

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

**DENİZBANK  
ANONİM ŞİRKETİ AND ITS  
FINANCIAL SUBSIDIARIES**

**INDEPENDENT AUDITOR'S  
REVIEW REPORT,  
CONSOLIDATED INTERIM  
FINANCIAL  
STATEMENTS AND NOTES  
FOR THE NINE MONTHS  
PERIOD ENDED 30  
SEPTEMBER 2009**

- I. Independent Auditor's Review Report
- II. Publicly Disclosed Consolidated Financial Report

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 consolidated balance sheet of Denizbank A.Ş. (the Bank) and its subsidiaries (together the Group) as of 30 September 2009 and the related consolidated statement of income, changes in shareholders' equity and cash flows for the period then ended. These consolidated financial statements are the responsibility of the Bank's management. Our responsibility, as independent auditors, is to issue a report on these consolidated financial statements based on our review.

We conducted our review in accordance with the accounting rules and policies, and the accounting and auditing standards, set out as per the Banking Act No: 5411. Those standards require that we plan and perform the review to obtain limited assurance as to whether the financial statements are free of material misstatement. A review is principally limited to reviewing financial statements by applying analytical procedures, inquiring as to the integrity of the financial statements and making inquiries of management to obtain information, it is substantially less in scope than an audit and therefore provides a lesser assurance. We have not performed an audit and accordingly we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not give a true and fair view of the financial position, the results of its operations and its cash flows, of the Group for the period ended 30 September 2009 in accordance with the prevailing accounting principles and standards set out as per the Article No 37 and 38 of the Banking Act No: 5411, and other regulations, communiqués and circulars in respect of accounting and financial reporting and pronouncements made by Banking Regulation and Supervision Agency.

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 Group's financial position and results of its operations in accordance with accounting principles generally accepted in such countries of users of the financial statements and IFRS.

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

Hasan Kılıç  
Partner  
İstanbul, 12 November 2009

**DENİZBANK A.Ş.**  
**CONSOLIDATED INTERIM FINANCIAL REPORT AS OF 30 SEPTEMBER 2009**

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Büyükdere Caddesi No:106  
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The consolidated financial report package prepared in accordance with the statement "Financial Statements and Related Disclosures and Footnotes to be Announced to Public" as required by the Banking Regulation and Supervision Agency (BRSA), is comprised of the following sections:

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

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

	<b>Subsidiaries</b>	<b>Associates</b>	<b>Jointly Controlled Companies</b>
1	DenizBank AG, Vienna		
2	Eurodeniz International Banking Unit Ltd.		
3	Ekspres Yatırım Menkul Değerler A.Ş.		
4	Deniz Türev Menkul Değerler A.Ş.		
5	Deniz Yatırım Menkul Kıymetler A.Ş.		
6	CJSC Dexia bank, Moscow		
7	Deniz Portföy Yönetimi A.Ş.		
8	Deniz Finansal Kiralama A.Ş.		
9	Deniz Faktoring A.Ş.		
10	Deniz Emeklilik ve Hayat A.Ş.		

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

12 November 2009

**HAKAN ELVERDİ**  
Senior Vice President  
International and Regulatory  
Financial Reporting

**SUAVİ DEMİRCİOĞLU**  
Executive Vice President  
Financial Affairs

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

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

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

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

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# Denizbank Anonim Şirketi

## Consolidated Financial Report as of 30 September 2009

(Currency: Thousands of TRY - 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 30 September 2009.

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

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

Current Period		
Name of the Shareholder	Amount (Full TRY)	Share %
Dexia Participation Belgique SA	714,945,274	99.84
Publicly traded	1,154,681	0.16
Other shareholders	45	0.00
<b>Total</b>	<b>716,100,000</b>	<b>100.00</b>

Prior Period		
Name of the Shareholder	Amount (Full TRY)	Share %
Dexia Participation Belgique SA	714,945,274	99.84
Publicly traded	1,154,681	0.16
Other shareholders	45	0.00
<b>Total</b>	<b>716,100,000</b>	<b>100.00</b>

III. Information on the Parent Bank's capital structure, shareholders of the Parent Bank who are in charge of the management and/or auditing of the the Parent Bank directly or indirectly, changes in these matters (if any), and the Group the Parent Bank belongs to

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

Derya Kumru was appointed as vice president of Corporate, Commercial Banking and Public Finance Group by the resolution of the Board of Directors dated 16 September 2009 and numbered 2009/43. Gökhan Sun was appointed as vice president of SME and Agricultural Banking Group and began his duty on 12 October 2009.

Title of Hasan Hüseyin Uyar, vice president of Corporate-Commercial Loans and Commercial Banking Group, was changed as vice president of Corporate-Commercial Loans Group by the resolution of the Board of Directors dated 14 October 2009 and numbered 2009/47.

#### **IV. Type of services provided and the areas of operations of the Parent Bank**

The Parent Bank is a private sector deposit bank which provides banking services to its customers through 420 domestic and 1 foreign branch as of 30 September 2009.

Activities of the Parent Bank as stated in the 4th clause of the Articles of Association are as follows:

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



## SECTION TWO

### CONSOLIDATED FINANCIAL STATEMENTS

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

ASSETS	Footnotes	REVIEWED CURRENT PERIOD			AUDITED PRIOR PERIOD		
		(30/09/2009)			(31/12/2008)		
		TRY	FC	Total	TRY	FC	Total
I. CASH AND BALANCES WITH THE CENTRAL BANK	(5.1.1)	558,695	828,397	1,387,092	1,038,072	981,237	2,019,309
II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Net)	(5.1.2)	150,237	98,090	248,327	105,291	92,773	198,064
2.1 Trading Securities		150,237	98,090	248,327	105,291	92,773	198,064
2.1.1 Public Sector Debt Securities		103,184	21,979	125,163	36,018	15,391	51,409
2.1.2 Share Certificates		160	-	160	88	-	88
2.1.3 Positive Value of Trading Purpose Derivatives		46,893	75,770	122,663	68,905	77,235	146,140
2.1.4 Other Securities		-	341	341	280	147	427
2.2 Financial Assets Designated at Fair Value		-	-	-	-	-	-
2.2.1 Public Sector Debt Securities		-	-	-	-	-	-
2.2.2 Share Certificates		-	-	-	-	-	-
2.2.3 Loans		-	-	-	-	-	-
2.2.4 Other Securities		-	-	-	-	-	-
III. BANKS	(5.1.3)	153,440	1,385,531	1,538,971	3,121	1,054,426	1,057,547
IV. DUE FROM MONEY MARKETS		750,451	-	750,451	500	-	500
4.1 Interbank Money Market		750,451	-	750,451	500	-	500
4.2 Istanbul Stock Exchange		-	-	-	-	-	-
4.3 Reverse Repurchase Agreements		-	-	-	-	-	-
V. FINANCIAL ASSETS AVAILABLE FOR SALE (Net)	(5.1.4)	1,945,427	390,601	2,336,028	1,693,033	406,953	2,099,986
5.1 Share Certificates		3,895	774	4,669	3,894	820	4,714
5.2 Public Sector Debt Securities		1,941,532	262,423	2,203,955	1,689,139	237,021	1,926,160
5.3 Other Securities		-	127,404	127,404	-	169,112	169,112
VI. LOANS AND RECEIVABLES	(5.1.5)	10,283,739	6,064,279	16,348,018	9,295,473	6,114,411	15,409,884
6.1 Loans and Receivables		10,014,820	5,973,153	15,987,973	9,156,629	6,057,135	15,213,764
6.1.1 Loans Utilized to the Bank's Risk Group		75	-	75	66	-	66
6.1.2 Public Sector Debt Securities		-	-	-	-	-	-
6.1.3 Others		10,014,745	5,973,153	15,987,898	9,156,563	6,057,135	15,213,698
6.2 Loans under Follow-Up		801,030	130,806	931,836	436,175	79,694	515,869
6.3 Specific Provisions (-)		532,111	39,680	571,791	297,331	22,418	319,749
VII. FACTORING RECEIVABLES		428,632	18,722	447,354	339,971	11,933	351,904
VIII. INVESTMENT HELD TO MATURITY (Net)	(5.1.6)	619,874	139,021	758,895	614,378	143,823	758,201
8.1 Public Sector Debt Securities		619,874	70,022	689,896	614,378	69,710	684,088
8.2 Other Securities		-	68,999	68,999	-	74,113	74,113
IX. INVESTMENTS IN ASSOCIATES (Net)	(5.1.7)	4,516	-	4,516	4,127	4	4,131
9.1 Associates accounted for Under Equity Method		-	-	-	-	-	-
9.2 Unconsolidated Associates		4,516	-	4,516	4,127	4	4,131
9.2.1 Financial Associates		930	-	930	541	-	541
9.2.2 Non-Financial Associates		3,586	-	3,586	3,586	4	3,590
X. INVESTMENTS IN SUBSIDIARIES (Net)	(5.1.8)	14,940	-	14,940	12,567	-	12,567
10.1 Unconsolidated Financial Subsidiaries		8,991	-	8,991	6,968	-	6,968
10.2 Unconsolidated Non-Financial Subsidiaries		5,949	-	5,949	5,599	-	5,599
XI. ENTITIES UNDER COMMON CONTROL (JOINT VENT.) (Net)	(5.1.9)	800	-	800	-	-	-
11.1 Joint Ventures accounted for Under Equity Method		-	-	-	-	-	-
11.2 Unconsolidated Joint Ventures		800	-	800	-	-	-
11.2.1 Financial Joint Ventures		-	-	-	-	-	-
11.2.2 Non-Financial Joint Ventures		800	-	800	-	-	-
XII. LEASE RECEIVABLES (Net)	(5.1.10)	95,984	1,057,414	1,153,398	138,623	1,334,705	1,473,328
12.1 Financial Lease Receivables		127,359	1,216,243	1,343,602	187,045	1,594,623	1,781,668
12.2 Operational Lease Receivables		-	-	-	-	-	-
12.3 Others		-	-	-	-	-	-
12.4 Unearned Income ( - )		31,375	158,829	190,204	48,422	259,918	308,340
XIII. HEDGING PURPOSE DERIVATIVES	(5.1.11)	162,158	13,777	175,935	201,829	21,447	223,276
13.1 Fair Value Hedge		-	-	-	-	-	-
13.2 Cash Flow Hedge		162,158	13,777	175,935	201,829	21,447	223,276
13.3 Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-
XIV. TANGIBLE ASSETS (Net)		192,631	7,076	199,707	189,765	18,542	208,307
XV. INTANGIBLE ASSETS (Net)		25,284	8,917	34,201	16,993	10,308	27,301
15.1 Goodwill		-	-	-	-	-	-
15.2 Others		25,284	8,917	34,201	16,993	10,308	27,301
XVI. INVESTMENT PROPERTIES (Net)		-	-	-	-	-	-
XVII. TAX ASSETS	(5.1.12)	85,659	3,026	88,685	36,778	6,079	42,857
17.1 Current Tax Assets		61	872	933	3,342	1,607	4,949
17.2 Deferred Tax Assets		85,598	2,154	87,752	33,436	4,472	37,908
XVIII. ASSETS RELATED TO HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)	(5.1.13)	-	-	-	-	-	-
18.1 Held For Sale		-	-	-	-	-	-
18.2 Discontinued Operations		-	-	-	-	-	-
XIX. OTHER ASSETS	(5.1.14)	335,489	182,967	518,456	274,923	59,985	334,908
<b>TOTAL ASSETS</b>		<b>15,807,956</b>	<b>10,197,818</b>	<b>26,005,774</b>	<b>13,965,444</b>	<b>10,256,626</b>	<b>24,222,070</b>

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

**Denizbank Anonim Şirketi**  
**Consolidated Balance Sheets**  
As of 30 September 2009 and 31 December 2008  
(Currency: Thousands of TRY - Turkish Lira)

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

LIABILITIES AND EQUITY	Footnotes	REVIEWED CURRENT PERIOD (30/09/2009)			AUDITED PRIOR PERIOD (31/12/2008)		
		TRY	FC	Total	TRY	FC	Total
		I. DEPOSITS	(5.II.1)	6,867,445	8,133,723	15,001,168	5,722,664
1.1 Deposits of the Bank's Risk Group		20,739	1,406	22,145	10,501	237,849	248,350
1.2 Others		6,846,706	8,132,317	14,979,023	5,712,163	6,300,762	12,012,925
II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING	(5.II.2)	47,267	82,357	129,624	75,945	65,386	141,331
III. FUNDS BORROWED	(5.II.3)	355,656	5,295,151	5,650,807	297,748	6,549,007	6,846,755
IV. DUE TO MONEY MARKETS		177,459	-	177,459	629,569	40,224	669,793
4.1 Interbank Money Market		-	-	-	-	-	-
4.2 Istanbul Stock Exchange		-	-	-	-	-	-
4.3 Reverse Repurchase Agreements		177,459	-	177,459	629,569	40,224	669,793
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		237,691	63,031	300,722	276,492	170,815	447,307
VIII. OTHER EXTERNAL RESOURCES	(5.II.4)	349,273	25,739	375,012	228,201	15,842	244,043
IX. FACTORING PAYABLES		-	-	-	-	-	-
X. LEASE PAYABLES (Net)	(5.II.5)	-	-	-	-	-	-
10.1 Financial Lease Payables		-	-	-	-	-	-
10.2 Operational Lease Payables		-	-	-	-	-	-
10.3 Others		-	-	-	-	-	-
10.4 Deferred Financial Leasing Expenses ( - )		-	-	-	-	-	-
XI. HEDGING PURPOSE DERIVATIVES	(5.II.6)	184,402	8,353	192,755	128,771	7,967	136,738
11.1 Fair Value Hedge		-	-	-	-	-	-
11.2 Cash Flow Hedge		184,402	8,353	192,755	128,771	7,967	136,738
11.3 Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-
XII. PROVISIONS	(5.II.7)	451,856	21,612	473,468	344,006	14,381	358,387
12.1 General Provisions		129,249	-	129,249	109,211	238	109,449
12.2 Restructuring Provisions		-	-	-	-	-	-
12.3 Reserve for Employee Benefits		24,237	1,731	25,968	24,551	1,744	26,295
12.4 Insurance Technical Provisions (Net)		52,617	333	52,950	37,918	471	38,389
12.5 Other Provisions		245,753	19,548	265,301	172,326	11,928	184,254
XIII. TAX LIABILITIES	(5.II.8)	116,097	9,841	125,938	53,198	4,362	57,560
13.1 Current Tax Liability		116,097	9,841	125,938	51,707	4,362	56,069
13.2 Deferred Tax Liability		-	-	-	1,491	-	1,491
XIV. PAYABLES RELATED TO HELD FOR SALE AND DISCONTINUED OPERATIONS		-	-	-	-	-	-
14.1 Held For Sale		-	-	-	-	-	-
14.2 Discontinued Operations		-	-	-	-	-	-
XV. SUBORDINATED LOANS		-	764,280	764,280	-	771,739	771,739
XVI. SHAREHOLDERS' EQUITY	(5.II.9)	2,688,544	125,997	2,814,541	2,188,158	98,984	2,287,142
16.1 Paid-In Capital		716,100	-	716,100	716,100	-	716,100
16.2 Supplementary Capital		210,525	5,768	216,293	135,139	(20,525)	114,614
16.2.1 Share Premium		98,411	-	98,411	98,411	-	98,411
16.2.2 Share Cancellation Profits		-	-	-	-	-	-
16.2.3 Valuation Differences of Securities		109,694	12,260	121,954	(25,990)	(13,744)	(39,734)
16.2.4 Revaluation Fund on Tangible Assets		-	-	-	-	-	-
16.2.5 Revaluation Fund on Intangible Assets		-	-	-	-	-	-
16.2.6 Revaluation Fund on Investment Properties		-	-	-	-	-	-
16.2.7 Bonus Shares Obtained from Associates, Subsidiaries and Joint Ventures		11	-	11	15	-	15
16.2.8 Hedging Funds (Effective Portion)		(186,755)	(6,492)	(193,247)	(126,461)	(6,781)	(133,242)
16.2.9 Revaluation Fund on Assets Held for Sale and Discontinued Operations		-	-	-	-	-	-
16.2.10 Other Supplementary Capital		189,164	-	189,164	189,164	-	189,164
16.3 Profit Reserves		1,116,284	52,513	1,168,797	839,409	55,282	894,691
16.3.1 Legal Reserves		55,274	5,018	60,292	41,369	5,018	46,387
16.3.2 Status Reserves		-	-	-	-	-	-
16.3.3 Extraordinary Reserves		1,056,403	11,171	1,067,574	792,216	11,173	803,389
16.3.4 Other Profit Reserves		4,607	36,324	40,931	5,824	39,091	44,915
16.4 Profit or Loss		645,635	67,716	713,351	497,510	64,227	561,737
16.4.1 Prior Periods' Profits / Losses		222,325	61,322	283,647	174,824	44,450	219,274
16.4.2 Current Period Profit / Loss		423,310	6,394	429,704	322,686	19,777	342,463
16.5 Minority Shares	(5.II.10)	-	-	-	-	-	-
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>11,475,690</b>	<b>14,530,084</b>	<b>26,005,774</b>	<b>9,944,752</b>	<b>14,277,318</b>	<b>24,222,070</b>

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

**Denizbank Anonim Şirketi**  
**Consolidated Off Balance Sheet Items Statements**  
**As of 30 September 2009 and 31 December 2008**  
(Currency: Thousands of TRY - Turkish Lira)

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

	Footnotes	REVIEWED CURRENT PERIOD (30/09/2009)			AUDITED PRIOR PERIOD (31/12/2008)		
		TRY	FC	Total	TRY	FC	Total
		<b>A. OFF BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I+II+III)</b>		<b>12,124,246</b>	<b>28,297,220</b>	<b>40,421,466</b>	<b>8,115,948</b>
<b>I. GUARANTEES</b>	(5.III.1)	<b>1,929,287</b>	<b>3,005,927</b>	<b>4,935,214</b>	<b>1,505,962</b>	<b>3,315,140</b>	<b>4,821,102</b>
1.1. Letters of Guarantee		1,929,102	1,688,617	3,617,719	1,505,962	1,835,472	3,341,434
1.1.1. Guarantees Subject to State Tender Law		-	-	-	-	-	-
1.1.2. Guarantees Given for Foreign Trade Operations		99,943	31,805	131,748	92,092	36,368	128,460
1.1.3. Other Letters of Guarantee		1,829,159	1,656,812	3,485,971	1,413,870	1,799,104	3,212,974
1.2. Bank Acceptances		185	144,087	144,272	-	89,143	89,143
1.2.1. Import Letter of Acceptance		185	144,087	144,272	-	89,143	89,143
1.2.2. Other Bank Acceptances		-	-	-	-	-	-
1.3. Letters of Credit		-	963,040	963,040	-	1,202,319	1,202,319
1.3.1. Documentary Letters of Credit		-	824,453	824,453	-	1,113,778	1,113,778
1.3.2. Other Letters of Credit		-	138,587	138,587	-	88,541	88,541
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		-	210,183	210,183	-	188,206	188,206
1.9. Other Sureties		-	-	-	-	-	-
<b>II. COMMITMENTS</b>	(5.III.1)	<b>5,595,359</b>	<b>8,473,667</b>	<b>14,069,026</b>	<b>3,977,477</b>	<b>3,551,978</b>	<b>7,529,455</b>
2.1. Irrevocable Commitments		5,594,678	8,473,667	14,068,345	3,976,796	3,551,978	7,528,774
2.1.1. Asset Purchase and Sale Commitments		128,560	8,083,552	8,212,112	82,669	3,537,228	3,619,897
2.1.2. Deposit Purchase and Sales Commitments		-	-	-	-	-	-
2.1.3. Share Capital Commitments to Associates and Subsidiaries		14,240	-	14,240	10,290	-	10,290
2.1.4. Loan Granting Commitments		746,774	-	746,774	530,256	9,667	539,923
2.1.5. Securities Issuance Brokerage Commitments		-	-	-	-	-	-
2.1.6. Commitments for Reserve Deposit Requirements		826,256	380,079	1,206,335	-	-	-
2.1.7. Commitments for Cheque Payments		593,465	-	593,465	541,844	-	541,844
2.1.8. Tax and Fund Obligations from Export Commitments		3,584	-	3,584	3,779	-	3,779
2.1.9. Commitments for Credit Card Limits		3,045,513	-	3,045,513	2,574,828	-	2,574,828
2.1.10. Commitments for Promotional Operations Re-Credit Cards and Banking Services		7,201	-	7,201	11,929	-	11,929
2.1.11. Receivables from "Short" Sale Commitments On Securities		-	-	-	-	-	-
2.1.12. Payables for "Short" Sale Commitments On Securities		-	-	-	-	-	-
2.1.13. Other Irrevocable Commitments		229,085	10,036	239,121	221,201	5,083	226,284
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
<b>III. DERIVATIVE FINANCIAL INSTRUMENTS</b>		<b>4,599,600</b>	<b>16,817,626</b>	<b>21,417,226</b>	<b>2,632,509</b>	<b>7,667,016</b>	<b>10,299,525</b>
3.1 Hedging Purpose Derivatives		884,552	1,585,832	2,470,384	927,182	1,299,137	2,226,319
3.1.1 Fair Value Hedge		-	-	-	-	-	-
3.1.2 Cash Flow Hedge		884,552	1,585,832	2,470,384	927,182	1,299,137	2,226,319
3.1.3 Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-
3.2 Trading Purpose Derivatives		3,715,048	15,231,794	18,946,842	1,705,327	6,367,879	8,073,206
3.2.1 Forward Foreign Currency Purchases/Sales		79,155	2,847,348	2,926,503	149,570	698,538	848,108
3.2.1.1 Forward Foreign Currency Purchases		42,370	1,422,892	1,465,262	26,234	406,530	432,764
3.2.1.2 Forward Foreign Currency Sales		36,785	1,424,456	1,461,241	123,336	292,008	415,344
3.2.2 Currency and Interest Rate Swaps		2,039,231	10,009,804	12,049,035	1,322,762	4,799,956	6,122,718
3.2.2.1 Currency Swaps-Purchases		122,304	4,308,880	4,431,184	161,349	1,826,870	1,988,219
3.2.2.2 Currency Swaps-Sales		1,916,927	2,534,874	4,451,801	1,136,958	845,935	1,982,893
3.2.2.3 Interest Rate Swaps-Purchases		-	1,583,025	1,583,025	-	1,077,760	1,077,760
3.2.2.4 Interest Rate Swaps-Sales		-	1,583,025	1,583,025	24,455	1,049,391	1,073,846
3.2.3 Currency, Interest Rate and Security Options		1,507,534	2,308,200	3,815,734	209,055	810,965	1,020,020
3.2.3.1 Currency Options-Purchases		649,906	1,167,818	1,817,724	78,284	311,119	389,403
3.2.3.2 Currency Options-Sales		857,628	984,732	1,842,360	130,771	265,182	395,953
3.2.3.3 Interest Rate Options-Purchases		-	77,825	77,825	-	117,332	117,332
3.2.3.4 Interest Rate Options-Sales		-	77,825	77,825	-	117,332	117,332
3.2.3.5 Securities Options-Purchases		-	-	-	-	-	-
3.2.3.6 Securities Options-Sales		-	-	-	-	-	-
3.2.4 Currency Futures		-	32,861	32,861	-	17,416	17,416
3.2.4.1 Currency Futures-Purchases		-	24,256	24,256	-	17,416	17,416
3.2.4.2 Currency Futures-Sales		-	8,605	8,605	-	-	-
3.2.5 Interest Rate Futures		-	17,316	17,316	-	-	-
3.2.5.1 Interest Rate Futures-Purchases		-	8,605	8,605	-	-	-
3.2.5.2 Interest Rate Futures-Sales		-	8,711	8,711	-	-	-
3.2.6 Others		89,128	16,265	105,393	23,940	41,004	64,944
<b>B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)</b>		<b>42,710,024</b>	<b>12,624,141</b>	<b>55,334,165</b>	<b>23,814,308</b>	<b>10,875,899</b>	<b>34,690,207</b>
<b>IV. ITEMS HELD IN CUSTODY</b>		<b>5,238,241</b>	<b>655,819</b>	<b>5,894,060</b>	<b>2,454,485</b>	<b>666,863</b>	<b>3,121,348</b>
4.1. Customers' Securities and Portfolios Held		-	-	-	-	-	-
4.2. Securities Held in Custody		4,521,420	226,422	4,747,842	1,305,346	243,837	1,549,183
4.3. Checks Received for Collection		191,319	250,341	441,660	216,250	189,871	406,121
4.4. Commercial Notes Received for Collection		362,761	146,886	509,647	321,014	199,383	520,397
4.5. Other Assets Received for Collection		-	-	-	-	-	-
4.6. Assets Received for Public Offering		-	-	-	-	-	-
4.7. Other Items under Custody		162,505	32,170	194,675	611,768	33,772	645,540
4.8. Custodians		236	-	236	107	-	107
<b>V. PLEDGED ITEMS</b>		<b>37,313,563</b>	<b>11,833,652</b>	<b>49,147,215</b>	<b>21,183,433</b>	<b>10,086,329</b>	<b>31,269,762</b>
5.1. Securities		1,129,850	337,083	1,466,933	368,379	303,225	671,604
5.2. Guarantee Notes		24,103,134	4,165,702	28,268,836	12,048,413	2,943,223	14,991,636
5.3. Commodities		2,047,040	984,310	3,031,350	1,253,089	1,059,490	2,312,579
5.4. Warrants		-	-	-	-	-	-
5.5. Immovables		9,450,119	5,905,963	15,356,082	7,313,813	5,507,941	12,821,754
5.6. Other Pledged Items		583,420	440,594	1,024,014	199,739	272,450	472,189
5.7. Pledged Items-Depository		-	-	-	-	-	-
<b>VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES</b>		<b>158,220</b>	<b>134,670</b>	<b>292,890</b>	<b>176,390</b>	<b>122,707</b>	<b>299,097</b>
<b>TOTAL OFF BALANCE SHEET ITEMS (A+B)</b>		<b>54,834,270</b>	<b>40,921,361</b>	<b>95,755,631</b>	<b>31,930,256</b>	<b>25,410,033</b>	<b>57,340,289</b>

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

**Denizbank Anonim Şirketi**  
**Consolidated Income Statements**  
**For the Periods Ended 30 September 2009 and 2008**  
(Currency: Thousands of TRY - Turkish Lira)

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

INCOME AND EXPENSE ITEMS	Footnotes	REVIEWED	REVIEWED	REVIEWED	REVIEWED
		CURRENT PERIOD (01/01-30/09/2009)	PRIOR PERIOD (01/01-30/09/2008)	CURRENT PERIOD (01/07-30/09/2009)	PRIOR PERIOD (01/07-30/09/2008)
I. INTEREST INCOME	(5.IV.1)	2,299,230	2,015,602	764,457	713,109
1.1 Interest from Loans		1,765,877	1,465,078	570,977	525,061
1.2 Interest from Reserve Deposits		22,423	32,297	6,485	11,295
1.3 Interest from Banks		40,079	30,968	16,744	11,964
1.4 Interest from Money Market Transactions		8,208	11,276	6,145	3,281
1.5 Interest from Securities Portfolio		342,431	368,799	129,314	124,952
1.5.1 Trading Securities		21,368	48,733	9,462	17,212
1.5.2 Financial Assets at Fair Value Through Profit or Loss		-	-	-	-
1.5.3 Available for Sale Securities		247,096	315,808	94,306	106,489
1.5.4 Held to Maturity Securities		73,967	4,258	25,546	1,251
1.6 Interest from Financial Leases		91,238	89,035	26,869	30,274
1.7 Other Interest Income		28,974	18,149	7,923	6,282
II. INTEREST EXPENSE	(5.IV.2)	897,600	1,093,041	266,255	367,155
2.1 Interest on Deposits		682,751	739,962	212,192	234,455
2.2 Interest on Funds Borrowed		199,679	210,620	52,837	89,655
2.3 Interest on Money Market Transactions		12,385	138,667	498	42,692
2.4 Interest on Securities Issued		-	-	-	-
2.5 Other Interest Expense		2,785	3,792	728	353
III. NET INTEREST INCOME (I - II)		1,401,630	922,561	498,202	345,954
IV. NET FEES AND COMMISSION INCOME /EXPENSE	(5.IV.9)	218,485	170,915	75,923	59,123
4.1 Fees and Commissions Received		287,342	253,251	99,328	90,899
4.1.1 Non-Cash Loans		41,324	35,227	14,476	12,208
4.1.2 Other		246,018	218,024	84,852	78,691
4.2 Fees and Commissions Paid		68,857	82,336	23,405	31,776
4.2.1 Non-Cash Loans		236	300	61	125
4.2.2 Other		68,621	82,036	23,344	31,651
V. DIVIDEND INCOME		8,084	1,650	-	-
VI. TRADING INCOME/LOSS (Net)	(5.IV.3)	(43,739)	(69,305)	(23,428)	(62,400)
6.1 Profit / Loss on Securities Trading		107,231	(10,509)	39,200	(1,362)
6.2 Profit / Loss on Derivative Financial Transactions		(946,732)	(52,644)	(214,554)	(67,980)
6.3 Foreign Exchange Gains / Losses		395,762	(6,152)	151,926	6,942
VII. OTHER OPERATING INCOME	(5.IV.4)	183,629	145,788	44,708	50,669
VIII. TOTAL OPERATING INCOME (III+IV+V+VI+VII)		1,768,089	1,171,609	595,405	393,346
IX. PROVISION FOR LOANS AND OTHER RECEIVABLES (-)	(5.IV.5)	545,300	220,684	159,432	83,461
X. OTHER OPERATING EXPENSES (-)	(5.IV.6)	659,404	603,272	222,399	202,222
XI. NET OPERATING PROFIT/LOSS (VIII-IX-X)		563,385	347,653	213,574	107,663
XII. AMOUNT IN EXCESS RECORDED AS GAIN AFTER MERGER		-	-	-	-
XIII. INVESTMENTS PROFIT / LOSS FROM ACCOUNTED FOR UNDER EQUITY METHOD		-	-	-	-
XIV. GAIN/LOSS ON NET MONETARY POSITION		-	-	-	-
XV. P/L BEFORE TAXES FROM CONTINUING OPERATIONS (XI+...+XIV)		563,385	347,653	213,574	107,663
XVI. TAXES PROVISION FOR CONTINUING OPERATIONS (±)	(5.IV.7)	(133,681)	(78,695)	(48,346)	(24,268)
16.1 Current Tax		(222,871)	(53,403)	(83,376)	(36,859)
16.2 Deferred Tax		89,190	(25,292)	35,030	12,591
XVII. NET PROFIT / LOSS FROM CONTINUING OPERATIONS (XV±XVI)		429,704	268,958	165,228	83,395
XVIII. PROFIT FROM DISCONTINUED OPERATIONS		-	-	-	-
18.1 Assets Held for Sale		-	-	-	-
18.2 Profit on Sale of Associates, Subsidiaries and Joint Ventures		-	-	-	-
18.3 Other		-	-	-	-
XIX. LOSS FROM DISCONTINUED OPERATIONS (-)		-	-	-	-
19.1 Assets Held for Sale		-	-	-	-
19.2 Loss on Sale of Associates, Subsidiaries and Joint Ventures		-	-	-	-
19.3 Other		-	-	-	-
XX. P/L BEFORE TAXES FROM DISCONTINUED OPERATIONS (XVIII-XIX)		-	-	-	-
XXI. TAXES PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-	-	-
21.1 Current Tax		-	-	-	-
21.2 Deferred Tax		-	-	-	-
XXII. NET PROFIT / LOSS FROM DISCONTINUED OPERATIONS (XX±XXI)		-	-	-	-
XXIII. NET PROFIT / LOSS (XVII+XXII)	(5.IV.8)	429,704	268,958	165,228	83,395
23.1 Group's Profit / Loss		429,704	268,958	165,228	83,395
23.2 Minority Shares		-	-	-	-
Earnings / Losses per Share (Per thousand share)		0.60	0.59	0.23	0.18

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

**Denizbank Anonim Şirketi**  
**Consolidated Statements of Recognized Profits and Losses**  
**Accounted for Under Equity**  
**For the Periods Ended 30 September 2009 and 2008**  
(Currency: Thousands of TRY - Turkish Lira)

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

	REVIEWED CURRENT PERIOD (01/01-30/09/2009)	REVIEWED PRIOR PERIOD (01/01-30/09/2008)
I. ADDITIONS TO VALUATION DIFF. ON SECURITIES FROM AVAILABLE FOR SALE INVESTMENTS	250,015	(132,204)
II. TANGIBLE ASSETS REVALUATION DIFFERENCES	-	-
III. INTANGIBLE ASSETS REVALUATION DIFFERENCES	-	-
IV. FOREIGN EXCHANGE DIFFERENCES FOR FOREIGN CURRENCY TRANSACTIONS	(3,984)	14,102
V. PROFIT/LOSS RELATED TO DERIVATIVES USED IN CASH FLOW HEDGES (Effective portion of Fair Value Differences)	(63,475)	20,333
VI. PROFIT/LOSS RELATED TO DERIVATIVES USED IN HEDGE OF A NET INVESTMENT IN FOREIGN SUBSIDIARIES (Effective portion of Fair Value Differences)	1,600	(13,834)
VII. THE EFFECT OF CHANGES IN ACCOUNTING POLICIES OR CORRECTION OF ERRORS	-	-
VIII. OTHER PROFIT/LOSS ITEMS ACCOUNTED FOR UNDER EQUITY DUE TO TAS	-	-
IX. DEFERRED TAXES OF VALUATION DIFFERENCES	(47,388)	25,133
X. NET PROFIT/LOSS ACCOUNTED UNDER EQUITY (I+II+...+IX)	136,768	(86,470)
XI. CURRENT PERIOD PROFIT/LOSS	429,704	268,958
1.1 Net Change in Fair Value of Securities (Transfer to Profit & Loss)	39,032	397
1.2 Reclassification and Transfer of Derivatives Accounted for Cash Flow Hedge Purposes Recycled to Income Statement	37	-
1.3 Transfer of Hedge of Net Investment in Foreign Operations Recycled to Income Statement	-	-
1.4 Other	390,635	268,561
XII. TOTAL PROFIT AND LOSS ACCOUNTED FOR THE PERIOD (X±XI)	566,472	182,488

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

**Denizbank Anonim Şirketi**  
**Consolidated Statements of Changes in Shareholders' Equity**  
**For the Periods Ended 30 September 2009 and 2008**  
(Currency: Thousands of TRY - Turkish Lira)

*Convenience Translation of Consolidated 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 of Tang./Intang.A.	Bonus Shares Obtained from Associates	Hedging Reserves	Val.Diff.Related to Assets Held for Sale/Disc.Opr.	Total Equity Attrib. to Equity Holders of the Parent	Minority Interest	Total Shareholders' Equity
<b>REVIEWED PRIOR PERIOD</b> (01/01-30/09/2008)																		
I. Balances at the Beginning of Period	316,100	189,164	98,351	-	35,825	-	602,701	(13,362)	341,255	89,269	18,752	-	11	-	-	1,678,066	-	1,678,066
II. Corrections According to Turkish Accounting Standard No.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 The Effect of Corrections of Errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 The Effects of Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Adjusted Beginning Balance (I + II)	316,100	189,164	98,351	-	35,825	-	602,701	(13,362)	341,255	89,269	18,752	-	11	-	-	1,678,066	-	1,678,066
Changes in the Period																		
IV. Increase / Decrease Related to Mergers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V. Valuation Differences of Securities	-	-	-	-	-	-	-	-	-	-	(105,442)	-	-	-	-	(105,442)	-	(105,442)
VI. Hedging Transactions (Effective Portion)	-	-	-	-	-	-	-	-	-	-	-	-	-	5,267	-	5,267	-	5,267
6.1 Cash Flow Hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	19,101	-	19,101	-	19,101
6.2 Hedging of a Net Investment in Foreign Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	(13,834)	-	(13,834)	-	(13,834)
VII. Revaluation Fund of Tangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Revaluation Fund of Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Bonus Shares Obtained from Associates, Subsidiaries and Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Foreign Exchange Differences	-	-	-	-	-	-	-	14,102	-	-	-	-	-	-	-	14,102	-	14,102
XI. Changes Related to Sale of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII. Changes Related to Reclassification of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII. Effects of Changes in Equities of Associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV. The Effect of Capital Increase	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.1 Cash	400,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	400,000	-	400,000
14.2 Internal Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	400,000	-	400,000
XV. Issuance of Capital Stock	-	-	60	-	-	-	-	-	-	-	-	-	-	-	-	60	-	60
XVI. Share Cancellation Profits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII. Capital Reserves from Inflation Adjustments to Paid-In Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVIII. Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIX. Current Period Net Profit / Loss	-	-	-	-	-	-	-	-	268,958	-	-	-	-	-	-	268,958	-	268,958
XX. Profit Distribution	-	-	-	-	10,562	-	200,688	-	(341,255)	130,005	-	-	-	-	-	-	-	-
20.1 Dividends Distributed	-	-	-	-	10,562	-	200,688	-	-	(211,250)	-	-	-	-	-	-	-	-
20.2 Transfer to Reserves	-	-	-	-	-	-	-	-	-	341,255	-	-	-	-	-	-	-	-
20.3 Other	-	-	-	-	-	-	-	-	(341,255)	-	-	-	-	-	-	-	-	-
Balances at the End of Period (III+IV+V+...+XVIII+XIX+XX)	316,100	189,164	98,411	-	46,387	-	803,389	740	268,958	219,274	(86,690)	-	11	5,267	-	2,261,011	-	2,261,011
<b>REVIEWED CURRENT PERIOD</b> (01/01-30/09/2009)																		
I. Balances at the Beginning of Period	716,100	189,164	98,411	-	46,387	-	803,389	44,915	342,463	219,274	(39,734)	-	15	(133,242)	-	2,287,142	-	2,287,142
Changes in the Period																		
II. Increase / Decrease Related to Mergers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Valuation Differences of Securities	-	-	-	-	-	-	-	-	-	-	161,688	-	-	-	-	161,688	-	161,688
IV. Hedging Transactions (Effective Portion)	-	-	-	-	-	-	-	-	-	-	-	-	-	(60,005)	-	(60,005)	-	(60,005)
4.1 Cash Flow Hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	(61,605)	-	(61,605)	-	(61,605)
4.2 Hedging of a Net Investment in Foreign Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	1,600	-	1,600	-	1,600
V. Revaluation Fund of Tangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Revaluation Fund of Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Bonus Shares Obtained from Associates, Subsidiaries and Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	(4)	-	-	(4)	-	(4)
VIII. Foreign Exchange Differences	-	-	-	-	-	-	-	(3,984)	-	-	-	-	-	-	-	(3,984)	-	(3,984)
IX. Changes Related to Sale of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Changes Related to Reclassification of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. Effects of Changes in Equities of Associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII. The Effect of 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	-	-	-	-	-	-	-	-	429,704	-	-	-	-	-	-	429,704	-	429,704
XVIII. Profit Distribution	-	-	-	-	13,905	-	264,185	-	(342,463)	64,373	-	-	-	-	-	-	-	-
18.1 Dividend Distributed	-	-	-	-	13,905	-	264,185	-	-	(278,090)	-	-	-	-	-	-	-	-
18.2 Transfer to Reserves	-	-	-	-	-	-	-	-	-	342,463	-	-	-	-	-	-	-	-
18.3 Other	-	-	-	-	-	-	-	-	(342,463)	-	-	-	-	-	-	-	-	-
Balances at the End of Period (I+II+III+...+XVI+XVII+XVIII)	716,100	189,164	98,411	-	60,292	-	1,067,574	40,931	429,704	283,647	121,954	-	11	(193,247)	-	2,814,541	-	2,814,541

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

	REVIEWED CURRENT PERIOD (01/01-30/09/2009)	REVIEWED PRIOR PERIOD (01/01-30/09/2008)
<b>A. CASH FLOWS FROM BANKING OPERATIONS</b>		
<b>1.1 Operating Profit before Changes in Operating Assets and Liabilities (+)</b>	<b>1,267,369</b>	<b>371,339</b>
1.1.1 Interest Received (+)	2,388,971	1,727,283
1.1.2 Interest Paid (-)	942,918	1,022,917
1.1.3 Dividend Received (+)	8,084	1,650
1.1.4 Fees And Commissions Received (+)	283,333	253,251
1.1.5 Other Income (+)	111,041	64,242
1.1.6 Collections from Previously Written-Off Loans and Other Receivables (+)	190,671	105,514
1.1.7 Payments to Personnel and Service Suppliers (-)	345,064	335,135
1.1.8 Taxes Paid (-)	164,658	56,152
1.1.9 Other (+/-)	(262,091)	(366,397)
<b>1.2 Changes in Operating Assets and Liabilities</b>	<b>906,227</b>	<b>(2,977,738)</b>
1.2.1 Net (Increase) Decrease in Trading Securities (+/-)	(70,475)	232,451
1.2.2 Net (Increase) Decrease in Financial Assets Designated at FV (+/-)	-	-
1.2.3 Net (Increase) Decrease in Banks (+/-)	802,314	(35,912)
1.2.4 Net (Increase) Decrease in Loans (+/-)	(1,163,629)	(3,136,750)
1.2.5 Net (Increase) Decrease in Other Assets (+/-)	(333,890)	(172,178)
1.2.6 Net Increase (Decrease) in Bank Deposits (+/-)	68,078	(106,808)
1.2.7 Net Increase (Decrease) in Other Deposits (+/-)	2,658,134	478,724
1.2.8 Net Increase (Decrease) in Funds Borrowed (+/-)	(536,954)	247,582
1.2.9 Net Increase (Decrease) in Due Payables (+/-)	-	-
1.2.10 Net Increase (Decrease) in Other Liabilities (+/-)	(517,351)	(484,847)
<b>I. Net Cash (Used in)/Provided from Banking Operations (+/-)</b>	<b>2,173,596</b>	<b>(2,606,399)</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>II. Net Cash Provided from / (Used in) Investing Activities (+/-)</b>	<b>(202,453)</b>	<b>(485,020)</b>
2.1 Cash Paid for Purchase of Investments, Associates and Subsidiaries (-)	86,542	-
2.2 Cash Obtained From Sale of Investments, Associates And Subsidiaries (+)	-	101
2.3 Fixed Assets Purchases (-)	56,345	80,528
2.4 Fixed Assets Sales (+)	6,076	1,265
2.5 Cash Paid for Purchase of Investments Available for Sale (-)	1,186,842	999,657
2.6 Cash Obtained From Sale of Investments Available for Sale (+)	1,121,200	593,799
2.7 Cash Paid for Purchase of Investment Securities (-)	-	-
2.8 Cash Obtained from Sale of Investment Securities (+)	-	-
2.9 Other (+/-)	-	-
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>III. Net Cash Provided from / (Used in) Financing Activities (+/-)</b>	<b>(600,648)</b>	<b>2,997,705</b>
3.1 Cash Obtained from Funds Borrowed and Securities Issued (+)	1,430,505	3,390,362
3.2 Cash Used for Repayment of Funds Borrowed and Securities Issued (-)	2,031,153	792,657
3.3 Capital Increase (+)	-	400,000
3.4 Dividends Paid (-)	-	-
3.5 Payments for Finance Leases (-)	-	-
3.6 Other (+/-)	-	-
<b>IV. Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents (+/-)</b>	<b>(48,734)</b>	<b>(40,678)</b>
<b>V. Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>1,321,761</b>	<b>(134,392)</b>
<b>VI. Cash and Cash Equivalents at the Beginning of Period (+)</b>	<b>2,643,509</b>	<b>2,088,065</b>
<b>VII. Cash and Cash Equivalents at the End of Period</b>	<b>3,965,270</b>	<b>1,953,673</b>

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



## SECTION THREE ACCOUNTING POLICIES

### I. Basis of presentation

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

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

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

#### 2. Additional paragraph for convenience translation to English

The differences between accounting principles, as described in the preceding paragraphs, and the accounting principles generally accepted in countries, in which the accompanying consolidated financial statements are to be distributed, and International Financial Reporting Standards ("IFRS"), may have significant influence on the accompanying consolidated financial statements. Accordingly, the accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

#### 3. Disclosures related to the changes in accounting policies and financial statement presentation

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

Due to the change in Turkish Accounting Standard no. 39 and Turkish Financial Reporting Standard No. 7, as published in the Official Gazette No. 27040, dated 31 October 2008, a portion of debt securities amounting to TRY 292,553 which had been originally classified in "Trading securities", have been reclassified to "Investment securities available-for-sale", effective from 1 September 2008 and in October for the Bank, 1 July 2008 for CJSC Dexia Bank, and 3 October 2008 for Deniz Yatırım. As a result of exceptional volatility in the financial markets, such reclassified financial assets have been chosen among securities which have incurred significant losses and those that are not planned to be sold in the near term. The table below summarizes the effects of the forementioned reclassification on the financial statements:

Reclassified Financial Securities	Amounts at the Reclassification Date	Amounts at the Balance Sheet Date	Amounts If Reclassification Was Not Made
Cost	292,553	295,239	292,553
Disposal	--	(145,992)	(151,840)
Cost after Disposal		149,247	140,713
Fair Value	295,239	156,230	156,230
Current Period Profit / (Loss)	--	(3,868)	17,337
Prior Periods' Profits / (Losses)	(1,082)	(999)	(1,820)
Effect on Shareholders' Equity	--	11,850	--

### 3.2 Disclosures related to other reclassifications

TRY 6,942 which was reported in "financial assets available for sale" and TRY 26 which was reported in "investments in unconsolidated financial associates" at 31 December 2008, have been reclassified to "investments in unconsolidated financial subsidiaries".

TRY 55,557 which was reported in "current tax assets" at 31 December 2008, has been reclassified to "other assets".

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

Accounting policies and valuation principles used in the preparation of the financial statements are determined and applied in accordance with the requirements of TAS, TFRS, "Regulation on Principles Related to Banks' Accounting Applications and Preserving the Documents", dated 1 November 2006 which is published in the Official Gazette No.26333 and "Communiqué on Financial Statements and the Accompanying Explanations and Footnotes to be Announced to the Public", dated 10 February 2007 which is published in the Official Gazette No. 26430, and other regulations, Communiqués and circulars in respect of accounting and financial reporting and pronouncements made by Banking Regulation and Supervision Agency. Those policies and principles are explained by footnotes II through XXIII below.

## II. Explanation on usage strategy of financial instruments and transactions denominated in foreign currencies

### 1. Strategy for the use of financial instruments

Denizbank Financial Services Group's ("DFS Group") external sources of funds are comprised of deposits with various maturity periods, and short-term borrowings. These funds are fixed rate in general and are utilized in high yield financial assets. The majority of the funds are allocated to high yield, floating rate instruments, such as Turkish Lira and foreign currency government securities and Eurobonds, and to loans provided to customers on a selective basis in order to increase revenue and support liquidity. The liquidity structure, insures meeting all liabilities falling due, is formed by keeping sufficient levels of cash and cash equivalents by diversifying the sources of funds. The Bank assesses the maturity structure of the sources, and the maturity structure and yield of placements at market conditions and adopts a high yield policy in long-term placements.

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

These positions are closely monitored by the Risk Management System of the Parent 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 Parent Bank hedges a portion of its floating rate liabilities by interest rate swaps for cash flow risk.

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

No risks are taken on foreign currencies other than US Dollar and Euro. If the position taken because of customer based activities exceeding 0.004% of the balance sheet size, counter transactions are made to cover the position.

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

## 2. Transactions denominated in foreign currencies

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

DFS Group accounts for the transactions denominated in foreign currencies in accordance with TAS 21 "The Effects of Changes in Foreign Exchange Rates". Foreign exchange gains and losses arising from transactions that are completed as of the balance sheet date are translated to TRY by using historical foreign currency exchange rates. Balances of the foreign currency denominated assets and liabilities are translated into TRY by using foreign currency exchange rates of the Bank and the resulting exchange differences are recorded as foreign exchange gains and losses. The Bank's foreign currency exchange rates are as follows:

	30 September 2009	31 December 2008	30 September 2008
US Dollar	TRY 1.4770	TRY 1.5218	TRY 1.2316
Euro	TRY 2.1611	TRY 2.1332	TRY 1.7978

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

Net foreign exchange profit included in the income statement amounts to TRY 395,762 (30 September 2008: net foreign exchange loss of TRY 6,152).

### 2.3 Total amount of valuation fund rised from foreign currency exchange rate differences

The assets and liabilities of foreign operations are translated to TRY at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated to TRY at nine month average foreign exchange rates. The foreign exchange differences derived from translation of income statements of consolidated subsidiaries, and arising from the difference between TRY equivalent of their equities and the Parent Bank's share in their net assets are recorded in "other profit reserves". As of 30 September 2009, total foreign exchange differences in equity amounts to TRY 36,324 (31 December 2008: TRY 39,091).

The foreign exchange difference is amounting to TRY 4,607 (31 December 2008: TRY 5,824) arising from the translation of the financial statements of Bahrain branch of the Parent Bank to TRY is recorded in "other profit reserves".

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

## III. Information regarding the consolidated subsidiaries

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

The Parent Bank owns, directly or indirectly, the shares of Deniz Yatırım Menkul Kıymetler A.Ş. (Deniz Yatırım), Ekspres Yatırım Menkul Değerler A.Ş. (Ekspres Yatırım), Deniz Türev Menkul

Değerler A.Ş. (Deniz Türev), Eurodeniz International Banking Unit Ltd. (Eurodeniz), Deniz Portföy Yönetimi A.Ş. (Deniz Portföy), Denizbank AG, CJSC Dexia Bank, Deniz Finansal Kiralama A.Ş. (Deniz Leasing), Deniz Faktoring A.Ş. (Deniz Faktoring) and Deniz Emeklilik ve Hayat A.Ş. (Deniz Emeklilik), and these subsidiaries are consolidated as explained in detail in footnote 5.1.8.

Intertech Bilgi İşlem ve Pazarlama Ticaret A.Ş. and Denizbank Kültür Sanat Ticaret A.Ş. which are also the subsidiaries of the Bank, Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş. a jointly controlled entity of the Bank, and Pupa Gayrimenkul Kiralama ve Yönetim Hizmetleri A.Ş.(Pupa) a subsidiary of Deniz Leasing are not consolidated since they are non-financial subsidiaries. Deniz Yatırım Ortaklığı A.Ş. an associate of Deniz Yatırım is not consolidated within the exceptions on article 5, clause 6 of Communiqué on “Preparation of Consolidated Financial Statements of Banks” of BRSA published in the Official Gazette No. 26340 on 8 November 2006.

The Parent Bank, and its consolidated subsidiaries are referred to as “DFS Group” in the disclosures and footnotes related to the consolidated financial statements.

## **1. Consolidation method**

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

### **The major principles of consolidation of subsidiaries**

- 1.1** The carrying amount of the Parent Bank’s investment in each subsidiary and the Bank’s portion of equity of each subsidiary are eliminated.
- 1.2** All intercompany transactions and intercompany balances between the consolidated subsidiaries and the Parent Bank are eliminated.

The financial statements which have been used in the consolidation are prepared as of 30 September 2009 and appropriate adjustments are made to financial statements to use uniform accounting policies for transactions and events alike in similar circumstances, in accordance with the principal of materiality.

## **2. Associates**

There are no financial associates included in the consolidation.

## **3. Entitites under common control (Joint Vent.)**

There are no financial entitites under common which are consolidated.

## **IV. Explanations on forward transactions, options and derivative instruments**

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

In accordance with TAS 39 “Financial Instruments: Recognition and Measurement”, forward foreign currency purchase/sale contracts, swaps, options and futures that are classified as “hedging-purpose” and “trading purpose” transactions. Derivatives are initially recognized at cost including the transaction costs. Also, the liabilities and receivables arising from the derivative transactions are recorded as off-balance sheet items at their contractual notional amounts.

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

shareholders' equity, while the ineffective portion is accounted for in the income statement for hedging purpose derivatives.

## V. Explanations on interest income and expenses

Interest income and expenses are recognized as they are accrued taking into account the internal rate of return method. Interest accrual does not start until non-performing loans become performing and are classified as performing loans or until collection in accordance with the "Regulation on the Principles and Procedures Related to the Determination of the Loans and Other Receivables for which Provisions Shall be Set Aside by Banks and to the Provisions to be Set Aside", published in the Official Gazette No. 26333 dated 1 November 2006, which was prepared on the basis of the provisions of Articles 53 and 93 of the Banking Law no. 5411.

## VI. Explanations on fees and commissions

Fees and commissions received from customers for banking services, and fees and commissions paid to other financial institutions are recorded over the period to their maturities.

## VII. Explanations on financial assets

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

### 1. Financial assets at fair value through profit or loss

#### 1.1 Trading securities

Trading securities are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, trading securities are measured at fair value and gains and losses arising from a change in the fair value are recognized in the income statement. Differences between the fair value and cost of trading securities are also recorded in "trading securities".

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

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

As of the balance sheet date, the fair values of the Turkish Lira government securities are calculated using the Istanbul Stock Exchange (ISE) last day's weighted average prices for those securities traded on ISE; and for those securities not traded on ISE, the prices announced by the Central Bank of the Republic of Turkey are used. Eurobonds and foreign currency government bonds are initially recognized at cost including transaction costs and subsequent to initial recognition, Eurobonds and foreign currency government bonds are measured at market prices. However, those securities not traded in an active market and whose fair values cannot be reliably measured are valued using amortised cost method based on internal rate of return. For equity securities, closing prices that are listed at the balance sheet date are used. Fair value of derivative instruments are determined by using market prices, discounted cash flows model, or pricing models.

#### 1.2 Financial assets at fair value through profit or loss

DFS Group does not have any securities designated as "financial assets at fair value through profit or loss".

**2. Investment securities available-for-sale**

Available-for-sale assets are financial assets that are not held for trading purposes, loans, held to maturity investments and financial assets at fair value through profit or loss.

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

**3. Investment securities held-to-maturity**

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

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

Interest earned on held-to-maturity securities are recognized as interest income and are reflected in "interest received from securities portfolio - investment securities held-to-maturity" in the consolidated income statement.

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

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

**4. Loans and specific provisions**

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

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

Foreign currency loans are re-measured to reflect the changes in the currency exchange rates. Currency exchange differences arising from such re-measurements are reflected in "Foreign Exchange Gains/Losses" account in the consolidated income statement. Foreign currency-indexed loans are initially recognized in their Turkish Lira equivalents.

Specific allowances are made against the carrying amount of loans under follow-up in accordance with the "Regulation on the Principles and Procedures Related to the Determination of the Loans and Other Receivables for which Provisions Shall be Set Aside by Banks and to the Provisions to be Set Aside" published in the Official Gazette numbered 26333 dated 1 November 2006, and which was amended with the communiqué published in the Official Gazette numbered 27119 dated 23 January 2009.

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

### VIII. Explanations on impairment of financial assets

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

Deniz Leasing's investment in the unconsolidated subsidiary Pupa which exceeded its share in the subsidiary's equity by TRY 85,000 was accounted for in the consolidated statement of income within "Provision for Loans and Other Receivables" under the line item of "Impairment Losses on Associates, Subsidiaries, Joint Ventures and Investment Securities Held to Maturity".

### IX. Explanations on offsetting financial instruments

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

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

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

### X. Explanations on sale and repurchase agreements and transactions related to the lending of securities

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

### XI. Explanations on assets held for sale and discontinued operations

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

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

DFS Group does not have any assets held for sale and any discontinued operation as of 30 September 2009.

## XII. Explanations on goodwill and other intangible assets

There is no goodwill in the accompanying consolidated financial statements.

All intangible assets are initially recognized at cost in accordance with TAS 38 "Intangible Assets". According to the resolution of the BRSA No. 1623 dated 21 April 2005, the banks and special financial institutions are no longer required to prepare their financial statements in accordance with Regulation and Accounting Policies 14 "Accounting Standard for Financial Reporting in Hyperinflationary Periods" since the indicators of hyperinflation as disclosed in Article 5 of Regulation and Accounting Policies 14 no longer exist in Turkey. In line with this resolution, other intangible assets have been restated for the effects of inflation, up to 31 December 2004. Subsequent to this date, intangible assets have not been adjusted in accordance with inflation accounting and restated values as of 31 December 2004 considered as cost. Any currency exchange differences, financing expenses and revaluation surplus that might have been capitalized are eliminated and only the acquisition cost of the intangible assets are restated until 31 December 2004. The new additions to intangible assets after 31 December 2004 are shown with their historic costs excluding any currency exchange differences and financing expenses capitalized.

Intangible assets purchased before 1 January 2003 and after 31 December 2006 are amortized on a straight-line basis based and those purchased between the dates mentioned above are amortized using the double-declining balance method. The amortization rate for the software of Denizbank AG is 33%.

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

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

## XIII. Explanations on tangible assets

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

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

Tangible assets purchased before 2003 and in 2007 are depreciated on a straight-line basis and those purchased in 2003, 2004, 2005 and 2006 are depreciated using the double-declining balance method. The depreciation rates used are as follows:

	Purchased before 2003	Purchased between 2003-2006	Purchased in 2007	Purchased between 2008-2009
Movables				
- Office equipment	20%	40% - 50%	20% - 25%	10% - 25%
- Furniture and fixtures	20%	20% - 50%	10% - 20%	12.50% - 20%
- Vehicles	20%	40% - 50%	20% - 50%	20% - 50%
- Other equipment	20%	4.44% -50%	2.50% -50%	2% - 50%
Properties	2%	2%	2%	2%



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

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

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

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

#### **XIV. Explanations on leasing activities**

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

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

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

#### **XV. Explanations on provisions and contingent liabilities**

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

Based on the representations of the Bank’s attorneys, there are 646 lawsuits against DFS Group with total risks amounting to TRY 56,000, US Dollar 15,668,636 and Euro 84,799 as of 30 September 2009. There are also 4,958 follow-up cases amounting to TRY 41,654, US Dollar 659,100 and Euro 313,051 in total that are filed by DFS Group and are at courts.

#### **XVI. Explanations on obligations for employee benefits**

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

The principal actuarial assumptions used are as follows:

	Current Period %	Prior Period %
Discount rate	6.26	5.71
Interest rate	12	11
Expected rate of salary/retirement pay ceiling limit increase	5.4	5
Turnover rate to estimate the probability of retirement	9.99	7.73

The computation of the liability is calculated upon retirement pay ceiling announced by the Government. The ceiling amount as of 30 September 2009 is TRY 2,365 (31 December 2008: TRY 2,173).

There are no employees with definite employment term contract whose contracts will terminate within more than twelve months from the balance sheet date.

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

## **XVII. Explanations on 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%, beginning from 1 January 2006.

Companies file their corporate tax returns between the 1st and 25th days of the following four months period after to which they relate and the payments are made until the end of that month.

The provision for corporate tax for the period is reflected as the "Current Tax Liability" in the liabilities and "Current Tax Provision" in the income statement.

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

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

The foreign subsidiaries of DFS Group that operate in Austria, the Russian Federation and Cyprus subject to corporate tax rates of 25%, 20% and 2%, respectively.

## **2. Deferred taxes**

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

Individual deferred tax assets and liabilities of the consolidated entities have been offset in their separate financial statements, but have not been offset in the consolidated balance sheet. As a result of offsetting, TRY 87,752 deferred tax assets (31 December 2008: TRY 37,908 deferred tax assets and 31 December 2008: TRY 1,491 deferred tax liabilities ) has been recognized in the accompanying financial statements.

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

## **XVIII. Additional explanations on borrowings**

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

General hedging techniques are used for borrowings against liquidity and currency risks. The Parent Bank uses cash flow hedge accounting to maintain protection for a portion of its floating rate liabilities by interest rate swaps.

The Parent Bank, if requires, maintains supplies from domestic and foreign institutions. The Parent Bank can also obtain borrowings such as syndication loans and securitization loans from foreign institutions. Financial instruments representing borrowings are measured at amortised cost based on the internal rate of return subsequent to recognition.

The Parent Bank has not issued convertible bonds. The Parent Bank has no instruments representing borrowings which is directly issued by the Bank. Funds maintained via financial instruments representing borrowings issued by special purpose vehicle (SPV) are disclosed under “Funds Borrowed”.

## **XIX. Explanations on shares and share issuance**

Transactions related to issuance of share certificates are explained in footnote 5.II.9.8. No dividends have been declared subsequent to the balance sheet date.

## **XX. Explanations on 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. Explanations on government grants**

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

## **XXII. Explanations on segment reporting**

Segment reporting is presented in Section Four, Footnote VI.

## **XXIII. Explanations on other matters**

None.

## SECTION FOUR CONSOLIDATED FINANCIAL POSITION

### I. Explanations related to the consolidated capital adequacy standard ratio

The Bank's consolidated capital adequacy ratio is 16.30% as of 30 September 2009 (31 December 2008: 16.06%). This ratio is higher than the stipulated minimum prudential ratio in the related legislation.

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

Consolidated capital adequacy ratio is calculated in accordance with the "Regulation on Measurement and Assessment of Capital Adequacy Ratio of Banks" published in the Official Gazette No.26333, dated 1 November 2006. For the calculation of the consolidated capital adequacy ratio, the accounting records prepared in compliance with the current legislation are used. According to the requirements of the Regulation, starting from 30 June 2007, operational risk is included in the computation of capital adequacy ratio. Moreover, market risk value is calculated in accordance with the "Regulation on Banks' Internal Control and Risk Management Systems" and factored into capital adequacy ratio.

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

For the calculation of their risk-based values, non-cash loans are weighted and classified according to related risk groups after being multiplied by the rates stated in the Article 5 of "Regulation on Measurement and Assessment of Capital Adequacy Ratios 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 5 of "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks".

2. Consolidated and unconsolidated capital adequacy ratios

	Risk Weighted Assets						
	Consolidated						
	0%	10%	20%	50%	100%	150%	200%
<b>Credit Risk Base</b>							
<b>Balance Sheet Items (Net)</b>	<b>4,365,372</b>	--	<b>1,507,885</b>	<b>3,359,972</b>	<b>13,967,904</b>	<b>19,385</b>	<b>108</b>
Cash in Vault	352,043	--	131	--	--	--	--
Due Dated Financial Assets	--	--	--	--	--	--	--
Central Bank of the Republic of Turkey	611,456	--	--	--	--	--	--
Domestic and Foreign Banks, Foreign Branches	306,329	--	1,175,484	--	55,961	--	--
Interbank Money Market	750,300	--	--	--	--	--	--
Receivables from Reverse Repos	--	--	--	--	--	--	--
Reserve Deposits	416,976	--	--	--	--	--	--
Loans	931,148	--	259,038	3,233,523	10,922,149	19,385	108
Non-performing Loans (Net)	--	--	--	--	360,045	--	--
Receivables from Leasing Operations	--	--	--	--	1,127,037	--	--
Investments Available-for-Sale	--	--	--	--	4,669	--	--
Investments Held-to-Maturity	649,657	--	62,360	--	6,858	--	--
Receivables from Forward Sale of Assets	--	--	--	--	--	--	--
Sundry Debtors	--	--	--	--	610,083	--	--
Accrued Interest and Other Income	88,220	--	10,872	126,449	473,830	--	--
Investments in Associates, Subsidiaries and Joint Ventures (Net)	--	--	--	--	11,265	--	--
Tangible Assets	--	--	--	--	134,994	--	--
Other Assets	259,243	--	--	--	261,013	--	--
<b>Off-Balance Sheet Items</b>	<b>318,955</b>	--	<b>539,218</b>	<b>115,891</b>	<b>3,129,874</b>	--	--
Non-Cash Loans and Commitments	318,955	--	159,570	115,891	3,030,309	--	--
Derivatives	--	--	379,648	--	99,565	--	--
<b>Accounts Not Risk Weighted</b>							
<b>Total Risk Weighted Assets</b>	<b>4,684,327</b>	--	<b>2,047,103</b>	<b>3,475,863</b>	<b>17,097,778</b>	<b>19,385</b>	<b>108</b>

Risk Weighted Assets

	The Parent Bank						
	0%	10%	20%	50%	100%	150%	200%
<b>Credit Risk Base</b>							
<b>Balance Sheet Items (Net)</b>	<b>3,460,952</b>	--	<b>1,148,532</b>	<b>2,748,574</b>	<b>11,049,905</b>	<b>19,385</b>	<b>108</b>
Cash in Vault	334,289	--	131	--	--	--	--
Due Dated Financial Assets	--	--	--	--	--	--	--
Central Bank of the Republic of Turkey	611,456	--	--	--	--	--	--
Domestic and Foreign Banks, Foreign Branches	74,643	--	940,474	--	797	--	--
Interbank Money Market	750,000	--	--	--	--	--	--
Receivables from Reverse Repos	--	--	--	--	--	--	--
Reserve Deposits	415,849	--	--	--	--	--	--
Loans	437,648	--	190,193	2,630,956	9,428,211	19,385	108
Non-performing Loans (Net)	--	--	--	--	252,324	--	--
Receivables from Leasing Operations	--	--	--	--	--	--	--
Investments Available-for-Sale	--	--	--	--	3,894	--	--
Investments Held-to-Maturity	580,125	--	8,368	--	--	--	--
Receivables from Forward Sale of Assets	--	--	--	--	--	--	--
Sundry Debtors	--	--	--	--	152,539	--	--
Accrued Interest and Other Income	65,327	--	9,366	117,618	423,143	--	--
Investments in Associates, Subsidiaries and Joint Ventures (Net)	--	--	--	--	407,225	--	--
Tangible Assets	--	--	--	--	127,665	--	--
Other Assets	191,615	--	--	--	254,107	--	--
<b>Off-Balance Sheet Items</b>	<b>77,688</b>	--	<b>508,153</b>	<b>115,891</b>	<b>3,086,411</b>	--	--
Non-Cash Loans and Commitments	77,688	--	159,570	115,891	3,006,334	--	--
Derivatives	--	--	348,583	--	80,077	--	--
<b>Accounts Not Risk Weighted</b>	--	--	--	--	--	--	--
<b>Total Risk Weighted Assets</b>	<b>3,538,640</b>	--	<b>1,656,685</b>	<b>2,864,465</b>	<b>14,136,316</b>	<b>19,385</b>	<b>108</b>

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

	Consolidated		The Parent Bank	
	Current Period	Prior Period	Current Period	Prior Period
Risk Weighted Assets	19,274,425	18,185,881	15,929,179	14,564,965
Value at Market Risk	608,313	531,825	334,075	448,800
Value at Operational Risk	2,193,067	1,675,745	1,763,496	1,353,779
Shareholders' Equity	3,597,404	3,275,920	3,364,910	2,812,618
Shareholders' Equity / (RWA+VAMR+VAOR)*100	16.30%	16.06%	18.67%	17.18%

RWA: Risk Weighted Assets

VAMR: Value at Market Risk

VAOR: Value at Operational Risk

#### 4. Components of shareholders' equity

	Current Period	Prior Period
<b>CORE CAPITAL</b>		
Paid-in Capital	716,100	716,100
Nominal Capital	716,100	716,100
Capital Commitments (-)	--	--
Capital Reserves Arising From Inflation Adjustments to Paid-in Capital	189,164	189,164
Share Premium	98,411	98,411
Share Cancellation Profit	--	--
Legal Reserves	60,292	46,387
I. Legal Reserve (Turkish Commercial Code 466/1)	60,292	46,387
II. Legal Reserve (Turkish Commercial Code 466/2)	--	--
Other Legal Reserve per Special Legislation	--	--
Status Reserves	--	--
Extraordinary Reserves	1,108,505	848,304
Reserve Appropriated at the General Assembly	1,067,574	803,389
Retained Earnings	--	--
Accumulated Losses	--	--
Foreign Currency Translation Differences	40,931	44,915
Inflation Component of Legal Reserves, Status Reserves and Extraordinary Reserves	--	--
Profit	713,351	561,737
Current Period Profit	429,704	342,463
Prior Periods' Profits	283,647	219,274
Free Provisions Booked for Possible Losses (Up to 25% of the Core Capital)	199,247	140,779
Gain on Sale of Real Estate and Investments in Associates and Subsidiaries to be Added to the Paid-in capital	--	--
Primary Subordinated Loans (Up to 15% of the Core Capital)	--	--
Accumulated Losses (-)	--	--
Current Period Loss	--	--
Prior Periods' Losses	--	--
Leasehold Improvements (-)	64,713	--
Prepaid Expenses (-)	25,013	22,002
Intangible Assets (-)	34,201	27,301
Deferred Tax Assets (Amount Exceeding 10% of the Core Capital) (-)	--	--
Amount Excess of Article 56/3 of the Law (-)	--	--
Consolidation Goodwill (Net) (-)	--	--
<b>Total Core Capital</b>	<b>2,961,143</b>	<b>2,600,882</b>
<b>SUPPLEMENTARY CAPITAL</b>		
General Loan Loss Reserves	129,249	109,449
45% of Revaluation Fund of Movable Fixed Assets	--	--
45% of Revaluation Fund of Properties	--	--
Bonus Shares of Associates, Subsidiaries and Entities Under Common Control	11	15
Primary Subordinated Loans Excluded from the Core Capital	--	--
Secondary Subordinated Loans	474,495	654,611
45% of Securities Value Increase Fund (100% If Negative)	54,879	(39,734)
Associates and Subsidiaries	--	--
Investments Available-for-Sale	54,879	(39,734)
Inflation Component of Capital Reserves, Profit Reserves and Prior Period Profits	--	--
Minority Interest	--	--
<b>Total Supplementary Capital</b>	<b>658,634</b>	<b>724,341</b>
<b>TIER III CAPITAL (Including Minority Interest, If Any)</b>		--
<b>CAPITAL</b>	<b>3,619,777</b>	<b>3,325,223</b>

<b>DEDUCTIONS FROM CAPITAL</b>	<b>22,373</b>	<b>49,303</b>
Shares in Unconsolidated Banks and Financial Institutions	8,991	--
Secondary Subordinated Loans Granted to Banks, Financial Institutions (Foreign and Domestic), or Preferred Shareholders, and Primary/Secondary Subordinated Loans Obtained from Them	--	--
Shares in Banks and Financial Institutions Accounted for under the Equity Method	--	--
Loans Granted in Violation of the Articles 50 and 51 of the Law	--	--
Amount in Excess of 50% of the Equities of the Net Book Value of the Properties of the Banks, and Net Book Value of the Assets Held for Resale that Should Be Disposed of According to the Article 57 of the Law which is not Disposed of in Five Years after Foreclosure	13,382	--
Others	--	--
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>3,597,404</b>	<b>3,275,920</b>



## II. Explanations related to the consolidated market risk

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

The Parent 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 Parent Bank’s Board of Directors identifies risk limits determined in the context of economic capital.

Standard method and the internal risk measurement model are used in calculating the market risk. The criteria for the standard method have been set by the BRSA and are reported on a monthly basis. Internal risk measurement model is applied on a daily basis.

### 1. Market risk

	Amount
(I) Capital Obligation against General Market Risk - Standard Method	31,067
(II) Capital Obligation against Specific Risk - Standard Method	3,541
(III) Capital Obligation against Currency Risk - Standard Method	14,050
(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	7
(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)	48,665
(IX) Value-At-Market-Risk (12,5 x VIII) or (12,5 x VII)	608,313

## III. Explanations related to the consolidated foreign currency exchange rate risk

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

Foreign currency exchange and parity risks are taken by DFS Group within defined value at risk limits. Measurable and manageable risks are taken within legal limits.

Foreign currency exchange rate risk is monitored along with potential evaluation differences in foreign currency transactions in accordance with “Regulation on Bank’s Internal Control and Risk Management Systems”. Value at Risk approach is used to measure the exchange rate risk and calculations are made on a daily basis.

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

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

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

### 3. Foreign exchange risk management strategy

Foreign currency exchange and parity risks are taken by DFS Group within defined value at risk limits. Measurable and manageable risks are taken within legal limits.

**4. The Parent 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 1.4770  
Euro purchase rate at the date of the balance sheet TRY 2.1611

Date	US Dollar	Euro
24 September 2009	1.4740	2.1768
25 September 2009	1.4809	2.1740
28 September 2009	1.4859	2.1747
29 September 2009	1.4820	2.1603
30 September 2009	1.4770	2.1611

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

The arithmetical average of the the Parent Bank's US Dollar and Euro purchase rates for September 2009 are TRY 1.4831 and TRY 2.1591, respectively.

## 6. Information on currency risk

Current Period	EUR	USD	JPY	Other	Total
<b>Assets</b>					
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Turkey	716,720	100,181	459	11,037	828,397
Due from Banks and Other Financial Institutions	980,486	359,739	1,791	43,515	1,385,531
Financial Assets at Fair Value Through Profit or Loss	13,813	83,692	--	585	98,090
Interbank Money Market Placements	--	--	--	--	--
Investment Securities Available-for-Sale	120,831	222,382	--	47,388	390,601
Loans (*)	2,985,355	4,287,184	104,687	115,258	7,492,484
Investments in Subsidiaries and Associates	--	--	--	--	--
Investment Securities Held-to-Maturity	130,354	8,667	--	--	139,021
Hedging Purpose Financial Derivatives	--	13,777	--	--	13,777
Tangible Assets	6,101	21	--	954	7,076
Intangible Assets	3,802	531	--	4,584	8,917
Other Assets (**)	670,947	619,687	216	19,248	1,310,098
<b>Total Assets</b>	<b>5,628,409</b>	<b>5,695,861</b>	<b>107,153</b>	<b>242,569</b>	<b>11,673,992</b>
<b>Liabilities</b>					
Bank Deposits	7,800	52,210	--	8,684	68,694
Foreign Currency Deposits	4,458,245	3,464,539	3,527	138,718	8,065,029
Interbank Money Markets	--	--	--	--	--
Funds Borrowed from Other Financial Institutions	2,212,550	3,841,338	733	4,810	6,059,431
Marketable Securities Issued	--	--	--	--	--
Sundry Creditors	23,083	38,650	390	908	63,031
Hedging Purpose Financial Derivatives	--	8,353	--	--	8,353
Other Liabilities (***)	39,815	95,146	89	4,499	139,549
<b>Total Liabilities</b>	<b>6,741,493</b>	<b>7,500,236</b>	<b>4,739</b>	<b>157,619</b>	<b>14,404,087</b>
<b>Net "On Balance Sheet Position"</b>	<b>(1,113,084)</b>	<b>(1,804,375)</b>	<b>102,414</b>	<b>84,950</b>	<b>(2,730,095)</b>
<b>Net "Off-Balance Sheet Position"</b>	<b>1,228,579</b>	<b>1,927,656</b>	<b>(103,787)</b>	<b>(15,902)</b>	<b>3,036,546</b>
Financial Derivatives (Assets)	3,840,704	8,546,327	487,497	1,094,334	13,968,862
Financial Derivatives (Liabilities)	2,612,125	6,618,671	591,284	1,110,236	10,932,316
Non-Cash Loans	940,302	1,983,432	5,451	76,742	3,005,927
<b>Prior Period</b>					
Total Assets	4,990,359	6,647,020	134,193	295,573	12,067,145
Total Liabilities	6,343,363	7,653,966	5,922	175,083	14,178,334
<b>Net "On Balance Sheet Position"</b>	<b>(1,353,004)</b>	<b>(1,006,946)</b>	<b>128,271</b>	<b>120,490</b>	<b>(2,111,189)</b>
<b>Net "Off-Balance Sheet Position"</b>	<b>1,379,827</b>	<b>1,009,514</b>	<b>(125,152)</b>	<b>(58,577)</b>	<b>2,205,612</b>
Financial Derivatives (Assets)	1,954,192	4,546,507	36,545	167,684	6,704,928
Financial Derivatives (Liabilities)	574,365	3,536,993	161,697	226,261	4,499,316
Non-Cash Loans	862,103	2,301,158	4,319	147,560	3,315,140

(\*) : Foreign currency indexed assets amounting to TRY 1,428,205 are included.

(\*\*) : Foreign currency indexed factoring receivables amounting TRY 47,969 are included.

(\*\*\*) : Equity in foreign currencies, amounting to TRY 125,997 is excluded.

#### **IV. Explanations related to the consolidated interest rate risk**

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

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

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

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

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

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

The Parent 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.

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
<b>Assets</b>							
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Turkey	836,426	--	--	--	--	550,666	1,387,092
Due from Banks and Other Fin.Inst.	1,354,433	5,401	58,114	1,702	--	119,321	1,538,971
Financial Assets at Fair Value Through Profit or Loss	35,987	9,846	61,564	116,527	24,243	160	248,327
Interbank Money Market Placements	750,451	--	--	--	--	--	750,451
Investment Securities Av.-for-Sale	60,182	186,627	749,814	1,138,839	195,897	4,669	2,336,028
Loans	4,081,432	1,861,105	2,847,231	5,022,285	2,175,920	360,045	16,348,018
Investment Securities Held-to-Mat.	--	142	758,753	--	--	--	758,895
Other Assets (*)	551,941	360,572	383,850	889,189	55,011	397,429	2,637,992
<b>Total Assets</b>	<b>7,670,852</b>	<b>2,423,693</b>	<b>4,859,326</b>	<b>7,168,542</b>	<b>2,451,071</b>	<b>1,432,290</b>	<b>26,005,774</b>
<b>Liabilities</b>							
Bank Deposits	327,014	102,353	--	--	--	57,550	486,917
Other Deposits	8,164,390	1,606,910	1,341,946	887,437	55,301	2,458,267	14,514,251
Interbank Money Market Placements	177,459	--	--	--	--	--	177,459
Sundry Creditors	13	614	3,557	--	--	296,538	300,722
Marketable Securities Issued	--	--	--	--	--	--	--
Funds Borrowed from Other Fin.Inst.	985,434	3,263,860	1,453,633	612,366	99,794	--	6,415,087
Other Liabilities (**)	39,344	17,175	70,946	261,059	22,359	3,700,455	4,111,338
<b>Total Liabilities</b>	<b>9,693,654</b>	<b>4,990,912</b>	<b>2,870,082</b>	<b>1,760,862</b>	<b>177,454</b>	<b>6,512,810</b>	<b>26,005,774</b>
On Balance Sheet Long Position	--	--	1,989,244	5,407,680	2,273,617	--	9,670,541
On Balance Sheet Short Position	(2,022,802)	(2,567,219)	--	--	--	(5,080,520)	(9,670,541)
Off-Balance Sheet Long Position	--	--	--	--	--	--	--
Off-Balance Sheet Short Position	--	--	--	--	--	--	--
<b>Total Interest Sensitivity Gap</b>	<b>(2,022,802)</b>	<b>(2,567,219)</b>	<b>1,989,244</b>	<b>5,407,680</b>	<b>2,273,617</b>	<b>(5,080,520)</b>	<b>--</b>

(\*) Other assets/non-interest bearings include; Tangible Assets, Intangible Assets, Investments in Associates and Joint Ventures, Tax Assets, Investments in Subsidiaries, assets held for resale and other assets with balances of TRY 199,707, TRY 34,201, TRY 5,316, TRY 88,685, TRY 14,940, and TRY 23,179 and TRY 31,401, respectively.

(\*\*) Other liabilities/non-interest bearings include; Shareholders' Equity, Tax Liabilities, Provisions, and other liabilities of TRY 2,814,541, TRY 125,938, TRY 473,468, and TRY 286,508, respectively.

Prior Period	Up to 1 Month	1 - 3 Months	3 -12 Months	1 - 5 Years	5 Year s and Over	Non- Interest Bearing	Total
<b>Assets</b>							
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Turkey	1,534,952	--	--	--	--	484,357	2,019,309
Due from Banks and Other Fin.Inst.	780,585	32,495	71,171	10,511	--	162,785	1,057,547
Financial Assets at Fair Value Through Profit or Loss	53,335	36,579	10,622	75,376	22,064	88	198,064
Interbank Money Market Placements	500	--	--	--	--	--	500
Investment Securities Av.-for-Sale	28,667	179,361	263,534	1,472,659	151,051	4,714	2,099,986
Loans	3,491,658	2,306,443	2,521,491	4,679,676	2,214,496	196,120	15,409,884
Investment Securities Held-to-Mat.	48,903	688,909	19,542	847	--	--	758,201
Other Assets (*)	337,976	200,016	494,785	1,220,036	34,656	391,110	2,678,579
<b>Total Assets</b>	<b>6,276,576</b>	<b>3,443,803</b>	<b>3,381,145</b>	<b>7,459,105</b>	<b>2,422,267</b>	<b>1,239,174</b>	<b>24,222,070</b>
<b>Liabilities</b>							
Bank Deposits	113,769	3,046	5,573	235,865	--	69,350	427,603
Other Deposits	7,031,896	816,615	1,154,863	680,642	792	2,148,864	11,833,672
Interbank Money Market Placements	669,793	--	--	--	--	--	669,793
Sundry Creditors	49	--	--	--	--	447,258	447,307
Marketable Securities Issued	--	--	--	--	--	--	--
Funds Borrowed from Other Fin.Inst.	1,872,095	3,091,833	1,251,076	1,402,073	1,417	--	7,618,494
Other Liabilities (**)	68,635	22,328	29,331	173,836	20,122	2,910,949	3,225,201
<b>Total Liabilities</b>	<b>9,756,237</b>	<b>3,933,822</b>	<b>2,440,843</b>	<b>2,492,416</b>	<b>22,331</b>	<b>5,576,421</b>	<b>24,222,070</b>
On Balance Sheet Long Position	--	--	940,302	4,966,689	2,399,936	--	8,306,927
On Balance Sheet Short Position	(3,479,661)	(490,019)	--	--	--	(4,337,247)	(8,306,927)
Off-Balance Sheet Long Position	--	--	--	--	--	--	--
Off-Balance Sheet Short Position	--	--	--	--	--	--	--
<b>Total Interest Sensitivity Gap</b>	<b>(3,479,661)</b>	<b>(490,019)</b>	<b>940,302</b>	<b>4,966,689</b>	<b>2,399,936</b>	<b>(4,337,247)</b>	<b>--</b>

(\*) Other assets/non-interest bearings include; Tangible Assets, Intangible Assets, Investments in Associates, Tax Assets, Investments in Subsidiaries and Assets Held for Rasale, and Other Assets with balances of TRY 208,307, TRY 27,301, TRY 4,131, TRY 42,857, TRY 12,567, TRY 23,002, and TRY 72,945, respectively.

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

**4. Average interest rates applied to monetary financial instruments**

<b>Current Period</b>	<b>EUR %</b>	<b>USD %</b>	<b>JPY %</b>	<b>TRY %</b>
<b>Assets</b>				
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Turkey	--	--	--	5.80
Due from Banks and Other Financial Institutions	0.29	0.21	--	--
Financial Assets at Fair Value Through Profit or Loss	5.26	5.07	--	8.71
Interbank Money Market Placements	--	--	--	7.25
Investment Securities Available-for-Sale	1.81	5.45	--	8.98
Loans	5.88	5.48	5.83	19.62
Investment Securities Held-to-Maturity	5.05	10.04	--	7.57
<b>Liabilities</b>				
Bank Deposits	2.62	1.30	--	8.93
Other Deposits	2.53	2.54	--	9.83
Interbank Money Market Placements	--	--	--	7.20
Sundry Creditors	--	--	--	--
Marketable Securities Issued	--	--	--	--
Funds Borrowed from Other Financial Institutions	2.34	1.94	2.98	12.94

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

## V. Explanations related to the consolidated liquidity risk

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

Liquidity risk arises from maturity mismatch between assets and liabilities. Maturity mismatch between assets and liabilities is kept under control based on certain criteria set by DFS Group. DFS Group maintains liquid assets to guarantee sufficient liquidity during market fluctuations. In order to meet any urgent liquidity needs, approximately 9% of the balance sheet is allocated to cash balances, 8% to investment securities which are easily convertible into cash and the present borrowing limits (such as Central Bank of the Republic of Turkey and ISE repurchase market) are not used intensively. DFS Group's short-term liquidity needs are mainly met with deposits and short-term funds borrowed from foreign banks.

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

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

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

Approximately 9% of balance sheet size is allocated to cash balances, 8% to investment securities which are easily convertible into cash in order to meet any urgent liquidity needs. The present borrowing limits (such as Central Bank of the Republic of Turkey and ISE repurchase market) are not used. DFS Group's short-term liquidity needs are mainly met with deposits and short-term funds borrowed from foreign banks.

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

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

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



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

Current Period	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Undist. (*)	Total
<b>Assets</b>								
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Turkey	963,630	1,127	422,335	--	--	--	--	1,387,092
Due from Banks and Other Financial Institutions	119,321	1,354,294	1,994	37,858	25,504	--	--	1,538,971
Financial Assets at Fair Value Through Profit or Loss	--	34,159	9,712	32,169	147,416	24,711	160	248,327
Interbank Money Market Placements	--	750,451	--	--	--	--	--	750,451
Investment Securities Available-for-Sale	--	28,769	12,460	364,048	1,703,006	223,076	4,669	2,336,028
Loans	360,045	2,998,888	988,895	2,977,464	6,233,842	2,788,884	--	16,348,018
Investment Securities Held-to-Maturity	--	--	142	666	625,774	132,313	--	758,895
Other Assets	440,745	103,891	364,473	396,845	869,850	55,011	407,177	2,637,992
<b>Total Assets</b>	<b>1,883,741</b>	<b>5,271,579</b>	<b>1,800,011</b>	<b>3,809,050</b>	<b>9,605,392</b>	<b>3,223,995</b>	<b>412,006</b>	<b>26,005,774</b>
<b>Liabilities</b>								
Bank Deposits	57,550	327,014	102,353	--	--	--	--	486,917
Other Deposits	2,458,267	8,164,390	1,559,352	1,323,488	953,304	55,450	--	14,514,251
Funds Borrowed from Other Financial Institutions	--	197,233	523,794	1,022,809	2,817,973	1,853,278	--	6,415,087
Interbank Money Markets	--	177,459	--	--	--	--	--	177,459
Marketable Securities Issued	--	--	--	--	--	--	--	--
Sundry Creditors	296,538	13	614	3,557	--	--	--	300,722
Other Liabilities	342,765	39,155	121,861	70,946	248,735	27,793	3,260,083	4,111,338
<b>Total Liabilities</b>	<b>3,155,120</b>	<b>8,905,264</b>	<b>2,307,974</b>	<b>2,420,800</b>	<b>4,020,012</b>	<b>1,936,521</b>	<b>3,260,083</b>	<b>26,005,774</b>
<b>Net Liquidity Gap</b>	<b>(1,271,379)</b>	<b>(3,633,685)</b>	<b>(507,963)</b>	<b>1,388,250</b>	<b>5,585,380</b>	<b>1,287,474</b>	<b>(2,848,077)</b>	<b>--</b>
<b>Prior Period</b>								
Total Assets	2,335,118	3,459,389	1,928,762	3,563,558	9,468,222	3,148,234	318,787	24,222,070
Total Liabilities	2,867,193	8,801,679	1,240,045	2,313,790	4,533,830	1,802,262	2,663,271	24,222,070
<b>Net Liquidity Gap</b>	<b>(532,075)</b>	<b>(5,342,290)</b>	<b>688,717</b>	<b>1,249,768</b>	<b>4,934,392</b>	<b>1,345,972</b>	<b>(2,344,484)</b>	<b>--</b>

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

## VI. Explanations related to the consolidated segment reporting

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

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

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

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

Segment information of the Group as of 30 September 2009 is presented in the following table:

Current Period (01.01.2009 - 30.09.2009)	Retail Banking	Corporate Banking	Treasury and Investment Banking	Total
Operating income	1,054,055	489,807	216,143	1,760,005
Operating income before tax	265,014	123,925	166,362	555,301
Income from associates				8,084
Provision for taxes on income				(133,681)
<b>Net profit for the period</b>				<b>429,704</b>
<b>Current Period (30.09.2009)</b>				
Segment assets	8,375,602	9,573,169	7,195,698	25,144,469
Subsidiaries and associates				20,256
Undistributed assets				841,049
<b>Total assets</b>				<b>26,005,774</b>
Segment liabilities	10,281,628	4,232,623	7,401,842	21,916,093
Undistributed liabilities				1,275,140
Shareholders' equity				2,814,541
<b>Total liabilities</b>				<b>26,005,774</b>

<b>Prior Period (01.01.2008 - 30.09.2008)</b>	<b>Retail Banking</b>	<b>Corporate Banking</b>	<b>Treasury and Investment Banking</b>	<b>Total</b>
Operating income	734,560	383,286	52,113	1,169,959
Operating income before tax	172,520	142,420	31,063	346,003
Income from associates				1,650
Provision for taxes on income				(78,695)
<b>Net profit for the period</b>				<b>268,958</b>
<b>Prior Period (31.12.2008)</b>				
Segment assets	7,817,000	9,418,116	6,356,883	23,591,999
Subsidiaries and associates				16,698
Undistributed assets				613,373
<b>Total assets</b>				<b>24,222,070</b>
Segment liabilities	8,813,174	3,157,300	8,857,157	20,827,631
Undistributed liabilities				1,107,297
Shareholders' equity				2,287,142
<b>Total liabilities</b>				<b>24,222,070</b>

## SECTION FIVE DISCLOSURES AND FOOTNOTES ON CONSOLIDATED FINANCIAL STATEMENTS

### I. Explanations and disclosures related to assets

#### 1. Information on cash and balances with the Central Bank of the Republic of Turkey

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Cash in TRY / Foreign Currency	139,174	212,869	98,746	232,788
Central Bank of the Republic of Turkey	419,521	198,421	939,326	407,752
Other (*)	--	417,107	--	340,697
<b>Total</b>	<b>558,695</b>	<b>828,397</b>	<b>1,038,072</b>	<b>981,237</b>

(\*) Includes TRY 416,976 reserve deposit (31 December 2008: TRY 340,622) and TRY 131 cheques purchased (31 December 2008: TRY 75).

#### 1.1 Information on balances with the Central Bank of the Republic of Turkey

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Unrestricted Demand Deposits	419,521	198,421	939,326	407,752
Unrestricted Time Deposits	--	--	--	--
Restricted Time Deposits	--	--	--	--
<b>Total</b>	<b>419,521</b>	<b>198,421</b>	<b>939,326</b>	<b>407,752</b>

#### 1.2 Explanation related to "Other" item

According to the no. 2005/1 communiqué of the Central Bank of the Republic of Turkey, "Announcement on Reserve Deposits" and the communiqué numbered 2008/7, "Amendments on Announcement on Reserve Deposits Communiqué", on the all banks operating in Turkey should provide a reserve amounting to 6% of the liabilities in Turkish Lira and 9% of the liabilities in US Dollar or Euro. According to the no. 2009/51 communiqué of the Central Bank of the Republic of Turkey, average reserving amount for Turkish Lira has decreased from 6% to 5% beginning on 2 October 2009. The Central Bank of the Republic of Turkey makes interest payments on TRY reserve deposits on a quarterly basis. The interest rate given by the Central Bank of the Republic of Turkey is 5.80% for TRY as of 30 September 2009 (31 December 2008: 12%).

### 2. Information on financial assets at fair value through profit or loss

#### 2.1 Information on trading securities given as collateral or blocked

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Share Certificates	--	--	--	--
Bonds, Treasury Bills and Similar				
Marketable Securities	22,842	18,572	19,529	13,904
Other	--	--	--	--
<b>Total</b>	<b>22,842</b>	<b>18,572</b>	<b>19,529</b>	<b>13,904</b>

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

## 2.2 Trading securities subject to repurchase agreements

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Government Bonds	--	--	1,348	--
Treasury Bills	--	--	--	--
Other Debt Securities	--	--	--	--
Bonds Issued or Guaranteed by Banks	--	--	--	--
Asset Backed Securities	--	--	--	--
Other	--	--	--	--
<b>Total</b>	<b>--</b>	<b>--</b>	<b>1,348</b>	<b>--</b>

## 2.3 Positive value of trading purpose derivatives

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Forward Transactions	1,163	21,686	1,582	11,245
Swap Transactions	43,800	38,916	64,761	57,707
Futures Transactions	--	134	--	8
Options	1,930	15,034	2,562	8,275
Other	--	--	--	--
<b>Total</b>	<b>46,893</b>	<b>75,770</b>	<b>68,905</b>	<b>77,235</b>

## 3. Information on Banks

	Current Period		Prior Period	
	TRY	FC	TRY	FC
<b>Banks</b>				
Domestic	82,145	180,831	3,085	364,392
Foreign	71,295	1,204,700	36	690,034
Foreign head offices and branches	--	--	--	--
<b>Total</b>	<b>153,440</b>	<b>1,385,531</b>	<b>3,121</b>	<b>1,054,426</b>

## 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 share certificates, debt securities representing government bonds, Eurobonds and foreign currency government bonds issued by the Turkish Treasury and foreign private sector debt securities.

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

Investment securities available-for-sale given as collateral are government bonds and Eurobonds with carrying value of TRY 413,692 (31 December 2008: TRY 446,861).

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

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Share certificates	--	--	--	--
T-bills, Bonds and Similar Securities	222,907	190,785	210,569	236,292
Other	--	--	--	--
<b>Total</b>	<b>222,907</b>	<b>190,785</b>	<b>210,569</b>	<b>236,292</b>

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

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Government Bonds	6,706	--	455,036	--
Treasury Bills	--	--	--	--
Other Debt Securities	--	--	--	--
Bonds Issued or Guaranteed by Banks	--	--	--	10,707
Asset Backed Securities	--	--	--	--
Other	--	--	--	38,425
<b>Total</b>	<b>6,706</b>	<b>--</b>	<b>455,036</b>	<b>49,132</b>

**4.5 Information on available-for-sale securities**

	Current Period	Prior Period
<b>Debt instruments</b>	<b>2,333,414</b>	<b>2,106,778</b>
Quoted on Stock Exchange	2,333,414	2,106,778
Unquoted on Stock Exchange	--	--
<b>Share certificates</b>	<b>4,669</b>	<b>4,714</b>
Quoted on Stock Exchange	--	--
Unquoted on Stock Exchange	4,669	4,714
<b>Impairment provision (-)</b>	<b>2,055</b>	<b>11,506</b>
<b>Total</b>	<b>2,336,028</b>	<b>2,099,986</b>

**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
<b>Direct Loans Granted to Shareholders</b>	--	--	--	--
Corporate Shareholders	--	--	--	--
Individual Shareholders	--	--	--	--
<b>Indirect Loans Granted to Shareholders</b>	--	5,965	--	1,675
<b>Loans Granted to Employees</b>	<b>28,328</b>	<b>68</b>	<b>25,496</b>	<b>43</b>
<b>Total</b>	<b>28,328</b>	<b>6,033</b>	<b>25,496</b>	<b>1,718</b>

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

	Standard Loans and Other Receivables		Loans and Other Receivables Under Close Monitoring	
	<i>Loans and Other Receivables</i>	<i>Restructured or Rescheduled</i>	<i>Loans and Other Receivables</i>	<i>Restructured or Rescheduled</i>
<b>Cash Loans</b>				
<b>Non-specialized Loans</b>	<b>13,974,623</b>	<b>24,812</b>	<b>661,431</b>	<b>11,412</b>
Discount Notes	41,279	--	19	--
Export Loans	611,294	--	806	--
Import Loans	3,512	--	--	--
Loans Given to Financial Sector	684,804	--	--	--
Foreign Loans	358,128	--	--	--
Consumer Loans	3,495,112	24,733	278,894	11,412
Credit Cards	546,190	--	29,298	--
Precious Metal Loans	15,457	--	--	--
Other	8,218,847	79	352,414	--
<b>Specialization Loans</b>	<b>1,188,283</b>	<b>--</b>	<b>116,254</b>	<b>--</b>
<b>Other Receivables</b>	<b>11,158</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total</b>	<b>15,174,064</b>	<b>24,812</b>	<b>777,685</b>	<b>11,412</b>

### 5.3 Information on consumer loans, individual credit cards and personnel credit cards

	Short Term	Medium or Long Term	Total
<b>Consumer Loans-TRY</b>	<b>99,275</b>	<b>3,163,499</b>	<b>3,262,774</b>
Real estate Loans	4,316	1,193,493	1,197,809
Automotive Loans	2,848	94,595	97,443
General Purpose Loans	92,111	1,875,411	1,967,522
Other	--	--	--
<b>Consumer Loans-Indexed to FC</b>	<b>1,644</b>	<b>462,957</b>	<b>464,601</b>
Real estate Loans	--	412,031	412,031
Automotive Loans	116	6,927	7,043
General Purpose Loans	1,528	23,715	25,243
Other	--	20,284	20,284
<b>Consumer Loans-FC</b>	<b>--</b>	<b>9,415</b>	<b>9,415</b>
Real estate Loans	--	9,174	9,174
Automotive Loans	--	--	--
General Purpose Loans	--	241	241
Other	--	--	--
<b>Individual Credit Cards-TRY</b>	<b>542,901</b>	<b>2,238</b>	<b>545,139</b>
Installment	128,224	2,238	130,462
Non installment	414,677	--	414,677
<b>Individual Credit Cards-FC</b>	<b>505</b>	<b>--</b>	<b>505</b>
Installment	--	--	--
Non installment	505	--	505
<b>Loans Given to Employees-TRY</b>	<b>2,469</b>	<b>15,334</b>	<b>17,803</b>
Real estate Loans	--	2,225	2,225
Automotive Loans	9	66	75
General Purpose Loans	2,460	13,043	15,503
Other	--	--	--
<b>Loans Given to Employees - Indexed to FC</b>	<b>--</b>	<b>633</b>	<b>633</b>
Real estate Loans	--	376	376
Automotive Loans	--	--	--
General Purpose Loans	--	--	--
Other	--	257	257
<b>Loans Given to Employees - FC</b>	<b>--</b>	<b>--</b>	<b>--</b>
Real estate Loans	--	--	--
Automotive Loans	--	--	--
General Purpose Loans	--	--	--
Other	--	--	--
<b>Personnel Credit Cards - TRY</b>	<b>8,762</b>	<b>24</b>	<b>8,786</b>
Installment	3,095	24	3,119
Non installment	5,667	--	5,667
<b>Personnel Credit Cards - FC</b>	<b>12</b>	<b>--</b>	<b>12</b>
Installment	--	--	--
Non installment	12	--	12
<b>Overdraft Loans-TRY (Real Persons) (*)</b>	<b>112,657</b>	<b>--</b>	<b>112,657</b>
<b>Overdraft Loans-FC (Real Persons)</b>	<b>1,708</b>	<b>--</b>	<b>1,708</b>
<b>Total</b>	<b>769,933</b>	<b>3,654,100</b>	<b>4,424,033</b>

(\*) Overdrafts used by the personnel of the Parent Bank is TRY 1,094 (31 December 2008: TRY 1,246).



#### 5.4 Information on installment commercial loans and corporate credit cards

	Short Term	Medium or Long Term	Total
<b>Installment Commercial Loans - TRY</b>	<b>125,536</b>	<b>770,716</b>	<b>896,252</b>
Real estate Loans	1,149	100,892	102,041
Automotive Loans	3,508	49,015	52,523
General Purpose Loans	120,879	620,749	741,628
Other	--	60	60
<b>Installment Commercial Loans - Indexed to FC</b>	<b>8,803</b>	<b>209,995</b>	<b>218,798</b>
Real estate Loans	493	32,314	32,807
Automotive Loans	562	27,662	28,224
General Purpose Loans	7,748	135,794	143,542
Other	--	14,225	14,225
<b>Installment Commercial Loans - FC</b>	<b>--</b>	<b>278</b>	<b>278</b>
Real estate Loans	--	--	--
Automotive Loans	--	--	--
General Purpose Loans	--	--	--
Other	--	278	278
<b>Corporate Credit Cards - TRY</b>	<b>20,776</b>	<b>197</b>	<b>20,973</b>
Installment	105	197	302
Non installment	20,671	--	20,671
<b>Corporate Credit Cards - FC</b>	<b>73</b>	<b>--</b>	<b>73</b>
Installment	--	--	--
Non installment	73	--	73
<b>Overdraft Loans-TRY (Legal Entities)</b>	<b>169,938</b>	<b>--</b>	<b>169,938</b>
<b>Overdraft Loans-FC (Legal Entities)</b>	<b>6,951</b>	<b>--</b>	<b>6,951</b>
<b>Total</b>	<b>332,077</b>	<b>981,186</b>	<b>1,313,263</b>

#### 5.5 Domestic and foreign loans

	Current Period	Prior Period
Domestic Loans	15,629,845	15,009,238
Foreign Loans	358,128	204,526
<b>Total</b>	<b>15,987,973</b>	<b>15,213,764</b>

#### 5.6 Loans granted to subsidiaries and associates

None

#### 5.7 Specific provisions for loans

Specific Provisions	Current Period	Prior Period
Loans and Receivables with Limited Collectibility	55,711	35,187
Loans and Receivables with Doubtful Collectibility	163,846	66,517
Uncollectible Loans and Receivables	352,234	218,045
<b>Total</b>	<b>571,791</b>	<b>319,749</b>

## 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 Loans and receivables with limited collectibility	Group IV Loans and receivables with doubtful collectibility	Group V Uncollectible loans and receivables
<b>Current Period</b>	<b>10,258</b>	<b>11,785</b>	<b>16,175</b>
(Gross Amounts Before Specific Reserves)			
Restructured Loans and Other Receivables	--	--	--
Rescheduled Loans and Other Receivables	10,258	11,785	16,175
<b>Prior Period</b>	<b>506</b>	<b>286</b>	<b>12,335</b>
(Gross Amounts Before Specific Reserves)			
Restructured Loans and Other Receivables	--	--	--
Rescheduled Loans and Other Receivables	506	286	12,335

### 5.8.2 Movement of non-performing loans

	Group III Loans and receivables with limited collectibility	Group IV Loans and receivables with doubtful collectibility	Group V Uncollectible loans and receivables
<b>Balances at Beginning of Period</b>	<b>118,848</b>	<b>139,309</b>	<b>257,712</b>
Additions (+)	482,456	95,976	28,404
Transfers from Other Categories of Non- Performing Loans (+)	--	348,101	175,479
Transfers to Other Categories of Non- Performing Loans (-)	348,101	175,479	--
Collections (-)	86,406	65,455	38,810
Write-offs (-)	--	--	198
Corporate and Commercial Loans	--	--	1
Retail Loans	--	--	57
Credit Cards	--	--	140
Other	--	--	--
<b>Balances at End of the Period</b>	<b>166,797</b>	<b>342,452</b>	<b>422,587</b>
Specific Provisions (-)	55,711	163,846	352,234
<b>Net Balance on Balance Sheet</b>	<b>111,086</b>	<b>178,606</b>	<b>70,353</b>

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

	Group III	Group IV	Group V
	Loans and receivables with limited collectibility	Loans and receivables with doubtful collectibility	Uncollectible loans and receivables
<b>Current Period</b>			
Period End Balance	34,802	44,924	51,080
Specific Provisions (-)	2,542	14,454	22,684
<b>Net Balance on Balance Sheet</b>	<b>32,260</b>	<b>30,470</b>	<b>28,396</b>
<b>Prior Period</b>			
Period End Balance	17,111	28,454	34,129
Specific Provisions (-)	1,988	10,171	10,259
<b>Net Balance on Balance Sheet</b>	<b>15,123</b>	<b>18,283</b>	<b>23,870</b>

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
<b>Current Period (Net)</b>			
Loans Granted to Real Persons and Legal Entities (Gross)	166,755	329,442	422,484
Specific provisions (-)	55,669	151,376	352,135
Loans Granted to Real Persons and Legal Entities (Net)	111,086	178,066	70,349
Banks (Gross)	--	--	--
Specific provisions (-)	--	--	--
Banks (Net)	--	--	--
Other Loan and Receivables (Gross)	42	13,010	103
Specific provisions (-)	42	12,470	99
Other Loan and Receivables (Net)	--	540	4
<b>Prior Period (Net)</b>			
Loans Granted to Real Persons and Legal Entities (Gross)	118,845	128,414	257,696
Specific provisions (-)	35,184	56,420	218,033
Loans Granted to Real Persons and Legal Entities (Net)	83,661	71,994	39,663
Banks (Gross)	--	--	--
Specific provisions (-)	--	--	--
Banks (Net)	--	--	--
Other Loan and Receivables (Gross)	3	10,895	16
Specific provisions (-)	3	10,097	12
Other Loan and Receivables (Net)	--	798	4

**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 agreement**

Held-to-maturity investments subject to repurchase agreement are government bonds with a book value amounting to TRY 183,596 (31 December 2008: TRY 197,225).

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

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Bills	--	--	--	--
Bonds and Similar Marketable Securities	197,380	182	194,964	129,520
Other	--	--	--	--
<b>Total</b>	<b>197,380</b>	<b>182</b>	<b>194,964</b>	<b>129,520</b>

**6.2 Information on government securities held-to-maturity**

	Current Period	Prior Period
Government Bonds	689,896	684,088
Treasury Bills	--	--
Other Government Securities	--	--
<b>Total</b>	<b>689,896</b>	<b>684,088</b>

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

	Current Period	Prior Period
Debt Securities	758,895	758,201
Quoted on Stock Exchange	619,249	613,721
Unquoted on Stock Exchange	139,646	144,480
Impairment losses (-)	--	--
<b>Total</b>	<b>758,895</b>	<b>758,201</b>

**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	758,201	143,139
Foreign exchange differences (*)	6,026	63,803
Purchases (**)	--	580,423
Redemptions	(5,332)	(29,164)
Impairment losses (-)	--	--
<b>Balance at the end of the period</b>	<b>758,895</b>	<b>758,201</b>

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

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

The Parent Bank transferred a portion of its securities from "investment securities available-for-sale" portfolio, with a notional amount of TRY 552,934, to the "investment securities held-to-maturity" portfolio due to change in the intention of holding, effective from 1 October 2008. The negative valuation differences amounting to TRY 39,455 under equity accrued until the date of transfer will be amortized and recycled to profit/loss until the maturities of these securities. As of the balance sheet date, the remaining negative valuation difference under equity is TRY 31,272.

## 7. Investments in associates

### 7.1 Investments in unconsolidated associates

Description	Address (City/Country)	The Parent Bank's share percentage-If different voting percentage (%)	The Parent 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
3-Emeklilik Gözetim Merkezi (**)	İstanbul/Türkiye	--	8

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income on Securities Portfolio	Current Period Profit / Loss	Prior Period Profit / Loss	Fair Value
1	24,079	18,140	1,981	1,400	9	4,571	3,571	--
2	7,839	7,735	2	528	--	410	1,030	--
3	5,890	5,170	377	490	27	930	585	--

(\*) Amounts given are as of the year ended 31 March 2009.

(\*\*) Amounts given are as of the period ended 30 June 2009.

### 7.2 Investments in consolidated associates

There are no investments in consolidated associates.

## 8. Investments in subsidiaries

The Parent Bank acquired 99.6% of the shares of Global Hayat Sigorta A.Ş. from Global Yatırım Holding A.Ş. for TRY 2,515 on 30 March 2007. Global Hayat Sigorta A.Ş. changed its title to Deniz Hayat Sigorta A.Ş. (Deniz Hayat) on 10 August 2007. The paid-in capital of Deniz Hayat has been decided to be further increased by TRY 20,000 in cash on 14 May 2008 and TRY 9,990 of the Bank's total capital commitment amounting to TRY 19,980 in total of the Bank was paid in cash on 17 June 2008. The remaining TRY 9,990 will be paid until 6 June 2011. Deniz Hayat is permitted to establish a private pension company by the Republic of Turkey Prime Ministry Undersecretariat of Treasury in compliance with Article 8 of Private Pension Savings and Investment System Law numbered 4632. In accordance with this permission, Deniz Hayat changed its title to "Deniz Emeklilik ve Hayat A.Ş." by the resolution of the Extraordinary General Assembly Meeting dated 24 November 2008.

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

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

Denizbank AG increased its paid-in capital in cash by Euro 24,990,512 (TRY 55,959) on 27 March 2009 completely met by Deniz Leasing. 64% of the Denizbank AG shares are owned by the Bank, while the remaining 36% are owned by Deniz Leasing as of 30 September 2009.

Eurodeniz increased its paid-in capital by US Dollar 800,000 (TRY 1,349) by incorporating its prior periods' income on 11 March 2009.

### 8.1 Information on subsidiaries not consolidated

Description	Address (City/Country)	The Bank's share percentage- If different from voting percentage(%)	Other shareholders' share percentage(%)
1-Intertech Bilgi İşlem ve Pazarlama Ticaret A.Ş.	Istanbul/Türkiye	100%	--
2-Denizbank Kültür Sanat Yayıncılık Ticaret ve Sanayi A.Ş.	Istanbul/Türkiye	100%	--
3-Pupa Gayrimenkul Kiralama ve Yönetim Hizmetleri A.Ş.	Istanbul/Türkiye	--	100%
4-Deniz Yatırım Ortaklığı A.Ş.	Istanbul/Türkiye	--	50%

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income on Securities Portfolio	Current Period Profit / Loss	Prior Periods' Profits / Losses	Fair value
1	2,980	1,572	370	99	1	113	(2,015)	--
2	1,270	1,266	309	--	3	56	--	--
3	138,147	(21,224)	124,963	637	--	(106,224)	--	--
4	31,724	31,460	--	--	9,155	6,297	321	--

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

### 8.2 Information on subsidiaries consolidated

Description	Address (City/Country)	The Parent Bank's share percentage (%)	Other subsidiaries' share percentage(%)	Method of consolidation
1 Denizbank AG	Vienna / Austria	64	36	Full consolidation
2 Eurodeniz International Banking Unit Ltd.	Nicosia / Cyprus	100	--	Full consolidation
3 Deniz Yatırım Menkul Kıymetler A.Ş.	Istanbul / Turkey	100	--	Full consolidation
4 Deniz Türev Menkul Değerler A.Ş.	Istanbul / Turkey	88	12	Full consolidation
5 Ekspres Yatırım Menkul Değerler A.Ş.	Istanbul / Turkey	71	29	Full consolidation
6 CJSC Dexia Bank	Moscow / Russia	49	51	Full consolidation
7 Deniz Portföy Yönetimi A.Ş.	Istanbul / Turkey	--	100	Full consolidation
8 Deniz Finansal Kiralama A.Ş.	Istanbul / Turkey	84	16	Full consolidation
9 Deniz Faktoring A.Ş.	Istanbul / Turkey	100	--	Full consolidation
10 Deniz Emeklilik ve Hayat A.Ş.	Istanbul / Turkey	100	--	Full consolidation

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Trading Income	Current Period Profit / Loss	Prior Periods' Profits / Losses	Fair value
1	3,505,435	258,479	9,902	132,651	3,848	16,019	62,934	--
2	1,181,467	2,507	143	35,212	--	168	428	--
3	39,081	33,489	805	1,920	69	12,642	(2,133)	--
4	9,331	9,204	53	884	84	199	1,005	--
5	41,535	40,610	122	4,604	2,295	2,716	14,329	--
6	199,699	63,150	5,537	14,003	5,209	3,761	(6,158)	--
7	2,676	2,349	15	199	9	(89)	329	--
8	1,718,889	297,876	104	113,285	125	(47,683)	132,536	--
9	557,221	105,345	123	73,278	--	27,666	50,419	--
10	95,078	38,714	1,484	5,719	2,885	12,137	2,013	--

Amounts given are as of the period ended 30 September 2009.

### 8.2.1 Movement of consolidated subsidiaries

	Current Period	Prior Period
<b>Balance at the Beginning of the Period</b>	<b>462,334</b>	<b>390,358</b>
<b>Movements during the Period</b>	<b>57,767</b>	<b>71,976</b>
Purchases	55,959	68,648
Bonus Shares Received	1,349	--
Dividends from Current Year Profit	--	--
Sales	--	--
Revaluation Increase, Effect of Inflation and F/X Difference	459	3,328
Provision	--	--
<b>Balance at the End of the Period</b>	<b>520,101</b>	<b>462,334</b>
<b>Capital Commitments</b>	<b>9,990</b>	<b>9,990</b>
<b>Share Percentage at the end of Period (%)</b>	<b>--</b>	<b>--</b>

### 8.2.2 Sectoral information on the consolidated subsidiaries and the related carrying amounts

	Current Period	Prior Period
Banks	215,376	157,609
Insurance Companies	13,819	13,819
Factoring Companies	26,107	26,107
Leasing Companies	226,929	226,929
Finance Companies	--	--
Other Subsidiaries	37,870	37,870
<b>Total</b>	<b>520,101</b>	<b>462,334</b>

Balances of the consolidated subsidiaries above has been eliminated in the annexed financial statements.

### 8.2.3 Quoted Subsidiaries within the context of consolidation

None.

### 8.2.4 Consolidated Subsidiaries disposed during the current period

None.

### 8.2.5 Consolidated Subsidiaries purchased during the current period

None.

## 9. Entities Under Common Control (Joint Ventures)

### 9.1 Information on unconsolidated entities under common control

Description	The Parent Bank's share (%)	Group share (%)	Current Assets	Non-Current Assets	Non-Current Liabilities	Income	Expense
Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş.	2	33	1,546	4,656	3,376	157	(1,252)

(\*)Information relating to the financial statements is as of the period ended 30 September 2009

### 9.2 Information on consolidated entities under common control

There are no entities under common control which are consolidated.

## 10. Information on lease receivables

### 10.1 Maturity analysis of financial lease receivables

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	490,642	398,366	570,636	450,129
Between 1-4 years	726,707	640,531	993,523	833,121
Over 4 years	126,253	114,501	217,509	190,078
<b>Total</b>	<b>1,343,602</b>	<b>1,153,398</b>	<b>1,781,668</b>	<b>1,473,328</b>

### 10.2 Information on net financial lease receivables

	Current Period	Prior Period
Gross finance lease receivable	1,343,602	1,781,668
Unearned finance income (-)	190,204	308,340
Cancelled leasing agreements (-)	--	--
<b>Net investment on leases</b>	<b>1,153,398</b>	<b>1,473,328</b>

### 10.3 Information on financial lease agreements of the Bank

None.

## 11. Information on hedging purpose derivatives

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Fair Value Hedge	--	--	--	--
Cash Flow Hedge	162,158	13,777	201,829	21,447
Hedging of a Net Investment in Foreign Subsidiaries	--	--	--	--
<b>Total</b>	<b>162,158</b>	<b>13,777</b>	<b>201,829</b>	<b>21,447</b>

## 12. Information on deferred tax asset

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

Deferred tax asset calculated on the basis of related regulation is TRY 87,752 (31 December 2008: TRY 37,908 deferred tax assets, and TRY 1,491 deferred tax liabilities). These balances are the net of deductible temporary differences and taxable temporary differences calculated as of the balance sheet date.

Distribution of the deferred tax assets' sources are as follows:

	Current Period	Prior Period
<b>Deferred Tax Assets:</b>		
Miscellaneous Provisions	58,278	36,184
Valuation Differences of Financial Assets	22,678	1,430
Provision for Employee Benefits	4,634	4,654
Valuation Differences of Derivatives	2,670	--
Specific Assets of Insurance Companies	--	144
Other	2,987	3,550
	<b>91,247</b>	<b>45,962</b>
<b>Deferred Tax Liabilities:</b>		
Valuation Differences of Tangible Assets	(3,495)	(5,727)
Valuation Differences of Derivatives	--	(3,818)
	<b>(3,495)</b>	<b>(9,545)</b>
<b>Net Deferred Tax Asset</b>	<b>87,752</b>	<b>36,417</b>



**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**

DFS Group has no assets held for sale and related discontinued operations during the current period.

**14.** **Information on other assets**

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

Prepaid expenses are TRY 25,013 (31 December 2008: TRY 22,002).

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

## II. Explanations and disclosures related to liabilities

### 1. Information on maturity structure of deposits

Prior Period	Demand	7 Days Notice	Up to 1 Month	1-3 Months	3-6 Months	6 Months- 1 Year	1 Year and Over	Accumulated Deposit Accounts	Total
Saving Deposits	379,038	--	781,616	3,251,156	19,399	9,062	5,871	--	4,446,142
Foreign Currency Deposits	1,346,028	--	1,245,989	2,601,746	208,820	752,052	1,901,330	--	8,055,965
Residents in Turkey	824,288	--	1,184,252	2,437,177	148,712	110,145	228,216	--	4,932,790
Residents Abroad	521,740	--	61,737	164,569	60,108	641,907	1,673,114	--	3,123,175
Public Sector Deposits	190,743	--	2,973	2,549	--	--	11	--	196,276
Commercial Deposits	518,816	--	638,636	538,954	11,389	27,245	323	--	1,735,363
Other Ins. Deposits	14,578	--	24,743	31,821	158	126	15	--	71,441
Precious Metal Deposits	9,064	--	--	--	--	--	--	--	9,064
Bank Deposits	57,550	--	238,587	187,155	1,274	--	2,351	--	486,917
Central Bank	--	--	--	--	--	--	--	--	--
Domestic Banks	1,503	--	192,134	51,652	--	--	2,351	--	247,640
Foreign Banks	10,566	--	46,453	135,503	1,274	--	--	--	193,796
Special Finan.Inst.	45,481	--	--	--	--	--	--	--	45,481
Other	--	--	--	--	--	--	--	--	--
<b>Total</b>	<b>2,515,817</b>	<b>--</b>	<b>2,932,544</b>	<b>6,613,381</b>	<b>241,040</b>	<b>788,485</b>	<b>1,909,901</b>	<b>--</b>	<b>15,001,168</b>

Prior Period	Demand	7 Days Notice	Up to 1 Month	1-3 Months	3-6 Months	6 Months- 1 Year	1 Year and Over	Accumulated Deposit Accounts	Total
Saving Deposits	363,655	--	611,284	3,057,353	10,639	6,999	4,860	--	4,054,790
Foreign Currency Deposits	1,141,511	--	767,799	2,031,784	110,203	977,415	1,177,865	--	6,206,577
Residents in Turkey	781,016	--	665,695	1,847,321	57,630	187,573	261,479	--	3,800,714
Residents Abroad	360,495	--	102,104	184,463	52,573	789,842	916,386	--	2,405,863
Public Sector Deposits	88,794	--	8,615	17,111	9	--	21	--	114,550
Commercial Deposits	540,511	--	442,094	300,602	17,879	4,372	3,537	--	1,308,995
Other Ins. Deposits	11,869	--	13,236	120,948	92	73	18	--	146,236
Precious Metal Deposits	2,524	--	--	--	--	--	--	--	2,524
Bank Deposits	69,350	--	96,503	15,347	3,074	--	243,329	--	427,603
Central Bank	--	--	--	--	--	--	--	--	--
Domestic Banks	26,567	--	15,335	2,262	--	--	5,382	--	49,546
Foreign Banks	9,268	--	81,168	13,085	3,074	--	237,947	--	344,542
Special Finan.Inst.	33,515	--	--	--	--	--	--	--	33,515
Other	--	--	--	--	--	--	--	--	--
<b>Total</b>	<b>2,218,214</b>	<b>--</b>	<b>1,939,531</b>	<b>5,543,145</b>	<b>141,896</b>	<b>988,859</b>	<b>1,429,630</b>	<b>--</b>	<b>12,261,275</b>

**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	1,983,803	1,958,165	2,397,459	2,020,299
Foreign Currency Saving Deposits	725,736	645,327	2,164,798	1,552,945
Other Saving Deposits	--	--	--	--
Foreign Branches' Deposits Under Foreign Insurance Coverage	--	--	--	--
Off-Shore Deposits Under Foreign Insurance Coverage	--	--	--	--
<b>Total</b>	<b>2,709,539</b>	<b>2,603,492</b>	<b>4,562,257</b>	<b>3,573,244</b>

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

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

	Current Period	Prior Period
Deposits and Other Accounts in Foreign Branches	77,074	137,383
Deposits and Other Accounts belong to Major Shareholders with Their Parents, Spouse and Children under Their Wardship		--
Deposits and Other Accounts belong to Members of Board of Directors, CEO and Deputy CEO with Their Parents, Spouse and Children under Their Wardship	12,293	6,735
Deposits and Other Accounts linked to Crimes Mentioned in 282 <sup>nd</sup> Article of 5237 Numbered Turkish Penal Code dated on 26/09/2004		--
Deposits belong to Off-Shore Banks who are established in Turkey	173,935	156,504
<b>Total</b>	<b>263,302</b>	<b>300,622</b>

**2. Information on trading purpose derivatives**

**2.1 Negative value of trading purpose derivatives**

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Forward Transactions	--	17,123	700	13,781
Swap Transactions	46,514	50,731	72,771	39,490
Futures Transactions	--	881	--	1,164
Options	753	13,622	2,474	10,951
Other	--	--	--	--
<b>Total</b>	<b>47,267</b>	<b>82,357</b>	<b>75,945</b>	<b>65,386</b>

### 3. Information on funds borrowed

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Central Bank Loans	--	--	--	--
Domestic Bank and Institutions	167,719	65,232	194,912	104,135
Foreign Bank, Institutions and Funds	187,937	5,229,919	102,836	6,444,872
<b>Total</b>	<b>355,656</b>	<b>5,295,151</b>	<b>297,748</b>	<b>6,549,007</b>

#### 3.1 Maturity information of funds borrowed

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Short-Term	217,724	1,008,801	247,239	2,454,554
Medium and Long-Term	137,932	4,286,350	50,509	4,094,453
<b>Total</b>	<b>355,656</b>	<b>5,295,151</b>	<b>297,748</b>	<b>6,549,007</b>

The Parent Bank, via a special purpose vehicle (SPV), obtained a securitization loan with three year grace period for the principal payment, 7 year maturity and quarterly fixed interest payment, amounting to USD 80 Million on 30 June 2005 by the resolution of the Board of Directors dated 28 June 2005 and numbered 2005/33. As of 30 September 2009, the Bank has USD 50 Million outstanding borrowing balance.

The Parent Bank, via a special purpose vehicle (SPV), obtained a securitization loan with two year grace period for the principal payment, 5 year maturity and quarterly fixed interest payment, amounting to USD 70 Million on 30 June 2005 by the resolution of the Board of Directors dated 28 June 2005 and numbered 2005/33. As of 30 September 2009, the Bank has USD 11.7 Million outstanding borrowing balance.

The Parent Bank, via a special purpose vehicle (SPV), obtained a securitisation loan with three year grace period for the principal payment, 8 year maturity and quarterly floating interest payment, amounting to USD 350 Million on 28 June 2007 by the resolution of the Board of Directors dated 25 June 2007 and numbered 2007/27.

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

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

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

None.

##### 5.1 Changes in agreements and further commitments arising

None.

##### 5.2 Obligations under financial leases

None.

##### 5.3 Information on operational lease

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

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

There is no sale and lease back transaction in the current period.

#### 6. Information on liabilities arising from hedging purpose derivatives:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Fair Value Hedge	--	--	--	--
Cash Flow Hedge	184,402	8,353	128,771	7,967
Hedging of a Net Investment in Foreign Subsidiaries	--	--	--	--
<b>Total</b>	<b>184,402</b>	<b>8,353</b>	<b>128,771</b>	<b>7,967</b>

#### 7. Information on provisions

##### 7.1 Information on general provisions

	Current Period	Prior Period
Provisions for Loans and Receivables in Group I	100,752	85,592
Provisions for Loans and Receivables in Group II	15,782	12,917
Provisions for Non Cash Loans	12,715	10,940
Other	--	--
<b>Total</b>	<b>129,249</b>	<b>109,449</b>

##### 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 (*)	17,401	5,659

(\*) Foreign exchange difference of foreign currency indexed loans are netted against "Loans" in assets

##### 7.3 Information on other provisions

###### 7.3.1 Information on free provisions booked for probable risks

	Current Period	Prior Period
Free Provisions Booked for Probable Risks	199,247	140,779

Free provisions for probable risks are provided for probable risks related to loan portfolio.

###### 7.3.2 Information on other provisions exceeding 10% of total provisions

TRY 36,902 (31 December 2008: TRY 21,942) of other provisions consists of provisions for non-cash loans that are not unindemnified and converted into cash. TRY 2,070 (31 December 2008: TRY 2,071) comprises promotions related to credit cards and banking services and TRY 27,082 (31 December 2008: TRY 19,462) comprises other provisions.

#### 8. Information on taxation

##### 8.1 Information on current taxes

###### 8.1.1 Information on current tax liability

As of 30 September 2009, the current tax charge of DFS Group is TRY 221,708 (31 December 2008: TRY 46,526), and it has been offset with advance taxes amounting to TRY 137,955 (31 December 2008: TRY 44,139).

As of 30 September 2009, DFS Group's total taxes and dues amount to TRY 125,938 (31 December 2008: TRY 56,069).

**8.1.2 Information on taxes payable**

	Current Period	Prior Period
Corporate taxes payable	83,753	2,387
Taxation on securities	9,985	17,531
Capital gains tax on property	697	627
Banking Insurance Transaction Tax (BITT)	10,820	17,247
Taxes on foreign exchange transactions	--	--
Value added tax payable	192	331
Other	14,149	11,405
<b>Total</b>	<b>119,596</b>	<b>49,528</b>

**8.1.3 Information on premiums**

	Current Period	Prior Period
Social security premiums- employee share	2,892	2,969
Social security premiums- employer share	2,801	2,892
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	212	218
Unemployment insurance- employer share	358	371
Other	79	91
<b>Total</b>	<b>6,342</b>	<b>6,541</b>

**8.2 Information on deferred tax liabilities**

Deferred tax liability calculated on the basis of related regulation is none (31 December 2008: TRY 1,491). Information on deferred tax is disclosed in footnote 12 of disclosures and footnotes on assets of the balance sheet.

**9. Information on shareholders' equity**

**9.1 Paid-in capital**

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

The Parent Bank's paid-in capital is presented above in nominal values. As of 30 September 2009, TRY 189,164 (31 December 2008: TRY 189,164) arising from the effect of inflation on the paid-in capital is in "other capital reserves".

**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**

No registered paid-in capital system is designated.

**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 in the last fiscal year and at the end of the following period, the general purpose of these commitments and projected resources required to meet these commitment**

The whole capital has been paid in and there are no capital commitments.

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

None.

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

The Parent Bank does not have any preferred stocks.

**9.8 Common stock issue premiums, shares and equity instruments**

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

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

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

**9.9 Valuation difference of securities**

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Associates, Subsidiaries and JV's	--	--	--	--
Valuation Difference	109,694	12,260	(25,990)	(13,744)
Foreign Exchange Difference	--	--	--	--
<b>Total</b>	<b>109,694</b>	<b>12,260</b>	<b>(25,990)</b>	<b>(13,744)</b>

**9.10. Information on hedging funds**

**9.10.1 Information on cash flow hedge items**

The Parent Bank hedges a portion of its floating rate liabilities by interest rate swaps. The effective portion of the fair value losses of those swaps, amounting to TRY 124,642 (31 December 2008: TRY 63,037), has been disclosed in hedging reserves under equity.

**9.10.2 Information on hedging foreign net investment risk**

DFS Group hedges its foreign currency exchange rate risk from retranslation of its foreign operations by net investment hedge accounting, through recognizing the effective portion of foreign exchange rate changes of a portion of its foreign currency denominated liabilities under equity. The related hedging reserve loss is TRY 68,605 as of 30 September 2009 (31 December 2008: TRY 70,205 loss).

10. Information on minority shares

None.

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

1. Information related to off-balance sheet contingencies

1.1 Type and amount of irrevocable commitments

All of DFS Group's off-balance sheet loan commitments are in the nature of irrevocable commitments. As of 30 September 2009, non-cash loans, commitments for credit card limits, commitments for reserve deposit payment and commitments for cheque payments are TRY 4,935,214, TRY 3,045,513, TRY 1,206,335 and TRY 593,465, respectively (31 December 2008: TRY 4,821,102, TRY 2,574,828, None and TRY 541,844, respectively). These items are detailed 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 30 September 2009, DFS Group has letters of guarantee amounting to TRY 3,617,719, bills of exchange and acceptances amounting to TRY 144,272, and guarantees and sureties on letters of credit amounting to TRY 963,040. There are also other guarantees and sureties amounting to TRY 210,183.

As of 31 December 2008 DFS Group has letters of guarantee amounting to TRY 3,341,434, bills of exchange and acceptances amounting to TRY 89,143, and guarantees and sureties amounting to TRY 1,202,319. In addition there are other guarantees and sureties amounting to TRY 188,206.

1.2.2 Final guarantees, provisional guarantees, sureties and similar transactions

	Current Period	Prior Period
Provisional Letters of Guarantee	375,396	406,750
Final Letters of Guarantee	2,652,820	2,257,421
Advance Letters of Guarantee	448,174	543,455
Letters of Guarantee given to Customs Offices	131,748	128,460
Other Letters of Guarantee	9,581	5,348
<b>Total</b>	<b>3,617,719</b>	<b>3,341,434</b>

2. Total amount of non-cash loans

	Current Period	Prior Period
Non-Cash Loans Given for Cash Loan Risks	248,514	247,796
With Original Maturity of 1 Year or Less	64,393	34,357
With Original Maturity of More Than 1 Year	184,121	213,439
Other Non-Cash Loans	4,686,700	4,573,306
<b>Total</b>	<b>4,935,214</b>	<b>4,821,102</b>



#### IV. Explanations and disclosures related to consolidated income statement

##### 1. Interest income

###### 1.1 Information on interest income received from loans

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Short Term Loans	722,353	51,658	606,954	57,406
Medium and Long Term Loans	724,830	246,030	575,386	211,686
Loans Under Follow-Up	21,006	--	13,646	--
Premiums Received from Resource Utilization Support Fund	--	--	--	--
<b>Total</b>	<b>1,468,189</b>	<b>297,688</b>	<b>1,195,986</b>	<b>269,092</b>

Interest income received from loans 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 the Republic of Turkey	10	--	--	1,343
Domestic Banks	9,524	3,506	2,783	4,650
Foreign Banks	5,234	21,805	8,012	14,180
Foreign Head Offices and Branches	--	--	--	--
<b>Total</b>	<b>14,768</b>	<b>25,311</b>	<b>10,795</b>	<b>20,173</b>

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

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

##### 2. Interest expense

###### 2.1 Information on interest expense related to funds borrowed

	Current Period		Prior Period	
	TRY	FC	TRY	FC
<b>Banks</b>	<b>33,059</b>	<b>166,620</b>	<b>44,613</b>	<b>166,007</b>
Central Bank of the Republic of Turkey	20	--	38	--
Domestic Banks	15,523	2,173	20,194	2,694
Foreign Banks	17,516	164,447	24,381	163,313
Foreign Head Offices and Branches	--	--	--	--
Other Institutions	--	--	--	--
<b>Total</b>	<b>33,059</b>	<b>166,620</b>	<b>44,613</b>	<b>166,007</b>

Also includes fees and commissions expenses from funds borrowed.

###### 2.2 Information on interest expense paid to associates and subsidiaries

	Current Period	Prior Period
Interest Paid to Associates and Subsidiaries	176	257

**3. Information on trading income / loss**

	Current Period	Prior Period
<b>Profit</b>	<b>15,209,147</b>	<b>14,574,992</b>
Capital Market Transactions	123,569	5,066
Derivatives Financial Transactions	387,479	635,405
Foreign Exchange Gain	14,698,099	13,934,521
<b>Loss (-)</b>	<b>15,252,886</b>	<b>14,644,297</b>
Capital Market Transactions	16,338	15,575
Derivatives Financial Transactions	934,211	688,049
Foreign Exchange Losses	14,302,337	13,940,673
<b>Net Trading income / loss</b>	<b>(43,739)</b>	<b>(69,305)</b>

Net profit from foreign exchange conversion difference related to derivative financial transactions is TRY 24,703.

**4. Information on other operating income**

	Current Period	Prior Period
Reversal of prior periods' provisions	89,330	53,031
Banking activities income from customers	49,812	47,722
Insurance technical provisions and insurance operating income	19,953	10,371
Communication income	5,890	6,009
Cheque book fees	3,028	3,753
Other	15,616	24,902
<b>Total</b>	<b>183,629</b>	<b>145,788</b>

**5. Impairment on loans and other receivables**

	Current Period	Prior Period
Specific Provisions on Loans and Other Receivables:	312,026	95,338
<i>Loans and Receivables in Group III</i>	--	44
<i>Loans and Receivables in Group IV</i>	--	--
<i>Loans and Receivables in Group V</i>	312,026	95,294
Non-performing commissions and other receivables	--	--
General Provision Expenses	20,038	29,275
Free provisions booked for Possible Losses	58,169	50,560
Impairment Losses on Securities:	25,972	21,956
<i>Financial Assets at Fair Value Through Profit or Loss</i>	672	2,271
<i>Investment Securities Available-for-Sale</i>	25,300	19,685
Impairment Losses on Associates, Subsidiaries, Joint Ventures and Investment Securities Held to Maturity:	85,000	--
<i>Associates</i>	--	--
<i>Subsidiaries</i>	85,000	--
<i>Joint Ventures</i>	--	--
<i>Investment Securities Held-to-Maturity</i>	--	--
Other	44,095	23,555
<b>Total</b>	<b>545,300</b>	<b>220,684</b>

## 6. Information related to other operating expenses

	Current Period	Prior Period
Personnel Expenses	345,511	335,135
Reserve for Employee Termination Benefits	1,534	1,899
Reserve for Bank's Social Aid Fund Deficit	--	--
Impairment Losses on Tangible Assets	--	--
Depreciation Charges of Tangible Assets	35,289	27,373
Impairment Losses on Intangible Assets	--	--
Amortisation Charges of Intangible Assets	9,229	6,975
Impairment Losses on Investment Accounted for under Equity Method	--	--
Impairment of Assets to be Disposed	--	--
Depreciation of Assets to be Disposed	597	567
Impairment of Assets Held for Sale	--	--
Other Operating Expenses	202,586	185,084
Operational Leases Expenses	49,040	40,674
Repair and Maintenance Expenses	5,969	5,458
Advertisement Expenses	19,563	19,894
Other Expenses (*)	128,014	119,058
Loss on Sales of Assets	302	1,019
Other	64,356	45,220
<b>Total</b>	<b>659,404</b>	<b>603,272</b>

(\*) Other expenses in other operating expenses comprise; communication expenses, IT repair and maintenance and software fees, stationery, entertainment and representation, heating and lighting, and others with balances of TRY 25,610, TRY 18,994, TRY 9,463, TRY 3,159, TRY 8,833, and TRY 61,955, respectively. (30 September 2008: TRY 24,029, TRY 15,383, TRY 9,770, TRY 6,942, TRY 7,461, TRY 55,473, respectively.)

## 7. Information on tax provision for continued and discontinued operations

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

The current period taxation charge is TRY 222,871 (30 September 2008: TRY 53,403) while deferred tax benefit is TRY 89,190 (30 September 2008: TRY 25,292 deferred tax charge).

### 7.2 Deferred tax benefit / (charge) arising from origination or reversal of temporary differences

Deferred tax benefit/charge arising from temporary differences:	Current Period	Prior Period
Arising from Origination of Deductible Temporary Differences (+)	88,082	15,042
Arising from Reversal of Deductible Temporary Differences (-)	(2,314)	(31,757)
Arising from Origination of Taxable Temporary Differences (-)	(3,106)	(11,784)
Arising from Reversal of Taxable Temporary Differences (+)	6,528	3,207
<b>Total</b>	<b>89,190</b>	<b>(25,292)</b>

### 7.3 Deferred tax benefit / (charge) arising from temporary differences, tax losses or unused tax credits

Sources of deferred tax benefit/charge:	Current Period	Prior Period
Arising from Origination (+)/ Reversal (-) of Deductible Temporary Differences	85,768	(16,715)
Arising from Origination (-)/ Reversal (+) of Taxable Temporary Differences	3,422	(8,577)
Arising from Origination (+)/ Reversal (-) of Tax Losses	--	--
Arising from Origination (+)/ Reversal (-) of Unused Tax Credits	--	--
<b>Total</b>	<b>89,190</b>	<b>(25,292)</b>

**8. Information on net profit and loss**

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

Income generated from DFS Group's ordinary banking transactions during the current and prior period are mainly consisted of interest income from loans and marketable securities and income from other banking services. Main expense items are the interest expenses related to deposits and borrowings which are the main funding sources of marketable securities and loans.

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

**8.3** Since there is no minority interest in the capital of the consolidated subsidiaries of DFS Group, there is no profit or loss attributable to minority interests.

**8.4** No changes have been made in the accounting estimates which may have a material effect in the 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**

<b>Other Fees and Commissions Received</b>	<b>Current Period</b>	<b>Prior Period</b>
POS commissions	66,974	58,641
Credit card clearing commissions and others	52,498	56,067
Account management fees	45,751	40,885
Remittance commissions	19,121	9,191
Brokerage fees	13,730	13,805
Insurance services	6,748	7,994
Expertise fees	3,907	3,723
Other	37,289	27,718
<b>Total</b>	<b>246,018</b>	<b>218,024</b>

<b>Other Fees and Commissions Paid</b>	<b>Current Period</b>	<b>Prior Period</b>
Credit card / POS commissions	57,220	69,896
EFT commissions	1,473	1,423
Other	9,928	10,717
<b>Total</b>	<b>68,621</b>	<b>82,036</b>

## V. Explanations and disclosures related to DFS Group's risk group

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

As of 30 September 2009, DFS Group's own risk group balances are:

Cash loans, financial lease receivables, placements, other assets, deposits, funds borrowed, subordinated loans and non-cash loans, amounting to TRY 75, TRY 160,225, TRY 281,266, TRY 34,350, TRY 22,145, TRY 4,334,350, TRY 764,280, TRY 6,381, respectively.

As a result of the transactions with the risk group, the DFS Group has recorded net interest and commission expenses, and derivative transaction losses, amounting to TRY 144,914 and TRY 148,333, respectively.

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

##### Current Period

DFS Group's Risk Group(*)	Associates, Subsidiaries and Joint-Ventures		Bank's Direct and Indirect Shareholders		Other Components in Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
<b>Loans and Other Receivables</b>						
Balance at the Beginning of the Period	--	10	65,579	1,675	66	38
Balance at the End of the Period	160,225	416	315,616	5,965	75	--
<b>Interest and Commission Income</b>						
Received	2,782	--	1,293	--	--	--

##### Prior Period

DFS Group's Risk Group(*)	Associates, Subsidiaries and Joint-Ventures		Bank's Direct and Indirect Shareholders		Other Components in Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
<b>Loans and Other Receivables</b>						
Balance at the Beginning of the Period	9,676	834	6,167	2,666	49	35
Balance at the End of the Period	--	10	65,579	1,675	66	38
<b>Interest and Commission Income</b>						
Received	--	--	78	280	2	1

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

#### 1.2 Information on deposits held by and funds borrowed from DFS Group's risk group

DFS Group's Risk Group(*)	Associates, Subsidiaries and Joint-Ventures		Bank's Direct and Indirect Shareholders		Other Components in Risk Group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Balance at the Beginning of the Period	2,122	2,876	6,657,408	2,816,035	3,943	3,181
Balance at the End of the Period	9,959	2,122	5,101,838	6,657,408	8,978	3,943
Interest and Commission Expenses	1,465	257	147,207	160,079	317	415

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

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

DFS Group's Risk Group (*)	Associates, Subsidiaries and Joint-Ventures		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:						
Balance at the Beginning of the Period	--	--	2,423,657	410,322	--	--
Balance at the End of the Period	--	--	4,585,119	2,423,657	--	--
Total Income/Loss	--	--	(148,324)	(51,302)	(9)	--
Transactions for Hedging Purposes:						
Balance at the Beginning of the Period	--	--	83,699	--	--	--
Balance at the End of the Period	--	--	265,860	83,699	--	--
Total Income/Loss	--	--	--	--	--	--

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

**2. Information on transactions with DFS Group's risk group**

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

DFS Group makes banking transactions with the risk group on an arms-length basis within the market conditions and in compliance with the Banking Law.

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

The pricing of transactions with the risk group companies is set in compliance with the market prices. As of 30 September 2009, cash loans and other receivables of the risk group represent 2.27% of DFS Group's total cash loans and bank deposits granted, the deposits and borrowings represent 23.91% of DFS Group's total deposits and borrowings. Non-cash loans granted to risk group companies represent 0.13% of the total balance.

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

The risk group, which DFS Group belongs to, has financial lease contracts with Deniz Finansal Kiralama A.Ş. The Parent Bank gives brokerage services through its branches for Deniz Yatırım and Deniz Emeklilik. As part of the consolidation adjustments, these balances and transactions have been eliminated from the accompanying financial statements.

## SECTION SIX OTHER DISCLOSURES AND FOOTNOTES

### I. Other explanations related to DFS Groups's operations

#### 1. Explanations related to DFS Group's operations

On 8 January 2009, the Parent Bank obtained a securitization loan amounting USD 650 million (USD 325 million from Dexia Bank Belgium and USD 325 million from Dexia Bank Credit Local Dublin) which has a maturity of 15 December 2016. The stated amount was paid back in two equal installments on 16 March 2009 and 15 September 2009.

Deniz Leasing and the Parent Bank have decided to participate into the establishment of Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş. as a founder shareholder by a shareholding of TRY 750 and TRY 50, respectively to be paid in cash. This entity was founded through trade registration as of 8 January 2009.

Pupa Gayrimenkul Kiralama ve Yönetim Hizmetleri A.Ş. was established and registered with trade registry on 5 June 2009 by the sole shareholder Deniz Leasing with a capital of TRY 84,999. The Company's operating activities include mainly investing in real estates, real estate projects and rights related to real estates. Additionally, the Company can acquire movable and immovable tangible assets at its discretion and needs and value independent of its own portfolio and can lease those assets. During the process of restructuring some loans of DFS Group, ownership of some real estates held as collateral against the receivables from the related loan customers has been transferred to the Company. Negative difference of TRY 85,000 between the carrying value and the market value of mentioned real estates was accounted for in the Company's financial statements as impairment loss.

As of the date of this report there are ongoing investigations and inspections made by the Bank's inspectors, legal department and judicial authorities, regarding a fraudulent activity happened at one of the branches of the Bank which was detected subsequent to the balance sheet date. Since the investigation is at its early stage, the probable effects of this fraud on the financial statements cannot be reliably measurable yet. Therefore, no provision has been provided in the accompanying financial statements related to this issue due to the fact that probable effects will be identified following the completion of the investigation and the legal process.

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

##### Denizbank's rating by Fitch Ratings

On 14 December 2007, Fitch Ratings upgraded Denizbank's long term local currency rating to BBB- from BB+, short term local currency rating to F3 from B and national long-term rating to AAA from AA+ and announced outlook as "Stable". No change has been occurred on the Bank's long and short term foreign currency rating. On 4 November 2009, Fitch Ratings places Denizbank's long term local and foreign currency credit ratings on Rating Watch Positive and affirmed other ratings. 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 tur (Stable)

##### Denizbank's rating by Moody's Investors Service

On 24 September 2009, Moody's Investors Service upgraded the outlook of the Bank's long term foreign currency deposit, which is B1, to "Positive" from "Stable". On 9 November 2009, Moody's Investors Service, concerning the revising of the governments' support to banking system worldwide, downgraded the Bank's long term local currency deposit to Baa2 from Baa1. The outlook of the note is "Stable". Other notes were affirmed. The latest ratings of Denizbank are as follows:

Long Term Foreign Currency Deposit	Long Term Local Currency Deposit	Short Term Local Currency Deposit	Short Term Local Currency Deposit	Local Currency Deposit Outlook	Financial Strength Rating	Financial Strength Rating Outlook
B1 / Positive	Baa2	Non-Prime	Prime-2	Stable	C-	Stable

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

Kredi Garanti Fonu A.Ş. (KGF) supports small and medium sized entities (SME) by giving guarantees and sureties for the loans that they use from the banks; moreover, KGF eases SMEs to use bank loans for their investments and funding. Depending on the protocol signed between the Undersecretariat of the Treasury and KGF, the Bank participated TRY 2,000 in KGF on 15 October 2009.

**4. Information about effects of significant changes in foreign exchange rates after balance sheet date that would effect the analysis and decision making process of users and foreign operations of the Parent Bank**

There are no significant fluctuations in the currency exchange rates after the balance sheet date that would affect the analysis and decision making process of the financial statement users.



## **SECTION SEVEN INDEPENDENT AUDITORS' REVIEW REPORT**

### **I. Information on the independent auditor's review report**

DFS Group's consolidated financial statements and notes to the consolidated financial statements have been reviewed by DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (Member of Deloitte Touche Tohmatsu) and the independent auditors' review report dated 12 November 2009 is presented in front of the financial statements.

### **II. Disclosures and footnotes prepared by independent auditor**

As stated in the note 6.1.1, the probable effects of the fraudulent activity happened at one of the branches of the Parent Bank on its financial statements cannot be reliably measurable as of the date of this report; therefore no provision has been provided in the accompanying financial statements related to this issue.