

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

Denizbank Anonim Şirketi

Interim Financial Statements

As of and for the Three Months Period Ended

31 March 2008

With Independent Auditor's Review Report Thereon

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

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

Denizbank A.Ş.
To the Board of Directors
İstanbul

We have reviewed the balance sheet of Denizbank A.Ş. as of 31 March 2008 and the related statement of income, changes in shareholders' equity and cash flows for the three months period then ended. These financial statements are the responsibility of the Bank's management. Our responsibility, as independent auditors, is to issue a report on these financial statements based on our review. The financial statements of Denizbank A.Ş. as of 31 December 2007 have been audited by another auditor and an unqualified audit opinion has been issued on 28 February 2008.

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

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial statements do not present fairly the financial position of Denizbank A.Ş. as of 31 March 2008, and of the results of its operations and its cash flows for the three months period then ended, in all material respects in accordance with regulations described in Article 37 of the (Turkish) Banking Law No 5411; and other regulations, explanations and circulars on accounting and financial reporting principles announced by Banking Regulation and Supervision Agency.

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

Hasan Kılıç
Partner, SMMM
İstanbul, 13 May 2008

Additional paragraph for convenience translation to English:

As explained in Note 3.I.2, 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 Banks'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.

DENİZBANK A.Ş.
UNCONSOLIDATED INTERIM FINANCIAL REPORT AS OF 31 MARCH 2008

Address of the Bank's Headquarters

Büyükdere Caddesi No:106
34394 –ESETEPE/İSTANBUL

Telephone and Fax Numbers

Tel : 0.212.355 08 00
Fax: 0.212.267 27 24

Website of the Bank

www.denizbank.com

E-mail address of the Bank

investorrelations@denizbank.com

The unconsolidated 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 BANK
- UNCONSOLIDATED FINANCIAL STATEMENTS OF THE BANK
- DISCLOSURES ON ACCOUNTING POLICIES IN THE RELATED PERIOD
- INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK
- DISCLOSURES AND FOOTNOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS
- OTHER DISCLOSURES AND FOOTNOTES
- INDEPENDENT AUDITOR'S REVIEW REPORT

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

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

Unconsolidated Financial Report as of 31 March 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 March 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 SA's ownership rate increased to 99.84%.

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

Name of the Shareholder	Amount (Full TRY)	Share %
Dexia Participation Belgique SA	315,579,361	99.84
M. Cem Bodur	5	0.00
Hakan Ateş	5	0.00
Ayfer Yılmaz	5	0.00
Mustafa Tinas Titiz	5	0.00
Publicly traded	520,619	0.16
	316,100,000	100.00

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

<u>Name</u>	<u>Title</u>	<u>Shares owned (%)</u>
<u>President of the Board of Directors</u>		
Dirk G.M. Bruneel	Chairman	--
<u>Board of Directors</u>		
Mustafa Tinas 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	--
Alain P.B. Delouis	Member	--
Hugo R.R. Lasat	Member	--
Bruno Y.M.R. Deletre	Member	--
Eric P.B.A. Hermann	Member	--
<u>Audit Committee</u>		
Dirk G.M. Bruneel	Member	--
Eric P.B.A. Hermann	Member	--
Mustafa Tinas Titiz	Member	0.000002
<u>Audit Board</u>		
Cem Kadırgan	Member	--
Mehmet Uğur Ok	Member	--
<u>Executive Vice Presidents</u>		
Mustafa Aydın	Retail, SME and Agricultural Loan Allocation and Foreign Subsidiaries and Branches	--
Bora Böcügöz	Treasury	--
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 and Project Finance and Corporate Banking	--
Mehmet Ali Yetim	Commercial Banking	--

Dilek Duman has been assigned as executive vice president responsible from information technologies by the resolution dated 6 February 2008 and numbered 2008/7 of the Board of Directors.

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 329 domestic and 1 foreign branch as of 31 March 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 tools within the limits set forth by the related deposit 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 partnerships and participating in existing partnerships.
- Performing all kinds of operations in compliance with the prevailing banking regulations.

V. Other Information

Bank's Official Title:	Denizbank Anonim Şirketi
Address of Bank's Headquarters:	Büyükdere Caddesi No: 106 Esentepe 34394 İstanbul
Telephone and Fax Numbers:	Telephone: (0212) 355 08 00 Fax : (0212) 267 27 24
Bank's Internet Address:	www.denizbank.com
Bank's E-mail Address:	investorrelations@denizbank.com
Reporting Period:	January 2008 - 31 March 2008

Unless stated otherwise, the accompanying financial statements and disclosures are presented in New Turkish Lira (TRY) Thousands.

SECTION TWO
UNCONSOLIDATED FINANCIAL STATEMENTS

- I. Unconsolidated Balance Sheets
- II. Unconsolidated Off-Balance Sheet Items Statements
- III. Unconsolidated Income Statements
- IV. Unconsolidated Statements of Recognized Income and Expense
- V. Unconsolidated Statements of Changes in Shareholders' Equity
- VI. Unconsolidated Statements of Cash Flows

ASSETS	Footnotes	REVIEWED CURRENT PERIOD (31/03/2008)			AUDITED PRIOR PERIOD (31/12/2007)		
		TRY	FC	Total	TRY	FC	Total
I. CASH AND BALANCES WITH THE CENTRAL BANK	(5.1.1)	315,799	843,788	1,159,587	117,343	570,222	687,565
II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	(5.1.2)	417,656	49,591	467,247	340,201	29,283	369,484
2.1 Trading Securities		323,769	12,866	336,635	257,630	15,910	273,540
2.1.1 Public Sector Debt Securities		322,918	12,789	335,707	254,450	15,847	270,297
2.1.2 Share Certificates		851	-	851	3,180	-	3,180
2.1.3 Other Securities		-	77	77	-	63	63
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		93,887	36,725	130,612	82,571	13,373	95,944
III. BANKS	(5.1.3)	2,795	377,089	379,884	2,037	587,514	589,551
IV. DUE FROM MONEY MARKETS		-	-	-	-	-	-
4.1 Interbank Money Market		-	-	-	-	-	-
4.2 Istanbul Stock Exchange		-	-	-	-	-	-
4.3 Reverse Repurchase Agreements		-	-	-	-	-	-
V. INVESTMENT SECURITIES AVAILABLE FOR SALE (Net)	(5.1.4)	2,170,788	235,210	2,405,998	1,826,164	182,796	2,008,960
5.1 Share Certificates		3,869	-	3,869	3,869	-	3,869
5.2 Public Sector Debt Securities		2,166,919	232,811	2,399,730	1,822,295	180,622	2,002,917
5.3 Other Securities		-	2,399	2,399	-	2,174	2,174
VI. LOANS	(5.1.5)	7,797,691	4,065,698	11,863,389	7,194,701	3,210,310	10,405,011
6.1 Loans		7,740,852	4,065,698	11,806,550	7,148,214	3,210,310	10,358,524
6.1.1 Loans Utilized to the Bank's Risk Group		434	12,617	13,051	49	11,015	11,064
6.1.2 Others		7,740,418	4,053,081	11,793,499	7,148,165	3,199,295	10,347,460
6.2 Loans under Follow-Up		263,508	98	263,606	247,626	87	247,713
6.3 Specific Provisions (-)		206,669	98	206,767	201,139	87	201,226
VII. FACTORING RECEIVABLES		-	-	-	-	-	-
VIII. INVESTMENT SECURITIES HELD TO MATURITY (Net)	(5.1.6)	-	45,777	45,777	-	39,404	39,404
8.1 Public Sector Debt Securities		-	-	-	-	-	-
8.2 Other Securities		-	45,777	45,777	-	39,404	39,404
IX. INVESTMENTS IN ASSOCIATES (Net)	(5.1.7)	3,323	-	3,323	3,323	-	3,323
9.1 Equity Method Associates		-	-	-	-	-	-
9.2 Unconsolidated Associates		3,323	-	3,323	3,323	-	3,323
9.2.1 Financial Associates		-	-	-	-	-	-
9.2.2 Non-Financial Associates		3,323	-	3,323	3,323	-	3,323
X. INVESTMENTS IN SUBSIDIARIES (Net)	(5.1.8)	270,054	122,511	392,565	270,054	82,348	352,402
10.1 Unconsolidated Financial Subsidiaries		264,354	122,511	386,865	264,354	82,348	346,702
10.2 Unconsolidated Non-Financial Subsidiaries		5,700	-	5,700	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)	-	-	-	-	-	-
12.1 Financial Lease Receivables		-	-	-	-	-	-
12.2 Operational Lease Receivables		-	-	-	-	-	-
12.3 Others		-	-	-	-	-	-
12.4 Unearned Income (-)		-	-	-	-	-	-
XIII. HEDGING PURPOSE DERIVATIVES	(5.1.11)	69,452	273	69,725	-	-	-
13.1 Fair Value Hedge		-	-	-	-	-	-
13.2 Cash Flow Hedge		69,452	273	69,725	-	-	-
13.3 Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-
XIV. TANGIBLE ASSETS (Net)		153,920	17	153,937	154,221	7	154,228
XV. INTANGIBLE ASSETS (Net)		10,646	91	10,737	11,317	93	11,410
15.1 Goodwill		-	-	-	-	-	-
15.2 Others		10,646	91	10,737	11,317	93	11,410
XVI. INVESTMENT PROPERTY (Net)		-	-	-	-	-	-
XVII. TAX ASSETS	(5.1.12)	13,778	-	13,778	14,789	-	14,789
17.1 Current Tax Assets		-	-	-	-	-	-
17.2 Deferred Tax Assets		13,778	-	13,778	14,789	-	14,789
XVIII. ASSETS HELD FOR SALE AND ASSETS RELATED TO DISCONTINUED OPERATIONS (Net)		-	-	-	-	-	-
18.1 Held For Sale		-	-	-	-	-	-
18.2 Discontinued Operations		-	-	-	-	-	-
XIX. OTHER ASSETS	(5.1.13)	247,868	155,498	403,366	118,768	157,390	276,158
TOTAL ASSETS		11,473,770	5,895,543	17,369,313	10,052,918	4,859,367	14,912,285

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

LIABILITIES AND EQUITY	Footnotes	REVIEWED CURRENT PERIOD (31/03/2008)			AUDITED PRIOR PERIOD (31/12/2007)		
		TRY	FC	Total	TRY	FC	Total
I. DEPOSITS	(5.II.1)	5,470,441	4,152,641	9,623,082	5,441,273	3,776,118	9,217,391
1.1 Deposits of the Bank's Risk Group		398,175	375,044	773,219	456,641	159,784	616,425
1.2 Others		5,072,266	3,777,597	8,849,863	4,984,632	3,616,334	8,600,966
II. NEGATIVE VALUE OF TRADING PURPOSE DERIVATIVES	(5.II.2)	109,478	37,632	147,110	162,696	31,369	194,065
III. FUNDS BORROWED	(5.II.3)	163,709	3,712,787	3,876,496	115,582	2,116,490	2,232,072
IV. DUE TO MONEY MARKETS		754,556	-	754,556	767,679	-	767,679
4.1 Interbank Money Market		-	-	-	-	-	-
4.2 Istanbul Stock Exchange		-	-	-	-	-	-
4.3 Reverse Repurchase Agreements		754,556	-	754,556	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		229,244	19,305	248,549	229,583	8,504	238,087
VIII. OTHER EXTERNAL RESOURCES	(5.II.4)	313,337	31,721	345,058	214,329	23,712	238,041
IX. FACTORING PAYABLES		-	-	-	-	-	-
X. LEASE PAYABLES (Net)	(5.II.5)	2,512	31,784	34,296	2,691	30,647	33,338
10.1 Financial Lease Payables		3,421	35,099	38,520	3,818	34,211	38,029
10.2 Operational Lease Payables		-	-	-	-	-	-
10.3 Others		-	-	-	-	-	-
10.4 Deferred Financial Leasing Expenses (-)		909	3,315	4,224	1,127	3,564	4,691
XI. HEDGING PURPOSE DERIVATIVES	(5.II.6)	22,273	8,526	30,799	-	-	-
11.1 Fair Value Hedge		-	-	-	-	-	-
11.2 Cash Flow Hedge		22,273	8,526	30,799	-	-	-
11.3 Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-
XII. PROVISIONS	(5.II.7)	141,471	8,636	150,107	111,172	7,497	118,669
12.1 General Provisions		97,765	-	97,765	78,987	-	78,987
12.2 Restructuring Provisions		-	-	-	-	-	-
12.3 Reserve for Employee Benefits		22,012	-	22,012	17,905	-	17,905
12.4 Insurance Technical Provisions (Net)		-	-	-	-	-	-
12.5 Other Provisions		21,694	8,636	30,330	14,280	7,497	21,777
XIII. TAX LIABILITIES	(5.II.8)	35,588	-	35,588	55,274	-	55,274
13.1 Current Tax Liability		35,588	-	35,588	55,274	-	55,274
13.2 Deferred Tax Liability		-	-	-	-	-	-
XIV. PAYABLES RELATED TO HELD FOR SALE AND DISCONTINUED OPERATIONS		-	-	-	-	-	-
14.1 Held For Sale		-	-	-	-	-	-
14.2 Discontinued Operations		-	-	-	-	-	-
XV. SUBORDINATED LOANS		-	687,023	687,023	-	362,506	362,506
XVI. SHAREHOLDERS' EQUITY	(5.II.9)	1,434,173	2,476	1,436,649	1,448,390	6,773	1,455,163
16.1 Paid-In Capital		316,100	-	316,100	316,100	-	316,100
16.2 Supplementary Capital		252,377	2,476	254,853	299,843	6,773	306,616
16.2.1 Share Premium	(5.II.10)	98,351	-	98,351	98,351	-	98,351
16.2.2 Share Cancellation Profits		-	-	-	-	-	-
16.2.3 Valuation Differences of Securities	(5.II.11)	(51,876)	2,476	(49,400)	12,247	6,773	19,020
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		81	-	81	81	-	81
16.2.8 Hedging Funds (Effective Portion)	(5.II.12)	16,657	-	16,657	-	-	-
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		833,334	-	833,334	607,064	-	607,064
16.3.1 Legal Reserves		40,046	-	40,046	29,484	-	29,484
16.3.2 Status Reserves		-	-	-	-	-	-
16.3.3 Extraordinary Reserves		782,663	-	782,663	581,975	-	581,975
16.3.4 Other Profit Reserves		10,625	-	10,625	(4,395)	-	(4,395)
16.4 Profit or Loss		32,362	-	32,362	225,383	-	225,383
16.4.1 Prior Periods' Profit or Loss		14,133	-	14,133	14,133	-	14,133
16.4.2 Current Period Profit or Loss		18,229	-	18,229	211,250	-	211,250
16.5 Minority Shares		-	-	-	-	-	-
TOTAL LIABILITIES AND EQUITY		8,676,782	8,692,531	17,369,313	8,548,669	6,363,616	14,912,285

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

	Footnotes	REVIEWED CURRENT PERIOD (31/03/2008)			AUDITED PRIOR PERIOD (31/12/2007)		
		TRY	FC	Total	TRY	FC	Total
A. OFF BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I+II+III)		9,369,278	10,583,569	19,952,847	8,378,411	9,213,898	17,592,309
I. GUARANTEES	(5.III.1-2)	1,568,862	4,024,329	5,593,191	1,520,057	3,152,360	4,672,417
1.1. Letters of Guarantee		1,568,862	1,716,875	3,285,737	1,520,057	1,429,658	2,949,715
1.1.1. Guarantees Subject to State Tender Law		-	-	-	-	-	-
1.1.2. Guarantees Given for Foreign Trade Operations		112,176	17,947	130,123	105,494	14,433	119,927
1.1.3. Other Letters of Guarantee		1,456,686	1,698,928	3,155,614	1,414,563	1,415,225	2,829,788
1.2. Bank Acceptances		-	99,451	99,451	-	80,541	80,541
1.2.1. Import Letter of Acceptance		-	99,451	99,451	-	80,541	80,541
1.2.2. Other Bank Acceptances		-	-	-	-	-	-
1.3. Letters of Credit		-	2,009,979	2,009,979	-	1,463,819	1,463,819
1.3.1. Documentary Letters of Credit		-	1,731,550	1,731,550	-	1,194,326	1,194,326
1.3.2. Other Letters of Credit		-	278,429	278,429	-	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		-	198,024	198,024	-	178,342	178,342
1.9. Other Sureties		-	-	-	-	-	-
II. COMMITMENTS	(5.III.1-2)	3,435,001	-	3,435,001	3,051,496	-	3,051,496
2.1. Irrevocable Commitments		3,434,320	-	3,434,320	3,050,815	-	3,050,815
2.1.1. Asset Purchase and Sale Commitments		-	-	-	-	-	-
2.1.2. Deposit Purchase and Sales Commitments		-	-	-	-	-	-
2.1.3. Share Capital Commitments to Associates and Subsidiaries		300	-	300	300	-	300
2.1.4. Loan Granting Commitments		567,204	-	567,204	293,768	-	293,768
2.1.5. Securities Issuance Brokerage Commitments		-	-	-	-	-	-
2.1.6. Commitments for Reserve Deposit Requirements		-	-	-	-	-	-
2.1.7. Commitments for Cheque Payments		532,528	-	532,528	485,468	-	485,468
2.1.8. Tax and Fund Obligations from Export Commitments		-	-	-	-	-	-
2.1.9. Commitments for Credit Card Limits		2,164,671	-	2,164,671	2,113,934	-	2,113,934
2.1.10. Commitments for Promotional Operations Re-Credit Cards and Banking Services		634	-	634	33	-	33
2.1.11. Receivables from "Short" Sale Commitments Of Securities		-	-	-	-	-	-
2.1.12. Payables for "Short" Sale Commitments Of Securities		-	-	-	-	-	-
2.1.13. Other Irrevocable Commitments		168,983	-	168,983	157,312	-	157,312
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		4,365,415	6,559,240	10,924,655	3,806,858	6,061,538	9,868,396
3.1. Hedging Purpose Derivatives		691,436	708,551	1,399,987	-	-	-
3.1.1. Fair Value Hedge		-	-	-	-	-	-
3.1.2. Cash Flow Hedge		691,436	708,551	1,399,987	-	-	-
3.1.3. Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-
3.2. Trading Purpose Derivatives		3,673,979	5,850,689	9,524,668	3,806,858	6,061,538	9,868,396
3.2.1. Forward Foreign Currency Purchases/Sales		536,100	2,881,178	3,417,278	91,403	3,108,952	3,200,355
3.2.1.1. Forward Foreign Currency Purchases		205,113	1,506,832	1,711,945	51,468	1,549,170	1,600,638
3.2.1.2. Forward Foreign Currency Sales		330,987	1,374,346	1,705,333	39,935	1,559,782	1,599,717
3.2.2. Currency and Interest Rate Swaps		1,457,081	1,476,492	2,933,573	1,577,324	1,436,011	3,013,335
3.2.2.1. Currency Swaps-Purchases		7,000	730,097	737,097	-	422,215	422,215
3.2.2.2. Currency Swaps-Sales		733,214	6,868	740,082	450,159	-	450,159
3.2.2.3. Interest Rate Swaps-Purchases		322,409	407,649	730,058	417,199	640,797	1,057,996
3.2.2.4. Interest Rate Swaps-Sales		394,458	331,878	726,336	709,966	372,999	1,082,965
3.2.3. Currency, Interest Rate and Security Options		1,253,878	1,310,116	2,563,994	1,475,832	1,343,017	2,818,849
3.2.3.1. Currency Options-Purchases		726,938	564,289	1,291,227	835,877	601,520	1,437,397
3.2.3.2. Currency Options-Sales		526,940	745,827	1,272,767	639,955	741,497	1,381,452
3.2.3.3. Interest Rate Options-Purchases		-	-	-	-	-	-
3.2.3.4. Interest Rate Options-Sales		-	-	-	-	-	-
3.2.3.5. Securities Options-Purchases		-	-	-	-	-	-
3.2.3.6. Securities Options-Sales		-	-	-	-	-	-
3.2.4. Currency Futures		-	5,350	5,350	-	17,196	17,196
3.2.4.1. Currency Futures-Purchases		-	5,350	5,350	-	7,207	7,207
3.2.4.2. Currency Futures-Sales		-	-	-	-	9,989	9,989
3.2.5. Interest Rate Futures		-	776	776	-	16,082	16,082
3.2.5.1. Interest Rate Futures-Purchases		-	-	-	-	9,989	9,989
3.2.5.2. Interest Rate Futures-Sales		-	776	776	-	6,093	6,093
3.2.6. Others		426,920	176,777	603,697	662,299	140,280	802,579
B. CUSTODY AND PLEDGED SECURITIES (IV+V+VI)		15,937,443	8,117,201	24,054,644	13,768,730	5,428,184	19,196,914
IV. ITEMS HELD IN CUSTODY		3,006,783	742,685	3,749,468	2,930,556	653,682	3,584,238
4.1. Customers' Securities and Portfolios Held		-	-	-	-	-	-
4.2. Securities Held in Custody		1,908,894	153,969	2,062,863	1,710,320	140,449	1,850,769
4.3. Checks Received for Collection		13,079	204,524	217,603	146,725	168,814	315,539
4.4. Commercial Notes Received for Collection		306,152	360,495	666,647	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		778,658	23,697	802,355	799,178	13,650	812,828
4.8. Custodians		-	-	-	-	-	-
V. PLEDGED ITEMS		12,696,781	7,228,177	19,924,958	10,595,936	4,666,056	15,261,992
5.1. Securities		565,798	343,372	909,170	562,262	25,228	587,490
5.2. Guarantee Notes		4,646,206	1,712,223	6,358,429	3,391,020	878,069	4,269,089
5.3. Commodities		1,457,217	776,583	2,233,800	1,336,560	599,808	1,936,368
5.4. Warrants		-	-	-	-	-	-
5.5. Immovables		5,770,409	4,093,001	9,863,410	5,045,885	2,906,585	7,952,470
5.6. Other Pledged Items		257,151	302,998	560,149	260,209	256,366	516,575
5.7. Pledged Items-Depository		-	-	-	-	-	-
VI. CONFIRMED BILLS OF EXCHANGE AND SURETIES		233,879	146,339	380,218	242,238	108,446	350,684
TOTAL OFF BALANCE SHEET ITEMS (A+B)		25,306,721	18,700,770	44,007,491	22,147,141	14,642,082	36,789,223

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

INCOME AND EXPENSE ITEMS	Footnotes	REVIEWED CURRENT PERIOD (01/01/2008-31/03/2008)	REVIEWED PRIOR PERIOD (01/01/2007-31/03/2007)
I. INTEREST INCOME	(5.IV.1)	551,458	364,656
1.1 Interest from Loans		407,764	268,439
1.2 Interest from Reserve Deposits		10,490	9,069
1.3 Interest from Banks		6,589	25,001
1.4 Interest from Money Market Transactions		5	170
1.5 Interest from Securities Portfolio		122,943	55,405
1.5.1 Trading Securities		13,621	11,834
1.5.2 Financial Assets at Fair Value Through Profit or Loss		-	-
1.5.3 Available for Sale Securities		108,489	42,741
1.5.4 Held to Maturity Securities		833	830
1.6 Interest from Financial Leases		-	-
1.7 Other Interest Income		3,667	6,572
II. INTEREST EXPENSE	(5.IV.2)	298,343	212,552
2.1 Interest on Deposits		218,844	157,688
2.2 Interest on Funds Borrowed		35,006	36,991
2.3 Interest on Money Market Transactions		41,169	16,731
2.4 Interest of Securities Issued		-	-
2.5 Other Interest Expense		3,324	1,142
III. NET INTEREST INCOME (I - II)		253,115	152,104
IV. NET FEE AND COMMISSION INCOME/EXPENSE	(5.IV.9)	41,637	39,152
4.1 Fees and Commissions Received		63,573	55,731
4.1.1 Non-Cash Loans		10,458	13,563
4.1.2 Other		53,115	42,168
4.2 Fees and Commissions Paid		21,936	16,579
4.2.1 Non-Cash Loans		5	6
4.2.2 Other		21,931	16,573
V. DIVIDEND INCOME		-	291
VI. TRADING INCOME/LOSS (Net)	(5.IV.3)	(65,843)	(1,535)
6.1 Profit / Loss on Trading Account Securities		85,990	2,968
6.2 Foreign Exchange Gain / Loss		(151,833)	(4,503)
VII. OTHER OPERATING INCOME	(5.IV.4)	46,440	38,927
VIII. TOTAL OPERATING INCOME (III+IV+V+VI+VII)		275,349	228,939
IX. IMPAIRMENT ON LOANS AND OTHER RECEIVABLES (-)	(5.IV.5)	82,625	39,182
X. OTHER OPERATING EXPENSES (-)	(5.IV.6)	157,947	120,664
XI. NET OPERATING PROFIT/LOSS (VIII-IX-X)		34,777	69,093
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)		34,777	69,093
XVI. TAXES ON INCOME FROM CONTINUING OPERATIONS (±)	(5.IV.7)	(16,548)	(14,721)
16.1 Current Tax Provision		-	(16,416)
16.2 Deferred Tax Provision		(16,548)	1,695
XVII. NET PROFIT / LOSS FROM CONTINUING OPERATIONS (XV±XVI)		18,229	54,372
XVIII. PROFIT FROM DISCONTINUED OPERATIONS		-	-
18.1 Assets Held for Sale		-	-
18.2 Profit on Sale of Associates, Subsidiaries and Joint Ventures		-	-
18.3 Others		-	-
XIX. LOSS FROM DISCONTINUED OPERATIONS (-)		-	-
19.1 Assets Held for Sale		-	-
19.2 Loss on Sale of Associates, Subsidiaries and Joint Ventures		-	-
19.3 Others		-	-
XX. P/L BEFORE TAXES FROM DISCONTINUED OPERATIONS (XVIII-XIX)		-	-
XXI. TAXES ON INCOME FROM DISCONTINUED OPERATIONS (±)		-	-
21.1 Current Tax Provision		-	-
21.2 Deferred Tax Provision		-	-
XXII. NET PROFIT / LOSS FROM DISCONTINUED OPERATIONS (XX±XXI)		-	-
XXIII. NET PROFIT/LOSS (XVII+XXII)	(5.IV.8)	18,229	54,372
23.1 Group's Profit / Loss		18,229	54,372
23.2 Minority Shares		-	-
Earnings / Losses per Share (Full YTL)		0.06	0.17

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

Denizbank Anonim Şirketi

Unconsolidated Statements of Recognized Income and Expense
For the Three Month Periods Ended 31 March 2008 and 2007
(Currency: Thousands of TRY - New Turkish Lira)

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

	REVIEWED CURRENT PERIOD (01/01/2008-31/03/2008)	REVIEWED PRIOR PERIOD (01/01/2007-31/03/2007)
I. ADDITIONS TO VALUATION DIFF. OF SECURITIES FROM AVAILABLE FOR SALE INVESTMENTS	(84,980)	(5,648)
II. REVALUATION ON TANGIBLE ASSETS	-	-
III. REVALUATION ON INTANGIBLE ASSETS	-	-
IV. FOREIGN EXCHANGE DIFFERENCES	15,020	251
V. PROFIT/LOSS RELATED TO DERIVATIVES USED IN CASH FLOW HEDGES (Effective portion)	17,928	-
VI. PROFIT/LOSS RELATED TO DERIVATIVES USED IN HEDGE OF A NET INVESTMENT IN FOREIGN SUBSIDIARIES (Effective portion)	-	-
VII. EFFECT OF CHANGES IN ACCOUNTING POLICIES OR CORRECTION OF ERRORS	-	-
VIII. OTHER PROFIT/LOSS ITEMS RECOGNIZED IN EQUITY PER IAS	-	-
IX. DEFERRED TAXES ON VALUATION DIFFERENCES	15,536	1,537
X. NET PROFIT/LOSS RECOGNIZED IN EQUITY (I+II+...+IX)	(36,496)	(3,860)
XI. CURRENT PERIOD PROFIT/LOSS	18,229	54,372
1.1 Net Change in Fair Value of Securities (Transfer to Profit & Loss)	(247)	(2,068)
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	18,476	56,440
XII. TOTAL RECOGNIZED PROFIT AND LOSS FOR THE PERIOD (X±XI)	(18,267)	50,512

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

Denizbank Anonim Şirketi

Unconsolidated Statements of Changes in Shareholders' Equity
For the Three Month Periods Ended 31 March 2008 and 2007
(Currency: Thousands of TRY - New Turkish Lira)

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

CHANGES IN SHAREHOLDERS' EQUITY	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 on 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
REVIEWED PRIOR PERIOD (01/01/2007-31/03/2007)																	
I. Balances at the Beginning of Period	316,100	189,164	98,351	-	15,666	-	300,742	(181)	276,344	32,840	12,204	-	4,701	-	-	1,245,931	-
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	-	15,666	-	300,742	(181)	276,344	32,840	12,204	-	4,701	-	-	1,245,931	-
Changes in the Period																	
IV. Increase / Decrease Related to Mergers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V. Valuation Differences of Securities	-	-	-	-	-	-	-	-	-	-	(6,179)	-	-	-	-	(6,179)	-
VI. Hedging Transactions (Effective Portion)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.1 Cash Flow Hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.2 Hedging of a Net Investment in Foreign Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Revaluation Fund on Tangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Revaluation Fund on Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Capital Bonus of Associates, Subsidiaries and Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	73	-	-	73	-
X. Foreign Exchange Differences	-	-	-	-	-	-	-	251	-	-	-	-	-	-	-	251	-
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	-	-	-	-	-	-	-	-	-	276,344	-	-	-	-	-	276,344	-
XIX. Current Period Net Profit / Loss	-	-	-	-	-	-	-	-	54,372	-	-	-	-	-	-	54,372	-
XX. Profit Distribution	-	-	-	-	13,817	-	281,233	-	(276,344)	(295,051)	-	-	-	-	-	(276,345)	-
20.1 Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20.2 Transfer to Reserves	-	-	-	-	13,817	-	281,233	-	(276,344)	(295,051)	-	-	-	-	-	(276,345)	-
20.3 Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances at the End of Period (III+IV+V+.....+XVIII+XIX+XX)	316,100	189,164	98,351	-	29,483	-	581,975	70	54,372	14,133	6,025	-	4,774	-	-	1,294,447	-
REVIEWED CURRENT PERIOD (01/01/2008-31/03/2008)																	
I. Balances at the Beginning of Period	316,100	189,164	98,351	-	29,484	-	581,975	(4,395)	211,250	14,133	19,020	-	81	-	-	1,455,163	-
Changes in the Period																	
II. Increase / Decrease Related to Mergers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Valuation Differences of Securities	-	-	-	-	-	-	-	-	-	-	(68,420)	-	-	-	-	(68,420)	-
IV. Hedging Transactions (Effective Portion)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1 Cash Flow Hedge	-	-	-	-	-	-	-	-	-	-	-	-	16,657	-	-	16,657	-
4.2 Hedging of a Net Investment in Foreign Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	16,657	-	-	16,657	-
V. Revaluation Fund on Tangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Revaluation Fund on Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Capital Bonus of Associates, Subsidiaries and Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Foreign Exchange Differences	-	-	-	-	-	-	-	15,020	-	-	-	-	-	-	-	15,020	-
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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.1 Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2 Internal Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII. Issuance of Capital Stock	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV. Share Cancellation Profits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV. Capital Reserves from Inflation Adjustments to Paid-In Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI. Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII. Current Period Net Profit / Loss	-	-	-	-	-	-	-	-	18,229	-	-	-	-	-	-	18,229	-
XVIII. Profit Distribution	-	-	-	-	10,562	-	200,688	-	(211,250)	-	-	-	-	-	-	-	-
18.1 Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18.2 Transfer to Reserves	-	-	-	-	10,562	-	200,688	-	(211,250)	-	-	-	-	-	-	-	-
18.3 Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances at the End of Period (I+II+III+...+XVI+XVII+XVIII)	316,100	189,164	98,351	-	40,046	-	782,663	10,625	18,229	14,133	(49,400)	-	81	16,657	-	1,436,649	-

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

	REVIEWED CURRENT PERIOD (01/01/2008-31/03/2008)	REVIEWED PRIOR PERIOD (01/01/2008-31/03/2008)
A. CASH FLOWS FROM BANKING OPERATIONS		
1.1 Operating Profit before Changes in Operating Assets and Liabilities	(104,135)	55,146
1.1.1 Interest Received	349,958	358,556
1.1.2 Interest Paid	295,149	203,012
1.1.3 Dividend Received	-	291
1.1.4 Fees And Commissions Received	63,572	59,739
1.1.5 Other Income	7,432	41,911
1.1.6 Collections from Previously Written-Off Loans and Other Receivables	39,008	18,892
1.1.7 Payments to Personnel and Service Suppliers	84,477	63,810
1.1.8 Taxes Paid	26,736	16,684
1.1.9 Other	(157,743)	(140,737)
1.2 Changes in Operating Assets and Liabilities	(434,961)	286,540
1.2.1 Net (Increase) Decrease in Trading Securities	(103,108)	(190,351)
1.2.2 Net (Increase) Decrease in Financial Assets Designated at FV	-	-
1.2.3 Net (Increase) Decrease in Banks	17,148	(18,439)
1.2.4 Net (Increase) Decrease in Loans	(1,299,555)	(169,322)
1.2.5 Net (Increase) Decrease in Other Assets	(223,905)	62,462
1.2.6 Net Increase (Decrease) in Bank Deposits	(38,477)	337,641
1.2.7 Net Increase (Decrease) in Other Deposits	442,845	20,887
1.2.8 Net Increase (Decrease) in Funds Borrowed	1,636,552	(862,874)
1.2.9 Net Increase (Decrease) in Due Payables	-	-
1.2.10 Net Increase (Decrease) in Other Liabilities	(866,461)	1,106,536
I. Net Cash (Used in)/Provided by Banking Operations	(539,096)	341,686
B. CASH FLOWS FROM INVESTING ACTIVITIES		
II. Net Cash Provided by / (Used in) Investing Activities	(440,899)	(366,844)
2.1 Cash Paid for Purchase of Investments, Associates and Subsidiaries	-	2,805
2.2 Cash Obtained From Sale of Investments, Associates And Subsidiaries	-	-
2.3 Fixed Assets Purchases	14,803	5,101
2.4 Fixed Assets Sales	440	493
2.5 Cash Paid for Purchase of Investments Available for Sale	535,157	715,662
2.6 Cash Obtained From Sale of Investments Available for Sale	108,621	356,231
2.7 Cash Paid for Purchase of Investment Securities	-	-
2.8 Cash Obtained from Sale of Investment Securities	-	-
2.9 Other	-	-
C. CASH FLOWS FROM FINANCING ACTIVITIES		
III. Net Cash from Financing Activities	1,352,214	(456,482)
3.1 Cash Obtained from Funds Borrowed and Securities Issued	1,596,303	237,015
3.2 Cash Used for Repayment of Funds Borrowed and Securities Issued	238,120	690,050
3.3 Capital Increase	-	-
3.4 Dividends Paid	-	-
3.5 Payments for Finance Leases	5,969	3,447
3.6 Other	-	-
IV. Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents	(157,898)	(3,419)
V. Net Increase (Decrease) in Cash and Cash Equivalents	214,321	(485,059)
VI. Cash and Cash Equivalents at the Beginning of Period	926,890	2,644,797
VII. Cash and Cash Equivalents at the End of Period	1,141,211	2,159,738

The accompanying notes are an integral part of these 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 financial statements and the related disclosures and footnotes in accordance with accounting and valuation standards as described in the "Regulation on Principles Related to Banks' Accounting Applications and Preserving the Documents", dated 1 November 2006 which is published in the Official Gazette No.26333, "Communique on Financial Statements and the Accompanying Explanations and Footnotes to be Announced to the Public", dated 10 February 2007 which is published in the Official Gazette No. 26430, Turkish Accounting Standards ("TAS") and Turkish Financial Reporting Standards ("TFRS").

2. Additional paragraph for convenience translation to English

The differences between accounting principles, as described in the preceding paragraphs, and the accounting principles generally accepted in countries, in which the accompanying financial statements are to be distributed, and International Financial Reporting Standards ("IFRS"), may have significant influence on the accompanying financial statements. Accordingly, the accompanying 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 Disclosures related to reclassifications

Fees and commissions received, amounting to TRY 4,008 at 31 March 2007 are reclassified to "interest income from loans".

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

Other provisions, amounting to TRY 10,065 at 31 December 2007 are reclassified to "reserve for employee benefits".

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

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

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

1. Strategy for the use of financial instruments

The Bank's external sources of funds are comprised of deposits with various maturity periods, and short-term borrowings. These funds are fixed rate in general and are utilized in high yield financial assets. The 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 becoming due, is formed by keeping sufficient levels of cash and cash equivalents by diversifying the sources of funds. The Bank assesses the maturity structure of the sources, and the maturity structure and yield of placements at market conditions and adopts a high yield policy in long-term placements.

The Bank 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 USD and Euro. If the position taken because of customer based activities exceeds 0.004% of the balance sheet size, counter positions are taken to cover the position.

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*

Bank 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 at the end-of-period 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 March 2008	31 December 2007	31 March 2007
US Dollar	TRY 1.3064	TRY 1.1593	TRY 1.3801
Euro	TRY 2.0643	TRY 1.7060	TRY 1.8383

2.2 *Foreign exchange gains and losses included in the income statement*

Net foreign exchange loss included in the income statement amounts to TRY 151,833 (31 March 2007: net foreign exchange loss of TRY 4,503).

2.3 *Foreign exchange gains and losses included in the shareholders' equity*

Foreign exchange differences arising on translation of the operations of Bahrain branch amount to TRY 10,625 and are recorded in "other reserves".

III. Forward transactions, options and derivative instruments

The Bank's derivative transactions mainly consist of foreign currency and interest rate swaps, foreign currency options and forward foreign currency purchase/sale contracts. The Bank 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, discounted cash flows model, 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 in the income statement for hedging purpose derivatives.

IV. Interest income and expense

Interest income and expense are recognized as they are accrued taking into account the internal rate of return method. 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.

V. 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.

VI. Financial assets

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

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".

The Bank recognizes the gains and losses arising from the valuation of share certificates, and trading purpose derivative instruments, which are classified as trading securities, in the net trading gains and losses in the income statement.

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

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

1.2 Financial assets at fair value through profit or loss

The Bank does not have any securities classified as "financial assets at fair value through profit or loss".

2. Investment securities available-for-sale

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

Premiums and discounts on investments securities available-for-sale are taken into account in computing the internal rate of return and are included in interest income in the income statement. Accrued interest income on investment securities available-for-sale are recognized in the income statement whereas gains and losses arising from the change in the fair values of such securities are reflected in equity net of 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.

Government bonds indexed to Consumer Prices Index that are included in trading and available for sale securities have 5 years maturity, bearing fixed interest rate of 5% semi-annually. Additionally, to avoid inflationary effects, valuation is based on the difference between reference index of the original issue date and that of the balance sheet date, announced by Turkish Treasury.

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

3. Investment securities held-to-maturity

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

Investment securities held-to-maturity and loans are initially recognized at cost. Investment securities held-to-maturity are accounted for at amortised cost based on internal rate of return less provision for impairment.

Interest earned on held-to-maturity securities are recognized as interest income and are reflected in "Interest Received from Securities Portfolio - Held-to-Maturity Securities" in the 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 are initially recorded at cost and are subsequently valued using a discounting method based on internal rate of return.

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 income statement. Foreign currency-indexed loans are initially recognized in their New Turkish Lira equivalents. Accrued interest income on loans is calculated at amortised cost based on internal rate of return.

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

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

VII. 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 financial statements in accordance with TAS 36 “Impairment of Assets”.

VIII. Offsetting financial instruments

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

IX. 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 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 balance sheet. Interest expenses representing the difference between the sale and repurchase price of the related repurchase agreements is accounted for on an accrual basis.

X. Assets held for sale and discontinued operations

Assets held for sale are those under a plan prepared by the management regarding the sale of the asset to be disposed (or else the group of assets), together with an active program for determination of buyers as well as for the completion of the plan. Also the asset (or else the group of assets) shall be actively marketed in conformity with its fair value. On the other hand, the sale is expected to be journalized as a completed sale within one year after the classification date; and the necessary transactions and procedures to complete the plan should demonstrate the fact that the possibility of making significant changes or canceling the plan is low.

The Bank does not have any assets held for sale.

A discontinued operation is a division of a bank that is either disposed or held for sale. Results of discontinued operations are included in the income statement separately.

The Bank does not have any discontinued operations.

XI. Goodwill and other intangible assets

There is no goodwill in the accompanying 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 on Accounting Principles 14 "Accounting Standard for Financial Reporting in Hyperinflationary Periods" since the indicators of hyperinflation as disclosed in Article 5 of Regulation on Accounting Principles 14 are no longer existing in Turkey. In line with this resolution, other intangible assets have been restated for the effects of inflation, up to 31 December 2004. Any currency exchange differences, financing expenses and revaluation surplus that might have been capitalized are eliminated and only the acquisition cost of the intangible assets are restated until 31 December 2004. The new additions to intangible assets after 31 December 2004 are shown with their historic costs excluding any currency exchange differences and financing expenses capitalized.

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

Gains and losses resulting from the disposal of intangible assets are recognized in "Other Operating Income/Expenses" account in the 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.

Useful life of an asset is estimated by assessment of the expected life span of the asset, technical, and technological wear outs. 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.

XII. 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 on Accounting Principles 14 "Accounting Standard for Financial Reporting in Hyperinflationary Periods" since the indicators of hyperinflation as disclosed in Article 5 of Regulation on Accounting Principles 14 are no longer existing in Turkey. In line with this resolution, tangible assets have been restated for the effects of inflation, up to 31 December 2004. Any currency exchange differences, financing expenses and revaluation surplus that might have been capitalized are eliminated and only the acquisition cost of the tangible assets are restated until 31 December 2004. The new additions to tangible assets after 31 December 2004 are shown with their historic costs excluding any currency exchange differences and financing expenses capitalized.

Tangible assets purchased before 2003 and 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%	4% - 50%
Properties	2%	2%	2%	2%

The Bank has an impairment provision of TRY 4,402, which had been recorded in the prior years, 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/Expenses” account in the 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.

XIII. Leasing activities

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

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

The Bank is not involved in financial leasing activities as a lessor.

XIV. 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 the Bank 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 the Bank's attorneys, there are 424 lawsuits against the Bank with total risks amounting to TRY 25,141, USD 1,673,784 and EUR 110,799 as of 31 March 2008. There are also 8,750 follow-up cases amounting to TRY 23,286, USD 663,604 and EUR 257,251 in total that are filed by the Bank and are at courts.

XV. Contingent assets

Contingent assets generally consist of unscheduled and other unexpected incidents which induce possible additional economic benefits to the Bank. Provided that occurrence of those contingent assets is possible, they are expressed in the footnotes of the financial statements. Moreover, if occurrence is virtually certain, the related assets are recognized in the financial statements.

XVI. Commitments for personnel rights

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

The principal actuarial assumptions used are as follows:

	31.03.2008	31.12.2007
	%	%
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 predicated upon retirement pay ceiling announced by the Government. The ceiling amount at 31 March 2008 is TRY 2.088; at 31 December 2007 it was TRY 2.030.

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

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

XVII. Taxation

1. Current taxes

In accordance with the amendments made to the tax legislation by Law No. 5520, effective 21 June 2006, the corporate tax rate is levied at the rate 20% (30% for 2005), beginning from 2006. In accordance with the amendment in the tax legislation, advance corporate taxes paid based on the tax base calculated on the quarterly earnings of the companies at the rate of 30% for the advance tax periods subsequent to 1 January 2006 deducted from the subsequent advance corporate tax calculated.

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.

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

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

2. Deferred taxes

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

Deferred tax assets and liabilities have been offset in the financial statements, resulting in a net deferred tax asset of TRY 13,778.

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 Bank at the balance sheet date. Interest expense incurred for the period has been recognized in the accompanying financial statements.

The Bank uses general hedging techniques for borrowings against liquidity, interest rate and currency risks. 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 and 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.10. There are no dividends declared subsequent to the balance sheet date.

XX. Acceptances

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

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

XXI. Government grants

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

XXII. Segment reporting

Segment reporting is made according to the 28th article of BRSA’s “Communique on Financial Statements and the Accompanying Explanations and Footnotes to be Announced to the Public”, dated 10 February 2007 which is published in the Official Gazette No. 26430, and is presented in Section Four, Footnote VI.

XXIII. Other explanations

None.

SECTION FOUR

FINANCIAL POSITION

I. Capital adequacy ratio

The Bank's capital adequacy ratio is 13.26% as of 31 March 2008. This ratio is higher than the minimum requirement stipulated in related legislation.

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

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 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. Unconsolidated capital adequacy ratio

	31.03.2008						
	0%	10%	20%	50%	100%	150%	200%
Credit Risk Base							
Balance Sheet Items (Net)	1,973,531	--	622,116	2,018,553	9,807,600	16,205	173
Cash in Vault	271,447	--	41	--	--	--	--
Due Dated Financial Assets	--	--	--	--	--	--	--
Central Bank of Turkey	492,732	--	--	--	--	--	--
Domestic and Foreign Banks, Foreign Branches	--	--	374,602	--	5,037	--	--
Interbank Money Market	--	--	--	--	--	--	--
Receivables from Reverse Repos	--	--	--	--	--	--	--
Reserve Deposits	384,333	--	--	--	--	--	--
Loans	688,301	--	228,604	1,954,851	8,542,403	16,205	173
Non-performing Loans (Net)	--	--	--	--	56,839	--	--
Receivables from Leasing Operations	--	--	--	--	--	--	--
Investments Available-for-Sale	--	--	--	--	3,869	--	--
Investments Held-to-Maturity	--	--	10,360	--	--	--	--
Receivables from Sale of Assets	--	--	--	--	--	--	--
Miscellaneous Receivables	--	--	--	--	161,049	--	--
Accrued Interest and Other Income	33,464	--	8,509	63,702	279,349	--	--
Investments in Associates, Subsidiaries and Joint Ventures (Net)	--	--	--	--	395,888	--	--
Tangible Assets	--	--	--	--	153,937	--	--
Other Assets	103,254	--	--	--	209,229	--	--
Off-Balance Sheet Items	57,477	--	485,832	100,597	2,936,109	--	--
Non-Cash Loans and Commitments	57,477	--	195,337	100,597	2,922,139	--	--
Derivatives	--	--	290,495	--	13,970	--	--
Accounts Not Risk Weighted	--	--	--	--	--	--	--
Total Risk Weighted Assets	2,031,008	--	1,107,948	2,119,150	12,743,709	16,205	173

3. Summary information related to unconsolidated capital adequacy ratio

	Current period	Prior period
Risk Weighted Assets	14,049,527	11,883,385
Value at Market Risk	552,763	343,363
Value at Operational Risk	1,353,779	1,101,051
Shareholders' Equity	2,116,187	1,759,472
Shareholders' Equity / (RWA+VAMT+VAOR)*100	13.26%	13.20%

RWA: Risk Weighted Assets

VAMT: Value at Market Risk

VAOR: Value at Operational Risk

4. Components of shareholders' equity

	Current Period	Prior Period
CORE CAPITAL		
Paid-in Capital	316,100	316,100
Nominal Capital	316,100	316,100
Capital Commitments (-)	--	--
Capital Reserves Arising From Inflation Adjustments to Paid-in Capital	189,164	189,164
Share Premium	98,351	98,351
Share Cancellation Profit	--	--
Legal Reserves	40,046	29,484
I. Legal Reserve (Turkish Commercial Code 466/1)	40,046	29,484
II. Legal Reserve (Turkish Commercial Code 466/2)	--	--
Other Legal Reserve per Special Legislation	--	--
Status Reserves	--	--
Extraordinary Reserves	793,288	577,580
Reserve Allocated at the General Assembly	782,663	581,975
Retained Earnings	--	--
Accumulated Losses	--	--
Foreign Currency Translation Differences	10,625	(4,395)
Inflation Component of Legal Reserves, Status Reserves and Extraordinary Reserves	--	--
Profit	32,362	225,383
Current Period Profit	18,229	211,250
Prior Periods' Profits	14,133	14,133
Free Provisions Booked for Possible Losses (Up to 25% of the Core Capital)	--	--
Gain on Sale of Real Estate and Investments in Associates and Subsidiaries to be Added to the Share Capital	--	--
Primary Subordinated Loans (Up to 15% of the Core Capital)	--	--
Accumulated Losses (-)	--	--
Current Period Loss	--	--
Prior Periods' Losses	--	--
Leasehold Improvements (-)	--	51,804
Prepaid Expenses (-)	21,123	16,368
Intangible Assets (-)	10,737	11,410
Deferred Tax Assets (Amount Exceeding 10% of the Core Capital) (-)	--	--
Amount Excess of Article 56/3 of the Law (-)	--	--
Total Core Capital	1,469,311	1,436,062
SUPPLEMENTARY CAPITAL		
General Loan Loss Reserves	97,765	78,987
45% of Revaluation Fund of Movable Fixed Assets	--	--
45% of Revaluation Fund of Properties	--	--
Revaluation Surplus	81	81
Amount not Included in Core Capital for Primary Subordinated Loans	--	--
Secondary Subordinated Loans	668,408	348,187
45% of Securities Value Increase Fund	(49,400)	8,559
Associates and Subsidiaries	--	--
Investments Available-for-Sale	(49,400)	8,559
Inflation Component of Capital Reserves, Profit Reserves and Prior Period Profits	--	--
Total Supplementary Capital	716,854	435,814
TIER III CAPITAL		
CAPITAL	2,186,165	1,871,876
DEDUCTIONS FROM CAPITAL	69,978	112,404
Shareholdings of Unconsolidated Banks and Financial Institutions (Domestic, Foreign) from Which The Bank Keeps Ten Percent or More of Capitals	--	--
Shareholdings of Banks and Financial Institutions (Domestic, Foreign) from Which the Bank Keeps Less Than Ten Percent of Capitals Which Exceed the Ten Percent of Bank's Core and Supplementary Capital	--	--
Secondary Subordinated Loans Granted to Banks, Financial Institutions (Foreign and Domestic), or Preferred Shareholders, and Primary/Secondary Subordinated Loans Obtained from Them	38,118	32,822
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	2,116,187	1,759,472

II. Market risk

Whether the bank 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.

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	30,900
(II) Capital Obligation against Specific Risk - Standard Method	3,509
(III) Capital Obligation against Currency Risk - Standard Method	9,809
(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	3
(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)	44,221
(IX) Value-At-Market-Risk Amount (12,5 x VIII) or (12,5 x VII)	552,763

III. Foreign currency exchange rate risk

1. Whether the bank 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 the Bank 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, the Bank 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 the Bank 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 1.3064
Euro purchase rate at the date of the balance sheet	TRY 2.0643

Date	US Dollar	Euro
25 March 2008	1.2325	1.9180
26 March 2008	1.2589	1.9768
27 March 2008	1.2579	1.9855
28 March 2008	1.2765	2.0156
31 March 2008	1.3064	2.0643

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

The arithmetical average of the Bank's US Dollar and Euro purchase rates for March 2008 are TRY 1.2379 and TRY 1.9217, 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.	128,284	709,012	227	6,265	843,788
Due from Banks and Other Financial Institutions	47,037	309,039	1,441	19,572	377,089
Financial Assets at Fair Value Through Profit or Loss	7,524	42,067	--	--	49,591
Interbank Money Market Placements	--	--	--	--	--
Investment Securities Available-for-Sale	44,078	191,132	--	--	235,210
Loans (*)	1,955,744	3,403,059	25,060	78,918	5,462,781
Investments in Subsidiaries and Associates(**)	95,596	26,915	--	--	122,511
Investment Securities Held-to-Maturity	35,146	10,631	--	--	45,777
Hedging Purpose Financial Derivatives	--	273	--	--	273
Tangible Assets	--	17	--	--	17
Intangible Assets	--	91	--	--	91
Other Assets	44,106	100,104	42	11,246	155,498
Total Assets	2,357,515	4,792,340	26,770	116,001	7,292,626
Liabilities					
Bank Deposits	118,898	261,755	--	4,576	385,229
Foreign Currency Deposits	1,313,944	2,391,087	1,591	60,790	3,767,412
Interbank Money Markets	--	--	--	--	--
Funds Borrowed from Other Financial Institutions	1,009,171	3,369,723	--	20,916	4,399,810
Marketable Securities Issued	--	--	--	--	--
Miscellaneous Payables	2,175	16,828	--	302	19,305
Hedging Purpose Financial Derivatives	--	8,526	--	--	8,526
Other Liabilities (***)	50,572	52,674	4,690	1,837	109,773
Total Liabilities	2,494,760	6,100,593	6,281	88,421	8,690,055
Net "On Balance Sheet Position"	(137,245)	(1,308,253)	20,489	27,580	(1,397,429)
Net "Off-Balance Sheet Position"	48,242	1,200,081	(18,080)	(24,195)	1,206,048
Financial Derivatives (Assets)	486,800	3,049,065	105,463	241,316	3,882,644
Financial Derivatives (Liabilities)	438,558	1,848,984	123,543	265,511	2,676,596
Non-Cash Loans	1,118,820	2,799,348	6,354	99,807	4,024,329
Prior Period					
Total Assets	1,785,116	3,858,015	16,214	114,178	5,773,523
Total Liabilities	1,807,591	4,450,653	7,343	91,256	6,356,843
Net "On Balance Sheet Position"	(22,475)	(592,638)	8,871	22,922	(583,320)
Net "Off-Balance Sheet Position"	(143,299)	691,108	(6,589)	(1,844)	539,376
Financial Derivatives (Assets)	624,892	2,343,821	71,239	260,505	3,300,457
Financial Derivatives (Liabilities)	768,191	1,652,713	77,828	262,349	2,761,081
Non-Cash Loans	805,572	2,285,649	5,697	55,442	3,152,360

(*) : Assets indexed to foreign currency, amounting to TRY 1,397,083 are included.

(**) : Inflation difference on FC investments, amounting to TRY 14,133 are included.

(***) : FC equity items, amounting to TRY 2,476 are excluded.

IV. 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 Bank'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 is being done 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 Bank 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 Bank (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	--	394,824	--	--	--	764,763	1,159,587
Due from Banks and Other Fin.Inst.	263,699	1,009	--	3,813	--	111,363	379,884
Financial Assets at Fair Value Through Profit or Loss	77,984	23,790	103,367	253,646	7,609	851	467,247
Interbank Money Market Placements	--	--	--	--	--	--	--
Investment Securities Av.-for-Sale	372,645	--	284,714	1,615,565	129,205	3,869	2,405,998
Loans	2,177,569	1,434,296	2,374,755	3,966,885	1,853,045	56,839	11,863,389
Investment Securities Held-to-Mat.	21,001	--	24,776	--	--	--	45,777
Other Assets(*)	403,366	--	--	51,659	18,066	574,340	1,047,431
Total Assets	3,316,264	1,853,919	2,787,612	5,891,568	2,007,925	1,512,025	17,369,313
Liabilities							
Bank Deposits	69,015	--	--	--	--	748,525	817,540
Other Deposits	6,213,551	705,019	125,711	19,836	--	1,741,425	8,805,542
Interbank Money Market Placements	754,556	--	--	--	--	--	754,556
Miscellaneous Payables	--	--	--	--	--	248,549	248,549
Marketable Securities Issued	--	--	--	--	--	--	--
Funds Borrowed from Other Fin.Inst.	512,820	1,077,706	1,144,964	1,780,737	47,292	--	4,563,519
Other Liabilities(**)	74,002	63,001	50,367	75,791	4,030	1,912,416	2,179,607
Total Liabilities	7,623,944	1,845,726	1,321,042	1,876,364	51,322	4,650,915	17,369,313
On Balance Sheet Long Position	--	8,193	1,466,570	4,015,204	1,956,603	--	7,446,570
On Balance Sheet Short Position	(4,307,680)	--	--	--	--	(3,138,890)	(7,446,570)
Off-Balance Sheet Long Position	--	--	--	--	--	--	--
Off-Balance Sheet Short Position	--	--	--	--	--	--	--
Total Interest Sensitivity Gap	(4,307,680)	8,193	1,466,570	4,015,204	1,956,603	(3,138,890)	--

(*) Other assets/non-interest bearings; tangible assets, intangible assets, investments in associates, investments in subsidiaries, deferred tax assets, hedging purpose derivatives and other assets with balances of TRY 153,937, TRY 10,737, TRY 3,323, TRY 392,565, TRY 13,778, TRY 69,725 and TRY 403,366, respectively, are included.

(**) Other liabilities/non-interest bearings; shareholders' equity, other liabilities, provisions, trading purpose derivatives, tax liabilities, leasing payables and hedging purpose derivatives with balances of TRY 1,436,649, TRY 345,058, TRY 150,107, TRY 147,110, TRY 35,588, TRY 34,296 and 30,799, respectively, are included.

Prior 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	--	330,330	--	--	--	357,235	687,565
Due from Banks and Other Fin.Inst.	352,336	18,371	--	3,332	--	215,512	589,551
Financial Assets at Fair Value Through Profit or Loss	50,023	10,748	98,202	186,785	20,546	3,180	369,484
Interbank Money Market Placements	--	--	--	--	--	--	--
Investment Securities Av.-for-Sale	459,191	30,330	91,203	1,347,110	77,257	3,869	2,008,960
Loans	2,554,157	1,418,071	1,612,866	3,613,878	1,159,552	46,487	10,405,011
Investment Securities Held-to-Mat.	9,688	1,420	28,296	--	--	--	39,404
Other Assets(*)	260,833	--	--	--	--	551,477	812,310
Total Assets	3,686,228	1,809,270	1,830,567	5,151,105	1,257,355	1,177,760	14,912,285
Liabilities							
Bank Deposits	365,620	1,057	--	--	--	489,343	856,020
Other Deposits	5,509,635	662,307	104,942	15,927	--	2,068,560	8,361,371
Interbank Money Market Placements	767,679	--	--	--	--	--	767,679
Miscellaneous Payables	--	--	--	--	--	238,087	238,087
Marketable Securities Issued	--	--	--	--	--	--	--
Funds Borrowed from Other Fin.Inst.	316,419	1,444,858	269,351	201,444	--	--	2,232,072
Other Liabilities(**)	15,625	274,728	183,718	128,968	17,440	1,836,577	2,457,056
Total Liabilities	6,974,978	2,382,950	558,011	346,339	17,440	4,632,567	14,912,285
On Balance Sheet Long Position	--	--	1,272,556	4,804,766	1,239,915	--	7,108,387
On Balance Sheet Short Position	(3,288,750)	(573,680)	--	--	--	(3,454,807)	(7,108,387)
Off-Balance Sheet Long Position	--	--	--	--	--	--	--
Off-Balance Sheet Short Position	--	--	--	--	--	--	--
Total Interest Sensitivity Gap	(3,288,750)	(573,680)	1,272,556	4,804,766	1,239,915	(3,454,807)	--

(*) Other assets/non-interest bearings; tangible assets, intangible assets, investments in associates, investments in subsidiaries, deferred tax assets and other assets with balances of TRY 154,228, TRY 11,410, TRY 3,323, TRY 352,402, TRY 14,789 and TRY 276,158, respectively, are included.

(**) Other liabilities/non-interest bearings; shareholders' equity, subordinated loans, other liabilities, provisions, trading purpose derivatives, tax liabilities, and leasing payables with balances of TRY 1,455,163, TRY 362,506, TRY 238,041, TRY 118,669, TRY 194,065, TRY 55,274, and TRY 33,338, respectively, are included.

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	1.88	0.95	--	11.43
Due from Banks and Other Financial Institutions	--	3.26	--	15.81
Financial Assets at Fair Value Through Profit or Loss	5.99	6.29	--	18.64
Interbank Money Market Placements	--	--	--	--
Investment Securities Available-for-Sale	6.03	5.95	--	17.79
Loans	6.33	6.25	2.47	19.61
Investment Securities Held-to-Maturity	4.51	8.28	--	--
Liabilities				
Bank Deposits	4.61	3.87	--	16.64
Other Deposits	4.20	3.69	--	16.72
Interbank Money Market Placements	--	--	--	15.46
Miscellaneous Payables	--	--	--	--
Marketable Securities Issued	--	--	--	--
Funds Borrowed from Other Financial Institutions	5.26	4.22	--	14.42
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	3.41	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	6.48	7.02	2.70	21.25
Investment Securities Held-to-Maturity	5.13	7.83	--	--
Liabilities				
Bank Deposits	4.46	4.27	--	17.08
Other Deposits	3.89	4.96	0.28	17.52
Interbank Money Market Placements	--	--	--	16.03
Miscellaneous Payables	--	--	--	--
Marketable Securities Issued	--	--	--	--
Funds Borrowed from Other Financial Institutions	5.18	6.08	--	12.25

V. Liquidity risk

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

Liquidity risk arises from maturity mismatch between assets and liabilities. Maturity mismatch between assets and liabilities is kept under control based on certain criteria set by the Bank. The Bank maintains liquid assets to guarantee sufficient liquidity during market fluctuations. In order to meet any urgent liquidity needs, approximately 7% of the balance sheet is allocated to cash balances, 10% to investment securities which are cash equivalent, and the present borrowing limits (such as Central Bank of Turkey and ISE repurchase market) are not used. The Bank's short-term liquidity needs are mainly met with deposits and short-term funds borrowed from foreign banks.

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

The Bank'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 7% of balance sheet size is allocated to cash balances, 10% to investment securities which are cash equivalent in order to meet any urgent liquidity needs. The present borrowing limits (such as Central Bank of Turkey and ISE repurchase market) are not used. The Bank's short-term liquidity needs are mainly met with deposits and short-term funds borrowed from foreign banks.

4. **Evaluation of the Bank's cash flows and their resources**

Cash flows of the Bank mainly consist of New 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. Presentation of assets and liabilities according to their outstanding 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	764,763	--	394,824	--	--	--	--	1,159,587
Due from Banks and Other Financial Institutions	111,363	263,699	1,009	--	3,813	--	--	379,884
Financial Assets at Fair Value Through Profit or Loss	--	44,891	23,790	132,538	256,506	8,671	851	467,247
Interbank Money Market Placements	--	--	--	--	--	--	--	--
Investment Securities Available-for-Sale	--	5,086	--	591,418	1,676,420	129,205	3,869	2,405,998
Loans	56,839	1,833,030	849,247	3,047,640	4,209,350	1,867,283	--	11,863,389
Investment Securities Held-to-Maturity	--	--	--	--	14,145	31,632	--	45,777
Other Assets	380,680	--	--	--	51,659	18,066	597,026	1,047,431
Total Assets	1,313,645	2,146,706	1,268,870	3,771,596	6,211,893	2,054,857	601,746	17,369,313
Liabilities								
Bank Deposits	748,525	69,015	--	--	--	--	--	817,540
Other Deposits	1,741,425	6,213,551	705,019	125,711	19,836	--	--	8,805,542
Funds Borrowed from Other Financial Institutions	--	510,272	117,883	936,387	1,807,422	1,191,555	--	4,563,519
Interbank Money Markets	--	754,556	--	--	--	--	--	754,556
Marketable Securities Issued	--	--	--	--	--	--	--	--
Miscellaneous Payables	248,549	--	--	--	--	--	--	248,549
Other Liabilities	325,661	74,001	63,001	50,367	75,791	4,030	1,586,756	2,179,607
Total Liabilities	3,064,160	7,621,395	885,903	1,112,465	1,903,049	1,195,585	1,586,756	17,369,313
Net Liquidity Gap	(1,750,515)	(5,474,689)	382,967	2,659,131	4,308,844	859,272	(985,010)	--
Prior Period								
Total Assets	861,479	2,589,248	1,213,631	3,033,645	5,341,646	1,295,522	577,114	14,912,285
Total Liabilities	3,003,461	6,962,484	1,758,456	397,948	375,130	785,701	1,629,105	14,912,285
Net Liquidity Gap	(2,141,982)	(4,373,236)	(544,825)	2,635,697	4,966,516	509,821	(1,051,991)	--

(*) 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.

VI. Segment reporting

The Bank is mainly active in three areas; retail banking, corporate banking and treasury and investment banking.

In retail banking, it offers loan products (consumer, housing, and automotive), 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 services, clearing, deposit products and cash management services.

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

Segment information of the Bank as of 31 March 2008 is presented in the following table:

	Retail Banking	Corporate Banking	Treasury and Investment Banking	Total
Operating income	186,979	79,413	8,957	275,349
Net operating income	18,953	14,236	1,588	34,777
Income from associates				--
Provision for taxes on income				(16,548)
Net profit for the period				18,229
Segment assets	5,640,905	6,222,485	4,528,217	16,391,607
Subsidiaries and associates				395,888
Undistributed assets				581,818
Total assets				17,369,313
Segment liabilities	6,198,611	3,842,761	5,077,694	15,119,066
Undistributed liabilities				813,598
Shareholders' equity				1,436,649
Total liabilities				17,369,313

SECTION FIVE

DISCLOSURES AND FOOTNOTES ON UNCONSOLIDATED 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	75,346	196,101	83,644	127,279
Central Bank of Turkey	240,453	261,824	33,699	121,000
Other (*)	--	385,863	--	321,943
Total	315,799	843,788	117,343	570,222

(*) Reserve deposits, amounting to TRY 385,822 and cash in transit, amounting to TRY 41 are included.

1.1 Balances with the Central Bank of Turkey

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Unrestricted Demand Deposits	240,453	261,824	33,699	121,000
Unrestricted Time Deposits	--	--	--	--
Restricted Time Deposits	--	--	--	--
Total	240,453	261,824	33,699	121,000

1.2 Explanation related to "Other" item

According to the no. 2005/1 communiqué of the Central Bank of Turkey, "Announcement on Reserve Deposits", all banks operating in Turkey should provide a reserve amounting to 6% of the liabilities in Turkish Lira and 11% of the liabilities in foreign currencies. The Central bank of Turkey makes interest payments on a quarterly basis. The interest rates given by the Central Bank of Turkey are 11.43% for TRY, 0.95% for USD and 1.88% for Euro as of 31 March 2008.

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	--	164	--	151
Other	--	--	--	--
Total	--	164	--	151

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	110,877	--	92,397	--
Treasury Bills	--	--	--	--
Other Debt Securities	--	--	--	--
Bonds Issued or Guaranteed by Banks	--	--	--	--
Asset Backed Securities	--	--	--	--
Other	--	--	--	--
Total	110,877	--	92,397	--

2.3 *Positive value of trading purpose derivatives*

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Forward Transactions	14	12,088	592	3,193
Swap Transactions	69,511	6,593	68,581	4,454
Futures	--	212	--	135
Options	24,362	17,832	13,398	5,591
Other	--	--	--	--
Total	93,887	36,725	82,571	13,373

3. **Banks**

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Domestic	1,044	177,033	2,037	219,015
Foreign	1,751	200,056	--	368,499
Foreign Head Offices and Branches	--	--	--	--
Total	2,795	377,089	2,037	587,514

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 3,869) that are not quoted on Istanbul Stock Exchange; and debt securities representing government bonds; Eurobonds and foreign currency government bonds issued by the Turkish Treasury and foreign government bonds.

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

Investment securities available-for-sale given as collateral amount to TRY 247,686 (31 December 2007: TRY 216,673) and comprise eurobonds and government bonds.

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	178,713	68,974	154,118	62,555
Other	--	--	--	--
Total	178,713	68,974	154,118	62,555

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

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Government Bonds	642,359	--	738,302	--
Treasury Bills	--	--	--	--
Other Debt Securities	--	--	--	--
Bonds issued or guaranteed by Banks	--	--	--	--
Asset backed securities	--	--	--	--
Other	--	--	--	--
Total	642,359	--	738,302	--

4.5 *Available-for-sale securities*

	Current Period	Prior Period
Debt instruments	2,466,453	2,008,190
Quoted	2,466,453	2,008,190
Unquoted	--	--
Equity instruments	3,869	3,869
Quoted	--	--
Unquoted	3,869	3,869
Impairment provision (-)	64,324	3,099
Total	2,405,998	2,008,960

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	--	4,468	--	2,676
Loans Granted to Employees	18,425	39	16,866	39
Total	18,425	4,507	16,866	2,715

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

Cash Loans	Standard Loans and Other Receivables		Loans and Other Receivables Under Close Monitoring	
	Loans and Other Receivables	Restructured or Rescheduled	Loans and Other Receivables	Restructured or Rescheduled
Non-specialized Loans	10,703,010	--	299,512	1,172
Discount Notes	12,680	--	--	--
Export Loans	896,891	--	3,344	--
Import Loans	14,366	--	--	--
Loans Given to Financial Sector	6,699	--	--	--
Foreign Loans	127,594	--	--	--
Consumer Loans	2,715,158	--	231,749	--
Credit Cards	428,378	--	32,112	--
Precious Metal Loans	23,304	--	--	--
Other	6,477,940	--	32,307	1,172
Specialization Loans	802,856	--	--	--
Other Receivables	--	--	--	--
Total	11,505,866	--	299,512	1,172

5.3 Information on consumer loans

	Short Term	Medium or Long Term	Total
Consumer Loans-TRY	45,622	2,561,772	2,607,394
Housing Loans	5,603	973,385	978,988
Automotive Loans	1,459	68,817	70,276
Consumer Loans	38,560	1,519,570	1,558,130
Other	--	--	--
Consumer Loans-Indexed to FC	3,110	278,003	281,113
Housing Loans	1,779	246,272	248,051
Automotive Loans	252	12,478	12,730
Consumer Loans	1,079	19,253	20,332
Other	--	--	--
Consumer Loans-FC	--	--	--
Housing Loans	--	--	--
Automotive Loans	--	--	--
Consumer Loans	--	--	--
Other	--	--	--
Credit Cards-TRY	441,101	3,050	444,151
Installment	119,302	3,050	122,352
Non installment	321,799	--	321,799
Credit Cards-FC	386	--	386
Installment	--	--	--
Non installment	386	--	386
Loans Given to Employees-TRY	1,697	10,008	11,705
Housing Loans	--	2,311	2,311
Automotive Loans	3	29	32
Consumer Loans	1,694	7,668	9,362
Other	--	--	--
Loans Given to Employees - Indexed to FC	--	380	380
Housing Loans	--	356	356
Automotive Loans	--	24	24
Consumer Loans	--	--	--
Other	--	--	--
Loans Given to Employees - FC	--	--	--
Housing Loans	--	--	--
Automotive Loans	--	--	--
Consumer Loans	--	--	--
Other	--	--	--
Employee Credit Cards-TRY	6,277	43	6,320
Installment	2,489	43	2,532
Non installment	3,788	--	3,788
Employee Credit Cards-FC	20	--	20
Installment	--	--	--
Non installment	20	--	20
Overdraft Loans-TRY (Individuals)	59,397	--	59,397
Overdraft Loans -FC (Individuals)	--	--	--
Total	557,610	2,853,256	3,410,866

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

	Short Term	Medium or Long Term	Total
Installment Corporate Loans - TRY	94,048	691,832	785,880
Workplace Loans	1,632	115,999	117,631
Automotive Loans	3,329	60,500	63,829
Consumer Loans	89,087	499,520	588,607
Other	--	15,813	15,813
Installment Corporate Loans – Indexed to FC	16,656	233,151	249,807
Workplace Loans	968	34,030	34,998
Automotive Loans	1,104	40,003	41,107
Consumer Loans	14,270	135,628	149,898
Other	314	23,490	23,804
Installment Corporate Loans - FC	--	--	--
Workplace Loans	--	--	--
Automotive Loans	--	--	--
Consumer Loans	--	--	--
Other	--	--	--
Corporate Credit Cards - TRY	9,415	12	9,427
Installment	79	12	91
Non installment	9,336	--	9,336
Corporate Credit Cards - FC	186	--	186
Installment	--	--	--
Non installment	186	--	186
Overdraft Loans-TRY (Corporates)	91,835	--	91,835
Overdraft Loans-FC (Corporates)	--	--	--
Total	212,140	924,995	1,137,135

5.5 *Domestic and international loans*

	Current Period	Prior Period
Domestic Loans	11,678,956	10,252,730
Foreign Loans	127,594	105,794
Total	11,806,550	10,358,524

5.6 *Loans granted to subsidiaries and investments*

	Current Period	Prior Period
Direct Loans Granted to Subsidiaries and Investments	12,959	11,015
Indirect Loans Granted to Subsidiaries and Investments	--	--
Total	12,959	11,015

5.7 *Specific provisions for loans*

Specific Provisions	Current Period	Prior Period
Loans and Receivables with Limited Collectibility	18,462	14,321
Loans and Receivables with Doubtful Collectibility	39,923	42,228
Uncollectible Loans and Receivables	148,382	144,677
Total	206,767	201,226

5.8 Information on non-performing loans (Net)

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

	Group III	Group IV	Group V
	Loans and receivables with limited collectibility	Loans and receivables with doubtful collectibility	Uncollectible loans and receivables
Current Period	1,510	623	18,677
(Gross Amounts Before Specific Reserves)			
Loans and Other Receivables which are Restructured	--	--	--
Rescheduled Loans and Other Receivables	1,510	623	18,677
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

5.8.2 Information on total non-performing loans

	Group III	Group IV	Group V
	Loans and receivables with limited collectibility	Loans and receivables with doubtful collectibility	Uncollectible loans and receivables
Balances at Beginning of Period	48,402	48,364	150,947
Additions (+)	52,666	697	1,538
Transfers from Other Categories of Non- Performing Loans (+)	--	34,947	13,019
Transfers to Other Categories of Non-Performing Loans (-)	34,947	13,019	--
Collections (-)	17,283	9,852	11,873
Write-offs (-)	--	--	--
Corporate and Commercial Loans	--	--	--
Retail Loans	--	--	--
Credit Cards	--	--	--
Other	--	--	--
Balances at End of the Period	48,838	61,137	153,631
Specific Provisions (-)	18,462	39,923	148,382
Net Balance on Balance Sheet	30,376	21,214	5,249

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

	III. Group	IV. Group	V. Group
	Loans and receivables with limited collectibility	Loans and receivables with doubtful collectibility	Uncollectible loans and receivables
Current Period			
Period End Balances	--	--	98
Specific Provisions (-)	--	--	98
Net Balance	--	--	--
Prior Period			
Period End Balances	--	--	87
Specific Provisions (-)	--	--	87
Net Balance	--	--	--

5.8.4 *Information on non-performing loans according to beneficiary group*

	Group III	Group IV	Group V
	Loans and receivables with limited collectibility	Loans and receivables with doubtful collectibility	Uncollectible loans and receivables
Current Period (Net)			
Loans Granted to Real Persons and Corporates (Gross)	30,376	21,214	5,249
Specific Provisions (-)	48,838	61,137	153,631
Loans Granted to Real Persons and Corporates (Net)	18,462	39,923	148,382
Banks (Gross)	30,376	21,214	5,249
Specific Provisions (-)	--	--	--
Banks (Net)	--	--	--
Other Loan and Receivables (Gross)	--	--	--
Specific Provisions (-)	--	--	--
Other Loan and Receivables (Net)	--	--	--
Prior Period (Net)			
Loans Granted to Real Persons and Corporates (Gross)	34,081	6,136	6,270
Specific Provisions (-)	48,402	48,364	150,947
Loans Granted to Real Persons and Corporates (Net)	14,321	42,228	144,677
Banks (Gross)	34,081	6,136	6,270
Specific Provisions (-)	--	--	--
Banks (Net)	--	--	--
Other Loan and Receivables (Gross)	--	--	--
Specific Provisions (-)	--	--	--
Other Loan and Receivables (Net)	--	--	--

6. Information on investment securities held-to-maturity

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

6.1.1 Information on securities subject to repurchase agreements

None.

6.1.2 Information on securities given as collateral or blocked

None.

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

None.

6.3 Information on investment securities held-to-maturity

	Current Period	Prior Period
Debt Securities	45,895	39,816
Quoted	--	--
Unquoted	45,895	39,816
Impairment (-)	118	412
Total	45,777	39,404

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	39,404	44,200
Foreign exchange differences (*)	7,499	(5,296)
Purchases	--	1,419
Redemptions (**)	(1,420)	(733)
Impairment (-)	(294)	186
Balance at the end of the period	45,777	39,404

(*) Accruals of investment securities held-to-maturity, amounting TRY (307) are included in "foreign exchange differences".

(**) Redemptions from securities held-to-maturity relate to coupon payments.

7. Investments in associates

7.1 Investments in associates

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

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

(*) Financial statement amounts given are as of the year ended 31 December 2006.

8. Investments in subsidiaries

8.1 Information on subsidiaries

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.	İstanbul/Turkey	100	--
2 Denizbank AG, Vienna	Vienna/Austria	100	--
3 Eurodeniz Off Shore Bank Ltd.	Nicosia/Cyprus	100	--
4 Deniz Yatırım Menkul Kıymetler A.Ş.	İstanbul/Turkey	100	--
5 Deniz Türev Menkul Değerler A.Ş.	İstanbul/Turkey	88	12
6 Ekspres Yatırım Menkul Değerler A.Ş.	İstanbul/Turkey	71	29
7 CJSC Dexia Bank, Moscow	Moscow/Russia	49	51
8 Denizbank Kültür Sanat Yayıncılık Ticaret ve Sanayi A.Ş.	İstanbul/Turkey	100	--
9 Deniz Finansal Kiralama A.Ş.	İstanbul/Turkey	84	16
10 Deniz Faktoring A.Ş.	İstanbul/Turkey	100	--
11 Deniz Hayat Sigorta A.Ş.	İstanbul/Turkey	100	--
12 Adana Haddecilik Metal San. Ve Tic. A.Ş.	Adana / Turkey	100	--

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Trading Income	Current Period Profit / Loss	Prior Period Profit / Loss	Fair value
1	1,244	129	11	44	65	(990)	401	--
2	2,504,822	155,689	8,157	31,465	20,994	2,016	29,459	--
3	1,657,449	84,055	19	13,675	19,706	10,609	72,056	--
4	25,574	20,986	1,079	589	1,538	(2,986)	(960)	--
5	10,263	8,142	141	331	30	962	(820)	--
6	35,284	33,764	594	1,245	473	1,400	8,799	--
7	392,429	76,492	12,305	6,633	3,905	(603)	3,022	--
8	1,259	1,110	184	--	4	5	153	--
9	1,472,911	289,287	190	35,033	3,711	15,491	60,774	--
10	567,570	65,309	237	23,343	17,873	4,891	30,269	--
11	35,133	6,129	760	995	683	1,494	(7,700)	--
12	6,923	--	3,278	--	--	(110)	--	--

8.2 Movement of subsidiaries

	Current Period	Prior Period
Balance at the Beginning of the Period	352,402	196,024
Movements during the Period	40,163	156,378
Purchases (*)	40,163	154,061
Bonus Shares Received	--	7,029
Dividends from Current Year Profit	--	--
Sales	--	(4,712)
Revaluation Increase, Effect of Inflation and F/X Difference	--	--
Impairment	--	--
Balance at the End of the Period	392,565	352,402
Capital Commitments	--	--
Share Percentage at the end of Period (%)	--	--

(*) Purchases comprise TRY 25,534 and TRY 14,629, paid for Denizbank AG and CJSC Dexia Bank, for their share capital increases, respectively.

8.2.1 Sectoral distribution of subsidiaries

	Current Period	Prior Period
Banks	122,511	82,348
Insurance Companies	3,829	3,829
Factoring Companies	26,107	26,106
Leasing Companies	201,199	201,199
Finance Companies	33,219	33,219
Other Subsidiaries	5,700	5,701
Total	392,565	352,402

8.2.2 Quoted subsidiaries

None.

8.2.3 Subsidiaries disposed during the current period

None.

8.2.4 Subsidiaries purchased in the current period

None.

9. Information on joint ventures

The Bank does not have any joint ventures.

10. Information on financial lease receivables

10.1 Maturity analysis of financial lease receivables

None.

10.2 Information on net financial lease receivables

None.

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 Transactions	--	--	--	--
Cash Flow Hedge Transactions	69,452	273	--	--
Hedging of a Net Investment in Foreign Subsidiaries	--	--	--	--
Total	69,452	273	--	--

12. Information on deferred tax asset

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

Net deferred tax asset calculated on the basis of related regulation is TRY 13,778. The amount is the net of deductible temporary differences and taxable temporary differences calculated as of the balance sheet date.

According to TAS 12, deferred tax assets, amounting to TRY 26,172 and deferred tax liabilities, amounting to TRY 12,394 are offset against each other in the financial statements.

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

12.2 Amount and expiry date of deductible temporary differences, unused tax losses, unused tax credits for which no deferred tax asset is recognized in prior periods in the balance sheet

None.

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

None.

13. Information on assets held for sale and assets related to discontinued operations

None.

14. Information on other assets

14.1 Information on prepaid expense, taxes and similar items

Prepaid expenses are TRY 21,123 (31 December 2007: TRY 16,368).

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

15. Information on investment properties

None.

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	291,950	--	593,214	2,476,286	19,928	28,432	4,031	--	3,413,841
Foreign Currency Deposits	775,592	--	835,435	1,947,249	85,201	83,648	37,080	--	3,764,205
Residents in Turkey	717,143	--	789,312	1,878,117	80,761	71,197	34,885	--	3,571,415
Residents Abroad	58,449	--	46,123	69,132	4,440	12,451	2,195	--	192,790
Public Sector Deposits	123,961	--	10,497	1,846	--	--	10	--	136,314
Commercial Deposits	535,519	--	421,089	450,721	3,878	9,881	25	--	1,421,113
Other Ins. Deposits	11,196	--	31,226	23,791	605	41	3	--	66,862
Precious Metal Deposits	3,207	--	--	--	--	--	--	--	3,207
Bank Deposits	748,525	--	29,615	39,400	--	--	--	--	817,540
Central Bank	--	--	--	--	--	--	--	--	--
Domestic Banks	6,603	--	15,359	28,258	--	--	--	--	50,220
Foreign Banks	738,055	--	14,256	11,142	--	--	--	--	763,453
Special Financial Inst.	3,867	--	--	--	--	--	--	--	3,867
Other	--	--	--	--	--	--	--	--	--
Total	2,489,950	--	1,921,076	4,939,293	109,612	122,002	41,149	--	9,623,082

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	330,206	--	477,742	2,091,472	29,227	28,703	3,294	--	2,960,644
Foreign Currency Deposits	833,862	--	939,916	1,574,881	121,202	78,845	30,459	--	3,579,165
Residents in Turkey	770,670	--	815,846	1,531,370	116,562	69,132	28,816	--	3,332,396
Residents Abroad	63,192	--	124,070	43,511	4,640	9,713	1,643	--	246,769
Public Sector Deposits	116,964	--	1,228	2,545	15	--	--	--	120,752
Commercial Deposits	774,128	--	631,247	211,858	12,739	7,871	54	--	1,637,897
Other Ins. Deposits	11,211	--	22,475	26,486	515	39	--	--	60,726
Precious Metal Deposits	2,188	--	--	--	--	--	--	--	2,188
Bank Deposits	489,342	--	330,781	31,565	3,280	1,051	--	--	856,019
Central Bank	--	--	--	--	--	--	--	--	--
Domestic Banks	40,726	--	319,497	26,808	3,280	1,051	--	--	391,362
Foreign Banks	443,245	--	11,284	4,757	--	--	--	--	459,286
Special Financial Inst.	5,371	--	--	--	--	--	--	--	5,371
Other	--	--	--	--	--	--	--	--	--
Total	2,557,901	--	2,403,389	3,938,807	166,978	116,509	33,807	--	9,217,391

1.1 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	1,632,583	1,498,799	1,700,041	1,385,275
Foreign Currency Saving Deposits	673,722	690,167	1,715,578	1,505,279
Other Saving Deposits	--	--	--	--
Foreign branches' Deposits Under Foreign Insurance Coverage	--	--	--	--
Off-Shore Deposits Under Foreign Insurance Coverage	--	--	--	--
Total	2,306,305	2,188,966	3,415,619	2,890,554

1.2 Since the Bank's head office is not located outside Turkey, saving deposits are not insured in other countries.

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	134,612	125,388
Deposits and Other Accounts belong to Major Shareholders with Their Parents, Spouses and Children under Their Wardship	--	--
Deposits and Other Accounts belong to Members of Board of Directors, EVPs with Their Parents, Spouses and Children under Their Wardship	7,601	3,919
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.	--	--
Total	142,213	129,307

2. Information on trading purpose derivatives

2.1 Negative value of trading purpose derivatives

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Forwards	778	2,629	8,585	3,145
Swaps	43,110	4,583	112,781	19,270
Futures	--	1	--	144
Options	65,590	30,419	41,330	8,810
Other	--	--	--	--
Total	109,478	37,632	162,696	31,369

3. Information on banks and other financial institutions

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Central Bank of Turkey	--	--	--	--
Domestic Bank and Institutions	81,895	32,472	82,493	29,929
Foreign Bank, Institutions and Funds	81,814	3,680,315	33,089	2,086,561
Total	163,709	3,712,787	115,582	2,116,490

3.1 Maturity information of funds borrowed

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Short-Term	133,423	687,049	82,493	165,662
Medium and Long-Term	30,286	3,025,738	33,089	1,950,828
Total	163,709	3,712,787	115,582	2,116,490

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

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

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

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

5.1 Changes in agreements and further commitments arising

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

5.2 Obligations under financial leases

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	4	4	3	3
Between 1-4 years	38,516	34,292	38,026	33,335
More than 4 years	--	--	--	--
Total	38,520	34,296	38,029	33,338

5.3 Information on operational lease

Bank has operational lease agreements for its bank branches and motor vehicles. Rental payments for the majority of these agreements are made and expensed on a monthly basis. The unexpired portion of payments made for rent agreements on a yearly basis are accounted under prepaid expenses in "other assets".

The Bank does not have any liabilities related to operational lease agreements.

5.4 Information on "Sell-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 Transactions	--	--	--	--
Cash Flow Hedge Transactions	22,273	8,526	--	--
Hedging of a Net Investment in Foreign Subsidiaries	--	--	--	--
Total	22,273	8,526	--	--

7. Information on provisions

7.1 Information on general provisions

	Current Period	Prior Period
Provisions for Loans and Receivables in Group I	80,041	69,664
Provisions for Loans and Receivables in Group II	5,956	156
Provisions for Non Cash Loans	11,768	9,167
Other	--	--
Total	97,765	78,987

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 (*)	13,311	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 (*)	8,155	--

(*) As of 31 March 2008, the Bank booked a provision of YTL 8,155 for future probable risks in its loans.

7.3.2 Information on other provisions exceeding 10% of total provisions

Other provisions comprise specific provisions for non-cash loans that are uncollected and unconverted to cash, amounting to TRY 16,474; provisions for credit card promotions and other banking services, amounting to TRY 4,586; other provisions amounting to TRY 1,115.

8. Taxation

8.1 Current taxes

8.1.1 Current tax liability

The Bank's tax provision, amounting to TRY 77,944 has been offset with prepaid taxes.

As of 31 March 2008, Bank has tax liabilities of TRY 35,588 (31 December 2007: TRY 55,274), after deducting prepaid taxes.

8.1.2 Information on taxes payable

	Current Period	Prior Period
Corporate taxes payable	--	23,196
Taxation on securities	10,555	10,864
Capital gains tax on property	545	431
Banking Insurance Transaction Tax (BITT)	7,857	8,860
Taxes on foreign exchange transactions	826	660
Value added tax payable	173	329
Other	9,681	5,056
Total	29,637	49,396

8.1.3 Information on premiums payable

	Current Period	Prior Period
Social security premiums- employee share	2,254	2,146
Social security premiums- employer share	3,226	3,066
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	157	150
Unemployment insurance- employer share	314	300
Other	--	216
Total	5,951	5,878

8.2 Information on deferred tax liability

None.

9. Information on shareholders' equity

9.1 *Paid-in capital*

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

The Bank's paid-in capital has been presented in nominal values. As of 31 March 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.

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

Registered share capital system is not applicable at the Bank.

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

None.

9.4 *Information on share capital increases from revaluation funds*

None.

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

Bank does not have any capital commitments.

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

None.

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

The Bank does not have any preferred stocks.

10. Common stock issue premiums, shares and equity instruments

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

* Related to the parent 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 the increase amounting to TRY 88,000 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.

11. Valuation difference of securities

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Associates, Subsidiaries and JV's	--	--	--	--
FV Difference	(51,876)	2,476	12,247	6,773
Foreign Exchange Difference	--	--	--	--
Total	(51,876)	2,476	12,247	6,773

12. Information on hedge funds

12.1 Information on cash flow hedge transactions

The Bank hedges a portion of its floating rate liabilities by interest rate swaps. The effective portion of the fair value changes of those swaps, amounting to TRY 16,657, has been disclosed in hedge funds in shareholders' equity.

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

1. Disclosures related to other contingent liabilities

1.1 Type and amount of irrevocable commitments

All of the Bank's off-balance sheet loan commitments are in the nature of irrevocable commitments. As of 31 March 2008, non-cash loans, commitments for credit card limits and commitments for cheque payments are TRY 5,593,191, TRY 2,164,671 and TRY 532,528, respectively (31 December 2007: TRY 4,672,417, 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 March 2008, the Bank has letters of guarantee amounting to TRY 3,285,737, bills of exchange and acceptances amounting to TRY 99,451, and guarantees and sureties on letters of credit amounting to TRY 2,009,979. There are also other guarantees and sureties amounting to TRY 198,024.

As of 31 December 2007, the Bank has letters of guarantee amounting to TRY 2,949,715, bills of exchange and acceptances amounting to TRY 80,541, and guarantees and sureties amounting to TRY 1,463,819. 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	321,283	300,186
Final Letters of Guarantee	2,255,655	2,040,478
Letters of Guarantee for advances	572,628	486,265
Letters of Guarantee given to Customs Offices	130,123	119,927
Other Letters of Guarantee	6,048	2,859
Total	3,285,737	2,949,715

2. Non-cash loans

	Current Period	Prior Period
Non-Cash Loans Given for Cash Loan Risks	198,024	178,342
With Original Maturity of 1 Year or Less	14,491	137,678
With Original Maturity of More Than 1 Year	183,533	40,664
Other Non-Cash Loans	5,395,167	4,494,075
Total	5,593,191	4,672,417

IV. Information on disclosures related to income statement

1. Interest income

1.1 Information on interest income received from loans

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Short Term Loans	163,071	13,984	129,472	14,538
Medium and Long Term Loans	172,872	52,449	101,830	19,085
Loans Under Follow-Up	5,388	--	3,514	--
Source Utilization Support Fund	--	--	--	--
Total	341,331	66,433	234,816	33,623

*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	--	544	--	935
Domestic Banks	107	1,696	411	871
Foreign Banks	38	4,204	127	22,657
Foreign Branches	--	--	--	--
Total	145	6,444	538	24,463

1.3 Information on interest income received from associates and subsidiaries

	Current Period	Prior Period
Interest Received from Associates and Subsidiaries	226	473

2. Interest expense

2.1 Information on interest expense related to funds borrowed

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Banks	5,769	29,237	9,370	27,621
Central Bank of Turkey	21	--	--	--
Domestic Banks	3,320	642	2,120	440
Foreign Banks	2,428	28,595	7,250	27,181
Foreign Branches	--	--	--	--
Other Institutions	--	--	--	--
Total	5,769	29,237	9,370	27,621

*Includes fees and commissions 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	2,122	9,710

3. Trading profit / loss (net)

	Current Period	Prior Period
Profit	5,128,229	720,414
Capital Market Transactions:	252,439	28,729
<i>Derivatives Financial Transactions</i>	246,942	24,155
<i>Other</i>	5,497	4,574
Foreign Exchange Gains	4,875,790	691,685
Loss (-)	5,194,072	721,949
Capital Market Transactions:	166,449	25,761
<i>Derivatives Financial Transactions</i>	155,426	22,873
<i>Other</i>	11,023	2,888
Foreign Exchange Losses	5,027,623	696,188
Net trading profit / loss	(65,843)	(1,535)

4. Other operating income

	Current Period	Prior Period
Reversal from prior year provisions	25,908	22,353
Income from customers for banking services	13,561	9,848
Communication income	1,831	2,831
Cheque book fees	1,223	1,015
Other	3,917	2,880
Total	46,440	38,927

5. Impairment on loans and other receivables

	Current Period	Prior Period
Specific Provisions on Loans and Other Receivables:	25,481	32,625
<i>Loans and Receivables in Group III</i>	--	--
<i>Loans and Receivables in Group IV</i>	--	--
<i>Loans and Receivables in Group V</i>	25,481	32,625
Non-performing commissions and other receivables	--	--
General Provision Expenses	18,779	3,959
Free Provision for Possible Losses	8,155	--
Impairment Losses on Securities:	28,424	1,618
<i>At Fair Value Through Profit and Loss</i>	14,160	621
<i>Investment Securities Available-for-Sale</i>	14,264	997
Other Impairment Losses:	118	--
<i>Associates</i>	--	--
<i>Subsidiaries</i>	--	--
<i>Joint Ventures</i>	--	--
<i>Investment Securities Held-to-Maturity</i>	118	--
Other	1,668	980
Total	82,625	39,182

6. Other operational expenses

	Current Period	Prior Period
Personnel Expenses	88,240	63,810
Reserve for Employee Termination Indemnity Benefits	344	691
Reserve for Bank's Social Aid Fund Deficit	--	--
Impairment of Tangible Assets	--	--
Depreciation Expenses of Tangible Assets	7,658	8,007
Impairment of Intangible Assets	--	--
Amortisation Expenses of Intangible Assets	1,123	1,827
Impairment of Investments in Associates	--	--
Impairment of Securities Held for Sale	--	--
Depreciation of Securities Held for Sale	181	79
Impairment of Assets Held for Sale	--	--
Other Operating Expenses	47,937	35,752
Operational Leases	11,190	8,930
Repair and Maintenance	1,492	1,427
Advertising	2,815	2,524
Other Expenses	32,440	22,871
Loss on Sales of Assets	369	473
Others	12,095	10,025
Total	157,947	120,664

7. Taxes for continued and discontinued operations

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

The current period deferred tax charge is TRY 16,548.

7.2 Deferred tax benefit 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 (+)	15,630	3,452
Arising from Reversal of Deductible Temporary Differences (-)	(28,055)	(3,167)
Arising from Origination of Taxable Temporary Differences (-)	(4,224)	(26)
Arising from Reversal of Taxable Temporary Differences (+)	101	1,436
Total	(16,548)	1,695

7.3 Deferred tax benefit 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 Deductible Temporary Differences	(12,425)	285
Arising from Origination (+)/ Reversal (-) of Taxable Temporary Differences	(4,123)	1,410
Arising from Origination (+)/ Reversal (-) of Tax Losses	--	--
Arising from Origination (+)/ Reversal (-) of Unused Tax Credits	--	--
Total	(16,548)	1,695

8. Net profit and loss

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

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

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

8.3 There is not any profit or loss related to minority rights.

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

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

Fees and Commissions Received	Current Period	Prior Period
POS commissions	16,073	12,035
Credit card clearing centre commissions	14,496	13,804
Non-cash loans	10,458	13,563
Brokerage fees	4,848	4,544
Remittance commissions	3,396	2,815
Insurance services	3,225	2,387
Account management fees	2,244	1,930
Expertise fees	1,257	489
Other	7,576	4,164
Total	63,573	55,731

Fees and Commissions Paid	Current Period	Prior Period
Credit card / POS commissions	19,596	13,555
Non-cash loans	5	6
Other	2,335	3,018
Total	21,936	16,579

Other Interest Income	Current Period	Prior Period
Overdue Interest Received	3,600	6,012
Other	67	560
Total	3,667	6,572

Other Interest Expense	Current Period	Prior Period
Leasing Expenses	1,065	633
Other	2,259	509
Total	3,324	1,142

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

1. Information on the volume of transactions with the Bank's risk group, lending and deposits outstanding at period end and income and expenses in the current period

1.1 As of 31 March 2008, the Bank's risk group has subordinated loans granted by the Bank, cash loans, bank deposits placed, other assets, deposits, subordinated loans, borrowings and non-cash loans amounting to TRY 3,572, TRY 9,477, TRY 13,648, TRY 1,113, TRY 773,219, TRY 687,023, TRY 3,114,851 and TRY 95,740 respectively. As a result of the transactions with the risk group, the Bank has recorded net interest and commission expenses of TRY 25,361; trading losses of TRY 14,807; and other income of TRY 2,178.

Current Period

Bank's Risk Group (*)	Associates and Subsidiaries		Bank's Direct and Indirect Shareholders		Other Components in Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
<u>Loans and Other Receivables</u>						
Balance at the Beginning of the Period	14,764	58,491	6,135	2,676	49	35
Balance at the End of the Period	16,804	91,237	9,807	4,468	86	35
Interest and Commission Income						
Received	144	82	14	--	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
<u>Loans and Other Receivables</u>						
Balance at the Beginning of the Period	148,641	8,821	19	2,651	--	--
Balance at the End of the Period	14,764	58,491	6,135	2,676	49	35
Interest and Commission Income						
Received	473	8	--	--	--	--

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

1.2 Information on deposits held by and funds borrowed from the Bank'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	609,324	458,990	1,908,126	180,055	2,134	5,061
Balance at the End of the Period	763,030	609,324	3,807,956	1,908,126	4,107	2,134
Interest on Deposits	2,122	9,710	23,412	40	68	150

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

1.3 Information on forward and option agreements and similar agreements made with the Bank'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
Transactions for Trading Purposes:						
Beginning of the Period	8,565	10,577	408,326	--	--	--
End of the Period	10,884	8,565	369,159	408,326	--	--
Total Income/Loss	215	977	(15,022)	311	--	--
Transactions for Hedging Purposes:						
Beginning of the Period	--	--	--	--	--	--
End of the Period	--	--	--	--	--	--
Total Income/Loss	--	--	--	--	--	--

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

2. Disclosures of transactions with the Bank's risk group

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

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

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

The pricing of transactions with the risk group companies is set in compliance with the market prices. As of 31 March 2008, cash loans of the risk group represented 0.1% of the Bank's total cash loans granted, the deposits and borrowings represented 32% of the Bank's total deposits and borrowings. Non-cash loans granted represent 2% 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 the Bank belongs to, has entered into financial lease contracts with Deniz Finansal Kiralama A.Ş.. As of 31 March 2008, the net financial lease obligation related to these transactions amounts to TRY 34,296 (31 December 2007: TRY 33,338).

SECTION SIX

OTHER DISCLOSURES AND FOOTNOTES

I. Other explanations related to the Bank's operations

1. Explanations related to the Bank's operations

The paid-in capital of the Bank has been 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 has been agreed that the additional amount of TRY 400,000 would be paid by the shareholders in cash.

The bank has applied to Capital Markets Board and Banking Regulation and Supervision Agency on 28 March 2008 for the authorization of the paid-in capital increase. The authorizations have been granted by Banking Regulation and Supervision Agency and Capital Markets Board on 14 April 2008 and 24 April 2008, respectively. The aforementioned paid-in capital increase will be registered after the approval at the extraordinary general assembly that is planned to take place on 20 May 2008.

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

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

Republic of Turkey's rating by Fitch Ratings

On 12 December 2007, Fitch Ratings has upgraded Turkey's long-term local currency rating to BB from BB-. Fitch Ratings has affirmed long-term foreign currency rating of BB- and the outlooks for long-term local and foreign currency at "Stable". There has been no change to Turkey's country ceiling rating of BB and short term foreign currency rating of B.

Denizbank's rating by Fitch Ratings

On 14 December 2007, Fitch Ratings has 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+. Fitch ratings affirmed DenizBank's long and short term foreign currency rating and the outlooks for foreign and local currency IDRs and the National rating at "Stable". The latest ratings of Denizbank are as follows:

Foreign Currency				Local Currency		
Short Term	Long Term	Individual	Support	Short Term	Long Term	National
B	BB (Stable)	C	3	F3	BBB- (Stable)	AAA (Stable)

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

On 24 May 2006, Moody's Investors Service upgraded Turkey's country ceiling for foreign currency bonds to Ba1 from Ba3. There has been no change to Turkish Government's long term foreign and local currency bond ratings of Ba3. Moody's affirmed Turkey's foreign currency bank deposit country ceiling at B1, local currency bank deposits country ceiling at A3 and local currency bonds country ceiling at A2. The outlooks on the country and government ratings have been affirmed at "Stable".

Denizbank's rating by Moody's Investors Service

On 24 April 2007, Moody's has raised Denizbank's financial strength rating to C- from D+ and assigned its outlook at "Stable". The latest ratings of Denizbank are as follows:

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

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

Following the authorizations of Banking Regulation and Supervision Agency and Capital Markets Board for the paid-in capital increase, the Bank has applied to Ministry of Industry and Trade for its authorization on 24 April 2008 and it has been granted on the same day.

The Bank has sold 7,992 units of shares, corresponding to %99.9 of Adana Haddecilik Metal Sanayi ve Ticaret A.Ş. for TRY 101,000. As a result of the sale, Adana Haddecilik Metal Sanayi ve Ticaret A.Ş. has been removed from investments in subsidiaries in the Bank's accounts.

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 users of the financial statements.

SECTION SEVEN

INDEPENDENT AUDITOR'S REVIEW REPORT

I. Information on the independent auditor's review report

The Bank's unconsolidated financial statements and footnotes as of 31 March 2008 have been reviewed by DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (Member of Deloitte Touche Tohmatsu) and the review report dated 13 May 2008 has been 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 the Bank's operations, deemed as necessary, which have not been explained in the above sections.