

*(Convenience Translation of Consolidated Financial Report Originally Issued in
Turkish)
(See Note 3.1.2)*

**DENİZBANK
ANONİM ŞİRKETİ AND ITS
FINANCIAL SUBSIDIARIES**

**INDEPENDENT AUDITOR'S
REPORT,
CONSOLIDATED FINANCIAL
STATEMENTS AND NOTES
FOR THE PERIOD ENDED
DECEMBER 31, 2008**

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

Convenience Translation of the Independent Auditor's Report
Originally Prepared and Issued in Turkish

Denizbank A.Ş.
To the Board of Directors
İstanbul

**DENİZBANK ANONİM ŞİRKETİ
AND ITS FINANCIAL SUBSIDIARIES
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR 1 JANUARY-31 DECEMBER 2008**

We have audited the accompanying consolidated balance sheet of Denizbank A.Ş. ("the Bank") and its financial subsidiaries ("the Group") as at 31 December 2008, and the related consolidated statements of income, cash flows and changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory notes. The consolidated financial statements of the Group for the year ended 31 December 2007 have been audited by other auditors whose report dated 28 February 2008 expressed an unqualified opinion.

Management's Responsibility for the Financial Statements

The Board of Directors of the Bank is responsible for the preparation and fair presentation of the financial statements in accordance with the regulation on "Procedures And Principles Regarding Banks' Accounting Practices And Maintaining Documents" published in the Official Gazette dated 1 November 2006 and numbered 26333 and Turkish Accounting Standards, Turkish Financial Reporting Standards and other regulations, circulars, communiqués and pronouncements in respect of accounting and financial reporting made by Banking Regulation and Supervision Agency ("BRSA"). This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the regulation on "Licensing and Operations of Audit Firms in Banking" published in the Official Gazette dated 1 November 2006 and numbered 26333, and the International Standards on Auditing. We planned and performed our audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the consideration of the effectiveness of internal control and appropriateness of accounting policies applied relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independent Auditor's Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2008 and the results of its operations and its cash flows for the year then ended in accordance with the prevailing accounting principles and standards set out as per the Articles 37 and 38 of the Banking Act numbered 5411, and other regulations, communiqués and circulars in respect of accounting and financial reporting, and pronouncements made by BRSA.

Additional paragraph for English translation

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

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

Hasan Kılıç
Partner
Istanbul, 25 February 2009

DENİZBANK A.Ş.
CONSOLIDATED FINANCIAL REPORT AS OF 31 DECEMBER 2008

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Büyükdere Caddesi No:106
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The consolidated 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 OF THE PARENT BANK
- DISCLOSURES ON 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 REPORT

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

	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 Dexia bank, Moscow		
7	Deniz Portföy Yönetimi A.Ş.		
8	Deniz Finansal Kiralama A.Ş.		
9	Deniz Faktoring A.Ş.		
10	Deniz Emeklilik ve Hayat A.Ş.		

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

25.02.2009

HAKAN ELVERDİ
Senior Vice President
International and Regulatory
Financial 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

Consolidated Financial Report as of 31 December 2008

(Currency: Thousands of TRY - 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 upon obtaining a permission to operate. Bank's shares have been quoted on Istanbul Stock Exchange ("ISE") since 1 October 2004. 0.16% of the Bank's shares are publicly held as of 31 December 2008.

Dexia Participation Belgique SA, owned 100% directly and indirectly by Dexia SA/NV, acquired 75% of the outstanding shares of the Bank from Zorlu Holding A.Ş. on 17 October 2006. Subsequent to the transfer of shares, a tender offer was made for the publicly traded shares on the ISE, and Dexia Participation Belgique's ownership rate increased to 99.84%.

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 (Full TRY)	Share %
Dexia Participation Belgique SA	714,945,274	99.84
Publicly traded	1,154,681	0.16
Other shareholders	45	0.00
Total	716,100,000	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**

Name	Title	Shares owned (%)
President of the Board of Directors		
Dirk G.M. Bruneel	Chairman	--
Board of Directors		
Mustafa Tınas Titiz	Deputy Chairman	0.000002
Hakan Ateş	Member, President and CEO	0.000002
Ayfer Yılmaz	Member	0.000002
M. Cem Bodur	Member	0.000002
Fikret Arabacı	Member	--
Bruno R.D.J. Accou	Member	--
Stefaan L.G. Decraene	Member	--
Hugo R.R. Lasat	Member	--
Eric P.B.A. Hermann	Member	--
Claude E.L.G. Piret	Member	--
Audit Committee		
Dirk G.M. Bruneel	Member	--
Eric P.B.A. Hermann	Member	--
Mustafa Tınas Titiz	Member	0.000002
Statutory Auditors		
Cem Kadirgan	Member	--
Mehmet Uğur Ok	Member	--
Executive Vice Presidents		
Mustafa Aydın	Retail, SME and Agricultural Loan Allocation and Foreign Subsidiaries and Branches	--
Bora Böcügöz	Treasury and Private Banking	--
Suavi Demircioğlu	Financial Affairs	--
Dilek Duman	Information Technologies	--
Gökhan Ertürk	SME and Agricultural Banking	--
Arif İsfendiyaroğlu	Retail Banking	--
Tanju Kaya	Administrative Services	--
Oğuz Vecdi Öncü	Central Operations	--
Hasan Hüseyin Uyar	Corporate and Commercial Loans	--
Wouter G.M. Van Roste	Public, Project Finance and Corporate Banking	--

Dilek Duman was assigned as Executive Vice President responsible from information technologies by the resolution of the Board of Directors dated 6 February 2008 and numbered 2008/7.

Claude Edgar L.G. Piret was appointed as member of Board of Directors, after the resignation of Bruno Yves Marie Rene Deletre, by the resolution of the Board of Directors dated 14 August 2008 and numbered 2008/38.

Mehmet Ali Yetim, the Executive Vice President responsible from commercial banking, resigned from his duty and his signature authorization was cancelled by the resolution of the Board of Directors dated 26 November 2008 and numbered 2008/55.

Alain P.B. Delouis, member of Board of Directors and associate member of loan committee, resigned from his duty on 2 December 2008. His signature authorization was cancelled by the resolution of Board of Directors dated 2 December 2008 and dated 2008/56. Stefaan L.G. Decraene was appointed as member of Board of Directors, after the resignation of Alain P.B. Delouis, by the resolution of Board of Directors dated 2 December 2008 and dated 2008/56, and appointed as associate member of loan committee by the resolution of Board of Directors dated 24 December 2008 and dated 2008/58.

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

The Bank is a private sector deposit bank which provides banking services to its customers through 399 domestic and 1 foreign branch as of 31 December 2008.

Activities of the Bank as stated in the fourth clause of the Articles of Association are as follows:

- Accepting all kinds of deposits and performing banking activities.
- Dealing with transactions on all kinds of capital market instruments within the limits set forth by the related regulations and Capital Market Law regulations.
- Entering into loan and intelligence agreements with domestic and international financial institutions and participating in consortiums and syndications.
- Lending all kinds of Turkish Lira and foreign currency short, medium and long term loans, and providing guarantee facilities.
- Incorporating insurance companies, operating insurance agencies, participating in insurance companies which are existing or planned to be founded.
- Using the funds to be allocated or provided by laws, regulations or agreements for its own objectives.
- Making all kinds of agreements and legal transactions related with its operations; signing written contracts, notes and miscellaneous documents and establishing correspondences.
- Purchasing, producing, constructing, leasing or acquiring by other means all kinds of movables, immovables and rights, selling, transferring or renting all or a part of such items. Establishing or releasing all kinds of rights in such items.
- Giving all kinds of loans and obtaining borrowings as necessary for performing its activities.
- Receiving, transferring or releasing all kinds of cash or non-cash guarantees, including sureties, collaterals, mortgages, pledges, etc., relating to its operations.
- Establishing domestic and/or foreign entities and participating in existing entities.
- Performing all kinds of operations in compliance with the prevailing banking regulations.

SECTION TWO

CONSOLIDATED FINANCIAL STATEMENTS

- I. Consolidated Balance Sheets
- II. Consolidated Off-Balance Sheet Items Statements
- III. Consolidated Income Statements
- IV. Consolidated Statements of Recognized Profits and Losses
Accounted for Under Equity
- V. Consolidated Statements of Changes in Shareholders' Equity
- VI. Consolidated Statements of Cash Flows
- VII. Consolidated Profit Distribution Table

ASSETS	Footnotes	AUDITED CURRENT PERIOD (31/12/2008)			AUDITED PRIOR PERIOD (31/12/2007)		
		TRY	FC	Total	TRY	FC	Total
		I. CASH AND BALANCES WITH THE CENTRAL BANK	(5.1.1)	1,038,072	981,237	2,019,309	117,346
II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	(5.1.2)	105,291	92,773	198,064	400,699	208,973	609,672
2.1 Trading Securities		36,386	15,538	51,924	288,727	168,480	457,207
2.1.1 Public Sector Debt Securities		36,018	15,391	51,409	270,658	22,322	292,980
2.1.2 Share Certificates		88	-	88	17,700	10	17,710
2.1.3 Other Securities		280	147	427	369	146,148	146,517
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		68,905	77,235	146,140	111,972	40,493	152,465
III. BANKS	(5.1.3)	3,121	1,054,426	1,057,547	12,582	1,128,680	1,141,262
IV. DUE FROM MONEY MARKETS		500	-	500	1,150	12,035	13,185
4.1 Interbank Money Market		500	-	500	1,150	-	1,150
4.2 Istanbul Stock Exchange		-	-	-	-	-	-
4.3 Reverse Repurchase Agreements		-	-	-	-	12,035	12,035
V. INVESTMENT SECURITIES AVAILABLE FOR SALE (Net)	(5.1.4)	1,699,975	406,953	2,106,928	1,851,705	265,648	2,117,353
5.1 Share Certificates		10,836	820	11,656	3,869	54	3,923
5.2 Public Sector Debt Securities		1,689,139	237,021	1,926,160	1,847,836	180,635	2,028,471
5.3 Other Securities		-	169,112	169,112	-	84,959	84,959
VI. LOANS	(5.1.5)	9,295,473	6,114,411	15,409,884	7,303,443	4,671,108	11,974,551
6.1 Loans		9,156,629	6,057,135	15,213,764	7,250,756	4,656,261	11,907,017
6.1.1 Loans Utilized to the Bank's Risk Group		66	-	66	25	7,909	7,934
6.1.2 Others		9,156,563	6,057,135	15,213,698	7,250,731	4,648,352	11,899,083
6.2 Loans under Follow-Up		436,175	79,694	515,869	261,660	23,473	285,133
6.3 Specific Provisions (-)		297,331	22,418	319,749	208,973	8,626	217,599
VII. FACTORING RECEIVABLES		339,971	11,933	351,904	410,484	69,994	480,478
VIII. INVESTMENT SECURITIES HELD TO MATURITY (Net)	(5.1.6)	614,378	143,823	758,201	646	142,493	143,139
8.1 Public Sector Debt Securities		614,378	69,710	684,088	646	55,772	56,368
8.2 Other Securities		-	74,113	74,113	-	86,771	86,771
IX. INVESTMENTS IN ASSOCIATES (Net)	(5.1.7)	4,153	4	4,157	3,634	-	3,634
9.1 Equity Method Associates		-	-	-	-	-	-
9.2 Unconsolidated Associates		4,153	4	4,157	3,634	-	3,634
9.2.1 Financial Associates		567	-	567	51	-	51
9.2.2 Non-Financial Associates		3,586	4	3,590	3,583	-	3,583
X. INVESTMENTS IN SUBSIDIARIES (Net)	(5.1.8)	5,599	-	5,599	5,700	-	5,700
10.1 Unconsolidated Financial Subsidiaries		-	-	-	-	-	-
10.2 Unconsolidated Non-Financial Subsidiaries		5,599	-	5,599	5,700	-	5,700
XI. JOINT VENTURES (Net)	(5.1.9)	-	-	-	-	-	-
11.1 Equity Method Joint Ventures		-	-	-	-	-	-
11.2 Unconsolidated Joint Ventures		-	-	-	-	-	-
11.2.1 Financial Joint Ventures		-	-	-	-	-	-
11.2.2 Non-Financial Joint Ventures		-	-	-	-	-	-
XII. LEASE RECEIVABLES (Net)	(5.1.10)	138,623	1,334,705	1,473,328	155,250	801,949	957,199
12.1 Financial Lease Receivables		187,045	1,594,623	1,781,668	207,154	933,469	1,140,623
12.2 Operational Lease Receivables		-	-	-	-	-	-
12.3 Others		-	-	-	-	-	-
12.4 Unearned Income (-)		48,422	259,918	308,340	51,904	131,520	183,424
XIII. HEDGING PURPOSE DERIVATIVES	(5.1.11)	201,829	21,447	223,276	-	-	-
13.1 Fair Value Hedge		-	-	-	-	-	-
13.2 Cash Flow Hedge		201,829	21,447	223,276	-	-	-
13.3 Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-
XIV. TANGIBLE ASSETS (Net)	(5.1.12)	189,765	18,542	208,307	156,571	10,850	167,421
XV. INTANGIBLE ASSETS (Net)	(5.1.13)	16,993	10,308	27,301	11,833	4,092	15,925
15.1 Goodwill		-	-	-	-	-	-
15.2 Others		16,993	10,308	27,301	11,833	4,092	15,925
XVI. INVESTMENT PROPERTY (Net)	(5.1.14)	-	-	-	-	-	-
XVII. TAX ASSETS	(5.1.15)	92,335	6,079	98,414	20,216	1,184	21,400
17.1 Current Tax Assets		58,899	1,607	60,506	173	418	591
17.2 Deferred Tax Assets		33,436	4,472	37,908	20,043	766	20,809
XVIII. ASSETS HELD FOR SALE AND ASSETS RELATED TO DISCONTINUED OPERATIONS (Net)	(5.1.16)	-	-	-	-	-	-
18.1 Held For Sale		-	-	-	-	-	-
18.2 Discontinued Operations		-	-	-	-	-	-
XIX. OTHER ASSETS	(5.1.17)	219,366	59,985	279,351	141,442	153,273	294,715
TOTAL ASSETS		13,965,444	10,256,626	24,222,070	10,592,701	8,054,699	18,647,400

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

LIABILITIES AND EQUITY	Footnotes	AUDITED CURRENT PERIOD (31/12/2008)			AUDITED PRIOR PERIOD (31/12/2007)		
		TRY	FC	Total	TRY	FC	Total
		I. DEPOSITS	(5.11.1)	5,722,664	6,538,611	12,261,275	5,246,709
1.1 Deposits of the Bank's Risk Group		10,501	237,849	248,350	7,647	149,292	156,939
1.2 Others		5,712,163	6,300,762	12,012,925	5,239,062	6,097,663	11,336,725
II. NEGATIVE VALUE OF TRADING PURPOSE DERIVATIVES	(5.11.2)	75,945	65,386	141,331	174,115	43,897	218,012
III. FUNDS BORROWED	(5.11.3)	297,748	6,549,007	6,846,755	388,594	2,974,629	3,363,223
IV. DUE TO MONEY MARKETS		629,569	40,224	669,793	767,679	-	767,679
4.1 Interbank Money Market		-	-	-	-	-	-
4.2 Istanbul Stock Exchange		-	-	-	-	-	-
4.3 Reverse Repurchase Agreements		629,569	40,224	669,793	767,679	-	767,679
V. SECURITIES ISSUED (Net)		-	-	-	-	-	-
5.1 Bills		-	-	-	-	-	-
5.2 Asset Backed Securities		-	-	-	-	-	-
5.3 Bonds		-	-	-	-	-	-
VI. FUNDS		-	-	-	-	-	-
6.1 Bank Borrowers' Funds		-	-	-	-	-	-
6.2 Others		-	-	-	-	-	-
VII. MISCELLANEOUS PAYABLES		276,492	170,815	447,307	231,612	65,409	297,021
VIII. OTHER EXTERNAL RESOURCES	(5.11.4)	228,201	15,842	244,043	224,974	26,379	251,353
IX. FACTORING PAYABLES		-	-	-	-	-	-
X. LEASE PAYABLES (Net)	(5.11.5)	-	-	-	1	-	1
10.1 Financial Lease Payables		-	-	-	1	-	1
10.2 Operational Lease Payables		-	-	-	-	-	-
10.3 Others		-	-	-	-	-	-
10.4 Deferred Financial Leasing Expenses (-)		-	-	-	-	-	-
XI. HEDGING PURPOSE DERIVATIVES	(5.11.6)	128,771	7,967	136,738	-	-	-
11.1 Fair Value Hedge		-	-	-	-	-	-
11.2 Cash Flow Hedge		128,771	7,967	136,738	-	-	-
11.3 Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-
XII. PROVISIONS	(5.11.7)	344,006	14,381	358,387	140,616	9,823	150,439
12.1 General Provisions		109,211	238	109,449	78,987	171	79,158
12.2 Restructuring Provisions		-	-	-	-	-	-
12.3 Reserve for Employee Benefits		24,551	1,744	26,295	21,167	712	21,879
12.4 Insurance Technical Provisions (Net)		37,918	471	38,389	26,203	395	26,598
12.5 Other Provisions		172,326	11,928	184,254	14,259	8,545	22,804
XIII. TAX LIABILITIES	(5.11.8)	53,198	4,362	57,560	61,340	4,096	65,436
13.1 Current Tax Liability		51,707	4,362	56,069	61,340	4,096	65,436
13.2 Deferred Tax Liability		1,491	-	1,491	-	-	-
XIV. PAYABLES RELATED TO HELD FOR SALE AND DISCONTINUED OPERATIONS	(5.11.9)	-	-	-	-	-	-
14.1 Held For Sale		-	-	-	-	-	-
14.2 Discontinued Operations		-	-	-	-	-	-
XV. SUBORDINATED LOANS	(5.11.10)	-	771,739	771,739	-	362,506	362,506
XVI. SHAREHOLDERS' EQUITY	(5.11.11)	2,188,158	98,984	2,287,142	1,602,227	75,839	1,678,066
16.1 Paid-In Capital		716,100	-	716,100	316,100	-	316,100
16.2 Supplementary Capital		135,139	(20,525)	114,614	299,737	6,541	306,278
16.2.1 Share Premium		98,411	-	98,411	98,351	-	98,351
16.2.2 Share Cancellation Profits		-	-	-	-	-	-
16.2.3 Valuation Differences of Securities		(25,990)	(13,744)	(39,734)	12,211	6,541	18,752
16.2.4 Revaluation Fund on Tangible Assets		-	-	-	-	-	-
16.2.5 Revaluation Fund on Intangible Assets		-	-	-	-	-	-
16.2.6 Revaluation Fund on Investment Property		-	-	-	-	-	-
16.2.7 Capital Bonus of Associates, Subsidiaries and Joint Ventures		15	-	15	11	-	11
16.2.8 Hedging Funds (Effective Portion)		(126,461)	(6,781)	(133,242)	-	-	-
16.2.9 Revaluation Fund on Assets Held for Sale and Discontinued Operations		-	-	-	-	-	-
16.2.10 Other Supplementary Capital		189,164	-	189,164	189,164	-	189,164
16.3 Profit Reserves		839,409	55,282	894,691	617,330	7,834	625,164
16.3.1 Legal Reserves		41,369	5,018	46,387	30,807	5,018	35,825
16.3.2 Status Reserves		-	-	-	-	-	-
16.3.3 Extraordinary Reserves		792,216	11,173	803,389	590,929	11,772	602,701
16.3.4 Other Profit Reserves		5,824	39,091	44,915	(4,406)	(8,956)	(13,362)
16.4 Profit or Loss		497,510	64,227	561,737	369,060	61,464	430,524
16.4.1 Prior Periods' Profit or Loss		174,824	44,450	219,274	58,626	30,643	89,269
16.4.2 Current Period Profit or Loss		322,686	19,777	342,463	310,434	30,821	341,255
16.5 Minority Shares	(5.11.12)	-	-	-	-	-	-
TOTAL LIABILITIES AND EQUITY		9,944,752	14,277,318	24,222,070	8,837,867	9,809,533	18,647,400

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

Denizbank Anonim Şirketi
Consolidated Off Balance Sheet Items Statements
As of 31 December 2008 and 2007
(Currency: Thousands of TRY - New Turkish Lira)

*Convenience Translation of
Consolidated Financial Report
Originally Issued in Turkish, See Note 3.1.2*

	Footnotes	AUDITED CURRENT PERIOD (31/12/2008)			AUDITED PRIOR PERIOD (31/12/2007)		
		TRY	FC	Total	TRY	FC	Total
		A. OFF BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I+II+III)		8,115,948	14,534,134	22,650,082	9,468,889
I. GUARANTEES	(5.III.1)	1,505,962	3,315,140	4,821,102	1,517,019	3,222,482	4,739,501
1.1. Letters of Guarantee		1,505,962	1,835,472	3,341,434	1,517,019	1,526,070	3,043,089
1.1.1. Guarantees Subject to State Tender Law		-	-	-	-	-	-
1.1.2. Guarantees Given for Foreign Trade Operations		92,092	36,368	128,460	105,494	21,660	127,154
1.1.3. Other Letters of Guarantee		1,413,870	1,799,104	3,212,974	1,411,525	1,504,410	2,915,935
1.2. Bank Acceptances		-	89,143	89,143	-	92,713	92,713
1.2.1. Import Letter of Acceptance		-	89,143	89,143	-	92,713	92,713
1.2.2. Other Bank Acceptances		-	-	-	-	-	-
1.3. Letters of Credit		-	1,202,319	1,202,319	-	1,425,357	1,425,357
1.3.1. Documentary Letters of Credit		-	1,113,778	1,113,778	-	1,155,864	1,155,864
1.3.2. Other Letters of Credit		-	88,541	88,541	-	269,493	269,493
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		-	188,206	188,206	-	178,342	178,342
1.9. Other Sureties		-	-	-	-	-	-
II. COMMITMENTS	(5.III.1)	3,977,477	3,551,978	7,529,455	3,106,335	1,619,620	4,725,955
2.1. Irrevocable Commitments		3,976,796	3,551,978	7,528,774	3,105,654	1,619,620	4,725,274
2.1.1. Asset Purchase and Sale Commitments		82,669	3,537,228	3,619,897	54,838	1,612,500	1,667,338
2.1.2. Deposit Purchase and Sales Commitments		-	-	-	-	-	-
2.1.3. Share Capital Commitments to Associates and Subsidiaries		10,290	-	10,290	300	-	300
2.1.4. Loan Granting Commitments		530,256	9,667	539,923	293,769	-	293,769
2.1.5. Securities Issuance Brokerage Commitments		-	-	-	-	-	-
2.1.6. Commitments for Reserve Deposit Requirements		-	-	-	-	-	-
2.1.7. Commitments for Cheque Payments		541,844	-	541,844	485,468	-	485,468
2.1.8. Tax and Fund Obligations from Export Commitments		3,779	-	3,779	-	-	-
2.1.9. Commitments for Credit Card Limits		2,574,828	-	2,574,828	2,113,934	-	2,113,934
2.1.10. Commitments for Promotional Operations Re-Credit Cards and Banking Services		11,929	-	11,929	33	-	33
2.1.11. Receivables from "Short" Sale Commitments On Securities		-	-	-	-	-	-
2.1.12. Payables for "Short" Sale Commitments On Securities		-	-	-	-	-	-
2.1.13. Other Irrevocable Commitments		221,201	5,083	226,284	157,312	7,120	164,432
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	(5.III.5)	2,632,509	7,667,016	10,299,525	4,845,535	5,917,092	10,762,627
3.1. Hedging Purpose Derivatives		927,182	1,299,137	2,226,319	-	-	-
3.1.1. Fair Value Hedge		-	-	-	-	-	-
3.1.2. Cash Flow Hedge		927,182	1,299,137	2,226,319	-	-	-
3.1.3. Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-
3.2. Trading Purpose Derivatives		1,705,327	6,367,879	8,073,206	4,845,535	5,917,092	10,762,627
3.2.1. Forward Foreign Currency Purchases/Sales		149,570	698,538	848,108	56,692	1,732,552	1,789,244
3.2.1.1. Forward Foreign Currency Purchases		26,234	406,530	432,764	36,949	858,074	895,023
3.2.1.2. Forward Foreign Currency Sales		123,336	292,008	415,344	19,743	874,478	894,221
3.2.2. Currency and Interest Rate Swaps		1,322,762	4,799,956	6,122,718	1,729,548	2,452,640	4,182,188
3.2.2.1. Currency Swaps-Purchases		161,349	1,826,870	1,988,219	-	986,309	986,309
3.2.2.2. Currency Swaps-Sales		1,136,958	845,935	1,982,893	577,929	429,893	1,007,822
3.2.2.3. Interest Rate Swaps-Purchases		-	1,077,760	1,077,760	417,199	663,439	1,080,638
3.2.2.4. Interest Rate Swaps-Sales		24,455	1,049,391	1,073,846	734,420	372,999	1,107,419
3.2.3. Currency, Interest Rate and Security Options		209,055	810,965	1,020,020	2,074,092	1,558,342	3,632,434
3.2.3.1. Currency Options-Purchases		78,284	311,119	389,403	1,051,681	746,129	1,797,810
3.2.3.2. Currency Options-Sales		130,771	265,182	395,953	972,605	812,213	1,784,818
3.2.3.3. Interest Rate Options-Purchases		-	117,332	117,332	-	-	-
3.2.3.4. Interest Rate Options-Sales		-	117,332	117,332	-	-	-
3.2.3.5. Securities Options-Purchases		-	-	-	24,903	-	24,903
3.2.3.6. Securities Options-Sales		-	-	-	24,903	-	24,903
3.2.4. Currency Futures		-	17,416	17,416	-	17,196	17,196
3.2.4.1. Currency Futures-Purchases		-	17,416	17,416	-	7,207	7,207
3.2.4.2. Currency Futures-Sales		-	-	-	-	9,989	9,989
3.2.5. Interest Rate Futures		-	-	-	-	16,082	16,082
3.2.5.1. Interest Rate Futures-Purchases		-	-	-	-	9,989	9,989
3.2.5.2. Interest Rate Futures-Sales		-	-	-	-	6,093	6,093
3.2.6. Others		23,940	41,004	64,944	985,203	140,280	1,125,483
B. CUSTODY AND PLEDGED SECURITIES (IV+V+VI)		23,814,308	10,875,899	34,690,207	14,303,889	5,428,601	19,732,490
IV. ITEMS HELD IN CUSTODY		2,454,485	666,863	3,121,348	3,456,392	654,099	4,110,491
4.1. Customers' Securities and Portfolios Held		-	-	-	-	-	-
4.2. Securities Held in Custody		1,305,346	243,837	1,549,183	2,236,156	154,516	2,390,672
4.3. Checks Received for Collection		216,250	189,871	406,121	146,725	168,814	315,539
4.4. Commercial Notes Received for Collection		321,014	199,383	520,397	274,333	330,769	605,102
4.5. Other Assets Received for Collection		-	-	-	-	-	-
4.6. Assets Received for Public Offering		-	-	-	-	-	-
4.7. Other Items under Custody		611,768	33,772	645,540	799,178	-	799,178
4.8. Custodians		107	-	107	-	-	-
V. PLEDGED ITEMS		21,183,433	10,086,329	31,269,762	10,605,259	4,666,056	15,271,315
5.1. Securities		368,379	303,225	671,604	562,262	25,228	587,490
5.2. Guarantee Notes		12,048,413	2,943,223	14,991,636	3,391,020	878,069	4,269,089
5.3. Commodities		1,253,089	1,059,490	2,312,579	1,345,883	594,973	1,940,856
5.4. Warrants		-	-	-	-	-	-
5.5. Immovables		7,313,813	5,507,941	12,821,754	5,045,885	2,906,585	7,952,470
5.6. Other Pledged Items		199,739	272,450	472,189	260,209	261,201	521,410
5.7. Pledged Items-Depository		-	-	-	-	-	-
VI. CONFIRMED BILLS OF EXCHANGE AND SURETIES		176,390	122,707	299,097	242,238	108,446	350,684
TOTAL OFF BALANCE SHEET ITEMS (A+B)		31,930,256	25,410,033	57,340,289	23,772,778	16,187,795	39,960,573

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

Denizbank Anonim Şirketi
Consolidated Income Statements
For the Years Ended 31 December 2008 and 2007
(Currency: Thousands of TRY - New Turkish Lira)

*Convenience Translation of
Consolidated Financial Report
Originally Issued in Turkish, See Note 3.1.2*

INCOME AND EXPENSE ITEMS	Footnotes	AUDITED	AUDITED
		CURRENT PERIOD (01/01/2008-31/12/2008)	PRIOR PERIOD (01/01/2007-31/12/2007)
I. INTEREST INCOME	(5.IV.1)	2,785,584	1,990,917
1.1 Interest from Loans		2,057,245	1,472,696
1.2 Interest from Reserve Deposits		43,955	38,619
1.3 Interest from Banks		54,150	80,997
1.4 Interest from Money Market Transactions		2,260	12,415
1.5 Interest from Securities Portfolio		471,415	275,629
1.5.1 Trading Securities		60,253	59,364
1.5.2 Financial Assets at Fair Value Through Profit or Loss		-	-
1.5.3 Available for Sale Securities		373,028	208,418
1.5.4 Held to Maturity Securities		38,134	7,847
1.6 Interest from Financial Leases		128,777	77,012
1.7 Other Interest Income		27,782	33,549
II. INTEREST EXPENSE	(5.IV.2)	1,528,419	1,143,699
2.1 Interest on Deposits		1,048,801	825,482
2.2 Interest on Funds Borrowed		320,761	191,892
2.3 Interest on Money Market Transactions		154,886	124,052
2.4 Interest on Securities Issued		-	-
2.5 Other Interest Expense		3,971	2,273
III. NET INTEREST INCOME (I - II)		1,257,165	847,218
IV. NET FEE AND COMMISSION INCOME /EXPENSE	(5.IV.12)	228,958	211,361
4.1 Fees and Commissions Received		341,905	304,069
4.1.1 Non-Cash Loans		48,234	47,356
4.1.2 Other		293,671	256,713
4.2 Fees and Commissions Paid		112,947	92,708
4.2.1 Non-Cash Loans		479	150
4.2.2 Other		112,468	92,558
V. DIVIDEND INCOME	(5.IV.3)	2,482	940
VI. TRADING INCOME/LOSS (Net)	(5.IV.4)	(102,959)	26,004
6.1 Profit / Loss on Trading Account Securities		232,279	(137,417)
6.2 Foreign Exchange Gain / Loss		(335,238)	163,421
VII. OTHER OPERATING INCOME	(5.IV.5)	183,533	121,432
VIII. TOTAL OPERATING INCOME (III+IV+V+VI+VII)		1,569,179	1,206,955
IX. IMPAIRMENT ON LOANS AND OTHER RECEIVABLES (-)	(5.IV.6)	362,530	131,091
X. OTHER OPERATING EXPENSES (-)	(5.IV.7)	812,997	665,027
XI. NET OPERATING PROFIT/LOSS (VIII-IX-X)		393,652	410,837
XII. NEGATIVE GOODWILL		-	-
XIII. PROFIT / LOSS FROM EQUITY METHOD INVESTMENTS		-	-
XIV. GAIN/LOSS ON NET MONETARY POSITION		-	-
XV. P/L BEFORE TAXES FROM CONTINUING OPERATIONS (XI+...+XIV)	(5.IV.8)	393,652	410,837
XVI. TAXES ON INCOME FROM CONTINUING OPERATIONS (±)	(5.IV.9)	(51,189)	(69,582)
16.1 Current Tax Provision		(51,372)	(91,124)
16.2 Deferred Tax Provision		183	21,542
XVII. NET PROFIT / LOSS FROM CONTINUING OPERATIONS (XV±XVI)	(5.IV.10)	342,463	341,255
XVIII. PROFIT FROM DISCONTINUED OPERATIONS		-	-
18.1 Assets Held for Sale		-	-
18.2 Profit on Sale of Associates, Subsidiaries and Joint Ventures		-	-
18.3 Others		-	-
XIX. LOSS FROM DISCONTINUED OPERATIONS (-)		-	-
19.1 Assets Held for Sale		-	-
19.2 Loss on Sale of Associates, Subsidiaries and Joint Ventures		-	-
19.3 Others		-	-
XX. P/L BEFORE TAXES FROM DISCONTINUED OPERATIONS (XVIII-XIX)	(5.IV.8)	-	-
XXI. TAXES ON INCOME FROM DISCONTINUED OPERATIONS (±)	(5.IV.9)	-	-
21.1 Current Tax Provision		-	-
21.2 Deferred Tax Provision		-	-
XXII. NET PROFIT / LOSS FROM DISCONTINUED OPERATIONS (XX±XXI)	(5.IV.10)	-	-
XXIII. NET PROFIT/LOSS (XVII+XXII)	(5.IV.11)	342,463	341,255
23.1 Group's Profit / Loss		342,463	341,255
23.2 Minority Shares		-	-
Earnings / Losses per Share (per thousand share)		0.75	1.08

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

Denizbank Anonim Şirketi
Consolidated Statements of Recognized Profits and Losses
Accounted for Under Equity
For the Years Ended 31 December 2008 and 2007
(Currency: Thousands of TRY - New Turkish Lira)

*Convenience Translation of
Consolidated Financial Report
Originally Issued in Turkish, See Note 3.1.2*

	AUDITED CURRENT PERIOD (01/01/2008-31/12/2008)	AUDITED PRIOR PERIOD (01/01/2007-31/12/2007)
I. ADDITIONS TO VALUATION DIFF. ON SECURITIES FROM AVAILABLE FOR SALE INVESTMENTS	(83,511)	10,566
II. REVALUATION ON TANGIBLE ASSETS	-	-
III. REVALUATION ON INTANGIBLE ASSETS	-	-
IV. FOREIGN EXCHANGE DIFFERENCES	58,277	(23,892)
V. PROFIT/LOSS RELATED TO DERIVATIVES USED IN CASH FLOW HEDGES (Effective portion)	(64,300)	-
VI. PROFIT/LOSS RELATED TO DERIVATIVES USED IN HEDGE OF A NET INVESTMENT IN FOREIGN SUBSIDIARIES (Effective portion)	(70,205)	-
VII. EFFECT OF CHANGES IN ACCOUNTING POLICIES OR CORRECTION OF ERRORS	-	-
VIII. OTHER PROFIT/LOSS ITEMS RECOGNIZED IN EQUITY PER IAS	-	-
IX. DEFERRED TAXES ON VALUATION DIFFERENCES	17,604	(2,109)
X. NET PROFIT/LOSS RECOGNIZED IN EQUITY (I+II+...+IX)	(142,135)	(15,435)
XI. CURRENT PERIOD PROFIT/LOSS	342,463	341,255
1.1 Net Change in Fair Value of Securities (Transfer to Profit & Loss)	(8,684)	2,246
1.2 Ineffective Portion of Profit/Loss Related to Derivatives Used in Cash Flow Hedges	-	-
1.3 Ineffective Portion of Profit/Loss Related to Derivatives Used in Hedge of a Net Investment in Foreign Subsidiaries	-	-
1.4 Others	351,147	339,009
XII. TOTAL RECOGNIZED PROFIT AND LOSS FOR THE PERIOD (X±XI)	200,328	325,820

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

Denizbank Anonim Şirketi
Consolidated Statements of Changes in Shareholders' Equity
For the Years Ended 31 December 2008 and 2007
(Currency: Thousands of TRY - New Turkish Lira)

Convenience Translation of Consolidated Financial Report Originally Issued in Turkish, See Note 3.1.2

CHANGES IN SHAREHOLDERS' EQUITY	Footnote	Paid-In Capital	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)	Valuation Diff. Of Securities	Revaluation Fund of Tang./Intang.A.	Revaluation Surplus	Hedging Reserves	Val.Diff.Related to Assets Held for Sale/Disc.Opr.	Total Equity Attrib. to Equity Holders of the Parent	Minority Interest	Total Shareholders' Equity
AUDITED PRIOR PERIOD (01/01/2007-31/12/2007)																			
I. Balances at the Beginning of Period		316,100	189,164	98,351	-	22,007	-	327,622	10,530	342,289	35,877	12,541	-	-	-	-	1,354,481	-	1,354,481
II. Corrections According to Turkish Accounting Standard No.8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Corrections of Errors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Adjusted Beginning Balance (I + II)		316,100	189,164	98,351	-	22,007	-	327,622	10,530	342,289	35,877	12,541	-	-	-	-	1,354,481	-	1,354,481
Changes in the Period																			
IV. Increase / Decrease Related to Mergers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V. Valuation Differences of Securities		-	-	-	-	-	-	-	-	-	-	6,211	-	11	-	-	6,222	-	6,222
VI. Hedging Transactions (Effective Portion)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.1 Cash Flow Hedge		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.2 Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Revaluation Fund of Tangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Revaluation Fund of Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Capital Bonus of Associates, Subsidiaries and Joint Ventures		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Foreign Exchange Differences		-	-	-	-	-	-	-	(23,892)	-	-	-	-	-	-	-	(23,892)	-	(23,892)
XI. Changes Related to Sale of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII. Changes Related to Reclassification of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII. Effects of Changes in Equities of Subsidiaries		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV. Capital Increase		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.1 Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.2 Internal Resources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV. Issuance of Capital Stock		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI. Share Cancellation Profits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII. Capital Reserves from Inflation Adjustments to Paid-In Capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVIII. Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIX. Current Period Net Profit / Loss		-	-	-	-	-	-	-	-	341,255	-	-	-	-	-	-	341,255	-	341,255
XX. Profit Distribution		-	-	-	-	13,818	-	275,079	-	(342,289)	53,392	-	-	-	-	-	-	-	-
20.1 Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20.2 Transfer to Reserves		-	-	-	-	13,818	-	275,079	-	-	(288,897)	-	-	-	-	-	-	-	-
20.3 Others		-	-	-	-	-	-	-	-	(342,289)	342,289	-	-	-	-	-	-	-	-
Balances at the End of Period (III+IV+V+.....+XVIII+XIX+XX)		316,100	189,164	98,351	-	35,825	-	602,701	(13,362)	341,255	89,269	18,752	-	11	-	-	1,678,066	-	1,678,066
AUDITED CURRENT PERIOD (01/01/2008-31/12/2008)																			
I. Balances at the Beginning of Period		316,100	189,164	98,351	-	35,825	-	602,701	(13,362)	341,255	89,269	18,752	-	11	-	-	1,678,066	-	1,678,066
Changes in the Period																			
II. Increase / Decrease Related to Mergers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Valuation Differences of Securities	(5.V.1)	-	-	-	-	-	-	-	-	-	-	(58,486)	-	-	-	-	(58,486)	-	(58,486)
IV. Hedging Transactions (Effective Portion)		-	-	-	-	-	-	-	-	-	-	-	-	-	(133,242)	-	(133,242)	-	(133,242)
4.1 Cash Flow Hedge		-	-	-	-	-	-	-	-	-	-	-	-	-	(63,037)	-	(63,037)	-	(63,037)
4.2 Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-	-	-	-	-	-	-	-	(70,205)	-	(70,205)	-	(70,205)
V. Revaluation Fund of Tangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Revaluation Fund of Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Capital Bonus of Associates, Subsidiaries and Joint Ventures		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Foreign Exchange Differences		-	-	-	-	-	-	-	58,277	-	-	-	-	4	-	-	4	-	4
IX. Changes Related to Sale of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Changes Related to Reclassification of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. Effects of Changes in Equities of Associates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII. Capital Increase	(5.V.6)	400,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	400,000	-	400,000
12.1 Cash		400,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	400,000	-	400,000
12.2 Internal Resources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII. Issuance of Capital Stock		-	-	60	-	-	-	-	-	-	-	-	-	-	-	-	60	-	60
XIV. Share Cancellation Profits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV. Capital Reserves from Inflation Adjustments to Paid-In Capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI. Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII. Current Period Net Profit / Loss		-	-	-	-	-	-	-	-	342,463	-	-	-	-	-	-	342,463	-	342,463
XVIII. Profit Distribution	(5.V.4)	-	-	-	-	10,562	-	200,688	-	(341,255)	130,005	-	-	-	-	-	-	-	-
18.1 Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18.2 Transfer to Reserves		-	-	-	-	10,562	-	200,688	-	-	(211,250)	-	-	-	-	-	-	-	-
18.3 Others		-	-	-	-	-	-	-	-	(341,255)	341,255	-	-	-	-	-	-	-	-
Balances at the End of Period (I+II+III+....+XVI+XVII+XVIII)		716,100	189,164	98,411	-	46,387	-	803,389	44,915	342,463	219,274	(39,734)	-	15	(133,242)	-	2,287,142	-	2,287,142

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

Denizbank Anonim Şirketi
Consolidated Statements of Cash Flows
For the Years Ended 31 December 2008 and 2007
(Currency: Thousands of TRY - New Turkish Lira)

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

	Footnote	AUDITED CURRENT PERIOD (01/01/2008-31/12/2008)	AUDITED PRIOR PERIOD (01/01/2007-31/12/2007)
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating Profit before Changes in Operating Assets and Liabilities		69,496	130,560
1.1.1 Interest Received		2,310,213	1,857,204
1.1.2 Interest Paid		1,450,944	1,113,022
1.1.3 Dividend Received		2,482	940
1.1.4 Fees And Commissions Received		341,905	304,069
1.1.5 Other Income		43,607	50,979
1.1.6 Collections from Previously Written-Off Loans and Other Receivables		140,312	85,353
1.1.7 Payments to Personnel and Service Suppliers		442,780	349,351
1.1.8 Taxes Paid		88,040	84,556
1.1.9 Other	(5.VI.1)	(787,259)	(621,056)
1.2 Changes in Operating Assets and Liabilities		(1,873,042)	(2,136,163)
1.2.1 Net (Increase) Decrease in Trading Securities		105,813	(75,959)
1.2.2 Net (Increase) Decrease in Financial Assets Designated at FV		-	-
1.2.3 Net (Increase) Decrease in Banks		138,275	257,827
1.2.4 Net (Increase) Decrease in Loans		(3,413,781)	(4,426,995)
1.2.5 Net (Increase) Decrease in Other Assets		(85,685)	21,331
1.2.6 Net Increase (Decrease) in Bank Deposits		(251,231)	348,112
1.2.7 Net Increase (Decrease) in Other Deposits		992,440	1,668,056
1.2.8 Net Increase (Decrease) in Funds Borrowed		271,949	(672,603)
1.2.9 Net Increase (Decrease) in Due Payables		-	-
1.2.10 Net Increase (Decrease) in Other Liabilities	(5.VI.1)	369,178	744,068
I. Net Cash (Used in)/Provided by Banking Operations		(1,803,546)	(2,005,603)
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II. Net Cash Provided by / (Used in) Investing Activities		(394,385)	(1,159,473)
2.1 Cash Paid for Purchase of Investments, Associates and Subsidiaries		528	555
2.2 Cash Obtained From Sale of Investments, Associates And Subsidiaries		101	-
2.3 Fixed Assets Purchases		105,122	84,716
2.4 Fixed Assets Sales		2,214	1,323
2.5 Cash Paid for Purchase of Investments Available for Sale		723,275	1,359,331
2.6 Cash Obtained From Sale of Investments Available for Sale		432,225	265,451
2.7 Cash Paid for Purchase of Investment Securities		-	1,053
2.8 Cash Obtained from Sale of Investment Securities		-	19,408
2.9 Other	(5.VI.1)	-	-
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net Cash from Financing Activities		4,059,731	1,092,548
3.1 Cash Obtained from Funds Borrowed and Securities Issued		5,355,420	2,289,003
3.2 Cash Used for Repayment of Funds Borrowed and Securities Issued		1,695,689	1,196,455
3.3 Capital Increase		400,000	-
3.4 Dividends Paid		-	-
3.5 Payments for Finance Leases		-	-
3.6 Other	(5.VI.1)	-	-
IV. Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents	(5.VI.1)	(510,345)	347,479
V. Net Increase (Decrease) in Cash and Cash Equivalents		1,351,455	(1,725,049)
VI. Cash and Cash Equivalents at the Beginning of Period	(5.VI.2)	1,292,053	3,017,102
VII. Cash and Cash Equivalents at the End of Period	(5.VI.3)	2,643,508	1,292,053

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

Denizbank Anonim Şirketi
Consolidated Profit Distribution Table
For the Years Ended 31 December 2008 and 2007
(Currency: Thousands of TRY - New Turkish Lira)

*Convenience Translation of
Consolidated Financial Report
Originally Issued in Turkish, See Note 3.1.2*

	AUDITED CURRENT PERIOD (31/12/2008)	AUDITED PRIOR PERIOD (31/12/2007)
I. DISTRIBUTION OF CURRENT YEAR INCOME		
1.1 CURRENT YEAR INCOME	-	-
1.2 TAXES AND DUTIES PAYABLE (-)	-	-
1.2.1 Corporate Tax (Income tax)	-	-
1.2.2 Income withholding tax	-	-
1.2.3 Other taxes and duties	-	-
A. NET INCOME FOR THE YEAR (1.1-1.2) (*)		
1.3 PRIOR YEARS LOSSES (-)	-	-
1.4 FIRST LEGAL RESERVES (-)	-	-
1.5 OTHER STATUTORY RESERVES (-)	-	-
B. NET INCOME AVAILABLE FOR DISTRIBUTION [(A)-(1.3+1.4+1.5)]		
1.6 FIRST DIVIDEND TO SHAREHOLDERS (-)	-	-
1.6.1 To owners of ordinary shares	-	-
1.6.2 To owners of preferred shares	-	-
1.6.3 To owners of preferred shares (preemptive rights)	-	-
1.6.4 To profit sharing bonds	-	-
1.6.5 To holders of profit and loss sharing certificates	-	-
1.7 DIVIDENDS TO PERSONNEL (-)	-	-
1.8 DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
1.9 SECOND DIVIDEND TO SHAREHOLDERS (-)	-	-
1.9.1 To owners of ordinary shares	-	-
1.9.2 To owners of preferred shares	-	-
1.9.3 To owners of preferred shares (preemptive rights)	-	-
1.9.4 To profit sharing bonds	-	-
1.9.5 To holders of profit and loss sharing certificates	-	-
1.10 SECOND LEGAL RESERVES (-)	-	-
1.11 STATUTORY RESERVES (-)	-	-
1.12 GENERAL RESERVES	-	-
1.13 OTHER RESERVES	-	-
1.14 SPECIAL FUNDS	-	-
II. DISTRIBUTION OF RESERVES		
2.1 APPROPRIATED RESERVES	-	-
2.2 SECOND LEGAL RESERVES (-)	-	-
2.3 DIVIDENDS TO SHAREHOLDERS (-)	-	-
2.3.1 To owners of ordinary shares	-	-
2.3.2 To owners of preferred shares	-	-
2.3.3 To owners of preferred shares (preemptive rights)	-	-
2.3.4 To profit sharing bonds	-	-
2.3.5 To holders of profit and loss sharing certificates	-	-
2.4 DIVIDENDS TO PERSONNEL (-)	-	-
2.5 DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
III. EARNINGS PER SHARE		
3.1 TO OWNERS OF ORDINARY SHARES	-	-
3.2 TO OWNERS OF ORDINARY SHARES (%)	-	-
3.3 TO OWNERS OF PRIVILEGED SHARES	-	-
3.4 TO OWNERS OF PRIVILEGED SHARES (%)	-	-
IV. DIVIDEND PER SHARE		
4.1 TO OWNERS OF ORDINARY SHARES	-	-
4.2 TO OWNERS OF ORDINARY SHARES (%)	-	-
4.3 TO OWNERS OF PRIVILEGED SHARES	-	-
4.4 TO OWNERS OF PRIVILEGED SHARES (%)	-	-

(*)As per the Turkish Commercial Code profit distribution is made on standalone financial statements not on consolidated financial statements.

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

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, "Communiqué 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") and other regulations, communiqués and circulars in respect of accounting and financial reporting and pronouncements made by Banking Regulation and Supervision Agency (BRSA).

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 changes in accounting policies and financial statement presentation

3.1 Disclosure related to reclassifications made in line with the change in Turkish Accounting Standard No. 39

Due to the change in Turkish Accounting Standard no. 39 and Turkish Financial Reporting Standard No. 7, as published in the Official Gazette No. 27040, dated 31 October 2008, a portion of debt securities amounting to TRY 292,174 which had been originally classified in "Trading securities", have been reclassified to "Investment securities available-for-sale", effective from 1 September 2008 and within October for the Bank, 1 July 2008 for CJSC Dexia Bank, and 3 October 2008 for Deniz Yatırım. As a result of exceptional volatility in the financial markets, such reclassified financial assets have been chosen among securities which have incurred significant losses and those that are not planned to be sold in the near term. The table below summarizes the effects of the forementioned reclassification on the financial statements:

Reclassified Financial Securities	Amounts at the Date of Reclassification	Amounts at the Date of Balance Sheet	Amounts If Reclassification Was Not Made
Cost	292,553	295,239	292,553
Fair Value	295,239	289,608	289,608
Effect on Income Statement	(1,082)	288	(6,064)
Effect on Shareholders' Equity	--	(4,889)	--

3.2 Disclosures related to other reclassifications

TRY 65,635 which was reported in “interest income from loans” at 31 December 2007, has been reclassified to “fees and commissions received”.

“Assets held for sale” and “assets related to discontinued operations (net)”, amounting to TRY 15,325 at 31 December 2007 are reclassified to “other assets”.

TRY 12,736 which was reported in “other provisions” as of 31 December 2007, has been reclassified in “provision for employee benefits”.

TRY 1,667,338 which was reported in “derivative financial instruments” as of 31 December 2007, has been reclassified in “commitments”.

TRY 244,197 which was reported in “other irrevocable commitments” as of 31 December 2007, has been reclassified in “loan granting commitments”.

TRY 796,012 which was reported in “cash and cash equivalents at the end of the period” as of 31 December 2007, has been reclassified in “net (increase) decrease in banks”.

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 “Communiqué 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, and other regulations, Communiqués and circulars in respect of accounting and financial reporting and pronouncements made by Banking Regulation and Supervision Agency. Those policies and principles are explained by footnotes II through XXIII below.

II. Strategy for the use of financial instruments and transactions denominated in foreign currencies

1. Strategy for the use of financial instruments

Denizbank Financial Services Group’s (“DFS Group”) 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 majority 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 falling 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.

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 Bank hedges a portion of its floating rate liabilities by interest rate swaps for cash flow risk.

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 US Dollar and Euro. If the position taken because of customer based activities exceeds 0.004% of the balance sheet size, counter transactions are made to cover the position.

Net foreign currency position of DFS Group in foreign enterprises is considered along with the position of 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 the balance sheet date are translated to TRY by using historical foreign currency exchange rates. Balances of the foreign currency denominated assets and liabilities are translated into TRY 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 December 2008	31 December 2007
US Dollar	TRY 1.5218	TRY 1.1593
Euro	TRY 2.1332	TRY 1.7060

2.2 Foreign exchange gains and losses included in the income statement

Net foreign exchange loss included in the income statement amounts to TRY 335,238 (31 December 2007: net foreign exchange gain of TRY 163,421).

2.3 Foreign operations

The assets and liabilities of foreign operations are translated to TRY at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated to TRY at year-to-date average foreign exchange rates. The foreign exchange differences derived from translation of income statements of consolidated subsidiaries, and arising from the difference between TRY equivalent of their equities and the Bank's share in their net assets are recorded in "other profit reserves". As of 31 December 2008, total foreign exchange difference in equity amount to TRY 39,091 (31 December 2007: TRY (8,956)).

DFS Group hedges its foreign currency exchange rate risk from retranslation of its foreign operations by net investment hedge accounting, through recognizing the effective portion of foreign exchange rate changes of a portion of its foreign currency denominated liabilities under shareholders' equity.

III. Presentation of information regarding the 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 Dexia Bank, Deniz Finansal Kiralama A.Ş. (Deniz Leasing), Deniz Faktoring A.Ş. (Deniz Faktoring) and Deniz Emeklilik ve Hayat A.Ş. (Deniz Hayat), and these subsidiaries are consolidated as explained in detail in footnote 5.1.8.

Intertech Bilgi İşlem ve Pazarlama Ticaret A.Ş. and Denizbank Kültür Sanat Ticaret A.Ş. which are also the subsidiaries of the Bank, are not consolidated since they are non-financial subsidiaries.

The Bank, and its subsidiaries, Deniz Yatırım, Ekspres Yatırım, Deniz Türev, Eurodeniz, Deniz Portföy, Denizbank AG, CJSC Dexia Bank, Deniz Leasing, Deniz Faktoring and Deniz Hayat that are included in consolidation are altogether referred to as "DFS Group" in the disclosures and footnotes related to the consolidated financial statements.

1. Consolidation method

“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 the Bank are eliminated.

The financial statements which have been used in the consolidation are prepared as of 31 December 2008 and appropriate adjustments are made to financial statements to use uniform accounting policies for like transactions and events alike in similar circumstances, in accordance with the principal of materiality.

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

DFS Group’s derivative transactions mainly consist of foreign currency and interest rate swaps, foreign currency options and forward foreign currency purchase/sale contracts. DFS Group does not have any embedded derivatives separated from the host contract.

In accordance with TAS 39 “Financial Instruments: Recognition and Measurement”, forward foreign currency purchase/sale contracts, swaps, options and futures that are classified as “hedging-purpose” and “trading purpose” transactions. 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 contractual notional amounts.

The derivative transactions are valued at fair value using market prices or pricing models subsequent to initial recognition and are presented in the “Positive Value of Trading / Hedging Purpose Derivatives” and “Negative Value of Trading / Hedging 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 are recognized in the income statement for trading purpose derivatives. The effective portion of the fair value changes are recognized in the shareholders’ equity, while the ineffective portion is accounted for in the income statement for hedging purpose derivatives.

V. Interest income and expenses

Interest income and expenses are recognized as they are accrued taking into account the internal rate of return method. As of 31 December 2008 and 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", published in the Official Gazette No. 26333 dated 1 November 2006, which was prepared on the basis of the provisions of Articles 53 and 93 of the Banking Law no. 5411.

VI. Fees and commissions

Fees charged to customers for banking services, commissions received against cash and non-cash loans, and fees and commissions paid to other financial institutions are recognized in the period they are realized.

VII. Financial assets

Financial assets include cash; acquisition right of cash or acquisition right of other financial asset or bilateral exchange right of financial assets or equity instrument transactions with the counterpart. Financial assets are classified in four categories; as financial assets at fair value through profit or loss, financial assets available-for-sale, investment held-to-maturity, and loans and receivables.

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. Differences between the fair value and cost of trading securities are also recorded in "trading securities".

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 date, 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 on ISE; and for those securities not traded on 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 and foreign currency government bonds are measured at market prices. However, those securities not traded in an active market and whose fair values cannot be reliably measured are valued using amortised cost method based on internal rate of return. For equity securities, closing prices that are listed at the balance sheet date are used. Fair value of derivative instruments are determined by using market prices, discounted cash flows model, or pricing models.

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, held to maturity investments and financial assets at fair value through profit or loss.

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 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.

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 held-to-maturity and loans are initially recognized at cost.

Investment securities held-to-maturity and loans are initially recognized at cost, and subsequently carried at "Amortized cost" using the "Effective yield method"; and provision is made for impairment if any.

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

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.

Purchases/sales of held-to-maturity securities are recognized and accounted for on a settlement date basis.

4. Loans and specific provisions

Loans and receivables represent financial assets which have been occurred through money, commodity or service to the debtor.

Cash loans are accounted for 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 New Turkish Lira equivalents.

Specific allowances are made against the carrying amount of loans under follow-up 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 numbered 26333 dated 1 November 2006, and which was amended with the communiqué published in the Official Gazette numbered 27119 dated 23 January 2009.

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 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 related consolidated financial statements in accordance with TAS 36 "Impairment of Assets".

IX. Offsetting financial instruments

When the fair values of the listed equity instruments that are classified as “trading purpose” fall below their costs, impairment provision is booked for them which is offset against their book values 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.

Other than those expressed above, financial assets and liabilities are offset when there is legally enforceable right to set off, the intention of collecting or paying the net amount of related assets and liabilities or the right to offset the assets and liabilities simultaneously. Otherwise, no offsetting is made.

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 for on an accrual basis.

XI. Assets held for sale and discontinued operations

A non-current asset shall be classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. The liabilities of a disposal group classified as held for sale shall be presented separately from other liabilities in the statement of financial position. Those assets and liabilities shall not be offset and presented as a single balance.

DFS Group does not have any assets held for sale as of 31 December 2008.

A discontinued operation is a division of a bank that is either disposed or held for sale and represents a separate major line of business or geographical area of operations; or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or is a subsidiary acquired exclusively with a view to resale.

DFS Group does not have any discontinued operation.

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 Regulation and Accounting Policies 14 "Accounting Standard for Financial Reporting in Hyperinflationary Periods" since the indicators of hyperinflation as disclosed in Article 5 of Regulation and Accounting Policies 14 no longer exist in Turkey. In line with this resolution, other intangible assets have been restated for the effects of inflation, up to 31 December 2004. Subsequent to this date, intangible assets have not been adjusted in accordance with inflation accounting and restated values as of 31 December 2004 considered as cost. 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 after 31 December 2006 are amortized on a straight-line basis based and those purchased between the dates mentioned above are amortized using the double-declining balance method. 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. 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 Regulation and Accounting Policies 14 "Accounting Standard for Financial Reporting in Hyperinflationary Periods" since the indicators of hyperinflation as disclosed in Article 5 of Regulation and Accounting Policies 14 no longer exist 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 in 2007 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 2003-2006	Purchased in 2007	Purchased in 2008
Movables				
- Office equipment	20%	40% - 50%	20% - 25%	10% - 25%
- Furniture and fixtures	20%	20% - 50%	10% - 20%	12.50% - 20%
- Vehicles	20%	40% - 50%	20% - 50%	20% - 50%
- Other equipment	20%	4.44% -50%	2.50% -50%	2% - 50%
Properties	2%	2%	2%	2%

The Bank has an impairment provision of TRY 4,402, which had been recorded in the prior year, for its buildings as of the balance sheet 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 through 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.

DFS Group enters into financial lease transactions as "lessor" via its subsidiary, Deniz Leasing. The lease 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 for during the whole leasing period using the net investment method.

XV. Provisions and contingent liabilities

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 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 reliably, a provision is recognized. If the amount of the obligation cannot be measured reliably 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 DFS Group's attorneys, there are 489 lawsuits against DFS Group with total risks amounting to TRY 33,835, US Dollar 1,937,409 and Euro 163,099 as of 31 December 2008. There are also 5,701 follow-up cases amounting to TRY 34,768, US Dollar 659,100 and Euro 261,251 in total that are filed by DFS Group and are at courts.

XVI. Obligations for employee benefits

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:

	Current Period %	Prior Period %
Discount rate	5.71	5.71
Expected rate of salary/retirement pay ceiling limit increase	5.00	5.00
Turnover rate to estimate the probability of retirement	7.73	7.31

The computation of the liability is calculated upon retirement pay ceiling announced by the Government. The ceiling amount at 31 December 2008 is TRY 2.173 (31 December 2007: TRY 2.030).

There are no employees with definite employment term contract whose contracts 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% (30% for 2005), beginning from 1 January 2006.

Companies file their corporate tax returns between the 1st and 25th days of the following four months period after 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” in the liabilities and “Current Tax Provision” in the income statement.

The foreign subsidiaries of 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 paid-in 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 increased to 15% by the Resolution of the Council of Ministers no. 2006/10731, dated 22 July 2006.

In accordance with “Bringing Some Assets into the National Economy Law” numbered 5811, published in Official Gazette dated 22 November 2008, numbered 27062, real persons and corporations of which are full-fledged tax-payers, are exempt from tax inspection for incomes, if repatriated to Turkey, which is obtained from sale of foreign participation shares, capital gains, and foreign branches’ gains, including gains obtained until 30 April 2009, between the effective date of the law and 31 May 2009. Gains from liquidation of foreign entities are also exempt from tax if repatriated to Turkey until 31 October 2009.

2. Deferred taxes

In accordance with TAS 12 “Income Taxes”, 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, but have not been offset in consolidated balance sheet. As a result of offsetting, TRY 37,908 deferred tax assets (31 December 2007: TRY 20,809) and TRY 1,491 deferred tax liabilities (31 December 2007: None) have been recognized in the accompanying financial statements.

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 at amortised cost based on the internal rate of return. Foreign currency borrowings have been translated using the foreign currency buying rates of the Group at the balance sheet date. Interest expense incurred for the period has been recognized in the accompanying financial statements.

General hedging techniques are used for borrowings against liquidity and currency risks. The Bank uses cash flow hedge accounting to maintain protection for a portion of its floating rate liabilities by interest rate swaps. As of the balance sheet date, there are no convertible bonds issued by the Bank. As of the balance sheet date, there exist no financial instruments representing borrowings issued by the Bank.

XIX. Shares and share issuance

Transactions related to issuance of share certificates are explained in footnote 5.II.11.8. 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, DFS Group does not have any government grants.

XXII. Segment reporting

Segment reporting is made according to the 28th article of BRSA's "Communiqué 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, and is presented in Section Four, Footnote X.

XXIII. Other explanations

In accordance with Law No: 5083 "Monetary Unit of the Turkish Republic" (Law No: 5083), the name of the Turkish Republic's monetary unit and its sub-currency unit is changed to the New Turkish Lira and the New Turkish Cent, respectively. However, in accordance with the additional resolution of the Council of Ministers in regards to the order on the Removal of the phrase "New" in the New Turkish Lira and the New Turkish Cent and Its Application Principles, the phrase "New" used in the Turkish Republic's monetary unit is removed both from New Turkish Lira and the New Turkish Cent as of January 1, 2009.

SECTION FOUR CONSOLIDATED FINANCIAL POSITION

I. Consolidated capital adequacy ratio

The Bank's consolidated capital adequacy ratio is 16.06% as of 31 December 2008 (31 December 2007: 12.55%). This ratio is higher than the stipulated minimum legal ratio in the 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. According to the requirements of the Regulation, starting from 30 June 2007, operational risk is included in the computation of capital adequacy ratio. 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 Weighted Assets						
	Consolidated						
	0%	10%	20%	50%	100%	150%	200%
Credit Risk Base							
Balance Sheet Items (Net)	3,834,422	--	1,272,093	3,121,172	13,447,099	21,110	149
Cash in Vault	331,534	--	75	--	--	--	--
Due Dated Financial Assets	--	--	--	--	--	--	--
Central Bank of Turkey	1,335,269	--	--	--	--	--	--
Domestic and Foreign Banks, Foreign Branches	18,975	--	942,629	--	94,288	--	--
Interbank Money Market	500	--	--	--	--	--	--
Receivables from Reverse Repos	--	--	--	--	--	--	--
Reserve Deposits	340,298	--	--	--	--	--	--
Loans	924,660	--	248,890	2,988,847	10,399,079	21,110	149
Non-performing Loans (Net)	--	--	--	--	196,120	--	--
Receivables from Leasing Operations	--	--	--	--	1,448,321	--	--
Investments Available-for-Sale	--	--	--	--	11,657	--	--
Investments Held-to-Maturity	648,814	--	67,214	--	6,386	--	--
Receivables from Sale of Assets	--	--	--	--	--	--	--
Miscellaneous Receivables	--	--	--	--	454,883	--	--
Accrued Interest and Other Income	84,464	--	13,285	132,325	477,812	--	--
Investments in Associates, Subsidiaries and Joint Ventures (Net)	--	--	--	--	9,756	--	--
Tangible Assets	--	--	--	--	208,307	--	--
Other Assets	149,908	--	--	--	140,490	--	--
Off-Balance Sheet Items	89,798	--	439,352	110,426	2,748,732	--	--
Non-Cash Loans and Commitments	89,798	--	131,187	110,426	2,713,485	--	--
Derivatives	--	--	308,165	--	35,247	--	--
Accounts Not Risk Weighted							
Total Risk Weighted Assets	3,924,220	--	1,711,445	3,231,598	16,195,831	21,110	149

Risk Weighted Assets

	Unconsolidated						
	%0	%10	%20	%50	%100	%150	%200
Credit Risk Base							
Balance Sheet Items (Net)	3,179,997	--	893,886	2,585,662	10,230,870	21,110	149
Cash in Vault	314,541	--	75	--	--	--	--
Due Dated Financial Assets	--	--	--	--	--	--	--
Central Bank of Turkey	1,335,269	--	--	--	--	--	--
Domestic and Foreign Banks, Foreign Branches	--	--	626,857	--	28,667	--	--
Interbank Money Market	--	--	--	--	--	--	--
Receivables from Reverse Repos	--	--	--	--	--	--	--
Reserve Deposits	339,988	--	--	--	--	--	--
Loans	471,118	--	244,959	2,466,655	8,844,314	21,110	149
Non-performing Loans (Net)	--	--	--	--	125,479	--	--
Receivables from Leasing Operations	--	--	--	--	--	--	--
Investments Available-for-Sale	--	--	--	--	3,894	--	--
Investments Held-to-Maturity	580,124	--	9,773	--	--	--	--
Receivables from Sale of Assets	--	--	--	--	--	--	--
Miscellaneous Receivables	--	--	--	--	94,070	--	--
Accrued Interest and Other Income	67,985	--	12,222	119,007	429,069	--	--
Investments in Associates, Subsidiaries and Joint Ventures (Net)	--	--	--	--	405,780	--	--
Tangible Assets	--	--	--	--	188,134	--	--
Other Assets	70,972	--	--	--	111,463	--	--
Off-Balance Sheet Items	89,798	--	429,218	110,426	2,689,467	--	--
Non-Cash Loans and Commitments	89,798	--	131,187	110,426	2,656,413	--	--
Derivatives	--	--	298,031	--	33,054	--	--
Accounts Not Risk Weighted	--	--	--	--	--	--	--
Total Risk Weighted Assets	3,269,795	--	1,323,104	2,696,088	12,920,337	21,110	149

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

	Consolidated		Unconsolidated	
	Current Period	Prior Period	Current Period	Prior Period
Risk Weighted Assets	18,185,881	14,212,970	14,564,965	11,883,385
Value at Market Risk	531,825	473,700	448,800	343,363
Value at Operational Risk	1,675,745	1,302,840	1,353,779	1,101,051
Shareholders' Equity	3,275,920	2,006,093	2,812,618	1,759,472
Shareholders' Equity / (RWA+VAMR+VAOR)*100	16.06%	%12.55	17.18%	%13.20

RWA: Risk Weighted Assets

VAMR: Value at Market Risk

VAOR: Value at Operational Risk

4. Components of shareholders' equity

	Current Period	Prior Period
CORE CAPITAL		
Paid-in Capital	716,100	316,100
Nominal Capital	716,100	316,100
Capital Commitments (-)	--	--
Capital Reserves Arising From Inflation Adjustments to Paid-in Capital	189,164	189,164
Share Premium	98,411	98,351
Share Cancellation Profit	--	--
Legal Reserves	46,387	35,825
I. Legal Reserve (Turkish Commercial Code 466/1)	46,387	35,825
II. Legal Reserve (Turkish Commercial Code 466/2)	--	--
Other Legal Reserve per Special Legislation	--	--
Status Reserves	--	--
Extraordinary Reserves	848,304	589,339
Reserve Allocated at the General Assembly	803,389	602,701
Retained Earnings	--	--
Accumulated Losses	--	--
Foreign Currency Translation Differences	44,915	(13,362)
Inflation Component of Legal Reserves, Status Reserves and Extraordinary Reserves	--	--
Profit	561,737	430,524
Current Period Profit	342,463	341,255
Prior Periods' Profit	219,274	89,269
Free Provisions Booked for Possible Losses (Up to 25% of the Core Capital)	140,779	--
Gain on Sale of Real Estate and Investments in Associates and Subsidiaries to be Added to the Paid-in capital	--	--
Primary Subordinated Loans (Up to 15% of the Core Capital)	--	--
Accumulated Losses (-)	--	--
Current Period Loss	--	--
Prior Periods' Loss	--	--
Leasehold Improvements (-)	--	55,504
Prepaid Expenses (-)	22,002	22,214
Intangible Assets (-)	27,301	15,925
Deferred Tax Assets (Amount Exceeding 10% of the Core Capital) (-)	--	--
Amount Excess of Article 56/3 of the Law (-)	--	--
Consolidation Goodwill (Net) (-)	--	--
Total Core Capital	2,600,882	1,659,303
SUPPLEMENTARY CAPITAL		
General Loan Loss Reserves	109,449	79,158
45% of Revaluation Fund of Movable Fixed Assets	--	--
45% of Revaluation Fund of Properties	--	--
Revaluation Surplus	15	11
Amount not Included in Core Capital for Primary Subordinated Loans	--	--
Secondary Subordinated Loans	654,611	352,826
45% of Securities Value Increase Fund (100% If Negative)	(39,734)	8,438
Associates and Subsidiaries	--	--
Investments Available-for-Sale	(39,734)	8,438
Inflation Component of Capital Reserves, Profit Reserves and Prior Period Profits	--	--
Minority Interest	--	--
Total Supplementary Capital	724,341	440,433
TIER III CAPITAL (Including Minority Interest, If Existing)	--	--
CAPITAL	3,325,223	2,099,736

DEDUCTIONS FROM CAPITAL	49,303	93,643
Shares in Unconsolidated Banks and Financial Institutions	--	--
Secondary Subordinated Loans Granted to Banks, Financial Institutions (Foreign and Domestic), or Preferred Shareholders, and Primary/Secondary Subordinated Loans Obtained from Them	--	--
Shares in Banks and Financial Institutions Accounted under the Equity Method	--	--
Loans Granted in Violation of the Articles 50 and 51 of the Law	--	--
Amount in Excess of 50% of the Equities of the Net Book Value of the Properties of the Banks, and Net Book Value of the Assets Held for Resale that Should Be Disposed of According to the Article 57 of the Law which is not Disposed of in Five Years after Foreclosure	--	--
Others	--	--
TOTAL SHAREHOLDERS' EQUITY	3,275,920	2,006,093

II. Consolidated credit risk

1. Information on risk concentrations by debtors or group of debtors or geographical regions and sectors, basis for risk limits and the frequency of risk appraisals

Credit risk is the risk that the counterparties of the Bank and consolidated subsidiaries and associates may be unable to meet in full or part their commitments arising from contracts.

Credit risk limits of the customers are determined based on the customers' financial strength and the credit requirement, within the credit authorization limits of the branches, the credit evaluation group, the regional directorates, the executive vice president responsible for loans, the general manager, the credit committee and the board of directors.

Credit risk limits that are determined on customer and customer group basis are closely followed up. Previously determined credit limits are reassessed on a weekly basis according to changing conditions.

Information on determination and distribution of risk limits for daily transactions, monitoring of risk concentrations related to off-balance sheet items per customer and dealer basis:

Risk limits relating to daily transactions are monitored on a daily basis. Off-balance sheet risk concentrations are followed-up strictly.

Information on periodical analysis of creditworthiness of loans and other receivables per legislation, inspection of account vouchers taken against new loans, if not inspected, the reasons for it, credit limit renewals, collaterals against loans and other receivables:

The Group has process instructions for loans, follow-up and control procedures for loans and risk classifications in accordance with the banking legislation.

The Group aims to get early warning signals on all customers in its loan portfolio in the event of any emerging structural problems and cyclical changes. This way, problematic customers are determined in advance and necessary precautions are taken.

Care is given to obtain collaterals against loans. It is preferred to obtain highly liquid collaterals such as bank guarantees, real estate and ship mortgages, pledges on securities, notes and sureties of the persons and companies.

2. Information on the control limits of the Group for forward transactions, options and similar contracts, management of credit risk for these instruments together with the potential risks arising from market conditions

The Group has control limits defined for the positions arising from forward transactions, options and similar contracts. Credit risk for these instruments is managed together with those arising from market conditions.

3. Information on whether the Group decreases the risk by liquidating its forward transactions, options and similar contracts in case of facing a significant credit risk or not

Forward transactions can be realized at maturity. However, if it is required, counter positions of the current positions are entered into to mitigate the risk.

4. Information on whether the indemnified non-cash loans are evaluated as having the same risk weight as non-performing loans or not

Indemnified non-cash loans are treated as having the same risk weight as non-performing loans.

Information on whether the loans that are renewed and rescheduled are included in a new rating group as determined by the Bank's risk management system, other than the follow-up plan defined in the banking regulations or not; whether new precautions are considered in these methods or not; whether the Bank's risk management accepts long term commitments as having more risk than short term commitments which results in a diversification of risk or not

Loans that are renewed and rescheduled are included in a new rating group as determined by the Bank's risk management system, other than the follow-up plan defined in the banking regulations.

The Bank's risk management accepts long term commitments as having more risk than short term commitments which results in a diversification of risk and are followed up periodically.

5. Evaluation of the significance of country specific risk if the banks have foreign operations and credit transactions in a few countries or these operations are coordinated with a few financial entities

There is no significant credit risk since the Bank's foreign operations and credit transactions are conducted in OECD and EU member countries in considering their economic climate.

Evaluation of the Bank's competitive credit risk as being an active participant in the international banking transactions market

Being an active participant in the international banking transactions market, the Bank does not have significant credit risk as compared to other financial institutions.

6. The Bank's top 100 cash and top 100 non cash loans customers-

a) The share of the top 100 cash loan customers in the total cash loans portfolio

The share of the top 100 cash loan customers comprise 25% of the total cash loans portfolio (31 December 2007: 27%).

b) The share of the top 100 non-cash loan customers in the total loan non-cash loans portfolio

The share of the top 100 non-cash loan customers comprise 55% of the total non-cash loans portfolio (31 December 2007: 54%).

c) The share of the total cash and non-cash loan balance of the top 100 loan customers in the total assets and off-balance sheet items

The Bank's total cash and non-cash loans from its top 100 loan customers comprise 18% of the total assets and off-balance sheet items (31 December 2007: 20%).

7. The Bank's general loan provision for its loans

As at 31 December 2008, the Bank's general loan provision amounts to TRY 109,449 (31 December 2007: TRY 79,158).

8. Information on concentration of credit risk up to beneficiaries and geographical regions

	Real persons and Institutions (loans)		Banks and Other Financial Institutions (loans)		Securities*		Other Loans**	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Loan Concentration by beneficiaries								
Private Sector	12,597,346	10,192,827	--	--	146,671	112,823	10,104,049	7,055,954
Public Sector	374,864	15,308	--	24,085	2,617,051	2,391,095	--	4
Banks	38,162	56,579	2,745,747	1,612,240	141,587	192,149	6,243,488	4,885,461
Retail	4,224,744	3,147,514	--	--	--	--	3,288,747	2,363,656
Share Certificates	--	--	--	--	11,744	21,632	9,755	9,334
Total	17,235,116	13,412,228	2,745,747	1,636,325	2,917,053	2,717,699	19,646,039	14,314,409
Loan Concentration by Geographical Regions								
Domestic	16,940,147	13,049,007	2,055,373	951,540	2,584,616	2,346,343	13,307,699	9,064,216
European Union Countries	154,044	159,781	550,856	269,931	211,712	190,756	5,235,011	3,847,291
OECD Countries***	1,846	17,819	7,906	12,003	--	11,050	390,843	605,700
Off Shore Regions	3,859	38,743	1,188	8,874	--	5,016	819	9,569
USA, Canada	1,699	4,396	55,107	176,186	21,067	18,396	531,311	443,696
Other Countries	133,521	142,482	75,317	217,791	99,658	146,138	180,356	343,937
Total	17,235,116	13,412,228	2,745,747	1,636,325	2,917,053	2,717,699	19,646,039	14,314,409

*Consists of Securities at Fair Value through Profit/Loss, Available For Securities, Held to Maturity

**Consists of classifications other than first three columns in Uniform Accounting and loan definitions in article 48 of the Banking Law No.5411.

*** Consists of OECD countries other than EU Countries, USA and Canada

9. Information on geographical concentration

Current Period	Assets	Liabilities	Non-Cash Loans	Investments	Net Profit
Domestic	22,393,186	13,589,027	4,519,598	9,756	210,706
European Union Countries	954,425	9,834,462	114,340	--	52,081
OECD Countries	10,253	42,214	3,427	--	--
Off-Shore Banking Regions	3,781	111,626	1,113	--	(30,237)
USA, Canada	78,199	45,946	25,110	--	--
Other Countries	772,470	256,332	157,514	--	109,913
Subsidiaries, associates and jointly controlled companies	--	--	--	--	--
Unallocated Assets/Liabilities	--	--	--	--	--
Total	24,212,314	23,879,607	4,821,102	9,756	342,463

Prior Period	Assets	Liabilities	Non-Cash Loans	Investments	Net Profit
Domestic	17,112,422	11,654,299	4,186,099	9,334	242,975
European Union Countries	760,141	5,312,406	321,119	--	1,382
OECD Countries	41,065	36,318	18,070	--	--
Off-Shore Banking Regions	46,169	371,061	6,175	--	17,186
USA, Canada	199,959	236,942	21,874	--	--
Other Countries	478,310	695,119	186,164	--	79,712
Subsidiaries, associates and jointly controlled companies	--	--	--	--	--
Unallocated Assets/Liabilities	--	--	--	--	--
Total	18,638,066	18,306,145	4,739,501	9,334	341,255

10. Information on cash loans concentration up to sector

	Current Period				Prior Period			
	TRY	(%)	FC	(%)	TRY	(%)	FC	(%)
Agricultural	1,273,475	13.91	127,545	2.11	805,165	11.11	99,525	2.14
Farming and Raising Livestock	1,267,261	13.84	95,215	1.57	789,525	10.89	81,755	1.76
Forestry	409	0.00	30,527	0.50	13,060	0.18	17,770	0.38
Fishing	5,805	0.06	1,803	0.03	2,580	0.04	--	0.00
Manufacturing	716,009	7.82	2,000,779	33.03	774,420	10.68	1,977,939	42.48
Mining	266,536	2.91	407,780	6.73	137,726	1.90	442,866	9.51
Production	448,895	4.90	1,291,297	21.32	582,971	8.04	1,350,263	29.00
Electric, gas and water	578	0.01	301,702	4.98	53,723	0.74	184,810	3.97
Construction	534,474	5.84	620,580	10.25	513,487	7.08	360,586	7.74
Services	1,727,454	18.87	2,116,044	34.93	1,468,549	20.25	1,813,159	38.94
Wholesale and retail trade	821,949	8.98	352,715	5.82	767,005	10.59	279,598	6.00
Hotel, food and beverage services	191,656	2.09	331,740	5.48	122,026	1.68	255,083	5.48
Transportation and telecommunication	286,885	3.13	768,136	12.68	293,794	4.05	458,468	9.85
Financial institutions	148,190	1.62	273,241	4.51	166,187	2.29	466,963	10.03
Real estate and renting services	6,694	0.07	80,902	1.34	5,299	0.07	82,437	1.77
Self-employment services	--	0.00	273	0.00	--	0.00	243	0.01
Education services	26,022	0.28	62,650	1.03	21,998	0.30	76,079	1.63
Health and social services	246,058	2.69	246,387	4.07	92,240	1.27	194,288	4.17
Other	4,905,217	53.57	1,192,187	19.68	3,689,135	50.88	405,052	8.70
Total	9,156,629	100.00	6,057,135	100.00	7,250,756	100.00	4,656,261	100.00

11. Maximum credit risk sensitivity of financial statement items

The table below demonstrates maximum credit sensitivity of Financial statement items required by TFRS 7.

	Current Period	Prior Period
Financial Assets at Fair Value through Profit or Loss	198,064	609,672
Banks	1,057,547	1,141,262
Due From Money Markets	500	13,185
Investment Securities Available for Sale	2,106,928	2,117,353
Loans	17,235,116	13,412,228
Investment Securities Held to Maturity	758,201	143,139
Hedging Purposes Derivatives	223,276	--
Total	21,579,632	17,436,839
Guarantee and Sureties	4,821,102	4,739,501
Commitments	7,529,455	4,725,955
Total	12,350,557	9,465,456
Total Credit Risk Sensitivity	33,930,189	26,902,295

12. Distribution of credit risk according to the operational segments

Current Period	Commercial Loans(*)	Consumer Loans	Credit Cards	Other	Total
Standard Loans	12,214,429	3,525,886	503,843	4,731	16,248,889
Closely Monitored Loans	583,795	167,537	38,775	--	790,107
Non-performing Loans	284,147	142,982	88,405	335	515,869
Specific Provision (-)	155,827	89,894	73,699	329	319,749
Total	12,926,544	3,746,511	557,324	4,737	17,235,116

(*) Commercial loans include commercial, corporate and SME loans.

The closely monitored loans, amounting to TRY 790,107 in total, are collateralized amounting to TRY 471,553 by cash, mortgage, cheques and notes obtained from customers.

Prior Period	Commercial Loans	Consumer Loans	Credit Cards	Other	Total
Standard Loans	10,022,867	2,367,004	414,694	8,669	12,813,234
Closely Monitored Loans	205,782	279,301	46,377	--	531,460
Non-performing Loans	140,052	73,358	71,434	289	285,133
Specific Provision (-)	103,653	50,666	62,996	284	217,599
Total	10,265,048	2,668,997	469,509	8,674	13,412,228

13. Credit quality per class of financial assets as of December 31, 2008 and December 31, 2007

Current Period	Neither past due nor impaired	Past due or individually impaired	Total
Loans and advances to customers			
Commercial Loans	12,596,879	329,665	12,926,544
Consumer Loans	3,640,727	105,784	3,746,511
Credit Cards	471,067	86,257	557,324
Other	4,731	6	4,737
Total	16,713,404	521,712	17,235,116

Prior Period	Neither past due nor impaired	Past due or individually impaired	Total
Loans and advances to customers			
Commercial Loans	10,194,878	70,170	10,265,048
Consumer Loans	2,626,152	42,845	2,668,997
Credit Cards	414,694	54,815	469,509
Other	8,668	6	8,674
Total	13,244,392	167,836	13,412,228

14. Carrying amount per class of financial assets whose terms have been renegotiated

	Current Period	Prior Period
Loans and advances to customers		
Corporate / Commercial / SME Loans	961	1,219
Consumer Loans	--	--
Other	--	--
Total	961	1,219

15. Credit rating system

Corporate and commercial credit risks are evaluated to the Group's internal rating / scoring system that is formed by taking into account Dexia Basel II criteria and classified according to their probability of default.

A different rating system ("scoring") is applied for consumer and SME credit risks at the Group. Efforts are underway to align mentioned system with Basel II criteria.

Classification and rating/scoring of cash commercial and corporate loans is as follows:

Rating Grades	Amount
Excellent	2,137,065
Good	1,411,306
Adequate	598,032
Low	1,280,695
Unrated	3,460,246
Total (*)	8,887,344

(*) Does not include SME loans which are subject to scoring system.

III. 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	28,911
(II) Capital Obligation against Specific Risk - Standard Method	6,957
(III) Capital Obligation against Currency Risk - Standard Method	6,678
(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)	42,546
(IX) Value-At-Market-Risk Amount (12,5 x VIII) or (12,5 x VII)	531,825

2. Average market risk

	Current Period			Prior Period		
	Average	Maximum	Minimum	Average	Maximum	Minimum
Interest Rate Risk	35,425	37,819	34,062	22,318	27,026	17,783
Share Certificate Risk	1,636	1,806	1,540	4,196	7,292	5,470
Currency Risk	13,831	18,738	6,650	11,337	9,436	11,742
Commodity Risk	--	--	--	--	--	--
Clearing Risk	--	--	--	--	--	--
Option Risk	126	275	--	135	203	--
Total Value-At-Risk	637,731	726,613	531,825	474,825	549,463	437,438

IV. Consolidated operational risk

DFS Group used the “Basic Indicators Approach” in computation of its operational risk. In accordance with the 4th section (Computation of the Operational Risk) which is valid after 1 June 2007, of the “Regulation on Measurement and Evaluation of the Capital Adequacy of the Banks”, published in the Official Gazette dated 1 November 2006 and numbered 26333, operational risk is computed using the gross income of DFS Group for the years ended 2007, 2006 and 2005. As explained in detail in footnote I of this section, value at operational risk within the context of “Capital Adequacy Ratio” and operational risk capital obligations are TRY 1,675,745, TRY 134,060, respectively. Market risk measurements are performed monthly.

V. Consolidated foreign currency exchange rate risk

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

Foreign currency exchange and parity risks are taken by DFS Group within defined value at risk limits. 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". Value at Risk approach is used to measure the exchange rate risk and calculations are made on a daily 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

In accordance with TAS 39, DFS Group applies net investment hedge accounting to avoid foreign currency exchange rate risk arising from retranslation of its foreign investments in its consolidated financial statements.

3. Foreign exchange risk management strategy

Foreign currency exchange and parity risks are taken by DFS Group within defined value at risk limits. 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	TRY 1.5218
Euro purchase rate at the date of the balance sheet	TRY 2.1332

Date	US Dollar	Euro
25 December 2008	1.5074	2.1119
26 December 2008	1.4971	2.1070
29 December 2008	1.5065	2.1518
30 December 2008	1.5123	2.1408
31 December 2008	1.5218	2.1332

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 December 2008 are TRY 1.5367 and TRY 2.0933, respectively.

6. Information on currency risk

Current Period	EUR	USD	JPY	Other	Total
Assets					
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey.	359,591	610,862	384	10,400	981,237
Due from Banks and Other Financial Institutions	661,388	350,420	4,652	37,966	1,054,426
Financial Assets at Fair Value Through Profit or Loss	12,386	80,385	--	2	92,773
Interbank Money Market Placements	--	--	--	--	--
Investment Securities Available-for-Sale	132,496	178,346	--	96,111	406,953
Loans (*)	2,853,634	4,785,724	128,816	115,876	7,884,050
Investments in Subsidiaries and Associates	--	4	--	--	4
Investment Securities Held-to-Maturity	133,456	10,367	--	--	143,823
Hedging Purpose Financial Derivatives	--	21,447	--	--	21,447
Tangible Assets	6,208	27	--	12,307	18,542
Intangible Assets	4,075	351	--	5,882	10,308
Other Assets (*)	827,125	609,087	341	17,029	1,453,582
Total Assets	4,990,359	6,647,020	134,193	295,573	12,067,145
Liabilities					
Bank Deposits	10,050	309,874	--	9,586	329,510
Foreign Currency Deposits	3,427,277	2,661,329	3,686	116,809	6,209,101
Interbank Money Markets	--	--	--	40,224	40,224
Funds Borrowed from Other Financial Institutions	2,836,790	4,477,287	1,229	5,440	7,320,746
Marketable Securities Issued	--	--	--	--	--
Miscellaneous Payables	34,440	135,399	485	491	170,815
Hedging Purpose Financial Derivatives	--	7,967	--	--	7,967
Other Liabilities (**)	34,806	62,110	522	2,533	99,971
Total Liabilities	6,343,363	7,653,966	5,922	175,083	14,178,334
Net "On Balance Sheet Position"	(1,353,004)	(1,006,946)	128,271	120,490	(2,111,189)
Net "Off-Balance Sheet Position"	1,379,827	1,009,514	(125,152)	(58,577)	2,205,612
Financial Derivatives (Assets)	1,954,192	4,546,507	36,545	167,684	6,704,928
Financial Derivatives (Liabilities)	574,365	3,536,993	161,697	226,261	4,499,316
Non-Cash Loans	862,103	2,301,158	4,319	147,560	3,315,140
Prior Period					
Total Assets	3,356,326	5,198,319	16,560	397,650	8,968,855
Total Liabilities	3,784,323	5,721,954	7,741	219,676	9,733,694
Net "On Balance Sheet Position"	(427,997)	(523,635)	8,819	177,974	(764,839)
Net "Off-Balance Sheet Position"	394,807	398,793	(7,743)	(10,969)	774,888
Financial Derivatives (Assets)	1,220,279	2,596,371	71,239	264,351	4,152,240
Financial Derivatives (Liabilities)	825,472	2,197,578	78,982	275,320	3,377,352
Non-Cash Loans	783,257	2,368,729	5,697	64,799	3,222,482

(*) : Foreign currency indexed assets amounting to TRY 1,810,519 are included.

(**) : Equity in foreign currencies, amounting to TRY 98,984 are excluded.

6.1 Currency risk exposure

The table below demonstrates prospective increase and decrease in equity and profit/loss as of 31 December 2008 and 2007 (excluding tax effect) on condition that 10 per cent devaluation of TRY against the currencies below. This analysis has been prepared under the circumstances of assumption of other variables, especially interest rates, are held constant.

	Current Period		Prior Period	
	Period Profit Loss	Equity (*)	Period Profit Loss	Equity (*)
US Dollar	257	(914)	(12,484)	(11,809)
Euro	2,682	2,478	(3,319)	(3,523)
Total (Net)	2,939	1,564	(15,803)	(15,332)

(*) Equity effect consists of income statement effect of 10 per cent devaluation of TRY against other currencies in the table.

VI. Consolidated interest rate risk

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

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

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

The Bank relies on sensitivity in determining limits against negative market conditions and monitors the risk within this context. Sensitivity calculations are made and limits are monitored on a weekly basis.

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 sensitivity analysis, historical stress-testing and value at risk methods to analyze and take precautions against interest rate risk faced during current period. Interest sensitivity limits have been defined and limits are being monitored on a weekly basis.

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 -12 Months	1 - 5 Years	5 Years 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	1,534,952	--	--	--	--	484,357	2,019,309
Due from Banks and Other Fin.Inst.	780,585	32,495	71,171	10,511	--	162,785	1,057,547
Financial Assets at Fair Value Through Profit or Loss	53,335	36,579	10,622	75,376	22,064	88	198,064
Interbank Money Market Placements	500	--	--	--	--	--	500
Investment Securities Av.-for-Sale	28,667	179,361	263,534	1,472,659	151,051	11,656	2,106,928
Loans	3,491,658	2,306,443	2,521,491	4,679,676	2,214,496	196,120	15,409,884
Investment Securities Held-to-Mat.	48,903	688,909	19,542	847	--	--	758,201
Other Assets (*)	337,976	200,016	494,785	1,220,036	34,656	384,168	2,671,637
Total Assets	6,276,576	3,443,803	3,381,145	7,459,105	2,422,267	1,239,174	24,222,070
Liabilities							
Bank Deposits	113,769	3,046	5,573	235,865	--	69,350	427,603
Other Deposits	7,031,896	816,615	1,154,863	680,642	792	2,148,864	11,833,672
Interbank Money Market Placements	669,793	--	--	--	--	--	669,793
Miscellaneous Payables	49	--	--	--	--	447,258	447,307
Marketable Securities Issued	--	--	--	--	--	--	--
Funds Borrowed from Other Fin.Inst.	1,872,095	3,091,833	1,251,076	1,402,073	1,417	--	7,618,494
Other Liabilities (**)	68,635	22,328	29,331	173,836	20,122	2,910,949	3,225,201
Total Liabilities	9,756,237	3,933,822	2,440,843	2,492,416	22,331	5,576,421	24,222,070
On Balance Sheet Long Position	--	--	940,302	4,966,689	2,399,936	--	8,306,927
On Balance Sheet Short Position	(3,479,661)	(490,019)	--	--	--	(4,337,247)	(8,306,927)
Off-Balance Sheet Long Position	--	--	--	--	--	--	--
Off-Balance Sheet Short Position	--	--	--	--	--	--	--
Total Interest Sensitivity Gap	(3,479,661)	(490,019)	940,302	4,966,689	2,399,936	(4,337,247)	--

(*) Other assets/non-interest bearings include; Tangible Assets, Intangible Assets, Investments in Associates, Tax Assets, Investments in Subsidiaries, Assets Held for Resale and other assets with balances of TRY 208,307, TRY 27,301, TRY 4,157, TRY 98,414, TRY 5,599, and TRY 23,002 and TRY 17,388, respectively.

(**) Other liabilities/non-interest bearings include; Shareholders' Equity, Tax Liabilities, Provisions with balances, and other liabilities of TRY 2,287,142, TRY 57,560 TRY 358,387, and TRY 207,860, respectively.

Prior Period	Up to 1 Month	1 - 3 Months	3 -12 Months	1 - 5 Years	5 Year s 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	--	334,924	--	--	--	366,842	701,766
Due from Banks and Other Fin.Inst.	531,298	131,950	156,412	9,408	--	312,194	1,141,262
Financial Assets at Fair Value Through Profit or Loss	106,695	15,564	147,307	290,295	32,102	17,709	609,672
Interbank Money Market Placements	13,185	--	--	--	--	--	13,185
Investment Securities Av.-for-Sale	478,019	94,046	106,517	1,357,591	77,257	3,923	2,117,353
Loans	2,889,860	1,773,796	2,347,985	3,718,510	1,176,865	67,535	11,974,551
Investment Securities Held-to-Mat.	39,091	78,983	24,246	819	--	--	143,139
Other Assets (*)	440,202	243,951	373,286	602,078	41,904	245,051	1,946,472
Total Assets	4,498,350	2,673,214	3,155,753	5,978,701	1,328,128	1,013,254	18,647,400
Liabilities							
Bank Deposits	529,912	35,229	34,928	--	--	71,478	671,547
Other Deposits	6,069,613	885,476	827,600	485,219	463	2,553,746	10,822,117
Interbank Money Market Placements	767,679	--	--	--	--	--	767,679
Miscellaneous Payables	4,799	--	--	--	--	292,222	297,021
Marketable Securities Issued	--	--	--	--	--	--	--
Funds Borrowed from Other Fin.Inst.	942,755	1,735,735	832,440	214,799	--	--	3,725,729
Other Liabilities (**)	38,984	73,012	35,996	92,502	8,177	2,114,636	2,363,307
Total Liabilities	8,353,742	2,729,452	1,730,964	792,520	8,640	5,032,082	18,647,400
On Balance Sheet Long Position	--	--	1,424,789	5,186,181	1,319,488	--	7,930,458
On Balance Sheet Short Position	(3,855,392)	(56,238)	--	--	--	(4,018,828)	(7,930,458)
Off-Balance Sheet Long Position	--	--	--	--	--	--	--
Off-Balance Sheet Short Position	--	--	--	--	--	--	--
Total Interest Sensitivity Gap	(3,855,392)	(56,238)	1,424,789	5,186,181	1,319,488	(4,018,828)	--

(*) Other assets/non-interest bearings include; Tangible Assets, Intangible Assets, Investments in Associates, Tax Assets, Investments in Subsidiaries and Assets Held for Rasale, and Other Assets with balances of TRY 167,421, TRY 15,925, TRY 3,634, TRY 21,400, TRY 5,700, TRY 15,325, and TRY 15,646, respectively.

(**) Other liabilities/non-interest bearings include; Shareholders' Equity, Tax Liabilities, Provisions, and Other Liabilities with balances of TRY 1,678,066, TRY 65,436, TRY 150,439, and TRY 220,695, respectively.

4. Average interest rates applied to monetary financial instruments

Current Period	EUR %	USD %	JPY %	TRY %
Assets				
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	--	--	--	12.00
Due from Banks and Other Financial Institutions	1.79	0.35	--	--
Financial Assets at Fair Value Through Profit or Loss	7.46	6.63	--	18.22
Interbank Money Market Placements	--	--	--	--
Investment Securities Available-for-Sale	5.42	6.93	--	17.38
Loans	7.89	6.32	3.00	23.13
Investment Securities Held-to-Maturity	5.66	8.01	--	19.92
Liabilities				
Bank Deposits	5.18	3.67	--	21.45
Other Deposits	5.05	4.98	3.07	20.13
Interbank Money Market Placements	--	--	--	15.02
Miscellaneous Payables	--	--	--	--
Marketable Securities Issued	--	--	--	--
Funds Borrowed from Other Financial Institutions	5.54	3.95	2.65	19.57

Prior Period	EUR %	USD %	JPY %	TRY %
Assets				
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	1.80	1.95	--	11.81
Due from Banks and Other Financial Institutions	3.42	5.04	--	16.83
Financial Assets at Fair Value Through Profit or Loss	5.00	6.11	--	17.12
Interbank Money Market Placements	--	--	--	--
Investment Securities Available-for-Sale	5.57	5.81	--	16.95
Loans	6.26	6.89	2.70	21.20
Investment Securities Held-to-Maturity	5.13	7.83	--	--
Liabilities				
Bank Deposits	--	5.15	--	16.87
Other Deposits	3.94	4.98	0.28	17.57
Interbank Money Market Placements	--	--	--	16.03
Miscellaneous Payables	--	--	--	--
Marketable Securities Issued	--	--	--	--
Funds Borrowed from Other Financial Institutions	5.18	6.08	--	12.25

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

The interest rate sensitivity of the income statement as of 31 December 2008 includes the possible effects of the changes in trading assets and liabilities subject to maturity factor and effect of other interest rate sensitive assets and liabilities on net interest rates. The sensitivity of the equity is calculated by the revaluation of the available for sale securities portfolio and hedging purpose transactions as of 31 December 2008 based on possible interest rate changes.

The effect of increasing TRY and FC interest rates by 100 basis point as of 31 December 2008 on next interim period's income statement is TRY (23,432)(31 December 2007: TRY (15,800)).

The effect of increasing TRY and FC interest rates on next interim period's equity is TRY (19,363)(31 December 2007: TRY (24,023)).

VII. Consolidated liquidity risk

1. **The sources of the current liquidity risk of 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 DFS Group. DFS Group maintains liquid assets to guarantee sufficient liquidity during market fluctuations. In order to meet any urgent liquidity needs, approximately 11% of the balance sheet is allocated to cash balances, 5% to investment securities which are easily convertible into cash and the present borrowing limits (such as Central Bank of Turkey and ISE repurchase market) are not used. 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**

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 11% of balance sheet size is allocated to cash balances, 5% to investment securities which are easily convertible into cash 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. DFS Group's short-term liquidity needs are mainly met with deposits and short-term funds borrowed from foreign banks.

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

Cash flows of DFS Group mainly consist of Turkish Lira, US Dollar and Euro.

In the short and long run, liquidity needs or surplus funds are utilized in interbank money market placements, deposits and loans.

5. **Liquidity Ratios of the Group**

According to BRSA's "legislation on measurement and assessment of liquidity adequacy of the Banks" 26333 numbered official gazette dated on 1 November 2006, liquidity ratio is required to be 80 % for foreign currency assets/liabilities and 100 % for total assets/liabilities in the calculation of the banks weekly and monthly basis reporting. Liquidity ratios, prepared as based on non-consolidated financial tables of the Bank, for 2008 are as below:

	First Maturity Slice (Weekly)		Second Maturity Slice (Monthly)	
	FC	FC + TRY	FC	FC + TRY
Average (%)	125.04	123.18	113.19	111.82
Max. (%)	164.51	155.00	140.26	125.63
Min. (%)	104.18	107.68	93.73	102.60

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

Current Period	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Undist. (*)	Total
Assets								
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	1,667,352	--	351,957	--	--	--	--	2,019,309
Due from Banks and Other Financial Institutions	162,785	768,349	36,616	48,060	41,737	--	--	1,057,547
Financial Assets at Fair Value Through Profit or Loss	--	53,142	24,520	8,743	87,716	23,855	88	198,064
Interbank Money Market Placements	--	500	--	--	--	--	--	500
Investment Securities Available-for-Sale	--	--	24,876	239,969	1,652,138	178,289	11,656	2,106,928
Loans	196,120	2,529,471	1,287,276	2,753,754	5,864,752	2,778,511	--	15,409,884
Investment Securities Held-to-Maturity	--	--	40	4,200	621,038	132,923	--	758,201
Other Assets	308,861	107,927	203,477	508,832	1,200,841	34,656	307,043	2,671,637
Total Assets	2,335,118	3,459,389	1,928,762	3,563,558	9,468,222	3,148,234	318,787	24,222,070
Liabilities								
Bank Deposits	69,350	113,800	3,046	5,542	235,865	--	--	427,603
Other Deposits	2,148,864	6,988,785	816,615	1,154,863	680,642	43,903	--	11,833,672
Funds Borrowed from Other Financial Institutions	--	963,061	351,156	1,122,552	3,443,488	1,738,237	--	7,618,494
Interbank Money Markets	--	669,793	--	--	--	--	--	669,793
Marketable Securities Issued	--	--	--	--	--	--	--	--
Miscellaneous Payables	447,258	49	--	--	--	--	--	447,307
Other Liabilities	201,721	66,191	69,228	30,833	173,835	20,122	2,663,271	3,225,201
Total Liabilities	2,867,193	8,801,679	1,240,045	2,313,790	4,533,830	1,802,262	2,663,271	24,222,070
Net Liquidity Gap	(532,075)	(5,342,290)	688,717	1,249,768	4,934,392	1,345,972	(2,344,484)	--
Prior Period								
Total Assets	974,814	3,059,879	1,570,085	4,417,707	6,845,577	1,481,845	297,493	18,647,400
Total Liabilities	3,013,433	8,054,948	2,184,748	1,577,138	1,013,245	788,867	2,015,021	18,647,400
Net Liquidity Gap	(2,038,619)	(4,995,069)	(614,663)	2,840,569	5,832,332	692,978	(1,717,528)	--

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

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

Estimated fair value of investment securities available for sale and held to maturity are determined by their listed market prices or prices of instruments with similar interest rates, maturities and other variables, in case an active market is not available.

Estimated fair value of loans and deposits are calculated by discounting their cash flows with current market rates. Fair value of floating rate items are accepted to approximate their carrying values.

	Carrying value		Fair value	
	Current period	Prior period	Current period	Prior period
Financial Assets	21,158,292	16,287,167	20,867,732	16,833,975
Interbank money market placements	500	13,185	500	13,185
Due from banks	1,057,547	1,141,262	1,058,058	1,141,469
Investment securities available-for-sale	2,106,928	2,117,353	2,106,928	2,117,353
Investment securities held-to-maturity	758,201	143,139	716,229	130,527
Loans	17,235,116	13,412,228	16,986,017	13,431,441
Financial Liabilities	20,327,076	15,516,414	20,312,376	15,510,222
Bank deposits	427,603	671,547	427,304	671,595
Other deposits	11,833,672	10,822,117	11,836,837	10,820,138
Funds borrowed from other financial institutions	7,618,494	3,725,729	7,600,928	3,721,468
Miscellaneous payables	447,307	297,021	447,307	297,021

Current Period	Valuation Techniques			Fair value equals book value	Total
	Quoted price	market observable	non market observable		
Financial Assets					
Interbank money market placements	--	--	--	500	500
Due from banks	--	571,800	--	486,258	1,058,058
Investment securities available-for-sale	2,074,143	--	5,279	27,506	2,106,928
Investment securities held-to-maturity	701,987	--	10,381	3,861	716,229
Loans	--	11,375,717	195,955	5,414,345	16,986,017
Financial Liabilities					
Bank deposits	--	273,714	--	153,590	427,304
Other deposits	--	8,636,053	--	3,200,784	11,836,837
Funds borrowed from other financial institutions	--	5,875,972	--	1,724,956	7,600,928
Miscellaneous payables	--	--	--	447,307	447,307

Prior Period	Valuation Techniques			Fair value equals book value	Total
	Quoted price	market observable	non market observable		
Financial Assets					
Interbank money market placements	--	--	--	13,185	13,185
Due from banks	--	374,184	--	767,285	1,141,469
Investment securities available-for-sale	2,111,310	--	6,043	--	2,117,353
Investment securities held-to-maturity	119,786	--	9,688	1,053	130,527
Loans	--	7,893,622	67,535	5,470,285	13,431,441
Financial Liabilities					
Bank deposits	--	401,198	--	270,397	671,595
Other deposits	--	7,572,822	--	3,247,316	10,820,138
Funds borrowed from other financial institutions	--	2,590,317	--	1,131,151	3,721,468
Miscellaneous payables	--	--	--	297,021	297,021

IX. Activities carried out on behalf and account of other persons, items held in trust

1. Information on whether the Group performs sales, purchase, management, consultancy and custody services on behalf and account of others, or not

DFS Group performs sales, purchase, management, consultancy and custody services on behalf and account of others.

2. Transactions directly realized with other financial institutions depending on fiduciary contracts and possibility of material effects on the financial position of the Bank or Group

None.

X. Consolidated segment reporting

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

In retail banking, it offers loan products (consumer loans, mortgage, and automotive), distinctive credit cards, investment products (mutual funds, shares, government bonds, and repos), deposit products (time, demand, protected), insurance products, SME loans as well as agricultural loans. Alternative distribution channels allow customers to meet their banking needs without the need to physically visit the branches. Among products that meet everyday needs of customers are overdraft loans, automated bill payment, checkbooks and rental safes.

Corporate banking offers financial and banking solutions to large-scale local and international corporate and commercial customers. In order to meet customer needs related to projects, investment and working capital, corporate banking offers short- and long-term working capital loans, investment loans, non-cash loans, foreign exchange transactions, export finance, project finance, structured finance, corporate finance, deposit products and cash management services.

Within treasury and investment banking, sales, prop-trading and private banking departments offer spot and forward TRY and foreign exchange transactions, trading of local and international bonds and derivative products. Servicing the upper segment of wealthy and high income retail customers who require sophisticated banking and investment services falls within the scope of private banking.

Segment information of the Group as of 31 December 2008 is presented in the following table:

Current Period	Retail Banking	Corporate Banking	Treasury and Investment Banking	Total
Operating income	989,872	520,979	55,846	1,566,697
Net operating income	198,510	164,851	27,809	391,170
Income from associates				2,482
Provision for taxes on income				(51,189)
Net profit for the period				342,463
Segment assets	7,817,000	9,418,116	6,363,825	23,598,941
Subsidiaries and associates				9,756
Undistributed assets				613,373
Total assets				24,222,070
Segment liabilities	8,813,174	3,157,300	8,857,157	20,827,631
Undistributed liabilities				1,107,297
Shareholders' equity				2,287,142
Total liabilities				24,222,070

Prior Period	Retail Banking	Corporate Banking	Treasury and Investment Banking	Total
Operating income	778,337	379,621	48,057	1,206,015
Net operating income	210,717	175,642	23,538	409,897
Income from associates				940
Provision for taxes on income				(69,582)
Net profit for the period				341,255
Segment assets	5,623,493	7,788,735	4,726,377	18,138,605
Subsidiaries and associates				9,334
Undistributed assets				499,461
Total assets				18,647,400
Segment liabilities	6,538,850	4,283,998	5,382,236	16,205,084
Undistributed liabilities				764,250
Shareholders' equity				1,678,066
Total liabilities				18,647,400

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	
	TRY	FC	TRY	FC
Cash	98,746	232,788	83,647	136,884
Central bank of Turkey	939,326	407,752	33,699	121,001
Other (*)	--	340,697	--	326,535
Total	1,038,072	981,237	117,346	584,420

(*) Also includes TRY 340,622 reserve deposit and TRY 75 cheques purchased.

1.1 Balances with the Central Bank of Turkey

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Unrestricted Demand Deposits	939,326	407,752	33,699	121,001
Unrestricted Time Deposits	--	--	--	--
Restricted Time Deposits	--	--	--	--
Total	939,326	407,752	33,699	121,001

1.2 Explanation related to "Other" item

According to the no. 2005/1 communiqué of the Central Bank of Turkey, "Announcement on Reserve Deposits" and the communiqué numbered 2008/7, "Amendments on Announcement on Reserve Deposits Communiqué", on the all banks operating in Turkey should provide a reserve amounting to 6% of the liabilities in Turkish Lira and 9% of the liabilities in US Dollar or Euro. The Central bank of Turkey makes interest payments on a quarterly basis. The interest rate given by the Central Bank of Turkey is 12.00% for TRY as of 31 December 2008 (31 December 2007: 11.81%). Interest payments for FC reserves are terminated by the communiqué numbered 2008/7 as of 28 November 2008 (31 December 2007: 1.95%, 1.80%, respectively for US Dollar and Euro).

2. Financial assets at fair value through profit or loss

2.1 Trading securities given as collateral or blocked

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Share Certificates	--	--	--	--
Bonds, Treasury Bills and Similar Marketable Securities	19,529	13,904	14,821	272
Other	--	--	--	--
Total	19,529	13,904	14,821	272

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	
	TRY	FC	TRY	FC
Government Bonds	1,348	--	92,397	--
Treasury Bills	--	--	--	--
Other Debt Securities	--	--	--	--
Bonds Issued or Guaranteed by Banks	--	--	--	--
Asset Backed Securities	--	--	--	--
Other	--	--	--	--
Total	1,348	--	92,397	--

2.3 Positive value of trading purpose derivatives

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Forward Transactions	1,582	11,245	716	3,539
Swap Transactions	64,761	57,707	68,882	27,629
Futures	--	8	--	135
Options	2,562	8,275	42,374	9,190
Other	--	--	--	--
Total	68,905	77,235	111,972	40,493

3. Information on Banks

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Banks				
Domestic	3,085	364,392	7,505	467,852
Foreign	36	690,034	5,077	660,828
Foreign branches	--	--	--	--
Total	3,121	1,054,426	12,582	1,128,680

3.1 Foreign banks

	Unrestricted Amount		Restricted Amount	
	Current Period	Prior Period	Current Period	Prior Period
EU Countries	383,187	212,048	173,485	42,442
USA, Canada	55,107	176,090	--	96
OECD Countries*	8,180	9,090	--	2,914
Off shore zones	--	23	--	--
Other	51,618	223,064	18,493	138
Total	498,092	620,315	191,978	45,590

(*) OECD countries except for EU countries, USA and Canada

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 TRY 3,894 that are not listed on Istanbul Stock Exchange; and debt securities representing government bonds; Eurobonds and foreign currency government bonds issued by the Turkish Treasury and 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 and Eurobonds amounting to TRY 446,861 (31 December 2007: TRY 303,965).

4.3 Investment securities available-for-sale given as collateral or blocked

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Share certificates	--	--	--	--
Bonds, T-bills and Similar Securities	210,569	236,292	168,041	135,924
Other	--	--	--	--
Total	210,569	236,292	168,041	135,924

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

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Government Bonds	455,036	--	738,302	--
Treasury Bills	--	--	--	--
Other Debt Securities	--	--	--	--
Bonds issued or guaranteed by Banks	--	10,707	--	--
Asset backed securities	--	--	--	--
Other	--	38,425	--	--
Total	455,036	49,132	738,302	--

4.5 Available-for-sale securities

	Current Period	Prior Period
Debt instruments	2,106,778	2,116,529
Listed	2,106,778	2,116,529
Unlisted	--	--
Equity instruments	11,656	3,923
Listed	6,942	--
Unlisted	4,714	3,923
Impairment provision (-)	11,506	3,099
Total	2,106,928	2,117,353

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	--	1,675	--	2,666
Loans Granted to Employees	25,496	43	17,481	39
Total	25,496	1,718	17,481	2,705

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

	Standard Loans and Other Receivables		Loans and Other Receivables Under Close Monitoring(*)	
	Loans and Other Receivables	Restructured or Rescheduled	Loans and Other Receivables	Restructured or Rescheduled
Cash Loans				
Non-specialized Loans	13,498,889	--	590,094	961
Discount Notes	7,140	--	--	--
Export Loans	641,660	--	6,305	--
Import Loans	9,747	--	498	--
Loans Given to Financial Sector	--	--	--	--
Foreign Loans	204,069	--	457	--
Consumer Loans	3,478,532	--	167,537	--
Credit Cards	503,843	--	38,775	--
Precious Metal Loans	11,999	--	--	--
Other	8,641,899	--	376,522	961
Specialization Loans	1,061,153	--	57,936	--
Other Receivables	4,731	--	--	--
Total	14,564,773	--	648,030	961

(*) Total amount of principal and overdue balances of loans under close monitoring in accordance with alternate clause of "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" amended on February 6, 2009.

5.3 **Information on loans according to maturity structure concentration**

	Standard Loans and Other Receivables		Loans and Other Receivables Under Close Monitoring	
	<i>Loans and Other Receivables</i>	<i>Restructured or Rescheduled</i>	<i>Loans and Other Receivables</i>	<i>Restructured or Rescheduled</i>
Cash Loans				
Short-term loans and other receivables	6,578,024	--	231,491	--
Non-specialized loans	5,898,288	--	225,176	--
Specialized loans	675,005	--	6,315	--
Other receivables	4,731	--	--	--
Medium and Long-term loans and other receivables	7,986,749	--	416,539	961
Non-specialized loans	7,600,601	--	364,918	961
Specialized loans	386,148	--	51,621	--
Other receivables	--	--	--	--
Total	14,564,773	--	648,030	961

5.4 Information on consumer loans

	Short Term	Medium or Long Term	Total
Consumer Loans-TRY	76,572	2,963,707	3,040,279
Real estate Loans	1,593	1,052,873	1,054,466
Automotive Loans	1,190	62,431	63,621
Consumer Loans	73,789	1,848,403	1,922,192
Other	--	--	--
Consumer Loans-Indexed to FC	4,650	496,736	501,386
Real estate Loans	352	460,436	460,788
Automotive Loans	75	9,431	9,506
Consumer Loans	4,223	26,869	31,092
Other	--	--	--
Consumer Loans-FC	--	41,870	41,870
Real estate Loans	--	13,304	13,304
Automotive Loans	--	--	--
Consumer Loans	--	--	--
Other	--	28,566	28,566
Credit Cards-TRY	520,776	1,054	521,830
Installment	133,442	1,054	134,496
Non installment	387,334	--	387,334
Credit Cards-FC	678	--	678
Installment	186	--	186
Non installment	492	--	492
Loans Given to Employees-TRY	2,447	13,380	15,827
Real estate Loans	--	2,465	2,465
Automotive Loans	24	112	136
Consumer Loans	2,423	10,803	13,226
Other	--	--	--
Loans Given to Employees - Indexed to FC	34	12	46
Real estate Loans	--	--	--
Automotive Loans	--	12	12
Consumer Loans	34	--	34
Other	--	--	--
Loans Given to Employees - FC	164	325	489
Real estate Loans	164	--	164
Automotive Loans	--	--	--
Consumer Loans	--	--	--
Other	--	325	325
Employee Credit Cards - TRY	7,856	14	7,870
Installment	2,721	14	2,735
Non installment	5,135	--	5,135
Employee Credit Cards - FC	18	--	18
Installment	9	--	9
Non installment	9	--	9
Overdraft Loans-TRY (Individuals) (*)	90,938	--	90,938
Overdraft Loans-FC (Individuals)	2,588	--	2,588
Total	706,721	3,517,098	4,223,819

(*) Overdraft Loans used by the personnel of the Bank is TRY 1,246 (31 December 2007: TRY 845).

5.5 Information on installment corporate loans and corporate credit cards

	Short Term	Medium or Long Term	Total
Installment Corporate Loans - TRY	90,115	730,103	820,218
Real estate Loans	988	115,216	116,204
Automotive Loans	3,618	50,019	53,637
Consumer Loans	85,509	564,666	650,175
Other	--	202	202
Installment Corporate Loans - Indexed to FC	7,417	223,759	231,176
Real estate Loans	767	36,650	37,417
Automotive Loans	510	39,362	39,872
Consumer Loans	6,140	147,530	153,670
Other	--	217	217
Installment Corporate Loans - FC	--	9,207	9,207
Real estate Loans	--	4,003	4,003
Automotive Loans	--	--	--
Consumer Loans	--	5,204	5,204
Other	--	--	--
Corporate Credit Cards - TRY	12,123	30	12,153
Installment	100	30	130
Non installment	12,023	--	12,023
Corporate Credit Cards - FC	69	--	69
Installment	--	--	--
Non installment	69	--	69
Overdraft Loans-TRY (Corporates)	165,699	--	165,699
Overdraft Loans-FC (Corporates)	11,571	--	11,571
Total	286,994	963,099	1,250,093

5.6 Loan concentration according to counterparty

	Current Period	Prior Period
Public	374,864	15,308
Private	14,838,900	11,891,709
Total	15,213,764	11,907,017

5.7 Domestic and international loans

	Current Period	Prior Period
Domestic Loans	15,009,238	11,688,868
Foreign Loans	204,526	218,149
Total	15,213,764	11,907,017

5.8 Loans granted to subsidiaries and associates

	Current Period	Prior Period
Direct Loans Granted to Subsidiaries and Associates	--	7,934
Indirect Loans Granted to Subsidiaries and Associates	--	--
Total	--	7,934

5.9 Specific provisions for loans

Specific Provisions	Current Period	Prior Period
Loans and Receivables with Limited Collectibility	35,187	14,321
Loans and Receivables with Doubtful Collectibility	66,517	51,636
Uncollectible Loans and Receivables	218,045	151,642
Total	319,749	217,599

5.10 Information on non-performing loans (Net)

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

	Group III Loans and receivables with limited collectibility	Group IV Loans and receivables with doubtful collectibility	Group V Uncollectible loans and receivables
Current Period	506	286	12,335
(Gross Amounts Before Specific Reserves)			
Loans and Other Receivables which are Restructured	--	--	--
Rescheduled Loans and Other Receivables	506	286	12,335
Prior Period	201	78	23,857
(Gross Amounts Before Specific Reserves)			
Loans and Other Receivables which are Restructured	--	--	--
Rescheduled Loans and Other Receivables	201	78	23,857

5.10.2 Information on total non-performing loans

	Group III Loans and receivables with limited collectibility	Group IV Loans and receivables with doubtful collectibility	Group V Uncollectible loans and receivables
Balances at Beginning of Period	48,402	59,810	176,921
Additions (+)	303,038	28,592	43,696
Transfers from Other Categories of Non-Performing Loans (+)	14,505	188,822	96,573
Transfers to Other Categories of Non-Performing Loans (-)	181,269	96,573	22,058
Collections (-)	65,825	39,342	35,145
Write-offs (-)	3	2,000	2,275
Corporate and Commercial Loans	--	1,998	139
Retail Loans	1	2	529
Credit Cards	2	--	1,607
Other	--	--	--
Balances at End of the Period	118,848	139,309	257,712
Specific Provisions (-)	35,187	66,517	218,045
Net Balance on Balance Sheet	83,661	72,792	39,667

5.10.3 Information on specific provision movements

	Commercial loans	Consumer loans	Credit cards	Other	Total
Prior Period Closing	102,691	51,629	62,996	283	217,599
Addition (+)	72,476	59,324	25,213	46	157,059
Collection (-)	(17,114)	(21,787)	(12,875)	--	(51,776)
FX Difference	751	394	--	--	1,145
Write off(-)	(2,137)	(532)	(1,609)	--	(4,278)
Current Period Closing	156,667	89,028	73,725	329	319,749

Fair value of the collaterals received against non-performing loans, up to the loan balances of those loans, is TRY 62,007 as of 31 December 2008 (31 December 2007: TRY 11,925).

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

	Group III Loans and receivables with limited collectibility	Group IV Loans and receivables with doubtful collectibility	Group V Uncollectible loans and receivables
Current Period			
Period End Balance	17,111	28,454	34,129
Specific Provisions (-)	1,988	10,171	10,259
Net Balance on Balance Sheet	15,123	18,283	23,870
Prior Period			
Period End Balance	--	4,241	19,232
Specific Provisions (-)	--	3,746	4,880
Net Balance on Balance Sheet	--	495	14,352

5.10.5 Information on non performing loans according to beneficiary group

	Group III Loans and receivables with limited collectibility	Group IV Loans and receivables with doubtful collectibility	Group V Uncollectible loans and receivables
Current Period (Net)	83,661	72,792	39,667
Loans Allowed to Real Persons and Corporates (Gross)	118,845	128,414	257,696
Specific provisions (-)	35,184	56,420	218,033
Loans Allowed to Real Persons and Corporates (Net)	83,661	71,994	39,663
Banks (Gross)	--	--	--
Specific provisions (-)	--	--	--
Banks (Net)	--	--	--
Other Loan and Receivables (Gross)	3	10,895	16
Specific provisions (-)	3	10,097	12
Other Loan and Receivables (Net)	--	798	4
Prior Period (Net)	34,081	8,174	25,279
Loans Allowed to Real Persons and Corporates (Gross)	48,402	59,521	176,921
Specific provisions (-)	14,321	51,355	151,642
Loans Allowed to Real Persons and Corporates (Net)	34,081	8,166	25,279
Banks (Gross)	--	--	--
Specific provisions (-)	--	--	--
Banks (Net)	--	--	--
Other Loan and Receivables (Gross)	--	289	--
Specific provisions (-)	--	281	--
Other Loan and Receivables (Net)	--	8	--

5.11 Collaterals and credit enhancement obtained during the year

Current Period	Commercial	Consumer	Credit Cards	Other	Total
Residential, commercial or industrial property	6,850	1,522	--	--	8,372
Financial assets	--	--	--	--	--
Other	106	89	--	--	195
Total	6,956	1,611	--	--	8,567
Prior Period	Commercial	Consumer	Credit Cards	Other	Total
Residential, commercial or industrial property	318	173	--	--	491
Financial assets	--	--	--	--	--
Other	--	4	--	--	4
Total	318	177	--	--	495

5.12 Aging analysis of past due but not impaired loans

	Less than 30 days	31-60 Days	61-90 Days	Total
Current Period	166,600	95,284	63,708	325,592
Prior Period	38,984	24,350	36,968	100,302

(*) The table includes only past due installments.

5.13 Liquidation policy for uncollectible loans and receivables

For uncollectible loans and receivables, the Bank tries to solve issues with customers. If no result is obtained, all legal actions are taken as per the respective regulations.

5.14 Information on write-off from assets policy

On condition that receivable of the Bank is materially less than the prospective exposed expenses of issuing of those mentioned documents, write-off from assets is performed after the decision of Board of Directors. The amount write-offs is TRY 4,278 in 2008.

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

Held-to-maturity investments subject to repurchase agreement are government bonds with a book value amounting to TRY 197,225 (31 December 2007: None).

6.1.2 Information on subject to given as collateral or blocked

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Bills	--	--	--	--
Bonds and Similar Marketable Securities	194,964	129,520	646	77,458
Other	--	--	--	--
Total	194,964	129,520	646	77,458

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

	Current Period	Prior Period
Government Bonds	684,088	55,961
Treasury Bills	--	--
Other Government Securities	--	407
Total	684,088	56,368

6.3 Information on investment securities held-to-maturity

	Current Period	Prior Period
Debt Securities	758,201	143,139
Quoted	613,721	--
Unquoted	144,480	143,139
Impairment (-)	--	--
Total	758,201	143,139

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	143,139	177,381
Foreign exchange differences (*)	63,803	(15,227)
Purchases (**)	580,423	1,054
Redemptions	(29,164)	(20,069)
Impairment (-)	--	--
Balance at the end of the period	758,201	143,139

(*) Accruals of investment securities held-to-maturity are included in "foreign exchange differences".

(**) Securities reclassified are shown in "Purchases" line

The Bank transferred a portion of its securities from "investment securities available-for-sale" portfolio, with a notional amount of TRY 552,934, to the "investment securities held-to-maturity" portfolio due to change in the intention of holding, effective from 1 October 2008. The negative valuation differences amounting to TRY 39,455 under equity accrued until at the date of transfer will be amortized and recycled to profit/loss until the maturities of these securities. As of the balance sheet date, the negative valuation differences that remain under equity is TRY 38,131.

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. (*)	Istanbul/Turkey	9	--
2-Gelişen İşletmeler Piyasası A.Ş. (*)	Istanbul/Turkey	5	5

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Trading Income	Current Period Profit / Loss	Prior Period Profit / Loss	Fair Value
1	19,694	15,725	1,877	--	--	3,457	4,262	--
2	6,566	6,511	3	279	--	216	662	--

(*) Amounts given are as of the year ended 31 December 2007.

7.2 Investments in consolidated associates

None.

8. Investments in subsidiaries

The Bank has 99.95% ownership in Deniz Yatırım, a brokerage and investment company, located in Istanbul. Deniz Yatırım, established on 26 January 1998, is mainly involved in purchasing, selling and investing in any kind of securities, margin trading, short sale, securities lending, portfolio management services, repo and reverse repo transactions, investment advisory 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 30 September 2006. Ekspres Yatırım, located in Istanbul, is engaged in purchasing, selling and investing in any kind of securities, purchase or repurchase agreements, portfolio management, stocks, treasury bills and government bonds provided from capital markets.

Deniz Yatırım purchased a portion of Ekspres Yatırım shares that corresponds to a nominal value of TRY 12.8 from Savings Deposit Insurance Fund on 18 June 2008, in exchange of TRY 20.

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. Located in İstanbul, the title 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., Esbank AG in Vienna offered foreign trade finance and payment services to a client base in Europe and Turkey. DFS Group entered the Euro zone banking market by acquiring Esbank AG in August 2002. Subsequent to the acquisition, the title of Esbank AG was changed to Denizbank AG at the beginning of 2003. Denizbank AG has ten branches, three in Vienna, the others in Bregenz, Frankfurt, Linz, Graz, Innsbruck, Floridsdorf and Neustadt, 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 title of İktisat Bank Moscow was changed to CJSC Denizbank Moscow and then to CJSC Dexia Bank in February 2008 after the approval of the Central Bank of the Russian Federation. CJSC Dexia Bank is licensed to undertake all commercial banking transactions.

The Bank acquired 99.88% of the shares of Eurodeniz Off-Shore Bank Ltd.(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 title to Deniz Portföy. Deniz Yatırım's share in Deniz Portföy's paid-in capital has increased to 99.2% with subsequent purchases. Deniz Portföy is engaged in serving domestic mutual funds and portfolio management.

The Bank acquired 10.87% of the shares of Deniz Finansal Kiralama A.Ş. (Deniz Leasing) for TRY 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.

On 22 November 2007, Deniz Leasing increased its paid-in capital by TRY 162,000. TRY 149,678 of this amount was paid in cash, TRY 12,283 from extra ordinary reserves, TRY 39 from legal reserve inflation adjustment account. As of 31 March 2008, 84% of the paid-in capital of Deniz Leasing belongs to the Bank, while the remaining 16% belongs to Deniz Faktoring.

The Bank acquired 99.99% of the shares of Deniz Faktoring for TRY 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. from Global Yatırım Holding A.Ş. for TRY 2,515 on 30 March 2007. Global Hayat Sigorta A.Ş. changed its title to Deniz Hayat Sigorta A.Ş. (Deniz Hayat) on 10 August 2007. Deniz Hayat increased its paid-in capital by cash injection of TRY 1,313 on 26 December 2007 completely through the Bank. The paid-in capital of Deniz Hayat has been decided to be further increased by TRY 20,000 in cash on 14 May 2008 and TRY 9,990 of the Bank's total capital commitment amounting to TRY 19,980 in total of the Bank was paid in cash on 17 June 2008. The remaining TRY 9,990 will be paid until 6 June 2011. Deniz Hayat is permitted to found a private pension company by Undersecretariat of Treasury in compliance with Article 8 of Private Pension Savings and Investment System Law numbered 4632. In accordance with the founding permission of Republic of Turkey Prime Ministry Undersecretariat of Treasury, Deniz Hayat changed its title to "Deniz Emeklilik ve Hayat A.Ş." by the resolution of the Extraordinary General Assembly Meeting dated 24 November 2008.

Denizbank Kültür Sanat Yayıncılık Ticaret ve Sanayi A.Ş. (Deniz Kültür) increased its paid-in capital by TRY 105 on January 2007, TRY 30 on 17 April 2007, TRY 70 on 30 April 2007, TRY 100 on 12 June 2007 and TRY 200 on 30 July 2007, and TRY 50 on 2 November 2007, all in cash.

CJSC Dexia Bank increased its paid-in capital in cash by US Dollar 24,938,145 (TRY 32,506) by the participation of the Bank and Denizbank AG on 18 January 2008.

Denizbank AG increased its paid-in capital in cash by Euro 14,998,183 (TRY 25,534) by the Bank on 28 January 2008.

8.1 Information on subsidiaries not consolidated

Description	Address (City/Country)	Bank's share percentage- If different from voting percentage(%)	Other shareholders' share percentage(%)
1 Intertech Bilgi İşlem ve Pazarlama Ticaret A.Ş.	Istanbul/Turkey	100	0
2 Denizbank Kültür Sanat Yayıncılık Ticaret ve Sanayi A.Ş.	Istanbul/Turkey	100	0

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Trading Income	Current Period Profit / Loss	Prior Period Profit / Loss	Fair value
1	2,648	1,459	125	211	1	340	(2,354)	--
2	1,174	1,158	328	--	9	56	146	--

The Bank sold its 99.9% share in Adana Haddecilik Metal Sanayi ve Ticaret A.Ş. by TRY 101 on 5 May 2008.

8.2 Information on subsidiaries consolidated

Description	Address (City/Country)	Bank's share percentage (%)	Other subsidiaries' share percentage(%)	Method of consolidation
1 Denizbank AG	Vienna / Austria	100	--	Full consolidation
2 Eurodeniz Off-Shore Bank Ltd.	Nicosia / Cyprus	100	--	Full consolidation
3 Deniz Yatırım Menkul Kıymetler A.Ş.	Istanbul / Turkey	100	--	Full consolidation
4 Deniz Türev Menkul Değerler A.Ş.	Istanbul / Turkey	88	12	Full consolidation
5 Ekspres Yatırım Menkul Değerler A.Ş.	Istanbul / Turkey	71	29	Full consolidation
6 CJSC Dexia Bank	Moscow / Russia	49	51	Full consolidation
7 Deniz Portföy Yönetimi A.Ş.	Istanbul / Turkey	--	100	Full consolidation
8 Deniz Finansal Kiralama A.Ş.	Istanbul / Turkey	84	16	Full consolidation
9 Deniz Faktoring A.Ş.	Istanbul / Turkey	100	--	Full consolidation
10 Deniz Emeklilik ve Hayat A.Ş.	Istanbul / Turkey	100	--	Full consolidation

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Trading Income	Current Period Profit / Loss	Prior Period Profit / Loss	Fair value
1	2,997,279	185,984	10,283	142,944	9,537	25,291	29,925	--
2	916,866	2,420	9	45,570	--	(34,376)	41,946	--
3	25,328	19,236	786	2,263	--	(1,174)	(960)	--
4	9,094	9,005	89	1,520	73	1,825	(820)	--
5	39,101	37,894	212	6,125	2,483	5,530	8,799	--
6	287,765	56,128	18,189	25,226	13,171	(8,418)	3,520	--
7	2,754	2,439	21	443	11	(180)	509	--
8	2,271,323	345,559	143	164,986	1,421	71,762	60,774	--
9	610,551	80,567	179	95,539	--	20,150	30,269	--
10	65,188	24,722	968	6,766	3,554	9,714	(7,700)	--

8.2.1 *Movement of consolidated subsidiaries*

	Current Period	Prior Period
Balance at the Beginning of the Period	395,071	230,321
Movements during the Period	71,977	164,750
Purchases	68,648	153,506
Bonus Shares Received	--	12,378
Dividends from Current Year Profit	--	--
Sales	--	--
Revaluation Increase, Effect of Inflation and F/X Difference	3,329	(1,134)
Impairment	--	--
Balance at the End of the Period	467,048	395,071
Capital Commitments	9,990	--
Share Percentage at the end of Period (%)	--	--

8.2.2 *Sectoral distribution of consolidated subsidiaries*

	Current Period	Prior Period
Banks	157,609	95,643
Insurance Companies	13,819	3,828
Factoring Companies	30,384	30,384
Leasing Companies	227,365	227,365
Finance Companies	--	--
Other Subsidiaries	37,871	37,851
Total	467,048	395,071

8.2.3 *Listed Subsidiaries*

None.

8.2.4 *Consolidated Subsidiaries disposed during the current period*

None.

8.2.5 *Consolidated Subsidiaries purchased during the current period*

None.

9. Information on other investments:

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	570,636	450,129	48,976	44,704
Between 1-4 years	993,523	833,121	741,891	642,053
Over 4 years	217,509	190,078	349,756	270,442
Total	1,781,668	1,473,328	1,140,623	957,199

10.2 Information on net financial lease receivables

	Current Period	Prior Period
Gross finance lease receivable	1,781,668	1,140,623
Unearned finance income (-)	308,340	183,424
Cancelled leasing agreements (-)	--	--
Net investment on leases	1,473,328	957,199

10.3 Information on financial lease agreements of the Bank

None.

11. Information on hedging purpose derivatives

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Fair Value Hedge	--	--	--	--
Cash Flow Hedge	201,829	21,447	--	--
Hedging of a Net Investment in Foreign Subsidiaries	--	--	--	--
Total	201,829	21,447	--	--

12. Information on tangible assets

Prior Period End:	Land and buildings	Fixed assets under finance lease	Vehicles	Other tangible fixed assets	Total
Net book value at the beginning of the period	46,329	94,636	2,433	94,938	238,336
<i>Additions</i>	1,562	20,384	209	50,290	72,445
<i>Transfers (+/-)</i>	--	--	--	--	--
<i>Disposals (-)</i>	--	--	(595)	(3,003)	(3,598)
<i>Impairment (-)</i>	--	--	--	--	--
<i>Currency translation differences resulting from foreign investment</i>	--	--	(56)	(710)	(766)
Net book value	47,891	115,020	1,991	141,515	306,417
Accumulated depreciation at the beginning of the period (-)	6,308	50,733	1,617	48,222	106,880
<i>Disposals(-)</i>	--	--	(431)	(1,848)	(2,279)
<i>Transfers (+/-)</i>	--	--	--	--	--
<i>Net FX difference from foreign subsidiaries (-)</i>	--	--	(34)	(408)	(442)
<i>Depreciation (-)</i>	937	18,096	362	15,442	34,837
Prior period accumulated depreciation (-)	7,245	68,829	1,514	61,408	138,996
Closing net book value	40,646	46,191	477	80,107	167,421
Current Period End:					
Net book value at the beginning of the period	47,891	115,020	1,991	141,515	306,417
<i>Additions</i>	1,065	20,336	190	57,902	79,493
<i>Transfers (+/-)</i>	--	57	--	--	57
<i>Disposals (-)</i>	--	--	(480)	(4,837)	(5,317)
<i>Impairment (-)</i>	--	--	--	--	--
<i>Currency translation differences resulting from foreign investment</i>	--	--	119	2,646	2,765
Net book value	48,956	135,413	1,820	197,226	383,415
Accumulated depreciation at the beginning of the period (-)	7,245	68,829	1,514	61,408	138,996
<i>Disposals(-)</i>	--	--	(424)	(3,420)	(3,844)
<i>Transfers (+/-)</i>	--	32	--	--	32
<i>Net FX difference from foreign subsidiaries (-)</i>	--	--	45	1,317	1,362
<i>Depreciation (-)</i>	962	15,455	169	21,976	38,562
Current period accumulated depreciation (-)	8,207	84,316	1,304	81,281	175,108
Closing net book value	40,749	51,097	516	115,945	208,307

12.1 *If the amount of an allowance for the decrease in the value of a specific asset or the reversal from an allowance for the decrease in the value of a specific asset is significant in the financial statements*

12.1.1 *Events and conditions that resulted in an allowance or the reversal of an allowance for the decrease in the value of the asset*

The value of the properties has decreased in prior years due to fluctuations in the real estate market.

12.1.2 *Amount recorded or reversed in the financial statements*

The Bank has booked an impairment loss provision of TRY 4,402 for three of its buildings in 2006.

12.2 *Current year charge recorded in the financial statements as an allowance for the decrease in the value of a group of assets or income from the reversal of an allowance for the decrease in the value of a group of assets and events and conditions that resulted in them*

None.

13. **Information on intangible assets**

13.1 *Useful lives and amortization rates*

The useful life of an asset is determined by taking the asset's expected economic life, technical, technological or other kinds of weariness, and maintenance costs into account. The amortization rates used are in accordance with the useful lives of the underlying assets. The useful lives are determined as defined by TAS 38 "Intangible Assets".

13.2 *Amortization methods*

The Bank uses straight line amortization method for intangibles purchased before 1 January 2003 and after 31 December 2006. Assets purchased in other periods are amortized using declining amortization method.

13.3 Movement of intangible assets

Prior Period End:	Rights	Other	Total
Net book value at the beginning of the period	48,016	2,650	50,666
Additions	11,439	--	11,439
Transfers (+/-)	--	--	--
Disposals (-)	(52)	--	(52)
Impairment (-)	--	--	--
Currency translation differences resulting from foreign investment	(632)	--	(632)
Net book value	58,771	2,650	61,421
Accumulated depreciation at the beginning of the period (-)	34,450	2,411	36,861
Disposals(-)	--	--	--
Transfers (+/-)	--	--	--
Net FX difference from foreign subsidiaries (-)	(213)	--	(213)
Depreciation (-)	8,710	138	8,848
Prior period accumulated depreciation (-)	42,947	2,549	45,496
Closing net book value	15,824	101	15,925
Current Period End:			
Net book value at the beginning of the period	58,771	2,650	61,421
Additions	19,814	--	19,814
Transfers (+/-)	(57)	--	(57)
Disposals (-)	(335)	--	(335)
Impairment (-)	--	--	--
Currency translation differences resulting from foreign investment	2,043	--	2,043
Net book value	80,236	2,650	82,886
Accumulated depreciation at the beginning of the period (-)	42,947	2,549	45,496
Disposals(-)	(283)	--	(283)
Transfers (+/-)	(32)	--	(32)
Net FX difference from foreign subsidiaries (-)	1,450	--	1,450
Depreciation (-)	8,892	62	8,954
Prior period accumulated depreciation (-)	52,974	2,611	55,585
Closing net book value	27,262	39	27,301

13.4 *The carrying value, description and remaining useful life of significant intangible assets, if any*

None.

13.5 *Information on intangible assets that have been acquired by government grants and originally have been accounted for by using the fair value principle*

None.

13.6 *Subsequent periods' valuation methodology for intangible assets that have been acquired by government grants in the past and originally have been accounted for by using the fair value principle*

None.

13.7 Carrying value of intangible assets that are pledged or restricted in usage

None.

13.8 Amount of any commitments granted for the purchase of intangible assets

None.

13.9 In case of a revaluation, information to be supplied in the table below, on an asset by asset basis for intangible assets

None.

13.10 Total amount charged to income statement as research and development expense, if any

None.

13.11 Goodwill or negative goodwill arising from consolidated investments

None.

14. Information on held for investment properties

None.

15. Information on deferred tax asset

15.1 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 TRY 37,908 (31 December 2007: TRY 20,809) and deferred tax liability is TRY 1,491 (31 December 2007: None). These balances are the net of deductible and taxable temporary differences calculated as of the balance sheet date.

Breakdown of deferred tax assets:

	Current Period	Prior Period
Deferred Tax Assets:		
Miscellaneous Provisions	36,184	9,721
Provision for Employee Benefits	4,654	4,112
Valuation Differences of Derivatives	--	5,251
Valuation Differences of Financial Assets	1,430	4,438
Specific Assets of Insurance Companies	144	108
Other	3,550	1,355
	45,962	24,985
Deferred Tax Liabilities:		
Valuation Differences of Tangible Assets	(5,727)	(4,176)
Valuation Differences of Derivatives	(3,818)	--
Valuation Differences of Financial Assets	--	--
	(9,545)	(4,176)
Net Deferred Tax Asset	36,417	20,809

- 15.2** *Amount and expiry date of deductible temporary differences, unused tax losses, unused tax credits for which no deferred tax asset is recognized in prior periods in the balance sheet*
None.
- 15.3** *Deferred tax asset resulting from the cancellation of the provision for impairment losses related to the deferred taxes*
None.
- 16.** **Information on assets held for sale**
DFS Group has no discontinued operations during the current period.
- 17.** **Information on other assets**
- 17.1** *Information on prepaid expense, tax and similar items*
Prepaid expenses are TRY 22,002 (31 December 2007: TRY 22,214).
- 17.2** 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 Months-1 Year	1 Year and Over	Acc. Account	Total
Saving Deposits	363,655	--	611,284	3,057,353	10,639	6,999	4,860	--	4,054,790
Foreign Currency Deposits	1,141,511	--	767,799	2,031,784	110,203	977,415	1,177,865	--	6,206,577
Residents in Turkey	781,016	--	665,695	1,847,321	57,630	187,573	261,479	--	3,800,714
Residents Abroad	360,495	--	102,104	184,463	52,573	789,842	916,386	--	2,405,863
Public Sector Deposits	88,794	--	8,615	17,111	9	--	21	--	114,550
Commercial Deposits	540,511	--	442,094	300,602	17,879	4,372	3,537	--	1,308,995
Other Ins. Deposits	11,869	--	13,236	120,948	92	73	18	--	146,236
Precious Metal Deposits	2,524	--	--	--	--	--	--	--	2,524
Bank Deposits	69,350	--	96,503	15,347	3,074	--	243,329	--	427,603
Central Bank	--	--	--	--	--	--	--	--	--
Domestic Banks	26,567	--	15,335	2,262	--	--	5,382	--	49,546
Foreign Banks	9,268	--	81,168	13,085	3,074	--	237,947	--	344,542
Special Finan.Inst.	33,515	--	--	--	--	--	--	--	33,515
Other	--	--	--	--	--	--	--	--	--
Total	2,218,214	--	1,939,531	5,543,145	141,896	988,859	1,429,630	--	12,261,275

Prior Period	Demand	7 Days Notice	Up to 1 Month	1-3 Months	3-6 Months	6 Months-1 Year	1 Year and Over	Acc. Account	Total
Saving Deposits	332,368	--	495,945	2,092,873	29,768	30,466	3,294	--	2,984,714
Foreign Currency Deposits	1,326,248	--	1,365,253	1,654,290	313,866	794,338	543,993	--	5,997,988
Residents in Turkey	916,781	--	1,126,117	1,536,187	123,739	233,426	90,173	--	4,026,423
Residents Abroad	409,467	--	239,136	118,103	190,127	560,912	453,820	--	1,971,565
Public Sector Deposits	116,965	--	1,228	2,545	15	--	--	--	120,753
Commercial Deposits	764,766	--	631,465	229,898	13,182	15,348	1,089	--	1,655,748
Other Ins. Deposits	11,211	--	22,475	26,486	515	39	--	--	60,726
Precious Metal Deposits	2,188	--	--	--	--	--	--	--	2,188
Bank Deposits	71,478	--	402,284	181,340	7,987	8,429	29	--	671,547
Central Bank	--	--	--	--	--	--	--	--	--
Domestic Banks	42,263	--	342,211	26,808	3,280	1,051	--	--	415,613
Foreign Banks	23,844	--	60,073	154,532	4,707	7,378	29	--	250,563
Special Finan.Inst.	5,371	--	--	--	--	--	--	--	5,371
Other	--	--	--	--	--	--	--	--	--
Total	2,625,224	--	2,918,650	4,187,432	365,333	848,620	548,405	--	11,493,664

2. **Information on saving 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	1,958,165	1,498,799	2,020,299	1,385,275
Foreign Currency Saving Deposits	645,327	690,167	1,552,945	1,505,279
Other Saving Deposits	--	--	--	--
Foreign branches' Deposits Under Foreign Insurance Coverage	--	--	--	--
Off-Shore Deposits Under Foreign Insurance Coverage	--	--	--	--
Total	2,603,492	2,188,966	3,573,244	2,890,554

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

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

	Current Period	Prior Period
Deposits and Other Accounts in Foreign Branches	137,383	635,598
Deposits and Other Accounts belong to Major Shareholders with Their Parents, Spouse and Children under Their Wardship	--	--
Deposits and Other Accounts belong to Members of Board of Directors, CEO and Deputy CEO with Their Parents, Spouse and Children under Their Wardship	6,735	3,946
Deposits and Other Accounts linked to Crimes Mentioned in 282 nd Article of 5237 Numbered Turkish Crime Legislation dated on 26/09/2004	--	--
Deposits belong to Off-Shore Banks who are established in Turkey.	156,504	114,032
Total	300,622	753,576

2. **Information on trading purpose derivatives**

2.1 **Negative value of trading purpose derivatives**

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Forwards	700	13,781	8,887	3,316
Swaps	72,771	39,490	123,175	31,064
Futures	--	1,164	--	144
Options	2,474	10,951	42,053	9,373
Other	--	--	--	--
Total	75,945	65,386	174,115	43,897

3. Information on funds borrowed

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Central Bank of Turkey	--	--	--	--
Domestic Bank and Institutions	194,912	104,135	82,592	29,930
Foreign Bank, Institutions and Funds	102,836	6,444,872	306,002	2,944,699
Total	297,748	6,549,007	388,594	2,974,629

3.1 Maturity information of funds borrowed

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Short-Term	247,239	2,454,554	319,208	166,797
Medium and Long-Term	50,509	4,094,453	69,386	2,807,832
Total	297,748	6,549,007	388,594	2,974,629

3.2 Additional information on concentrations of the Bank's liabilities

As at 31 December 2008, the Bank's liabilities comprise; 51% deposits, 31% funds borrowed and subordinated loans (31 December 2007: 62%, 20%, respectively).

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 Group are the criteria which are taken into consideration in the leasing contracts. There is no material liabilities in the clauses of the leasing contracts against the Group.

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	--	--	1	1
Between 1-4 years	--	--	--	--
More than 4 years	--	--	--	--
Total	--	--	1	1

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".

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:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Fair Value Hedge	--	--	--	--
Cash Flow Hedge	128,771	7,967	--	--
Hedging of a Net Investment in Foreign Subsidiaries	--	--	--	--
Total	128,771	7,967	--	--

7. Information on provisions

7.1 Information on general provisions

	Current Period	Prior Period
Provisions for Loans and Receivables in Group I	85,592	69,835
Provisions for Loans and Receivables in Group II	12,917	156
Provisions for Non Cash Loans	10,940	9,167
Other	--	--
Total	109,449	79,158

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 (*)	5,659	76,864

(*) 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	140,779	--

As of 31 December 2008, DFS Group booked a provision of TRY 140,779 for future probable risks in its loans.

7.3.2 Information on other provisions exceeding 10% of total provisions

TRY 21,942 of other provisions consists of provisions for unindemnified non-cash loans not yet converted into cash. TRY 2,071 comprises promotions related to credit card and banking services and TRY 19,462 comprises other provisions.

8. Taxation

8.1 Current taxes

8.1.1 Current tax liability

As of 31 December 2008, tax provision of DFS Group is TRY 46,526 (31 December 2007: TRY 85,569), and it has been offset with prepaid taxes amounting to TRY 44,139 (31 December 2007: TRY 58,220).

As of 31 December 2008, DFS Group's total tax liability amounts to TRY 56,069 (31 December 2007: TRY 65,436).

8.1.2 Information on taxes payable

	Current Period	Prior Period
Corporate taxes payable	2,387	27,349
Taxation on securities	17,531	10,864
Capital gains tax on property	627	431
Banking Insurance Transaction Tax (BITT)	17,247	9,496
Taxes on foreign exchange transactions	--	660
Value added tax payable	331	333
Other	11,405	10,038
Total	49,528	59,171

8.1.3 Information on premiums payable

	Current Period	Prior Period
Social security premiums- employee share	2,969	2,398
Social security premiums- employer share	2,892	3,364
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	218	165
Unemployment insurance- employer share	371	334
Other	91	4
Total	6,541	6,265

8.2 Information on deferred tax liabilities

Deferred tax liabilities calculated on the basis of related regulation is TRY 1,491 (31 December 2007: None). Information on deferred tax is disclosed in footnote 15 of disclosures and footnotes on assets of the balance sheet.

9. Information on payables related to assets held for sale

None.

10. Information on subordinated loans

On 28 December 2006, the Bank obtained a EUR 90 million subordinated loan from Dexia SA. The loan has a maturity of 10 years which is repayable after 5 years.

On 28 June 2007, the Bank obtained a USD 50 million subordinated loan from Dexia SA. The loan has a maturity of 10 years which is repayable after 5 years.

On 27 September 2007, the Bank obtained a USD 130 million subordinated loan from Dexia SA. The loan has a maturity of 10 years which is repayable after 5 years.

On 27 February 2008, the Bank obtained a USD 200 million subordinated loan from Dexia Credit Local. The loan has a maturity of 10 years which is repayable after 5 years.

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Domestic banks	--	--	--	--
Other domestic institutions	--	--	--	--
Foreign banks	--	771,739	--	362,506
Other foreign institutions	--	--	--	--
Total	--	771,739	--	362,506

11. Information on shareholders' equity

11.1 Paid-in capital

	Current Period	Prior Period
Common Stock	716,100	316,100
Preferred Stock	--	--

The Bank's paid-in capital has been presented in nominal values. As of 31 December 2008, the Bank has "other capital reserves" amounting to TRY 189,164 (31 December 2007: TRY 189,164) arising from the effect of inflation on the paid-in capital.

11.2 Paid-in capital amount, explanation as to whether the registered paid-in capital system is applicable at bank; if so the amount of registered paid-in capital

Registered paid-in capital system is not applicable at the Bank.

11.3 Information on paid-in capital increases and their sources; other information on any increase in capital shares during the current period

The paid-in capital of the Bank was decided to be increased from TRY 316,100 to TRY 716,100 by the resolution of the Extraordinary General Assembly Meeting dated 20 May 2008 and it was agreed that the additional amount of TRY 400,000 would be paid by the shareholders in cash. The paid-in capital increase was registered by Istanbul Trade Registry on 28 August 2008.

Date of Increase	Amount of Increase	Cash	Profit Reserves subject to Increase	Capital Reserves subject to Increase
28 August 2008	400,000	400,000	--	--

11.4 Information on paid-in capital increases from revaluation funds

None.

11.5 Capital commitments for current financial year and following period

The whole capital has been paid in and DFS Group does not have any capital commitments.

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

None.

11.7 Information on the privileges given to stocks representing the capital

The Bank does not have any preferred stocks.

11.8 Common stock issue premiums, shares and equity instruments

	Current Period	Prior Period
Number of Shares (*)	50,368,526	50,368,526
Preferred Stock	--	--
Common Stock Issue Premium (**)	98,411	98,351
Common Stock Cancelling Profit	--	--
Other Equity Instruments	--	--
Total Common Stock Issued (*)	50,369	50,369

* Related to the Bank's paid-in capital increase on 27 September 2004. At that date, the paid-in capital had increased from TRY 202,000 to TRY 290,000; and TRY 50,369 of this TRY 88,000 increase had been received in cash through issuance of new shares to public.

** The share price for the above mentioned public issuance had been Turkish Lira "twothousandeighthundredseventyfive" and a total issuance premium of TRY 94,440 had been realized. The inflation effect amounting to TRY 3,911 had also been recognized over the original balance until December 2004. A total issuance premium of TRY 60 had been realized through the Bank's paid-in capital increase amounting TRY 400,000 on 28 August 2008.

11.9 Valuation difference of securities

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Associates, Subsidiaries and JV's	--	--	--	--
Valuation Difference	(25,990)	(13,744)	12,211	6,541
Foreign Exchange Difference	--	--	--	--
Total	(25,990)	(13,744)	12,211	6,541

11.10. Information on hedging funds

11.10.1 Information on cash flow hedge items

The Bank hedges a portion of its floating rate liabilities by interest rate swaps. The effective portion of the fair value loss of those swaps, amounting to TRY 63,037, has been disclosed in hedging reserves under equity.

11.10.2 Information on hedging foreign net investment risk

DFS Group hedges its foreign currency exchange rate risk from retranslation of its foreign operations by net investment hedge accounting, through recognizing the effective portion of foreign exchange rate changes of a portion of its foreign currency denominated liabilities under equity. The related hedging reserve amounts to TRY (70,205) as of 31 December 2008.

12. Information on minority shares

None.

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 DFS Group's off-balance sheet loan commitments are in the nature of irrevocable commitments. As of 31 December 2008, non-cash loans, commitments for credit card limits and commitments for cheque payments are TRY 4,821,102, TRY 2,574,828 and TRY 541,844, respectively (31 December 2007: TRY 4,739,501, TRY 2,113,934 and TRY 485,468, 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 December 2008, DFS Group has letters of guarantee amounting to TRY 3,341,434, bills of exchange and acceptances amounting to TRY 89,143, and guarantees and sureties on letters of credit amounting to TRY 1,202,319. There are also other guarantees and sureties amounting to TRY 188,206.

As of 31 December 2007 DFS Group has letters of guarantee amounting to TRY 3,043,089, bills of exchange and acceptances amounting to TRY 92,713, and guarantees and sureties amounting to TRY 1,425,357. In addition there are other guarantees and sureties amounting to TRY 178,342.

1.2.2 Final guarantees, provisional guarantees, sureties and similar transactions

	Current Period	Prior Period
Provisional Letters of Guarantee	406,750	336,400
Final Letters of Guarantee	2,257,421	2,090,411
Letters of Guarantee for Advances	543,455	486,266
Letters of Guarantee given to Customs Offices	128,460	127,153
Other Letters of Guarantee	5,348	2,859
Total	3,341,434	3,043,089

2. Non-cash loans

	Current Period	Prior Period
Non-Cash Loans Given for Cash Loan Risks	247,796	228,406
With Original Maturity of 1 Year or Less	34,357	161,329
With Original Maturity of More Than 1 Year	213,439	67,077
Other Non-Cash Loans	4,573,306	4,511,095
Total	4,821,102	4,739,501

3. Sectoral risk concentrations of non-cash loans

	Current Period				Prior Period			
	TRY	%	FC	%	TRY	%	FC	%
Agricultural	22,616	1.50	19,920	0.60	12,629	0.83	43,904	1.36
Farming and Cattle	21,940	1.46	19,920	0.60	12,425	0.82	40,630	1.26
Forestry	242	0.02	--	0.00	13	0.00	3,274	0.10
Fishing	434	0.03	--	0.00	191	0.01	--	0.00
Manufacturing	292,295	19.41	1,135,958	34.27	322,993	21.29	1,217,910	37.79
Mining	78,911	5.24	476,101	14.36	89,077	5.87	500,837	15.54
Production	193,237	12.83	582,374	17.57	211,231	13.92	582,042	18.06
Electric, gas and water	20,147	1.34	77,483	2.34	22,685	1.50	135,031	4.19
Construction	476,830	31.66	1,103,721	33.29	508,946	33.55	925,705	28.73
Services	552,992	36.72	764,403	23.06	526,412	34.70	945,262	29.34
Wholesale and retail trade	389,317	25.85	408,576	12.32	374,917	24.71	438,887	13.62
Hotel, food and beverage Services	29,902	1.99	31,318	0.94	26,516	1.75	37,892	1.18
Transportation and telecommunication	60,802	4.04	263,869	7.96	61,844	4.08	209,123	6.49
Financial institutions	29,407	1.95	55,956	1.69	41,696	2.75	246,373	7.65
Real estate and renting Services	436	0.03	--	0.00	71	0.00	7,695	0.24
Self-employment services	--	0.00	70	0.00	--	--	56	0.00
Education services	1,549	0.10	--	0.00	1,481	0.10	956	0.03
Health and social services	41,579	2.76	4,614	0.14	19,887	1.31	4,280	0.13
Other	161,229	10.71	291,138	8.78	146,039	9.63	89,701	2.78
Total	1,505,962	100.00	3,315,140	100.00	1,517,019	100.00	3,222,482	100.00

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

	I. Group		II. Group	
	TRY	FC	TRY	FC
Letters of guarantee	1,465,616	1,834,353	40,346	1,119
Bank acceptances	--	88,762	--	381
Letters of credit	--	1,201,485	--	834
Endorsements	--	--	--	--
Underwriting commitments	--	--	--	--
Factoring commitments	--	--	--	--
Other commitments and contingencies	--	188,206	--	--
Total	1,465,616	3,312,806	40,346	2,334

5. Information related to derivative financial instruments

Current Period	1 month	3 months	12 months	1-5 year	More than 5 years	Total
Hedging Purpose Derivative Transactions						
A. Total hedging Purpose Derivative Transactions						
Fair Value Hedge Transactions	--	--	--	--	--	--
Cash Flow Hedge Transactions	88,284	--	--	1,944,587	193,448	2,226,319
Net Foreign Investment Hedge Transactions	--	--	--	--	--	--
Types of trading transactions	--	--	--	--	--	--
Foreign currency related derivative transactions (I)						
Forward FC Call transactions	249,211	143,065	40,488	--	--	432,764
Forward FC Put transactions	247,581	128,684	39,079	--	--	415,344
Swap FC Call transactions	1,536,943	194,056	--	257,220	--	1,988,219
Swap FC Put transactions	1,535,129	198,051	--	249,713	--	1,982,893
Options FC Call transactions	215,914	102,561	70,928	--	--	389,403
Options FC Put transactions	222,372	104,077	69,504	--	--	395,953
Futures FC Call transactions	--	17,416	--	--	--	17,416
Futures FC Put transactions	--	--	--	--	--	--
Total of interest derivative transactions (II)	20,054	15,106	20,768	1,702,318	628,024	2,386,270
Swap Interest Call transactions	10,704	7,974	11,243	733,827	314,012	1,077,760
Swap Interest Put transactions	9,350	7,132	9,525	733,827	314,012	1,073,846
Options Interest Call transactions	--	--	--	117,332	--	117,332
Options Interest Put transactions	--	--	--	117,332	--	117,332
Securities Interest Call transactions	--	--	--	--	--	--
Securities Interest Put transactions	--	--	--	--	--	--
Futures Interest Call transactions	--	--	--	--	--	--
Futures Interest Put transactions	--	--	--	--	--	--
Other types of trading transactions (III)	10,693	31,424	22,827	--	--	64,944
B. Total types of trading transactions (I+II+III)	4,037,897	934,440	263,594	2,209,251	628,024	8,073,206
Total Derivative Transactions (A+B)	4,126,181	934,440	263,594	4,153,838	821,472	10,299,525

Prior Period	1 month	3 months	12 months	1-5 year	More than 5 years	Total
Hedging Purpose Derivative Transactions						
A. Total hedging Purpose Derivative Transactions	--	--	--	--	--	--
Fair Value Hedge Transactions	--	--	--	--	--	--
Cash Flow Hedge Transactions	--	--	--	--	--	--
Net Foreign Investment Hedge Transactions	--	--	--	--	--	--
Types of trading transactions						
Foreign currency related derivative transactions (I)	4,099,563	1,999,500	1,041,890	99,782	142,464	7,383,199
<i>Forward FC Call transactions</i>	849,742	39,017	6,264	--	--	895,023
<i>Forward FC Put transactions</i>	849,330	38,676	6,215	--	--	894,221
<i>Swap FC Call transactions</i>	568,614	129,495	176,114	46,372	65,714	986,309
<i>Swap FC Put transactions</i>	583,286	123,406	170,970	53,410	76,750	1,007,822
<i>Options FC Call transactions</i>	624,481	827,551	345,778	--	--	1,797,810
<i>Options FC Put transactions</i>	624,110	824,159	336,549	--	--	1,784,818
<i>Futures FC Call transactions</i>	--	7,207	--	--	--	7,207
<i>Futures FC Put transactions</i>	--	9,989	--	--	--	9,989
Total of interest derivative transactions (II)	15,898	57,085	479,050	1,416,984	284,928	2,253,945
<i>Swap Interest Call transactions</i>	--	3,548	242,362	692,264	142,464	1,080,638
<i>Swap Interest Put transactions</i>	--	3,547	236,688	724,720	142,464	1,107,419
<i>Options Interest Call transactions</i>	--	--	--	--	--	--
<i>Options Interest Put transactions</i>	--	--	--	--	--	--
<i>Securities Interest Call transactions</i>	7,949	16,954	--	--	--	24,903
<i>Securities Interest Put transactions</i>	7,949	16,954	--	--	--	24,903
<i>Futures Interest Call transactions</i>	--	9,989	--	--	--	9,989
<i>Futures Interest Put transactions</i>	--	6,093	--	--	--	6,093
Other types of trading transactions (III)	120,800	780,948	84,619	139,116	--	1,125,483
B. Total types of trading transactions (I+II+III)	4,236,261	2,837,533	1,605,559	1,655,882	427,392	10,762,627
Total Derivative Transactions (A+B)	4,236,261	2,837,533	1,605,559	1,655,882	427,392	10,762,627

6. Contingent assets and liabilities

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

7. Activities carried out on behalf and account of other persons

The Bank provides trading, custody, management and consultancy services to its customers.

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	
	TRY	FC	TRY	FC
Short Term	852,960	78,366	680,132	86,159
Medium and Long Term	801,665	305,973	512,620	176,764
Loans Under Follow-Up	18,281	--	17,021	--
Source Utilization Support Fund	--	--	--	--
Total	1,672,906	384,339	1,209,773	262,923

Also includes fees and commissions from cash loans granted.

1.2 Information on interest income received from banks

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Central Bank of Turkey	--	1,845	--	3,196
Domestic Banks	3,382	8,938	848	14,876
Foreign Banks	15,223	24,762	1,351	60,726
Foreign Branches	--	--	--	--
Total	18,605	35,545	2,199	78,798

1.3 Information on interest income received from securities portfolio

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Trading Securities	50,883	9,370	47,036	12,328
Financial Assets at Fair Value Through Profit or Loss	--	--	--	--
Investment Securities Available-for-Sale	348,219	24,809	187,881	20,537
Investment Securities Held-to-Maturity	32,494	5,640	1,059	6,788
Total	431,596	39,819	235,976	39,653

1.4 Information on interest income received from associates and subsidiaries

	Current Period	Prior Period
Interest Received from Associates and Subsidiaries	--	745

2. Interest expense

2.1 Information on interest expense related to funds borrowed

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Banks	55,148	265,613	47,542	144,350
Central Bank of Turkey	124	--	249	--
Domestic Banks	27,739	3,306	23,643	3,844
Foreign Banks	27,285	262,307	23,650	140,506
Foreign Branches	--	--	--	--
Other Institutions	--	--	--	--
Total	55,148	265,613	47,542	144,350

Also includes fees and commissions expenses from cash loans received.

2.2 Information on interest expense paid to associates and subsidiaries

	Current Period	Prior Period
Interest Paid to Associates and Subsidiaries	318	278

2.3 Information on interest expense paid to securities issued

None.

2.4 Maturity structure of the interest expense on deposits

Account Name	Time Deposits						Accumulat. Deposit	Total
	Demand Deposits	Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	1 year and over		
TRY								
Bank Deposits	489	32,672	--	--	--	--	--	33,161
Saving Deposits	6,903	104,268	446,380	2,792	3,545	580	--	564,468
Public Sector Deposits	2	400	717	2	11	1	--	1,133
Commercial Deposits	1,052	105,834	65,257	2,561	1,940	282	--	176,926
Other Deposits "7 Days Notice" Deposits	238	5,024	13,352	166	7	1	--	18,788
Deposits	--	--	--	--	--	--	--	--
Total Turkish Lira	8,684	248,198	525,706	5,521	5,503	864	--	794,476
FC								
Foreign Currency Deposits	16,838	49,364	95,709	6,990	28,652	42,874	--	240,427
Bank Deposits "7 Days Notice" Deposits	542	6,312	--	7,044	--	--	--	13,898
Precious Metal Deposits	--	--	--	--	--	--	--	--
Deposits	--	--	--	--	--	--	--	--
Total Foreign Currency	17,380	55,676	95,709	14,034	28,652	42,874	--	254,325
Total	26,064	303,874	621,415	19,555	34,155	43,738	--	1,048,801

3. Dividend income

	Current Period	Prior Period
Trading Securities	2,180	646
Financial Assets at Fair Value Through Profit or Loss	--	--
Investment Securities Available-for-Sale	1	--
Other (from Subsidiaries and Associates)	301	294
Total	2,482	940

4. Trading profit / loss

	Current Period	Prior Period
Profit	24,846,977	5,597,094
Capital Market Transactions:	1,221,884	515,491
<i>Derivatives Financial Transactions</i>	1,215,268	492,861
<i>Other</i>	6,616	22,630
Foreign Exchange Gain	23,625,093	5,081,603
Loss (-)	24,949,936	5,571,090
Capital Market Transactions:	989,605	652,908
<i>Derivatives Financial Transactions</i>	963,053	640,810
<i>Other</i>	26,552	12,098
Foreign Exchange Losses	23,960,331	4,918,182
Net Trading profit / (loss)	(102,959)	26,004

5. Other operating income

	Current Period	Prior Period
Banking activities income from customers	62,657	45,460
Reversal of prior periods' provision	61,090	43,675
Technical provisions and insurance operating income	14,175	1,955
Communication income	8,266	9,588
Cheque book fees	4,838	4,582
Other	32,507	16,172
Total	183,533	121,432

6. Impairment on loans and other receivables

	Current Period	Prior Period
Specific Provisions on Loans and Other Receivables:	157,059	86,697
<i>Loans and Receivables in Group III</i>	43	--
<i>Loans and Receivables in Group IV</i>	--	6,894
<i>Loans and Receivables in Group V</i>	157,016	79,803
Non-performing commissions and other receivables	--	--
General Provision Expenses	30,319	32,218
Provision for Possible Losses	140,779	--
Impairment Losses on Securities:	10,308	6,777
<i>Trading Securities</i>	988	3,738
<i>Investment Securities Available-for-Sale</i>	9,320	3,039
Other Impairment Losses:	--	--
<i>Associates</i>	--	--
<i>Subsidiaries</i>	--	--
<i>Joint Ventures</i>	--	--
<i>Investment Securities Held-to-Maturity</i>	--	--
Other	24,065	5,399
Total	362,530	131,091

7. Information related to other operational expenses

	Current Period	Prior Period
Personnel Expenses	446,193	361,286
Reserve for Employee Termination Indemnity Benefits	2,207	3,039
Reserve for Bank's Social Aid Fund Deficit	--	--
Impairment of Tangible Assets	--	--
Amortisation Expenses of Tangible Assets	38,562	34,837
Impairment of Intangible Assets	--	--
Depreciation Expenses of Intangible Assets	8,954	8,848
Impairment of Investments in Associates	--	--
Impairment of Assets Held for Resale	--	--
Depreciation of Assets Held for Resale	767	422
Impairment of Assets Held for Sale	--	--
Other Operating Expenses	252,372	213,669
Operational Leases	56,579	43,437
Repair and Maintenance	8,002	6,666
Advertising	27,594	27,585
Other Expenses (*)	160,197	135,981
Loss on Sales of Assets	1,443	814
Other	62,499	42,112
Total	812,997	665,027

(*) Other item in other operational expenses comprises; communication expenses, IT repair and maintenance and software fees, stationery, entertainment and representation, heating and lighting, and others with balances of TRY 32,547, TRY 22,534, TRY 12,156, TRY 9,058, TRY 10,055, and TRY 73,847, respectively. (2007: TRY 25,340, TRY 13,903, TRY 10,405, TRY 6,399, TRY 6,954, TRY 72,980, respectively.)

8. Profit / loss before taxes for continued and discontinued operations

DFS Group does not have any discontinued operation.

Profit before tax of DFS Group consists of continued operations. Profit before tax comprises net interest income amounting to TRY 1,257,165, net fee and commission income amounting to TRY 228,958, provision for loan losses and other receivables, and net other operating expenses amounting to TRY 362,530 and TRY 629,464, respectively.

9. Taxes for continued and discontinued operations

9.1 Current period taxation benefit or charge and deferred tax benefit or charge

The current period taxation charge is TRY 51,372 while deferred tax benefit is TRY 183 (2007: TRY (91,124), TRY 21,542, respectively).

9.2 Deferred tax charge arising from origination or reversal of temporary differences

Deferred tax benefit/charge arising from temporary differences:	Current Period	Prior Period
Arising from Origination of Deductible Temporary Differences (+)	31,797	15,443
Arising from Reversal of Deductible Temporary Differences (-)	(24,051)	(1,726)
Arising from Origination of Taxable Temporary Differences (-)	(12,430)	(1,274)
Arising from Reversal of Taxable Temporary Differences (+)	4,867	9,099
Total	183	21,542

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

Sources of deferred tax benefit/charge:	Current	
	Period	Prior Period
Arising from Origination (+)/ Reversal (-) of Deductable Temporary Differences	7,746	13,717
Arising from Origination (-)/ Reversal (+) of Taxable Temporary Differences	(7,563)	7,825
Arising from Origination (+)/ Reversal (-) of Tax Losses	--	--
Arising from Origination (+)/ Reversal (-) of Unused Tax Credits	--	--
Total	183	21,542

10. Information on continued and discontinued operations net profit/loss

	Current Period	Prior Period
Profit before tax from continued operations	393,652	410,837
Tax charged on continued operations	(51,189)	(69,582)
Net profit/loss for the period from continued operations	342,463	341,255

11. Net profit and loss

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

Income generated from 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.

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

11.3 Since there is no minority interest in the paid-in capital of the subsidiaries consolidated of DFS Group, there is not any profit or loss attributable from minority interests.

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

12. 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

Fee and Commission Received	Current Period	Prior Period
POS commissions	82,301	57,657
Credit card clearing commissions and others	77,077	71,437
Brokerage fees	51,413	67,909
Remittance commissions	18,478	11,115
Account management fees	12,896	10,036
Insurance services	11,186	9,225
Expertise fees	4,380	2,944
Other	35,940	26,390
Total	293,671	256,713

Fees and Commissions Paid	Current Period	Prior Period
Credit card / POS commissions	96,955	70,428
Brokerage fees	2,964	4,876
EFT commissions	2,288	1,480
Other	10,261	15,774
Total	112,468	92,558

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

1. Changes due to valuation of investments available-for-sale

The amount of decreases from revaluation of investments available-for-sale of DFS Group has been TRY (58,486) as of 31 December 2008. This amount has been reflected to "Securities Value Increase Fund" in the balance sheet.

As of 31 December 2008, an additional amount of TRY 8,684 has been transferred from redemption/sale of other items in "investments available-for-sale" portfolio.

2. Reconciliation of the beginning and end of the year balances of foreign exchange differences

Foreign exchange differences resulting from the Bahrain branch of the Bank and from the translation of the financial statements of consolidated foreign subsidiaries amounted to TRY 44,915 (31 December 2007: TRY (13,362)) and are included in shareholders' equity as "other profit reserves".

3. Dividend information

3.1 Dividend amounts declared subsequent to the balance sheet date but before the issuance of the financial statements

None.

3.2 Net profit per share decided to be distributed after the balance sheet date

None.

4. Amounts transferred to legal reserves

The Bank transferred TRY 10,562 to legal reserves and TRY 200,688 to extraordinary reserves in 2008.

5. Information on issuance of common stock

5.1 Rights, priorities and restrictions for all classes of capital shares, including dividend distribution and recall of capital

None.

6. Explanations for other increases in consolidated statements of changes in shareholders' equity

The paid-in capital of the Bank was decided to be increased from TRY 316,100 to TRY 716,100 by the resolution of the Board of Directors dated 27 March 2008 and it had been agreed that the additional amount of TRY 400,000 would be paid by the shareholders in cash. Following the authorizations granted by Banking Regulation and Supervision Agency and Capital Markets Board, the aforementioned paid-in capital increase has been registered after the approval at the extraordinary General Assembly on 20 May 2008. The paid-in capital increase was registered by Istanbul Trade Registry on 28 August 2008 after required approvals.

VI. Information and disclosures related to consolidated cash flow statement

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

“Other” item amounting to TRY (783,846) before “changes in operating assets and liabilities” comprises other operating expenses, fees and commissions paid and net trading income/loss. As a result of these changes in the cash flow statement, the balance of cash and cash equivalents has changed from TRY 1,292,053 to TRY 2,643,508 in 2008.

“Other liabilities” item included in “change in assets and liabilities subjected to banking activities”, amounting to TRY 369,178 comprises taxes and duties payable, and other external resources changes in liabilities.

The effect of foreign currency exchange rates on cash and cash equivalents is reflected in foreign exchange gains and losses, which is presented as a separate line item as “effect of change in foreign currency exchange rates on cash and cash equivalents”.

2. Information on cash and cash equivalents at the beginning of the period

	Current Period 01.01.2008	Prior Period 01.01.2007
Cash	220,551	236,353
Interbank Money Market Placements	13,185	287,463
Trading Securities (Net)	26,118	17,906
Banks and Other Financial Institutions	1,032,199	2,475,380
Cash Equivalents	1,292,053	3,017,102

3. Information on cash and cash equivalents at the end of the period

	Current Period 31.12.2008	Prior Period 31.12.2007
Cash	331,610	220,551
Interbank Money Market Placements	500	13,185
Trading Securities (Net)	29,104	26,118
Banks and Other Financial Institutions	2,282,294	1,032,199
Cash Equivalents	2,643,508	1,292,053

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

The Bank’s securities given as loan collaterals amount to TRY 24,108 (31 December 2007: TRY 4,105).

5. Additional information

5.1 Restrictions on the line of unused credit facilities to be used in banking operations and in fulfilling capital commitments, if any

None.

VII. Information and disclosures related to 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

As of 31 December 2008, DFS Group's own risk group balances are: cash loans, placements, other assets, deposits, funds borrowed, subordinated loans and non-cash loans, amounting to TRY 66, TRY 63,809, TRY 1,770, TRY 248,350, TRY 5,643,384, TRY 771,739, TRY 1,723, respectively. As a result of the transactions with the risk group, the Bank has recorded net interest and commission expenses, and derivative transaction losses, amounting to TRY 250,572 and TRY 136,733, respectively.

1.1 Information on loans and other receivables to DFS Group's risk group

Current Period

Bank's Risk Group(*)	Associates and Subsidiaries		Bank's Direct and Indirect Shareholders		Other Components in Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and Other Receivables						
Balance at the Beginning of the Period	9,676	834	6,167	2,666	49	35
Balance at the End of the Period	--	10	65,579	1,675	66	38
Interest and Commission Income Received	--	62	687	423	3	1

Prior Period

Bank's Risk Group(*)	Associates and Subsidiaries		Bank's Direct and Indirect Shareholders		Other Components in Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and Other Receivables						
Balance at the Beginning of the Period	8,738	2,125	--	2,651	--	37
Balance at the End of the Period	9,676	834	6,167	2,666	49	35
Interest and Commission Income Received	745	--	7	462	2	3

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

1.2 Information on deposits held by and funds borrowed from 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
Balance at the Beginning of the Period	2,876	23	2,816,035	743,522	3,181	5,061
Balance at the End of the Period	2,122	2,876	6,657,408	2,816,035	3,943	3,181
Interest on Deposits	318	278	250,891	63,845	539	409

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

1.3 Information on forward and option agreements and similar agreements made with 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	--	--	410,322	--	--	--
End of the Period	--	--	2,423,657	410,322	--	--
Total Income/Loss	--	--	(136,733)	(4,792)	--	--
Transactions for Hedging Purposes:						
Beginning of the Period	--	--	--	--	--	--
End of the Period	--	--	83,699	--	--	--
Total Income/Loss	--	--	--	--	--	--

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

2. Disclosures of transactions with 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 December 2008, cash loans and other receivables of the risk group represent 0.4% of DFS Group's total cash loans and bank deposits granted, the deposits and borrowings represent 34% of DFS Group's total deposits and borrowings. Non-cash loans granted represent 0.04% of the total balance.

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 DFS Group belongs to, has entered into financial lease contracts with Deniz Finansal Kiralama A.Ş. As part of the consolidation adjustments, these balances and transactions have been eliminated from the accompanying financial statements.

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

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

	Number	Number of Employees			
Domestic branch	399	7,373			
			Country of Incorporation		
Foreign representation	--	--	1-		
				Total Assets	Statutory Share Capital
Foreign branch	1	3	1-Bahrain	3,514,810	--
Off shore banking region branches	--	--	--	--	--

2. Explanations on Branch and Agency Openings or Closings of the Bank:

The Bank opened 82 new branches and closed 2 of its branches in 2008.

3. The branches of associates and subsidiaries

There are ten branches of Denizbank AG, the subsidiary located centrally in Vienna, Austria. Three of the branches are located in Vienna, one each in Bregenz, Frankfurt, Linz, Graz, Dortmund, Innsbruck, Floridsdorf and Neustadt.

CJSC Dexia Bank, which is located in Moscow, operates through one branch.

2 of the branches of the subsidiary banks were closed in 2008.

SECTION SIX OTHER DISCLOSURES

I. Other explanations related to the Bank's operations

1. Explanations related to the Bank's operations

The Bank utilized a 10 years maturity subordinated loan from Dexia Credit Local, amounting to USD 200 millions on 27 February 2008.

The Bank signed "Municipality Global Loan" agreement with European Investment Bank (EIB), amounting to Euro 150 million with a maturity of up to 12 years on 13 June 2008. Euro 40 million tranche of the subject facility comprises the donation contribution of the European Commission.

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

Denizbank's rating by Fitch Ratings

On 14 December 2007, Fitch Ratings upgraded Denizbank's long term local currency rating to BBB- from BB+, short term local currency rating to F3 from B and national long-term rating to AAA from AA+ and announced outlook as "Stable". No change has been occurred on the Bank's long and short term foreign currency rating. On 10 October 2008, Fitch Ratings affirmed Denizbank's credit rating. 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 (Stable)	C	3	F3	BBB- (Stable)	AAA (Stable)

Denizbank's rating by Moody's Investors Service

On 2 October 2008, Moody's Investors Service downgraded the Bank's long term local currency deposit to Baa1 from A3, and affirmed other ratings. On 19 January 2009, Moody's Investors Service affirmed the Bank's credit ratings. The latest ratings of Denizbank are as follows:

Long Term Foreign Currency Deposit	Long Term Local Currency Deposit	Short Term Local Currency Deposit	Short Term Local Currency Deposit	Local Currency Deposit Outlook	Financial Strength Rating	Financial Strength Rating Outlook
B1 / Stable	Baa1	Non-Prime	Prime-2	Stable	C-	Stable

3. Significant Events and Matters Arising Subsequent to the Balance Sheet Date

On 8 January 2009, the Bank obtained a securitization loan amounting to USD 650 million (USD 325 million from Dexia Bank Belgium and USD 325 million from Dexia Bank Credit Local Dublin) which has a maturity of 15 December 2016.

Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş., which the Bank participated into its foundation as a founder shareholder with cash capital of TRY 50,000 paid in cash, was founded on 8 January 2009. One-third of the subscribed capital will be paid within 90 days following registration, and the rest will be paid in cash within one year by the calls of the Board of Directors.

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 of the financial statement users.

SECTION SEVEN INDEPENDENT AUDITORS' REPORT

I. Information on the independent auditor's report

DFS Group's consolidated financial statements and footnotes as of 31 December 2008 have been audited by DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (Member of Deloitte Touche Tohmatsu) and the report dated 25 February 2009 is presented in front of the financial statements.

II. Disclosures and footnotes of the independent auditor

There are no significant issues and required disclosures and footnotes to DFS Group's operations, deemed as necessary, which have not been explained in the above sections.