2007, the Bank's risk group has deposits, cash and non-cash loans, and subordinated loans at the Bank amounting to YTL 660,105, YTL 9,336, YTL 3,150, and YTL 168,035, respectively. As a result of the transactions with the risk group, the Bank has recorded net interest and commission income/(expense) amounting to YTL (8,976).

Interest and commission income/(expense) also included the transactions made with Zorlu Group in the first three months of 2006.

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	8,738	2,125	--	2,651	--	37
Balance at the End of the Period	8,930	2,124	371	980	35	46
Interest and Commission Income Received	--	2	2	--	--	--

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	6,589	3,992	21,162	186,340	--	--
Balance at the End of the Period	8,738	2,125	--	2,651	--	37
Interest and Commission Income Received	--	5	1,250	77	--	--

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

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	23	2,732	743,522	643,137	5,061	14,144
Balance at the End of the Period	35	23	824,220	743,522	3,855	5,061
Interest on Deposits	63	82	9,078	5,281	150	--

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

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	
	Current Period	Prior Period	Current Period	Current Period	Prior Period	Current Period
Transactions for Trading Purposes:						
Beginning of the Period	--	--	--	--	--	--
End of the Period	--	--	16,299	--	--	--
Total Income/Loss	--	--	311	1	--	--
Transactions for Hedging Purposes:						
Beginning of the Period	--	--	--	--	--	--
End of the Period	--	--	--	--	--	--
Total Income/Loss	--	--	--	--	--	--

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

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

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

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 31 March 2007, cash loans of the risk group represented 0.1% of the DFS Group's total cash loans and the deposits represented 6.9% of the DFS Group's total deposits. The non-cash loans of the risk group represented 0.1% of the DFS Group's total non-cash loans.

2.3 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.

SECTION SIX

OTHER DISCLOSURES AND FOOTNOTES

I. Other explanations related to the Parent Bank's operations

1. Explanations related to the Bank's operations

On 3 October 2006, the Bank has started negotiations with Global Yatırım Holding A.Ş. ("Global Yatırım") regarding the purchase of shares held at Global Hayat Sigorta A.Ş. ("Global Hayat"); and on 26 January 2007, a Share Purchase Agreement has been signed between the parties. Pursuant to this Agreement, Global Yatırım has agreed to transfer 99.6% of Global Hayat's issued share capital to the Bank with a sales price of YTL 2,700. This transaction is approved by the General Directorate of Insurance of Undersecretariat of Turkish Treasury and the transfer is realized on 30 March 2007.

On 5 March 2007, the Bank fully repaid its club loan, amounting to USD 500 millions.

On 21 March 2007, the Bank signed a USD 150 million long-term securitization loan agreement, based on remittance flows. The maturity of the loan is 15 December 2014.

2. Information summary about ratings of the Banks which has been performed by the international risk rating institutions

Republic of Turkey's rating by Fitch Ratings

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

Denizbank's rating by Fitch Ratings

On 18 October 2006, Fitch Ratings has upgraded Denizbank's ratings to foreign and local currency issuer defaults, national long-term and support; while a Positive Outlook has been assigned to foreign and local currency IDRs and the Outlook for the National rating is Stable. The latest ratings of Denizbank are as follows:

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

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

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

Denizbank's rating by Moody's Investors Service

On 19 October 2006, Moody's has raised the long-term local currency deposit rating of Denizbank to A3 from Baa3; and short-term rating to Prime-2 from Prime-3. On 24 April 2007, Denizbank's D+ financial strength rating upgraded to C-. The latest ratings of Denizbank are as follows:

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

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

None.

4. 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 SEVEN

INDEPENDENT AUDITORS' REVIEW REPORT

I. Information on the independent auditors' review report

The Bank's consolidated interim financial statements as of 31 March 2007 have been reviewed by Akis Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. It was noted in their review report dated 11 May 2007 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 and Article 38 of the (Turkish) Banking Law No 5411.