

*(Convenience Translation of the Independent Auditor's Report
Originally Prepared and Issued in Turkish See Section Three Note I.3)*

DENİZBANK ANONİM ŞİRKETİ AND ITS FINANCIAL SUBSIDIARIES

**INDEPENDENT AUDITOR'S REPORT, CONSOLIDATED FINANCIAL
STATEMENTS AND NOTES FOR THE YEAR ENDED 31 DECEMBER
2013**

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

Convenience Translation of the Independent Auditor's Report
Originally Issued in Turkish, See Note I.Three of Section Three

Denizbank A.Ş.
To the Board of Directors
İstanbul

**DENİZBANK ANONİM ŞİRKETİ
AND ITS FINANCIAL SUBSIDIARIES**

**INDEPENDENT AUDITOR'S REPORT
FOR THE PERIOD 1 JANUARY-31 DECEMBER 2013**

We have audited the consolidated balance sheet of Denizbank A.Ş. ("the Bank") and its consolidated subsidiaries ("the Group") at December 31, 2013 and the related consolidated income statement, consolidated statement of income and expense items accounted under shareholders' equity, consolidated statement of cash flows, consolidated statement of changes in shareholders' equity for the year then ended and a summary of significant accounting policies and other explanatory notes.

Disclosure for the responsibility of the Bank's board of directors

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

Disclosure for the Responsibility of the Authorized Audit Firm

Our responsibility, as independent auditors, is to express an opinion on these consolidated financial statements based on our audit. Our audit has been performed in accordance with "Regulation on Authorisation and Activities of Institutions to Conduct Independent Audit in Banks" published on the Official Gazette No.26333 dated 1 November 2006. We planned and conducted our audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the consideration of the effectiveness of internal control and appropriateness of accounting policies applied relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion stated below.

Independent Auditor's Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Denizbank A.Ş. and its consolidated subsidiaries at 31 December 2013 and the results of its operations and its cash flows for the year then ended in accordance with accounting principles and standards set out by regulations in conformity with articles 37 and 38 of the Banking Act No. 5411 and other regulations, circulars, communiqués and interpretations published by the BRSA on accounting and financial reporting principles.

The consolidated financial statements of the Bank and its consolidated subsidiaries as of and for the year ended December 31, 2012 prepared in accordance with the prevailing accounting principles and standards set out by regulations in conformity with Articles 37 and 38 of the Banking Act No. 5411 were audited by another independent audit firm, who expressed an unqualified opinion in their report dated February 22, 2013.

Additional paragraph for convenience translation to English

As explained in detail in Note I.Three of Section Three, the effects of differences between accounting principles and standards set out by regulations in conformity with articles 37 and 38 of the Banking Act No. 5411, accounting principles generally accepted in countries in which the accompanying consolidated financial statements are to be distributed and International Financial Reporting Standards ("IFRS") have not been quantified in the accompanying consolidated financial statements. Accordingly, the accompanying consolidated financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

Güney Bağımsız Denetim Ve Serbest Muhasebeci Mali Müşavirlik A.Ş.
A Member Firm of **ERNST&YOUNG GLOBAL LIMITED**

Fatma Ebru Yücel
SMMM, Partner

İstanbul, 25 February 2014

DENİZBANK A.Ş.
CONSOLIDATED FINANCIAL REPORT AS OF 31 DECEMBER 2013

Address of the Bank's Headquarters

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34394 -ESENTEPE/İSTANBUL

Telephone and Fax Numbers

Tel : 0.212.355 08 00
Fax: 0.212.336 30 80

Website of the Bank

www.denizbank.com

E-mail address of the Bank

investorrelations@denizbank.com

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 AND RISK MANAGEMENT OF THE CONSOLIDATED GROUP
- DISCLOSURES AND FOOTNOTES TO CONSOLIDATED FINANCIAL STATEMENTS
- OTHER DISCLOSURES AND FOOTNOTES
- INDEPENDENT AUDITOR'S REPORT

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

	Subsidiaries	Associates	Jointly Controlled Companies
1	Denizbank AG, Vienna		
2	Eurodeniz International Banking Unit Ltd.		
3	Ekspres Yatırım Menkul Değerler A.Ş.		
4	Deniz Yatırım Menkul Kıymetler A.Ş.		
5	CJSC Denizbank, Moscow		
6	Deniz Portföy Yönetimi A.Ş.		
7	Deniz Finansal Kiralama A.Ş.		
8	Deniz Faktoring A.Ş.		
9	Deniz Gayrimenkul Yatırım Ortaklığı A.Ş.		
10	Deniz Varlık Yönetim A.Ş.		
11	Pupa Gayrimenkul Kiralama ve Yönetim Hizmetleri A.Ş.		

The "Special Purpose Entity", DFS Funding Corp., which is not a subsidiary of the Bank but over which the Bank has 100% controlling power, has been included in consolidation.

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

25 February 2014

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

NİHAT SEVİNÇ

Member of Board of Directors
and Audit Committee

WOUTER G.M. VAN ROSTE

Member of Board of Directors
and Audit Committee

DENIS BUGROV

Member of Board of Directors
and Audit Committee

HERMAN GREF

Chairman of Board of
Directors

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SECTION ONE

GENERAL INFORMATION

I. Parent Bank's date of establishment, beginning statute, its history including changes in 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 Borsa İstanbul ("BİST") since 1 October 2004. 0,15% of the Bank's shares are publicly held as of 31 December 2013.

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, Dexia Participation Belgique's ownership rate increased to 99,85%.

On 8 June 2012 Dexia Group and Sberbank of Russia ("Sberbank") have signed a sale and purchase agreement regarding the acquisition of 715.010.291,335 Parent Bank shares representing 99,85% of the Bank's capital. The transaction covers the Parent Bank as well as all of its subsidiaries in Turkey, Austria and Russia. Following all the necessary regulatory authorizations in the countries in which seller and buyer operate including that of the European Commission, after the approvals of Competition Authority on 9 August 2012, the Banking Regulation and Supervision Agency on 12 September 2012 and the Capital Markets Board on 24 September 2012, Dexia has transferred 99,85% of shares of the Parent Bank to Sberbank with a total consideration of TL 6.469.140.728 (Euro 2.790 million) which is the Preliminary Purchase Price determined as per the sale and purchase agreement as of 28 September 2012. Following the completion of the adjustment process of the Preliminary Purchase Price to Purchase Price in accordance with the terms in the Share Purchase Agreement, an additional amount of Euro 185 Million which is equivalent of TL 430.947.685 was paid on 27 December 2012. Ultimately the process was completed with a total Purchase Price of TL 6.900.088.413 (Euro 2.975 million).

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 Parent Bank belongs to

Current Period

Name of the Shareholder	Amount (Full TL)	Share (%)
Sberbank of Russia	715.044.303	99,85
Publicly traded	1.055.663	0,15
Others shareholders	34	-
Total	716.100.000	100,00

Prior Period

Name of the Shareholder	Amount (Full TL)	Share (%)
Sberbank of Russia	715.044.303	99,85
Publicly traded	1.055.663	0,15
Others shareholders	34	-
Total	716.100.000	100,00

III. Explanations regarding the chairman and the members of board of directors, audit committee, general manager and assistants and shares of the Parent Bank they possess and their areas of responsibility

Name	Title	Shares owned (%)
President of the Board of Directors		
Herman Gref	Chairman	--
Board of Directors		
Deniz Ülke Arıboğan	Deputy Chairman	--
Hakan Ateş	Member, President and CEO	0,000002
Alexander Vedyakhin	Member	--
Nihat Sevinç	Member	--
Wouter G.M. Van Roste	Member	--
Timur Kozintsev	Member	--
Sergey Gorkov	Member	--
Vadim Kulik	Member	--
Denis Bugrov	Member	--
Derya Kumru	Member	--
Igor Kondrashov	Member	--
Alexander Morozov	Member	--
Andrey Donskikh(*)	Member	--
Audit Committee		
Wouter G.M. Van Roste	Member	--
Denis Bugrov	Member	--
Nihat Sevinç	Member	--
Executive Vice Presidents		
Mustafa Aydın	Retail, SME and Agricultural Loans	--
Bora Böcügöz	Treasury, Financial Institutions, Private Banking	--
Suavi Demircioğlu	Financial Affairs	--
Dilek Duman	Information Technologies and Support Operations	--
Gökhan Ertürk	Retail Banking	--
Tanju Kaya	Central Operations and Foreign Subsidiaries	--
Gökhan Sun	SME and Agricultural Banking	--
Mustafa Özel	Branch and Central Operations	--
İbrahim Şen	Credit Follow-up and Risk Monitoring	--
Mehmet Aydoğdu	Commercial Banking and Public Finance	--
Mustafa Saruhan Özel	Economic Research, Strategy and Project Management	--
Cem Demirağ	Head of Internal Control Unit and Compliance	--
Ali Murat Dizdar	Chief Legal Advisor	--
Ayşenur Hıçkırın	Card Payment Systems and Non-Branch Sales Channels	--
Kürşad Taçalan	General Secretary	--
Murat Çelik	Digital Generation Banking	--
Hayri Cansever	Corporate Banking	--
Selim Efe Teoman	Corporate and Commercial Loans Group	--
Ramazan Işık	Head of Inspection Board	--

(*) The Parent Bank Board Member Andrey Donskikh resigned from the position on 18 February 2014.

On the Parent Bank Board Meeting(s) which dated 12 February 2014 and 29 January 2014;

Ruslan Abil who was the Financial Affairs Group Manager appointed as the Vice President who is responsible for Group Reporting and Asset/Liability Management Group, Önder Özcan who was the Managerial Reporting and Budget Planning Group Manager appointed as the Vice President who is responsible for Managerial Reporting and Budget Planning Group, Necip Yavuz Elkin who was the Human Resources and Deniz Academy Group Manager appointed as the Vice President who is responsible for Human Resources and Deniz Academy Group, Burak Koçak who was the Istanbul Anatolia 2 Region Manager appointed as the Vice President who is responsible for SME Group, Cemil Cem Önenç who was the Private Banking Group Manager appointed as the Vice President who is responsible for Private Banking Group, İzzet Oğuzhan Özark who was the Retail Banking Affluent Banking Sales Management Group Manager appointed as the Vice President who is responsible for Retail Banking Affluent Banking Sales Management Group, Sinan Yılmaz who was the Risk Management Leader appointed as the Vice President with status of Risk Management Group leader, Hakan Turan Pala who was the Corporate Loans Group Manager appointed as the Vice President who is responsible for Corporate and Commerical Loans Analysis Group with the resolution of the Board of Directors.

IV. Explanations regarding the real person and corporate qualified shareholders at the Parent Bank

Commercial Title	Share Amounts	Share Percentages	Paid-in Capital	Unpaid Capital
Sberbank of Russia	715.044	99,85%	715.044	--

Sberbank of Russia is the controlling party of the Parent Bank's capital having both direct and indirect qualified shares.

As of 31 December 2013 the capital structure of Sberbank of Russia is as follows:

Shareholders	Share Percentages
Central Bank of Russia	50,00%
Publicly traded	50,00%
Total	100,00%

Central Bank of Russia has 50% share and 1 voting right share.

V. 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 688 domestic and 1 foreign branch as of 31 December 2013.

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.

VI. A short explanation on the differences between the communiqué on consolidated financial statement reporting and the consolidation procedures required by Turkish Accounting Standards and about institutions that are subject to full consolidation, proportional consolidation, by way of deduction from capital or those that are subject to none.

Banks are obligated to prepare consolidated financial statements for credit institutions and financial subsidiaries for creating legal restrictions on a consolidated basis based on the "Communiqué on Preparation of Consolidated Financial Statements of Banks" by applying Turkish Accounting Standards. There is not any difference between the related Communiqué and the consolidation operations based on Turkish Accounting Standards except the scope of non-financial associate and subsidiary. Information in regards to consolidated subsidiaries and consolidation methods are given in Section 3 Note III.

VII. Existing or potential, actual or legal obstacles to immediate transfer of capital between Parent Bank and its subsidiaries and repayment of debts.

None.

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 Income and Expense Items Accounted Under Shareholders' Equity
- V. Consolidated Statements of Changes in Shareholders' Equity
- VI. Consolidated Statements of Cash Flows
- VII. Consolidated Profit Distribution Tables

DENİZBANK ANONİM ŞİRKETİ
CONSOLIDATED BALANCE SHEETS
(STATEMENTS OF FINANCIAL POSITION)
AS OF 31 DECEMBER 2013 AND 2012
(Currency: Thousands of TL - Turkish Lira)

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

ASSETS	Footnotes	CURRENT PERIOD (31/12/2013)			PRIOR PERIOD (31/12/2012)		
		TL	FC	Total	TL	FC	Total
I. CASH AND BALANCES WITH THE CENTRAL BANK	(5.I.1)	1.270.924	7.544.120	8.815.044	724.734	4.524.855	5.249.589
II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Net)	(5.I.2)	255.463	879.197	1.134.660	845.818	133.061	978.879
2.1 Financial Assets Held For Trading		255.463	879.197	1.134.660	845.818	133.061	978.879
2.1.1 Public Sector Debt Securities		13.233	5.777	19.010	776.930	8.984	785.914
2.1.2 Share Certificates		32.698	263	32.961	35.011	543	35.554
2.1.3 Positive Value of Trading Purpose Derivatives		154.962	873.157	1.028.119	29.975	120.420	150.395
2.1.4 Other Securities		54.570	-	54.570	3.902	3.114	7.016
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.I.3)	223.090	2.353.883	2.576.973	260.197	1.355.936	1.616.133
IV. DUE FROM MONEY MARKETS		1.290.942	-	1.290.942	512.292	-	512.292
4.1 Interbank Money Market		437	-	437	338	-	338
4.2 Istanbul Stock Exchange		-	-	-	-	-	-
4.3 Reverse Repurchase Agreements		1.290.505	-	1.290.505	511.954	-	511.954
V. FINANCIAL ASSETS AVAILABLE FOR SALE (Net)	(5.I.4)	3.610.873	1.312.077	4.922.950	6.150.145	1.418.944	7.569.089
5.1 Share Certificates		4.089	15	4.104	3.916	12	3.928
5.2 Public Sector Debt Securities		3.603.473	1.046.861	4.650.334	6.146.229	1.256.360	7.402.589
5.3 Other Securities		3.311	265.201	268.512	-	162.572	162.572
VI. LOANS AND RECEIVABLES	(5.I.5)	32.192.348	20.584.435	52.776.783	22.904.887	13.239.167	36.144.054
6.1 Loans and Receivables		31.764.709	20.573.592	52.338.301	22.376.436	13.203.826	35.580.262
6.1.1 Loans Utilized to the Bank's Risk Group		24.524	-	24.524	5.019	-	5.019
6.1.2 Public Sector Debt Securities		-	-	-	-	-	-
6.1.3 Others		31.740.185	20.573.592	52.313.777	22.371.417	13.203.826	35.575.243
6.2 Loans under Follow-Up		1.580.049	30.044	1.610.093	1.337.057	54.733	1.391.790
6.3 Specific Provisions (-)		1.152.410	19.201	1.171.611	808.606	19.392	827.998
VII. FACTORING RECEIVABLES		1.564.755	341.374	1.906.129	1.161.562	53.196	1.214.758
VIII. INVESTMENT HELD TO MATURITY (Net)	(5.I.6)	2.159.096	412.366	2.571.462	141.481	117.329	258.810
8.1 Public Sector Debt Securities		2.159.096	362.298	2.521.394	141.481	75.551	217.032
8.2 Other Securities		-	50.068	50.068	-	41.778	41.778
IX. INVESTMENTS IN ASSOCIATES (Net)	(5.I.7)	10.078	-	10.078	9.072	-	9.072
9.1 Associates accounted for Under Equity Method		-	-	-	-	-	-
9.2 Unconsolidated Associates		10.078	-	10.078	9.072	-	9.072
9.2.1 Financial Associates		1.439	-	1.439	553	-	553
9.2.2 Non-Financial Associates		8.639	-	8.639	8.519	-	8.519
X. INVESTMENTS IN SUBSIDIARIES (Net)	(5.I.8)	5.649	29	5.678	5.649	-	5.649
10.1 Unconsolidated Financial Subsidiaries		-	-	-	-	-	-
10.2 Unconsolidated Non-Financial Subsidiaries		5.649	29	5.678	5.649	-	5.649
XI. ENTITIES UNDER COMMON CONTROL (JOINT VENT.) (Net)	(5.I.9)	2.800	-	2.800	2.800	-	2.800
11.1 Joint Ventures accounted for Under Equity Method		-	-	-	-	-	-
11.2 Unconsolidated Joint Ventures		2.800	-	2.800	2.800	-	2.800
11.2.1 Financial Joint Ventures		-	-	-	-	-	-
11.2.2 Non-Financial Joint Ventures		2.800	-	2.800	2.800	-	2.800
XII. LEASE RECEIVABLES (Net)	(5.I.10)	592.099	1.191.357	1.783.456	364.946	1.077.738	1.442.684
12.1 Financial Lease Receivables		750.422	1.358.437	2.108.859	460.179	1.228.936	1.689.115
12.2 Operational Lease Receivables		-	-	-	-	-	-
12.3 Others		-	-	-	-	-	-
12.4 Unearned Income (-)		158.323	167.080	325.403	95.233	151.198	246.431
XIII. HEDGING PURPOSE DERIVATIVES	(5.I.11)	-	-	-	45.376	24.407	69.783
13.1 Fair Value Hedge		-	-	-	-	-	-
13.2 Cash Flow Hedge		-	-	-	45.376	24.407	69.783
13.3 Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-
XIV. TANGIBLE ASSETS (Net)	(5.I.12)	395.687	13.767	409.454	349.765	7.570	357.335
XV. INTANGIBLE ASSETS (Net)	(5.I.13)	157.449	5.614	163.063	93.516	4.830	98.346
15.1 Goodwill		869	-	869	-	-	-
15.2 Others		156.580	5.614	162.194	93.516	4.830	98.346
XVI. INVESTMENT PROPERTIES (Net)	(5.I.14)	119.573	-	119.573	-	-	-
XVII. TAX ASSETS	(5.I.15)	155.595	8.758	164.353	100.099	523	100.622
17.1 Current Tax Assets		33.299	3.349	36.648	353	208	561
17.2 Deferred Tax Assets		122.296	5.409	127.705	99.746	315	100.061
XVIII. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)	(5.I.16)	-	-	-	-	-	-
18.1 Held For Sale		-	-	-	-	-	-
18.2 Discontinued Operations		-	-	-	-	-	-
XIX. OTHER ASSETS	(5.I.17)	760.365	254.029	1.014.394	680.043	184.644	864.687
TOTAL ASSETS		44.766.786	34.901.006	79.667.792	34.352.382	22.142.200	56.494.582

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

DENİZBANK ANONİM ŞİRKETİ
CONSOLIDATED BALANCE SHEETS
(STATEMENTS OF FINANCIAL POSITION)
AS OF 31 DECEMBER 2013 AND 2012
(Currency: Thousands of TL - Turkish Lira)

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

LIABILITIES AND EQUITY	Footnotes	CURRENT PERIOD (31/12/2013)			PRIOR PERIOD (31/12/2012)		
		TL	FC	Total	TL	FC	Total
I. DEPOSITS	(5.11.1)	21.952.972	30.503.558	52.456.530	18.699.788	17.892.666	36.592.454
1.1 Deposits of the Bank's Risk Group		20.905	668.791	689.696	40.091	828	40.919
1.2 Others		21.932.067	29.834.767	51.766.834	18.659.697	17.891.838	36.551.535
II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING	(5.11.2)	263.073	191.753	454.826	18.411	117.867	136.278
III. FUNDS BORROWED	(5.11.3)	2.408.670	8.576.156	10.984.826	1.511.172	5.491.585	7.002.757
IV. DUE TO MONEY MARKETS		697.467	63.838	761.305	1.729.150	58.660	1.787.810
4.1 Interbank Money Market		51	-	51	190	-	190
4.2 Istanbul Stock Exchange		-	-	-	-	-	-
4.3 Reverse Repurchase Agreements		697.416	63.838	761.254	1.728.960	58.660	1.787.620
V. SECURITIES ISSUED (Net)	(5.11.4)	1.620.133	-	1.620.133	768.932	-	768.932
5.1 Bills		857.025	-	857.025	601.343	-	601.343
5.2 Asset Backed Securities		567.759	-	567.759	-	-	-
5.3 Bonds		195.349	-	195.349	167.589	-	167.589
VI. FUNDS		-	-	-	-	-	-
6.1 Borrowers Funds		-	-	-	-	-	-
6.2 Others		-	-	-	-	-	-
VII. SUNDRY CREDITORS		990.325	512.336	1.502.661	658.251	142.597	800.848
VIII. OTHER EXTERNAL RESOURCES	(5.11.5)	795.970	1.504.884	2.300.854	903.877	865.997	1.769.874
IX. FACTORING PAYABLES		-	-	-	-	-	-
X. LEASE PAYABLES (Net)	(5.11.6)	-	-	-	-	-	-
10.1 Financial Lease Payables		-	-	-	-	-	-
10.2 Operational Lease Payables		-	-	-	-	-	-
10.3 Others		-	-	-	-	-	-
10.4 Deferred Financial Leasing Expenses (-)		-	-	-	-	-	-
XI. HEDGING PURPOSE DERIVATIVES	(5.11.7)	-	-	-	89.911	2.271	92.182
11.1 Fair Value Hedge		-	-	-	-	-	-
11.2 Cash Flow Hedge		-	-	-	89.911	2.271	92.182
11.3 Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-
XII. PROVISIONS	(5.11.8)	951.895	50.801	1.002.696	719.268	42.458	761.726
12.1 General Provisions		700.374	-	700.374	443.897	-	443.897
12.2 Restructuring Provisions		-	-	-	-	-	-
12.3 Reserve for Employee Benefits		85.178	3.067	88.245	71.509	1.849	73.358
12.4 Insurance Technical Provisions (Net)		-	-	-	-	-	-
12.5 Other Provisions		166.343	47.734	214.077	203.862	40.609	244.471
XIII. TAX LIABILITIES	(5.11.9)	125.737	16.045	141.782	184.861	44.574	229.435
13.1 Current Tax Liability		123.827	14.964	138.791	184.861	35.134	219.995
13.2 Deferred Tax Liability		1.910	1.081	2.991	-	9.440	9.440
LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS HELD FOR SALE AND							
XIV. DISCONTINUED OPERATIONS (Net)	(5.11.10)	-	-	-	-	-	-
14.1 Held For Sale		-	-	-	-	-	-
14.2 Discontinued Operations		-	-	-	-	-	-
XV. SUBORDINATED LOANS	(5.11.11)	-	2.353.810	2.353.810	-	887.662	887.662
XVI. SHAREHOLDERS' EQUITY	(5.11.12)	5.303.837	784.532	6.088.369	5.311.639	352.985	5.664.624
16.1 Paid-In Capital		716.100	-	716.100	716.100	-	716.100
16.2 Supplementary Capital		(137.164)	(43.862)	(181.026)	686.958	49.670	736.628
16.2.1 Share Premium		98.411	-	98.411	98.411	-	98.411
16.2.2 Share Cancellation Profits		-	-	-	-	-	-
16.2.3 Securities Revaluation Reserve		(306.897)	(43.618)	(350.515)	246.413	51.186	297.599
16.2.4 Revaluation Fund on Tangible Assets	(5.11.14)	306.054	-	306.054	306.054	-	306.054
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	11	-	11
16.2.8 Hedging Funds (Effective Portion)		(423.907)	(244)	(424.151)	(153.095)	(1.516)	(154.611)
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		3.498.827	417.004	3.915.831	2.678.876	94.009	2.772.885
16.3.1 Legal Reserves		144.542	5.019	149.561	144.542	5.019	149.561
16.3.2 Status Reserves		-	-	-	-	-	-
16.3.3 Extraordinary Reserves		3.336.994	11.173	3.348.167	2.524.362	11.173	2.535.535
16.3.4 Other Profit Reserves		17.291	400.812	418.103	9.972	77.817	87.789
16.4 Profit or Loss		1.188.782	411.390	1.600.172	1.213.941	209.306	1.423.247
16.4.1 Prior Periods' Profits / Losses		301.139	287.803	588.942	525.920	179.900	705.820
16.4.2 Current Period Profit / Loss		887.643	123.587	1.011.230	688.021	29.406	717.427
16.5 Minority Shares	(5.11.13)	37.292	-	37.292	15.764	-	15.764
TOTAL LIABILITIES AND EQUITY		35.110.079	44.557.713	79.667.792	30.595.260	25.899.322	56.494.582

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

DENİZBANK ANONİM ŞİRKETİ
CONSOLIDATED STATEMENTS OF OFF-BALANCE SHEET ITEMS
AS OF 31 DECEMBER 2013 AND 2012
(Currency: Thousands of TL- Turkish Lira)

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

	Footnotes	CURRENT PERIOD (31/12/2013)			PRIOR PERIOD (31/12/2012)		
		TL	FC	Total	TL	FC	Total
A. OFF BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I+II+III)		39.511.070	61.697.941	101.209.011	24.379.702	36.389.996	60.769.698
I. GUARANTEES	(5.III.1)	6.596.343	11.819.173	18.415.516	5.206.112	7.174.635	12.380.747
1.1. Letters of Guarantee		6.585.003	7.281.121	13.866.124	5.196.248	5.052.813	10.249.061
1.1.1. Guarantees Subject to State Tender Law		-	-	-	-	-	-
1.1.2. Guarantees Given for Foreign Trade Operations		79.122	170.493	249.615	79.122	169.864	248.986
1.1.3. Other Letters of Guarantee		6.505.881	7.110.628	13.616.509	5.117.126	4.882.949	10.000.075
1.2. Bank Acceptances		1.566	137.916	139.482	8.631	317.097	325.728
1.2.1. Import Letter of Acceptance		1.566	133.529	135.095	8.631	268.221	276.852
1.2.2. Other Bank Acceptances		-	4.387	4.387	-	48.876	48.876
1.3. Letters of Credit		3.148	2.692.992	2.696.140	383	1.497.049	1.497.432
1.3.1. Documentary Letters of Credit		3.055	2.285.477	2.288.532	266	1.252.926	1.253.192
1.3.2. Other Letters of Credit		93	407.515	407.608	117	244.123	244.240
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		6.626	1.707.144	1.713.770	850	307.676	308.526
1.9. Other Sureties		-	-	-	-	-	-
II. COMMITMENTS	(5.III.1)	15.713.821	3.588.438	19.302.259	10.621.350	2.751.324	13.372.674
2.1. Irrevocable Commitments		14.589.203	3.588.438	18.177.641	9.435.051	2.751.324	12.186.375
2.1.1. Asset Purchase and Sale Commitments		1.377.029	2.299.926	3.676.955	241.161	1.696.593	1.937.754
2.1.2. Deposit Purchase and Sales Commitments		-	-	-	-	-	-
2.1.3. Share Capital Commitments to Associates and Subsidiaries		-	-	-	120	-	120
2.1.4. Loan Granting Commitments		4.046.189	117.000	4.163.189	3.047.815	250.440	3.298.255
2.1.5. Securities Issuance Brokerage Commitments		-	-	-	-	-	-
2.1.6. Commitments for Reserve Deposit Requirements		-	-	-	-	-	-
2.1.7. Commitments for Cheque Payments		1.415.524	-	1.415.524	1.350.185	-	1.350.185
2.1.8. Tax and Fund Obligations from Export Commitments		864	-	864	925	-	925
2.1.9. Commitments for Credit Card Limits		7.731.311	-	7.731.311	4.759.217	-	4.759.217
2.1.10. Commitments for Promotional Operations Re-Credit Cards and Banking Services		-	-	-	-	-	-
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		18.286	1.171.512	1.189.798	35.628	804.291	839.919
2.2. Revocable Commitments		1.124.618	-	1.124.618	1.186.299	-	1.186.299
2.2.1. Revocable Loan Granting Commitments		1.124.059	-	1.124.059	1.185.618	-	1.185.618
2.2.2. Other Revocable Commitments		559	-	559	681	-	681
III. DERIVATIVE FINANCIAL INSTRUMENTS	(5.III.5)	17.200.906	46.290.330	63.491.236	8.552.240	26.464.037	35.016.277
3.1. Hedging Purpose Derivatives		-	-	-	670.110	798.007	1.468.117
3.1.1. Fair Value Hedge		-	-	-	-	-	-
3.1.2. Cash Flow Hedge		-	-	-	670.110	798.007	1.468.117
3.1.3. Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-
3.2. Trading Purpose Derivatives		17.200.906	46.290.330	63.491.236	7.882.130	25.666.030	33.548.160
3.2.1. Forward Foreign Currency Purchases/Sales		1.994.052	3.310.137	5.304.189	511.009	2.814.070	3.325.079
3.2.1.1. Forward Foreign Currency Purchases		798.597	1.874.345	2.672.942	277.093	1.386.445	1.663.538
3.2.1.2. Forward Foreign Currency Sales		1.195.455	1.435.792	2.631.247	233.916	1.427.625	1.661.541
3.2.2. Currency and Interest Rate Swaps		7.958.719	34.886.842	42.845.561	2.164.922	16.783.378	18.948.300
3.2.2.1. Currency Swaps-Purchases		1.264.852	15.917.855	17.182.707	589.074	6.478.251	7.067.325
3.2.2.2. Currency Swaps-Sales		6.593.867	10.059.978	16.653.845	1.575.848	5.157.773	6.733.621
3.2.2.3. Interest Rate Swaps-Purchases		50.000	4.454.505	4.504.505	-	2.573.677	2.573.677
3.2.2.4. Interest Rate Swaps-Sales		50.000	4.454.504	4.504.504	-	2.573.677	2.573.677
3.2.3. Currency, Interest Rate and Security Options		7.166.756	8.025.407	15.192.163	5.087.278	5.750.115	10.837.393
3.2.3.1. Currency Options-Purchases		3.074.785	4.378.541	7.453.326	2.284.503	3.094.658	5.379.161
3.2.3.2. Currency Options-Sales		3.941.971	3.437.726	7.379.697	2.742.775	2.587.603	5.330.378
3.2.3.3. Interest Rate Options-Purchases		-	184.882	184.882	-	33.927	33.927
3.2.3.4. Interest Rate Options-Sales		150.000	24.258	174.258	60.000	33.927	93.927
3.2.3.5. Securities Options-Purchases		-	-	-	-	-	-
3.2.3.6. Securities Options-Sales		-	-	-	-	-	-
3.2.4. Currency Futures		-	-	-	-	-	-
3.2.4.1. Currency Futures-Purchases		-	-	-	-	-	-
3.2.4.2. Currency Futures-Sales		-	-	-	-	-	-
3.2.5. Interest Rate Futures		-	-	-	-	-	-
3.2.5.1. Interest Rate Futures-Purchases		-	-	-	-	-	-
3.2.5.2. Interest Rate Futures-Sales		-	-	-	-	-	-
3.2.6. Others		81.379	67.944	149.323	118.921	318.467	437.388
B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)		177.689.601	47.475.808	225.165.409	132.838.689	31.165.180	164.003.869
IV. ITEMS HELD IN CUSTODY		18.934.749	1.426.461	20.361.210	20.513.435	1.082.972	21.596.407
4.1. Customers' Securities and Portfolios Held		161.547	-	161.547	-	-	-
4.2. Securities Held in Custody		17.538.558	437.538	17.976.096	19.383.936	171.841	19.555.777
4.3. Checks Received for Collection		498.193	813.467	1.311.660	433.232	710.194	1.143.426
4.4. Commercial Notes Received for Collection		735.455	161.939	897.394	695.793	192.679	888.472
4.5. Other Assets Received for Collection		-	-	-	-	-	-
4.6. Assets Received for Public Offering		-	-	-	-	-	-
4.7. Other Items under Custody		-	13.517	13.517	-	8.258	8.258
4.8. Custodians		996	-	996	474	-	474
V. PLEDGED ITEMS		158.403.506	43.795.370	202.198.876	112.047.714	29.793.074	141.840.788
5.1. Securities		2.339.858	59.598	2.399.456	1.939.615	220.255	2.159.870
5.2. Guarantee Notes		107.339.454	19.253.329	126.592.783	74.011.769	12.047.367	86.059.136
5.3. Commodities		7.119.642	3.002.721	10.122.363	5.855.316	1.684.076	7.539.392
5.4. Warrants		-	-	-	-	-	-
5.5. Immovables		37.294.286	17.631.824	54.926.110	26.801.855	12.028.038	38.829.893
5.6. Other Pledged Items		4.310.266	3.847.898	8.158.164	3.439.159	3.813.338	7.252.497
5.7. Pledged Items-Depository		-	-	-	-	-	-
VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES		351.346	2.253.977	2.605.323	277.540	289.134	566.674
TOTAL OFF BALANCE SHEET ITEMS (A+B)		217.200.671	109.173.749	326.374.420	157.218.391	67.555.176	224.773.567

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

DENİZBANK ANONİM ŞİRKETİ
CONSOLIDATED STATEMENTS OF INCOME
FOR THE YEARS 31 DECEMBER 2013 AND 2012
(Currency: Thousands of TL - Turkish Lira)

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

INCOME AND EXPENSE ITEMS	Footnotes	CURRENT PERIOD (01/01-31/12/2013)	PRIOR PERIOD (01/01-31/12/2012)
I. INTEREST INCOME	(5.IV.1)	5.453.623	4.806.433
1.1 Interest from Loans		4.561.167	3.871.682
1.2 Interest from Reserve Deposits		-	-
1.3 Interest from Banks		13.830	10.243
1.4 Interest from Money Market Transactions		8.620	64.685
1.5 Interest from Securities Portfolio		689.462	726.027
1.5.1 Trading Securities		94.985	71.850
1.5.2 Financial Assets at Fair Value Through Profit or Loss		-	-
1.5.3 Available for Sale Securities		500.573	572.770
1.5.4 Held to Maturity Securities		93.904	81.407
1.6 Interest from Financial Leases		141.466	109.871
1.7 Other Interest Income		39.078	23.925
II. INTEREST EXPENSE	(5.IV.2)	2.443.245	2.336.515
2.1 Interest on Deposits		1.922.092	1.926.834
2.2 Interest on Funds Borrowed		351.252	290.563
2.3 Interest on Money Market Transactions		48.255	56.296
2.4 Interest on Securities Issued		103.321	50.930
2.5 Other Interest Expense		18.325	11.892
III. NET INTEREST INCOME (I - II)		3.010.378	2.469.918
IV. NET FEES AND COMMISSION INCOME /EXPENSE	(5.IV.12)	621.715	482.226
4.1 Fees and Commissions Received		870.663	723.302
4.1.1 Non-Cash Loans		102.974	82.108
4.1.2 Other		767.689	641.194
4.2 Fees and Commissions Paid		248.948	241.076
4.2.1 Non-Cash Loans		890	1.371
4.2.2 Other		248.058	239.705
V. DIVIDEND INCOME	(5.IV.3)	3.141	567
VI. TRADING INCOME/LOSS (Net)	(5.IV.4)	193.669	(40.008)
6.1 Profit / Loss on Securities Trading		162.924	197.240
6.2 Profit / Loss on Derivative Financial Transactions		931.604	(816.752)
6.3 Foreign Exchange Gains / Losses		(900.859)	579.504
VII. OTHER OPERATING INCOME	(5.IV.5)	544.787	268.240
VIII. TOTAL OPERATING INCOME (III+IV+V+VI+VII)		4.373.690	3.180.943
IX. PROVISION FOR LOANS AND OTHER RECEIVABLES (-)	(5.IV.6)	1.027.482	727.519
X. OTHER OPERATING EXPENSES (-)	(5.IV.7)	2.077.678	1.497.825
XI. NET OPERATING PROFIT/LOSS (VIII-IX-X)		1.268.530	955.599
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)	(5.IV.8)	1.268.530	955.599
XVI. TAX PROVISION FOR CONTINUING OPERATIONS (±)	(5.IV.9)	(257.445)	(235.918)
16.1 Current Tax		(124.062)	(349.502)
16.2 Deferred Tax		(133.383)	113.584
XVII. NET PROFIT / LOSS FROM CONTINUING OPERATIONS (XV±XVI)	(5.IV.10)	1.011.085	719.681
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. TAX PROVISION FOR DISCONTINUED OPERATIONS (±)	(5.IV.9)	-	-
21.1 Current Tax		-	-
21.2 Deferred Tax		-	-
XXII. NET PROFIT / LOSS FROM DISCONTINUED OPERATIONS (XX±XXI)	(5.IV.10)	-	-
XXIII. NET PROFIT / LOSS (XVII+XXII)	(5.IV.11)	1.011.085	719.681
23.1 Group's Profit / Loss		1.011.230	717.427
23.2 Minority Shares		(145)	2.254
Earnings / Losses per Share (Per thousand share)		1,41	1,00

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

DENİZBANK ANONİM ŞİRKETİ
CONSOLIDATED STATEMENTS OF INCOME AND EXPENSE
ITEMS UNDER SHAREHOLDERS' EQUITY

*Convenience Translation of
Consolidated Financial Report
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FOR THE YEARS 31 DECEMBER 2013 AND 2012

(Currency: Thousands of TL - Turkish Lira)

	CURRENT PERIOD (01/01-31/12/2013)	PRIOR PERIOD (01/01-31/12/2012)
I. ADDITIONS TO SECURITIES REVALUATION RESERVE FROM AVAILABLE FOR SALE INVESTMENTS	(813.391)	391.966
II. TANGIBLE ASSETS REVALUATION DIFFERENCES	-	-
III. INTANGIBLE ASSETS REVALUATION DIFFERENCES	-	-
IV. FOREIGN EXCHANGE DIFFERENCES FOR FOREIGN CURRENCY TRANSACTIONS	328.603	(21.206)
V. PROFIT/LOSS RELATED TO DERIVATIVES USED IN CASH FLOW HEDGES (Effective portion of Fair Value Differences)	34.465	(18.534)
VI. PROFIT/LOSS RELATED TO DERIVATIVES USED IN HEDGE OF A NET INVESTMENT IN FOREIGN SUBSIDIARIES (Effective portion of Fair Value Differences)	(302.137)	31.054
VII. THE EFFECT OF CHANGES IN ACCOUNTING POLICIES OR CORRECTION OF ERRORS	-	-
VIII. OTHER PROFIT/LOSS ITEMS ACCOUNTED FOR UNDER EQUITY DUE TO TAS	1.711	-
IX. DEFERRED TAXES OF VALUATION DIFFERENCES	163.409	(79.793)
X. NET PROFIT/LOSS ACCOUNTED UNDER EQUITY (I+II+...+IX)	(587.340)	303.487
XI. CURRENT PERIOD PROFIT/LOSS	1.011.085	719.681
1.1 Net Change in Fair Value of Securities (Transfer to Profit & Loss)	195.417	181.561
1.2 Reclassification and Transfer of Derivatives Accounted for Cash Flow Hedge Purposes Recycled to Income Statement	(41.762)	(1.673)
1.3 Transfer of Hedge of Net Investment in Foreign Operations Recycled to Income Statement	-	-
1.4 Other	857.430	539.793
XII. TOTAL PROFIT AND LOSS ACCOUNTED FOR THE PERIOD (X±XI)	423.745	1.023.168

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

DENİZBANK ANONİM ŞİRKETİ
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS 31 DECEMBER 2013 AND 2012
(Currency: Thousands of TL - Turkish Lira)

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

CHANGES IN SHAREHOLDERS' EQUITY	Footnotes	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)	Securities Revaluation Reserve	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
(01/01-31/12/2012)																			
I. Balances at the Beginning of Period		716.100	189.164	98.411	-	109.757	-	2.006.563	108.995	1.061.546	518.248	(14.203)	856	11	(167.502)	-	4.627.946	13.517	4.641.463
Changes in the Period																			
II. Increase / Decrease Related to Mergers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Valuation Differences of Securities	(5.V.1)	-	-	-	-	-	-	-	-	-	-	311.802	-	-	-	-	311.802	-	311.802
IV. Hedging Transactions (Effective Portion)		-	-	-	-	-	-	-	-	-	-	-	-	-	12.891	-	12.891	-	12.891
4.1 Cash Flow Hedge		-	-	-	-	-	-	-	-	-	-	-	-	-	(18.163)	-	(18.163)	-	(18.163)
4.2 Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-	-	-	-	-	-	-	-	31.054	-	31.054	-	31.054
V. Revaluation Fund of Tangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Revaluation Fund of Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Bonus Shares Obtained from Associates, Subsidiaries and Joint Ventures		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Foreign Exchange Differences		-	-	-	-	-	-	-	(21.206)	-	-	-	-	-	-	-	(21.206)	-	(21.206)
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	(5.V.6)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7)	(7)
XVII. Current Period Net Profit / Loss	(5.V.4)	-	-	-	-	39.804	-	528.972	-	717.427	(1.061.546)	187.572	305.198	-	-	-	717.427	2.254	719.681
XVIII. Profit Distribution		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18.1 Dividends Distributed		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18.2 Transfer to Reserves		-	-	-	-	39.804	-	528.972	-	(1.061.546)	187.572	-	305.198	-	-	-	-	-	-
18.3 Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances at the End of Period (II+III+IV+V+.....+XVIII+XIX+XX)		716.100	189.164	98.411	-	149.561	-	2.535.535	87.789	717.427	705.820	297.599	306.054	11	(154.611)	-	5.648.860	15.764	5.664.624
(01/01-31/12/2013)																			
I. Balances at the Beginning of Period		716.100	189.164	98.411	-	149.561	-	2.535.535	87.789	717.427	705.820	297.599	306.054	11	(154.611)	-	5.648.860	15.764	5.664.624
Changes in the Period																			
II. Increase / Decrease Related to Mergers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Valuation Differences of Securities	(5.V.1)	-	-	-	-	-	-	-	-	-	-	(648.114)	-	-	-	-	(648.114)	-	(648.114)
IV. Hedging Transactions (Effective Portion)		-	-	-	-	-	-	-	-	-	-	-	-	-	(269.540)	-	(269.540)	-	(269.540)
4.1 Cash Flow Hedge		-	-	-	-	-	-	-	-	-	-	-	-	-	32.597	-	32.597	-	32.597
4.2 Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-	-	-	-	-	-	-	-	(302.137)	-	(302.137)	-	(302.137)
V. Revaluation Fund of Tangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Revaluation Fund of Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Bonus Shares Obtained from Associates, Subsidiaries and Joint Ventures		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Foreign Exchange Differences		-	-	-	-	-	-	-	328.603	-	-	-	-	-	-	-	328.603	-	328.603
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	(5.V.6)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	1.711	-	(21.673)	-	-	-	-	-	(19.962)	21.673	1.711
XVII. Current Period Net Profit / Loss	(5.V.4)	-	-	-	-	-	-	812.632	-	1.011.230	(717.427)	(95.205)	-	-	-	-	1.011.230	(145)	1.011.085
XVIII. Profit Distribution		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18.1 Dividend Distributed		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18.2 Transfer to Reserves		-	-	-	-	-	-	812.632	-	(717.427)	(95.205)	-	-	-	-	-	-	-	-
18.3 Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances at the End of Period (I+II+III+....+XVI+XVII+XVIII)		716.100	189.164	98.411	-	149.561	-	3.348.167	418.103	1.011.230	588.942	(350.515)	306.054	11	(424.151)	-	6.051.077	37.292	6.088.369

(*)Minority interest movements; The amount represents the effect of the consolidation of Pupa Gayrimenkul ve Yönetim Hizmetleri A.Ş. for the first time as of 31 December 2013.

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

DENİZBANK ANONİM ŞİRKETİ
CONSOLIDATED STATEMENTS OF CASH FLOW
FOR THE YEARS 31 DECEMBER 2013 AND 2012
(Currency: Thousands of TL - Turkish Lira)

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

	Footnotes	CURRENT PERIOD (01/01-31/12/2013)	PRIOR PERIOD (01/01-31/12/2012)
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating Profit before Changes in Operating Assets and Liabilities (+)		882.624	2.742.961
1.1.1 Interest Received (+)		5.194.603	4.768.786
1.1.2 Interest Paid (-)		2.334.427	2.353.140
1.1.3 Dividend Received (+)		3.141	567
1.1.4 Fees And Commissions Received (+)		820.835	631.434
1.1.5 Other Income (+)		567.980	872.848
1.1.6 Collections from Previously Written-Off Loans and Other Receivables (+)		538.319	762.865
1.1.7 Payments to Personnel and Service Suppliers (-)		892.737	648.393
1.1.8 Taxes Paid (-)		196.585	280.650
1.1.9 Other (+/-)	(5.VI.1)	(2.818.505)	(1.011.356)
1.2 Changes in Operating Assets and Liabilities		(1.438.669)	(906.947)
1.2.1 Net (Increase) Decrease in Trading Securities (+/-)		711.235	266.047
1.2.2 Net (Increase) Decrease in Financial Assets Designated at FV (+/-)		-	-
1.2.3 Net (Increase) Decrease in Banks (+/-)		57.513	(706.523)
1.2.4 Net (Increase) Decrease in Loans (+/-)		(18.267.117)	(9.015.946)
1.2.5 Net (Increase) Decrease in Other Assets (+/-)		(2.743.124)	(2.766.135)
1.2.6 Net Increase (Decrease) in Bank Deposits (+/-)		1.142.240	1.177.343
1.2.7 Net Increase (Decrease) in Other Deposits (+/-)		14.655.440	8.474.214
1.2.8 Net Increase (Decrease) in Funds Borrowed (+/-)		2.841.046	336.515
1.2.9 Net Increase (Decrease) in Due Payables (+/-)		-	-
1.2.10 Net Increase (Decrease) in Other Liabilities (+/-)	(5.VI.1)	164.098	1.327.538
I. Net Cash (Used in)/Provided from Banking Operations (+/-)		(556.045)	1.836.014
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II. Net Cash Provided from / (Used in) Investing Activities (+/-)		(448.954)	(2.395.807)
2.1 Cash Paid for Purchase of Investments, Associates and Subsidiaries (-)		1.025	1.653
2.2 Cash Obtained From Sale of Investments, Associates And Subsidiaries (+)		-	3
2.3 Fixed Assets Purchases (-)		144.557	103.574
2.4 Fixed Assets Sales (+)		21.649	6.641
2.5 Cash Paid for Purchase of Investments Available for Sale (-)		3.902.725	6.524.392
2.6 Cash Obtained From Sale of Investments Available for Sale (+)		4.997.039	3.569.933
2.7 Cash Paid for Purchase of Investment Securities (-)		1.562.327	-
2.8 Cash Obtained from Sale of Investment Securities (+)		-	-
2.9 Other (+/-)	(5.VI.1)	142.992	657.235
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net Cash Provided from / (Used in) Financing Activities (+/-)		3.228.286	(549.540)
3.1 Cash Obtained from Funds Borrowed and Securities Issued (+)		6.896.194	3.561.700
3.2 Cash Used for Repayment of Funds Borrowed and Securities Issued (-)		3.667.908	4.111.240
3.3 Capital Increase (+)		-	-
3.4 Dividends Paid (-)		-	-
3.5 Payments for Finance Leases (-)		-	-
3.6 Other (+/-)		-	-
IV. Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents (+/-)	(5.VI.1)	766.774	(85.680)
V. Net Increase / (Decrease) in Cash and Cash Equivalents	(5.VI.1)	2.990.061	(1.195.013)
VI. Cash and Cash Equivalents at the Beginning of Period (+)	(5.VI.2)	3.593.313	4.788.326
VII. Cash and Cash Equivalents at the End of Period	(5.VI.3)	6.583.374	3.593.313

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

DENİZBANK ANONİM ŞİRKETİ
CONSOLIDATED PROFIT DISTRIBUTION TABLES
FOR THE YEARS 31 DECEMBER 2013 AND 2012
(Currency: Thousands of TL - Turkish Lira)

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

		CURRENT PERIOD (01/01-31/12/2013)	PRIOR PERIOD (01/01-31/12/2012)
I.	DISTRIBUTION OF CURRENT YEAR INCOME		
1.1	CURRENT YEAR INCOME	-	-
1.2	TAXES AND DUTIES PAYABLE (-)	-	-
1.2.1	Corporate Tax (Income tax)	-	-
1.2.2	Income withholding tax	-	-
1.2.3	Other taxes and duties	-	-
A.	NET INCOME FOR THE YEAR (1.1-1.2) (*)	-	-
1.3	PRIOR YEARS LOSSES (-)	-	-
1.4	FIRST LEGAL RESERVES (-)	-	-
1.5	OTHER STATUTORY RESERVES (-)	-	-
B.	NET INCOME AVAILABLE FOR DISTRIBUTION [(A)-(1.3+1.4+1.5)]	-	-
1.6	FIRST DIVIDEND TO SHAREHOLDERS (-)	-	-
1.6.1	To owners of ordinary shares	-	-
1.6.2	To owners of preferred shares	-	-
1.6.3	To owners of preferred shares (preemptive rights)	-	-
1.6.4	To profit sharing bonds	-	-
1.6.5	To holders of profit and loss sharing certificates	-	-
1.7	DIVIDENDS TO PERSONNEL (-)	-	-
1.8	DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
1.9	SECOND DIVIDEND TO SHAREHOLDERS (-)	-	-
1.9.1	To owners of ordinary shares	-	-
1.9.2	To owners of preferred shares	-	-
1.9.3	To owners of preferred shares (preemptive rights)	-	-
1.9.4	To profit sharing bonds	-	-
1.9.5	To holders of profit and loss sharing certificates	-	-
1.10	SECOND LEGAL RESERVES (-)	-	-
1.11	STATUTORY RESERVES (-)	-	-
1.12	GENERAL RESERVES	-	-
1.13	OTHER RESERVES	-	-
1.14	SPECIAL FUNDS	-	-
II.	DISTRIBUTION OF RESERVES		
2.1	APPROPRIATED RESERVES	-	-
2.2	SECOND LEGAL RESERVES (-)	-	-
2.3	DIVIDENDS TO SHAREHOLDERS (-)	-	-
2.3.1	To owners of ordinary shares	-	-
2.3.2	To owners of preferred shares	-	-
2.3.3	To owners of preferred shares (preemptive rights)	-	-
2.3.4	To profit sharing bonds	-	-
2.3.5	To holders of profit and loss sharing certificates	-	-
2.4	DIVIDENDS TO PERSONNEL (-)	-	-
2.5	DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
III.	EARNINGS PER SHARE		
3.1	TO OWNERS OF ORDINARY SHARES	-	-
3.2	TO OWNERS OF ORDINARY SHARES (%)	-	-
3.3	TO OWNERS OF PRIVILEGED SHARES	-	-
3.4	TO OWNERS OF PRIVILEGED SHARES (%)	-	-
IV.	DIVIDEND PER SHARE		
4.1	TO OWNERS OF ORDINARY SHARES	-	-
4.2	TO OWNERS OF ORDINARY SHARES (%)	-	-
4.3	TO OWNERS OF PRIVILEGED SHARES	-	-
4.4	TO OWNERS OF PRIVILEGED SHARES (%)	-	-

According to Turkish Commercial Code, profit distribution is based on unconsolidated financial statements.

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

SECTION THREE

ACCOUNTING POLICIES

I. Basis of presentation

1. Preparation of the consolidated 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 consolidated financial statements have been prepared in accordance with the "Regulation on Accounting Applications for Banks and Safeguarding of Documents" related with Banking Act numbered 5411 published in the Official Gazette no.26333 dated 1 November 2006, which refers to "Turkish Accounting Standards" ("TAS"), put into effect by Public Oversight Accounting and Auditing Standards Authority ("KGK"), and "Turkish Financial Reporting Standards" ("TFRS") issued by the "Turkish Accounting Standards Board" ("TASB") and other decrees, notes and explanations related to accounting and financial reporting principles published by the Banking Regulation and Supervision Agency ("BRSA"). The format and content of the publicly announced consolidated financial statements and notes to these statements have been prepared in accordance with the "Communiqué on Publicly Announced Financial Statements, Explanations and Notes to These Financial Statements", published in Official Gazette no. 28337, dated 28 June 2012, and amendments to this Communiqué.

The Parent Bank, maintains its books in Turkish Lira in accordance with the Banking Act, Turkish Commercial Code and Turkish Tax Legislation.

The consolidated financial statements have been prepared, under the historical cost convention except for the financial assets and liabilities carried at fair value.

Amounts at the consolidated financial statements and explanations and notes relating to them are represented as thousands TL unless otherwise specified.

The preparation of consolidated financial statements in conformity with TAS requires the use of certain critical accounting estimates by the Parent Bank management to exercise its judgment on the assets and liabilities of the balance sheet. These estimates, are being reviewed regularly and, when necessary, suitable corrections are made and the effects of these corrections are reflected to the income statement. Assumptions and estimations applied are explained relevant footnotes.

The accounting policies and valuation principles applied in the preparation of consolidated financial statements are determined and applied in accordance with TAS.

There are no items subject to different accounting policies in the preparation of these consolidated financial statements.

These accounting policies and valuation principles are explained in Notes II to XXIII below.

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

None.

3. Additional paragraph for convenience translation:

The effects of differences between accounting principles and standards set out by regulations in conformity with Articles 37 and 38 of the Banking Act No: 5411 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) have not been quantified in the accompanying financial statements. Accordingly, the accompanying consolidated financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

II. Explanation on the strategy for the use of financial instruments and transactions denominated in foreign currencies

1. Strategy for the use of financial instruments

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

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

These positions are closely monitored by the Risk Management System of the 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 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 as far as possible on foreign currencies other than US Dollar and Euro. If the position taken because of customer based activities exceeds 0,001% 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 the Parent Bank 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 their presentation 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 TL by using historical foreign currency exchange rates. Balances of the foreign currency denominated assets and liabilities are translated into TL by using foreign currency exchange rates of the Parent Bank and the resulting exchange differences are recorded as foreign exchange gains and losses. The Parent Bank's foreign currency exchange rates are as follows.

	<u>31 December 2013</u>	<u>31 December 2012</u>
US Dollar	TL 2,1304	TL 1,7776
Euro	TL 2,9344	TL 2,3452

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

Net foreign exchange loss included in the income statement amounts to TL 900.859 (1 January - 31 December 2012: net foreign exchange gain of TL 579.504).

2.3 *Total amount of valuation fund arising from foreign currency exchange rate differences*

The assets and liabilities of foreign operations are translated to TL at foreign exchange rates of the Parent Bank ruling at the balance sheet date. The revenues and expenses of foreign operations are translated to TL at twelve monthly average foreign exchange rates of the Parent Bank. The foreign exchange differences derived from translation of income statements of consolidated subsidiaries, and arising from the difference between TL equivalent of their equities and the Parent Bank's share in their net assets are recorded in "other profit reserves". As of 31 December 2013, total foreign exchange differences in equity amount to TL 400.812 (31 December 2012: TL 77.817).

The foreign exchange difference of TL 17.291 (31 December 2012: TL 9.972) arising from the translation of the financial statements of Bahrain branch of the Parent Bank to TL 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

Consolidated financial statements are prepared in accordance with ("TAS 10") the "Turkish Accounting Standard for Consolidated 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), Eurodeniz International Banking Unit Ltd. (Eurodeniz), Deniz Portföy Yönetimi A.Ş. (Deniz Portföy), Denizbank AG, CJSC Denizbank, Deniz Finansal Kiralama A.Ş. (Deniz Leasing), Deniz Faktoring A.Ş. (Deniz Faktoring), and Deniz Gayrimenkul Yatırım Ortaklığı A.Ş. (Deniz GYO), Pupa Gayrimenkul Kiralama ve Yönetim Hizmetleri A.Ş. (Pupa Gayrimenkul) and Deniz Varlık Yönetim A.Ş. (Deniz Varlık Yönetim), and these subsidiaries are consolidated fully.

Important changes on consolidated subsidiaries in reporting period

The Parent Bank acquired 7,82% of shares of Deniz Leasing with amounting to Euro 58,7 million, and owned 100% shares of Denizbank AG on 24 September 2013, following to capital increase amounting to Euro 160 million raised by the Parent Bank on 17 June 2013 and 21 November 2013.

Deniz Yatırım Ortaklığı, joined the DenizBank Financial Services Group as a subsidiary of Deniz Yatırım at the end of 2001; its status was changed to Real Estate Investment Trust from the Security Investment Trust in accordance with Capital Market Code; Bulletin IV,no 11, article 9 and with the resolution of the Board of Directors. According to relevant decision; changes in prime contract which about to increase authorized stock amount of Deniz Yatırım Ortaklığı in amount of TL 25.000 to TL 95.000 were accepted. The Parent Bank applied for increasing the amount of issued capital in amount of TL 14.985 to TL 50.000 in cash and limited to tender rights of current shareholders and selling permission of this increase amount (TL 35.015) to Deniz Yatırım in BIST wholesale market on 22 January 2013. Required permissions given from Capital Markets Board on 26 November 2013. Capital amount of the Company was increased from TL 14.985 to TL 50.000 and title of the Company was registered by name “Deniz Gayrimenkul Yatırım Ortaklığı A.Ş.”. Deniz Yatırım has 86,8% of the shares and other 13,2% part is public share.

Pupa, was established as associate of Deniz Leasing in June 2009. Deniz Leasing sold Pupa to Deniz Gayrimenkul Yatırım Ortaklığı A.Ş. in amount of TL 119.000. Pupa, provides services on real estate management and leasing. Pupa Gayrimenkul Kiralama ve Yönetim Hizmetleri A.Ş. is firstly added in to consolidation on 31 December 2013.

Deniz Varlık Yönetim, was established in 10 December 2013. 75% of shares are owned by Deniz Yatırım, and 25% of shares are owned by Ekspres Yatırım. The Company is operating for asset management activities.

According to the decision made at the Board Meeting of Ekspres Yatırım on 28 November 2013, the company's operations were temporarily deactivated from 31 December 2013.

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

In addition, the non-financial subsidiaries of the parent bank; Intertech Bilgi İşlem ve Pazarlama Ticaret A.Ş. (“Intertech”), Deniz Kültür Sanat Yayıncılık Ticaret ve Sanayi A.Ş. (“Deniz Kültür”) and Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş. (“Bantaş”) which is jointly controlled company and affiliates of Intertech; Deniz Kartlı Ödeme Sistemleri A.Ş. and Açık Deniz Radyo ve Televizyon İletişim Yayıncılık Ticaret ve Sanayi A.Ş. are excluded from the consolidation process.

Consolidation principles for subsidiaries

Subsidiaries are the entities controlled directly or indirectly by the Parent Bank. Subsidiaries are consolidated using the full consolidation method.

Control is defined as the power over the investee, exposure or rights to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the Bank's returns.

According to this method, the financial statements of the Parent 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 carrying amount of the Parent Bank's investment in each subsidiary and the Parent Bank's portion of equity of each subsidiary are eliminated.

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 31 December 2013 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.

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.

In accordance with TAS 39 "Financial Instruments: Recognition and Measurement", forward foreign currency purchase/sale contracts, swaps, options and futures that are classified as "trading purpose" transactions. Derivative transactions are recorded with their fair values at contract date. 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 Purpose Derivatives" and "Negative Value of Trading Purpose Derivatives" items of the balance sheet depending on the resulting positive or negative amounts of the computed value. Gains and losses arising from a change in the fair value are recognized in the income statement. Fair values of derivatives are calculated using discounted cash flow model or market value.

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 and paid, and other fees and commissions paid to financial institutions are either recognized on an accrual basis over the period the service is provided or received or recognized as income or expense when collected or paid depending on their nature.

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 *Financial assets held for trading*

Trading financial assets are financial assets which are either acquired for generating a profit from short-term fluctuations in prices or are financial assets included in a portfolio aimed at short-term profit making.

Trading financial assets are recognized at their fair value in the balance sheet and remeasured at their fair value after recognition.

All gains and losses arising from valuations of trading financial assets are reflected in the income statement. In accordance with descriptions of the uniform chart of accounts, favorable difference between acquisition cost of financial asset and its discounted value are recognized in "Interest Income", in the case of fair value of asset is above its discounted value, favorable difference between them are recognized in "Capital Market Transactions Profits" account, in the case of fair value is below discounted value, unfavorable difference between them are recognized in "Capital Market Transactions Losses" account. In the case of financial asset is sold off before its maturity, consisted gains or losses are accounted within the same principals.

Derivative financial assets are classified as trading financial assets unless they are used for hedging purposes. The accounting of derivative financial assets is explained in Note IV of Section Three.

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

After the recognition, financial assets available for sale are remeasured at fair value. Interest income arising from available for sale calculated with "Effective interest method" and dividend income from equity securities are reflected to the income statements. Unrealized gains and losses arising from the differences at fair value of securities classified as available for sale and that is representing differences between amortized cost calculated with effective interest method and fair value of financial assets are recognized under the account of "Marketable securities valuation differences" inside shareholder's equity items. Unrealized profits and losses do not represent on relevant income statement until these securities are collected or disposed of and the related fair value differences accumulated in the shareholders' equity are transferred to the income statement. When these securities are collected or disposed of, the related fair value differences accumulated in the shareholders' equity are transferred to the income statement.

3. Investment securities held-to-maturity

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that an entity has the positive intention and ability to hold to maturity other than those that the entity upon initial recognition designates as at fair value through profit or loss, those that the entity designates as available for sale; and those that meet the definition of loans and receivables.

Held to maturity financial assets are initially recognized at acquisition cost including the transaction costs which reflects the fair value of the those instruments and subsequently recognized at amortized cost by using effective interest rate method.

Interest incomes obtained from held to maturity financial assets are presented in the line of "interest received from securities portfolio - investment securities held-to-maturity" in the consolidated statement of income.

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.

Real coupon of Consumer Price Index ("CPI") that is linked government bonds under available-for-sale and held-to maturity portfolios remains fixed until maturity. At the same time intended to effect of change in Consumer Price Index, valuation is carried out with using reference indexes at relating issue of security and preparation date of financial statements.

4. Loans and specific provisions

Loans and receivables are non-derivative financial assets that are not classified as financial assets at fair value through profit or loss or financial assets available for sale, are unlisted in an active market and whose payments are fixed or can be determined. Loans and receivables are carried initially by adding acquisition cost to transaction costs which reflect fair value and subsequently recognized at the discounted value calculated using the "Effective interest method".

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

In this respect, foreign currency loans are subject to evaluation and 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; repayments are calculated with exchange rate at payment date, currency exchange differences occurred are reflected in profit/loss accounts.

Specific and general allowances are made 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 27513 dated 6 March 2010.

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

The existence of objective evidence whether a financial asset or group of financial assets is impaired, is assessed at each balance sheet date. If such evidence exists, impairment provision is provided.

Impairment for held-to-maturity financial assets carried at amortized cost is calculated as the difference between the present value of the expected future cash flows discounted based on the "Effective interest method" and its carrying value. Regarding available-for-sale financial assets, when there is objective evidence that the asset is impaired the cumulative loss that had been recognized in other comprehensive income shall be reclassified from equity to profit or loss as a reclassification adjustment even though the financial asset has not been derecognized. An explanation about the impairment of loans and receivables is given in Note VII-4

IX. Explanations on offsetting financial instruments

Financial assets and liabilities are offset when a party has a legally applicable right of the DFS Group 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 whatever offsetting is not done.

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 classified according to purpose of being hold into portfolio on the assets side of the accompanying consolidated balance sheet within "Financial Assets Held for Trading", "Investment Securities Available for Sale" and "Investment Securities Held to Maturity" and are valuating according to valuation principles of relating portfolio. Funds obtained from repurchase agreements are presented on the liability side of the consolidated balance sheet within the account of "Funds Provided under Repurchase Agreements". The accrual amounts corresponding to the period is calculated over the sell and repurchase price difference determined in repurchase agreements. Accrued interest expenses calculated for funds obtained from repurchase agreements are presented in "Reverse Repurchase Agreements" account in liability part of the consolidated balance sheet.

Securities received with resale commitments are presented under "Reverse Repurchase Agreements" line in the balance sheet. The accrual amounts for the corresponding part to the period of the resale and repurchase price difference determined in reverse repurchase agreements, are calculated using the "Effective interest method". The Parent Bank has not any security which subjected to borrowing activities.

XI. Explanations on assets held for sale and discontinued operations

An asset is regarded as "Asset held for resale" only when the sale is highly propable and the asset is available for immediate sale in its present condition. For a highly proable sale, there must be a valid plan prepared by the management for the sale of asset including identification of possible buyers and completion of sale process. Various events and conditions can prolong completion period of sale transaction to more than 1 year. This loss of time is realized due to events and conditions out of contol of an enterprise and in the position of competent evidence about sales plan of an enterprise for sale of relevant asset continuing, assets mentioned continuing to be classified as assets held for sale.

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.

As 31 December 2013, DFS Group does not have non-current assets held for sale and a discontinued operation. (31 December 2012: None.)

XII. Explanations on goodwill and other intangible assets

1. Goodwill

Goodwill represents the excess of the total acquisition costs over the shares owned in the net assets of the acquired company at the date of acquisition. The "net goodwill" resulted from the acquisition of the investment and to be included in the consolidated balance sheet, is calculated based on the financial statements of the investee company as adjusted according to the required accounting principles. Assets of the acquired company which are not presented on financial statements but separated from goodwill represented with fair values of tangible assets (credit card brand equity, customer portfolio etc.) and/or contingent liabilities to financial statements in process of acquisition.

In accordance with "TFRS 3 - Business Combinations", the goodwill is not amortized. It is tested yearly or if there is any indication of impairment according to "Turkish Accounting Standard 36 (TAS 36) - Impairment of Assets".

2. Other intangible assets

Intangible assets are initially classified over acquisition cost values and other costs which are required for activation of the financial asset in accordance with TAS 38 "Intangible Assets" standard. Intangible assets are evaluated over excess value of net cost that derived from accumulated depreciation and accumulated impairment after recognition period.

The Group's intangible assets consist of software, license rights and total values of credit cards and personal loans portfolio.

Intangible assets purchased before 1 January 2003 and after 31 December 2006 are amortized on a straight-line basis; and those purchased between the aforementioned dates are amortized by using the double-declining method. 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.

Maintenance 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".

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 method. The depreciation rates used are as below.

	Estimated Economic Life (Year)	Received before 2003 year	Received between 2003- 2006 years	received in 2007	received between 2008- 2013 years
Movables					
- Office machinery	4 YEARS	20%	40% - 50%	20% - 25%	10% - 25%
- Furniture/Furnishing	5 YEARS	20%	20% - 50%	10% - 20%	12,50% - 20%
- Means of transport	5 YEARS	20%	40% - 50%	20% - 50%	20% - 50%
- Other equipment	10 YEARS	20%	4,44% - 50%	2,50% - 50%	2,50% - 50%
Real estates	50 YEARS	2%	2%	2%	2% - 2,94%

As of 31 December 2013 the Parent Bank has an impairment provision of TL 4.402, which had been recorded in the prior years for its buildings.

Expenditures for maintenance and repairs that are routinely made on tangible assets are charged as expense. The capital expenditures incurred in order to increase the capacity of the tangible asset or to increase the future benefit of the asset are capitalized on the cost of the tangible asset

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

XIV. Explanations on Investment Properties

Investment Properties are assets that held for renting or increment value activities. The asset's recoverable amount is estimated in accordance with the Turkish Accounting Standard 36 (TAS 36) "Impairment of Assets" and if the recoverable amount is less then the carrying value of the related asset, a provision for impairment loss is provided.

These are presenting on financial statements as separately from their costs, depreciation amount and provisions for impairment.

XV. Explanations on leasing activities

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 finance leases arising from the lease contracts are presented under "Finance Lease Payables" account in the balance sheet. Interest expense and currency exchange rate differences related to leasing activities are recognized in the income statement.

DFS Group has finance lease transactions as "lessor" via its subsidiary, Deniz Leasing. The lease receivables related to leased assets are recorded as finance lease receivables. The asset subject to the financial leasing is presented in the balance sheet as receivable equal to the net leasing amount. Interest income is recognized over the term of the lease using the net investment method which reflects a constant periodic rate of return and the unearned portion is followed under unearned interest income account.

Specific provisions for non-performing financial lease receivables of DFS Group are provided for in accordance with the "Communiqué On Procedures and Principles For The Provisions To Be Set Aside By Financial Leasing, Factoring and Financing Companies For Their Receivables" published in the Official Gazette numbered 28861 dated 24 December 2013 and it represented under loans and specific provision for receivables in the enclosed consolidated balance sheet. Transactions regarding operational agreements are accounted on an accrual basis in accordance with the terms of the related contracts.

XVI. Explanations on provisions and contingent liabilities

Provisions other than specific and general provisions for loans and other receivables and free provisions for probable risks, 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 Parent Bank's attorneys, there are 2.563 lawsuits against DFS Group with total risks amounting to TL 147.908, US Dollar 4.444.338 and Euro 4.449.969 as of 31 December 2013. There are also 7.564 follow-up cases amounting to TL 292.742 and Euro 64.747 in total that are filed by DFS Group and are at courts. DFS Group booked a provision amounting to TL 19.085 for the continuing lawsuits (31 December 2012: TL 18.549).

According to the decision of the Competition Authority numbered 11-55/1438-M dated 2 November 2011, an investigation process initiated in order to determine a contravention to the 4th clause of the Act on the Protection of Competition Law No 4054, against 12 banks and 2 firms in financial services industry including DenizBank, was completed on 8 March 2013. It has been agreed by a majority to impose an administrative fine of TL 23.055 to the Parent Bank on the condition that the decision can be appealed against before Ankara Administrative Court. Reasoned decision of the Competition Authority was serviced as of the reporting date, relating amount was paid on August as TL 17.292 thousand as three fourths of the main amount as per Article 17 of the Misdemeanors Law, no 5326.

XVII. Explanations on obligations for employee benefits

Provision for employee benefits has been accounted for in accordance with TAS 19 "Employee Benefits".

The Parent Bank in accordance with existing legislation in Turkey, is required to make retirement and notice payments to each employee whose employment is terminated due to reasons other than resignation or misconduct. Except to the this extents, the Parent Bank is required to make severance payment to each employee whose employment is terminated due to retirement, death, military service and to female employees following their marriage within one year leave the job of their own accords by fourteenth clause of Labour Law.

DFS Group, in accordance with TAS 19 "Employee Benefits" realized provision registry under the condition of prediction of present value of possible liability in the future related to employee termination benefits. Losses and gains which occurs after 1 January 2013 are adjusted under the Equity Accounts in accordance with updated TAS 19 Standard.

The Bank has recognized vacation pay liability amount which is calculated from unused vacation to financial statement as a provision.

XVIII. Explanations on taxation

1. Current taxes

In accordance with the Corporate Tax Law No: 5520 published in the Official Gazette numbered 26205 dated 21 June 2006, the corporate tax rate is levied at 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.

Besides institutions reside in Turkey, dividends paid to the offices or the institutions earning through their permanent representatives in Turkey are not subject to withholding tax. According to the decision no. 2006/10731 of the Council of Ministers published in the Official Gazette no. 26237 dated 23 July 2006, certain duty rates included in the articles no.15 and 30 of the new Corporate Tax Law no.5520 are revised. In this respect, the withholding tax rate on the dividend payments other than the ones paid to the nonresident institutions generating income in Turkey through their operations or permanent representatives and the institutions residing in Turkey is 15%. While applying the withholding tax rates on dividend payments to the foreign based institutions and the real persons, the withholding tax rates covered in the related Avoidance of Double Taxation Treaty are taken into account. Addition of profit to capital is not considered as profit distribution and therefore is not subject to withholding tax.

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

Current tax effects from the equity transactions represent on equity accounts.

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, deferred tax assets of TL 127.705 (31 December 2012: TL 100.061) and deferred tax liabilities of TL 2.991 (31 December 2012: TL 9.440) have been recognized in the accompanying financial statements.

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

Deferred tax liabilities are generally recognised for all taxable temporary and deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Deferred tax asset is not provided over provisions for possible risks and general loan loss provisions according to the circular of BRSA numbered BRSA.DZM.2/13/1-a-3 and dated 8 December 2004.

Deferred tax effects from the equity transactions represent on equity accounts.

XIX. Additional explanations on borrowings

Instruments representing the borrowings are initially recognized at cost represented its fair value and measured at amortized cost based on the internal rate of return at next periods. Foreign currency borrowings have been translated using the foreign currency buying rates of the Parent Bank 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, if required, borrows funds from domestic and foreign institutions. The Parent Bank can also borrows funds in the forms of syndication loans and securitization loans from foreign institutions.

Funds maintained via financial instruments representing borrowings issued by special purpose entity (SPE) are disclosed under "Funds Borrowed".

XX. Explanations on issuance of share certificates

Transactions related to issuance of share certificates are explained in footnote 5.II.12.8. No dividends have been declared subsequent to the balance sheet date.

XXI. 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.

XXII. Explanations on government grants

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

XXIII. Explanations on segment reporting

Segment reporting is presented in Section Four, Note XIII.

XXIV. Explanations on other matters

None.

SECTION FOUR

CONSOLIDATED FINANCIAL POSITION

I. Explanations related to the consolidated capital adequacy standard ratio

As per the revised "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks" effective from 1 July 2012, the consolidated capital adequacy ratio is 12,13% as of 31 December 2013 (unconsolidated capital adequacy ratio: 12,83%). This ratio is above the minimum rate specified in the related regulation.

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 Ratios of Banks (the "Regulations")", "Regulation on Credit Risk Mitigation Techniques" published in the Official Gazette no.28337, dated 28 June 2012 and the "Regulation on Equities of Banks" published in the Official Gazette no.2633, dated 1 November 2006.

In the calculation of the consolidated capital adequacy ratio, the data prepared in compliance with the current legislation is used. Such accounting data is included in the calculation of credit and market risks subsequent to their designation as "trading book" and "banking book" according to the regulation.

The items classified as trading book and the items deducted from the equity are not included in the calculation of credit risk. In the calculation of risk weighted assets, the assets subject to amortization or impairment, are taken into account on a net basis after being reduced by the related amortizations and provisions.

In the calculation of the value at credit risk for the non-cash loans and commitments and the receivables from counterparties in such transactions are weighted after netting with specific provisions and calculated based on the "Regulation on Identification of and Provision against Non-Performing Loans and Other Receivables". The net amounts are then multiplied by the rates stated in the Article 5 of the Regulation, reduced as per the "Regulation on Credit Risk Mitigation Techniques" according to comprehensive financial guarantee method and weighted as per Appendix-1 of the Regulation.

In the calculation of the value at credit risk for the derivative financial instruments and the credit derivatives classified in the banking book, the receivables from counterparties are multiplied by the rates stated in the Appendix-2 of the Regulation, reduced as per the "Regulation on Credit Risk Mitigation Techniques" and then included in the relevant exposure category defined in the article 6 of the Regulation and weighted as per Appendix-1 of the Regulation.

As per the article 5 of the Regulation, the "Counterparty Credit Risk" is calculated for repurchase transactions, securities and commodities borrowing agreements.

2. Consolidated and unconsolidated capital adequacy ratios

Current Period	Risk Weighted Assets									
	Consolidated									
	%0	%10	%20	%50	%75	%100	%150	%200	%250	%1250
Credit Risk Base	--	--	577.792	4.021.798	9.861.770	42.923.456	1.968.150	7.642.148	360.463	--
Risk classifications										
Conditional and unconditional receivables from central governments or central banks	14.601.007	--	--	438.546	--	--	--	--	--	--
Conditional and unconditional receivables from regional or local governments	--	--	820.852	35.394	--	31.973	--	--	--	--
Conditional and unconditional receivables from administrative units and non-commercial enterprises	--	--	--	--	--	1	--	--	--	--
Conditional and unconditional receivables from multilateral development banks	--	--	--	--	--	--	--	--	--	--
Conditional and unconditional receivables from international organizations	--	--	--	--	--	--	--	--	--	--
Conditional and unconditional receivables from banks and brokerage houses	--	--	260.059	830.611	--	381.162	2	--	--	--
Conditional and unconditional receivables from corporates	--	--	--	--	--	38.875.844	4.867	--	--	--
Conditional and unconditional retail receivables	--	--	--	--	13.149.026	902.651	--	--	--	--
Conditional and unconditional receivables secured by mortgages	--	--	--	6.636.038	--	748.756	--	--	--	--
Past due receivables	--	--	--	21.526	--	344.966	109.763	--	--	--
Receivables defined in high risk category by BRSA	--	--	--	3.705	--	13.493	1.197.468	3.821.074	144.185	--
Securities collateralized by mortgages	--	--	--	--	--	--	--	--	--	--
Securitization positions	--	--	--	--	--	--	--	--	--	--
Short-term receivables from banks, brokerage houses and corporates	--	--	1.808.007	77.776	--	258.154	--	--	--	--
Investments similar to collective investment funds	--	--	--	--	--	--	--	--	--	--
Other receivables	1.292.966	--	42	--	--	1.366.456	--	--	--	--

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2013
(Currency: Thousands of TL - Turkish Lira)

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

Prior Period	Risk Weighted Assets									
	Consolidated									
	%0	%10	%20	%50	%75	%100	%150	%200	%250	%1250
Credit Risk Base	--	--	342.598	2.231.806	8.738.721	29.484.218	2.024.850	3.255.248	--	--
Risk classifications										
Conditional and unconditional receivables from central governments or central banks	11.829.391	--	--	208	--	308.177	--	--	--	--
Conditional and unconditional receivables from regional or local governments	--	--	407.512	28.368	--	31.143	--	--	--	--
Conditional and unconditional receivables from administrative units and non-commercial enterprises	--	--	--	--	--	1	--	--	--	--
Conditional and unconditional receivables from multilateral development banks	--	--	--	--	--	--	--	--	--	--
Conditional and unconditional receivables from international organizations	--	--	--	--	--	--	--	--	--	--
Conditional and unconditional receivables from banks and brokerage houses	--	--	44.397	467.229	--	337.572	44	--	--	--
Conditional and unconditional receivables from corporates	--	--	--	--	--	27.206.531	--	--	--	--
Conditional and unconditional retail receivables	--	--	--	--	11.651.628	--	--	--	--	--
Conditional and unconditional receivables secured by mortgages	--	--	--	3.886.913	--	--	--	--	--	--
Past due receivables	--	--	--	--	--	399.299	115.841	--	--	--
Receivables defined in high risk category by BRSA	--	--	--	6.005	--	35.916	1.234.015	1.627.624	--	--
Securities collateralized by mortgages	--	--	--	--	--	--	--	--	--	--
Securitization positions	--	--	--	--	--	--	--	--	--	--
Short-term receivables from banks, brokerage houses and corporates	--	--	1.261.066	74.888	--	43.518	--	--	--	--
Investments similar to collective investment funds	--	--	--	--	--	--	--	--	--	--
Other receivables	1.118.699	--	13	--	--	1.122.061	--	--	--	--

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Current Period	Risk Weighted Assets									
	Parent Bank									
	%0	%10	%20	%50	%75	%100	%150	%200	%250	%1250
Credit Risk Base	--	--	315.877	4.178.093	9.497.737	27.683.970	1.795.614	7.642.148	360.463	--
Risk classifications										
Conditional and unconditional receivables from central governments or central banks	13.237.439	--	--	355.725	--	--	--	--	--	--
Conditional and unconditional receivables from regional or local governments	--	--	820.852	--	--	628	--	--	--	--
Conditional and unconditional receivables from administrative units and non-commercial enterprises	--	--	--	--	--	1	--	--	--	--
Conditional and unconditional receivables from multilateral development banks	--	--	--	--	--	--	--	--	--	--
Conditional and unconditional receivables from international organizations	--	--	--	--	--	--	--	--	--	--
Conditional and unconditional receivables from banks and brokerage houses	--	--	230.289	1.315.135	--	84.502	--	--	--	--
Conditional and unconditional receivables from corporates	--	--	--	--	--	22.659.680	--	--	--	--
Conditional and unconditional retail receivables	--	--	--	--	12.663.649	902.651	--	--	--	--
Conditional and unconditional receivables secured by mortgages	--	--	--	6.636.038	--	748.756	--	--	--	--
Past due receivables	--	--	--	21.526	--	301.132	35.637	--	--	--
Receivables defined in high risk category by BRSA	--	--	--	4.040	--	12.838	1.161.439	3.821.074	144.185	--
Securities collateralized by mortgages	--	--	--	--	--	--	--	--	--	--
Securitization positions	--	--	--	--	--	--	--	--	--	--
Short-term receivables from banks, brokerage houses and corporates	--	--	528.204	23.722	--	5.143	--	--	--	--
Investments similar to collective investment funds	--	--	--	--	--	--	--	--	--	--
Other receivables	1.249.612	--	42	--	--	2.968.639	--	--	--	--

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Prior Period	Risk Weighted Assets									
	Parent Bank									
	%0	%10	%20	%50	%75	%100	%150	%200	%250	%1250
Credit Risk Base	--	--	210.742	2.151.969	8.508.963	20.609.849	1.915.065	3.255.248	--	--
Risk classifications										
Conditional and unconditional receivables from central governments or central banks	10.610.110	--	--	--	--	308.166	--	--	--	--
Conditional and unconditional receivables from regional or local governments	--	--	407.511	134	--	392	--	--	--	--
Conditional and unconditional receivables from administrative units and non-commercial enterprises	--	--	--	--	--	1	--	--	--	--
Conditional and unconditional receivables from multilateral development banks	--	--	--	--	--	--	--	--	--	--
Conditional and unconditional receivables from international organizations	--	--	--	--	--	--	--	--	--	--
Conditional and unconditional receivables from banks and brokerage houses	--	--	20.604	395.922	--	45.062	44	--	--	--
Conditional and unconditional receivables from corporates	--	--	--	--	--	17.807.289	--	--	--	--
Conditional and unconditional retail receivables	--	--	--	--	11.345.285	--	--	--	--	--
Conditional and unconditional receivables secured by mortgages	--	--	--	3.886.913	--	--	--	--	--	--
Past due receivables	--	--	--	--	--	362.753	58.979	--	--	--
Receivables defined in high risk category by BRSA	--	--	--	6.000	--	33.472	1.217.687	1.627.624	--	--
Securities collateralized by mortgages	--	--	--	--	--	--	--	--	--	--
Securitization positions	--	--	--	--	--	--	--	--	--	--
Short-term receivables from banks, brokerage houses and corporates	--	--	625.584	14.969	--	41.787	--	--	--	--
Investments similar to collective investment funds	--	--	--	--	--	--	--	--	--	--
Other receivables	1.039.380	--	13	--	--	2.010.927	--	--	--	--

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

	Consolidated		The Parent Bank	
	Current Period	Prior Period	Current Period	Prior Period
Capital Requirement for Credit Risk	5.388.446	3.686.195	4.117.912	2.932.147
Capital Requirement for Market Risk	88.256	68.371	117.124	48.889
Capital Requirement for Operational Risk	364.719	331.456	305.076	279.947
Equity	8.857.147	6.683.721	7.283.249	5.958.550
Equity / (CRCR+CRMR+CROR)*12,5*100	12,13%	13,09%	12,83%	14,62%

CRCR: Capital Requirement for Credit Risk (Risk Weighted Assets * 0,08)

CRMR: Capital Requirement for Market Risk

CROR: Capital Requirement for Operational Risk

4. Components of consolidated shareholders' equity

	Current Period	Prior Period
CORE CAPITAL		
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	3.915.830	2.772.885
Adjustment to Legal Reserves	--	--
Profit	1.600.173	1.423.247
Current Period Profit	1.011.230	717.427
Prior Periods' Profits	588.943	705.820
Free Provisions Booked for Possible Losses (Up to 25% of the Core Capital)	8.000	74.351
Gains on Sale of Real Estate and Investments in Associates and Subsidiaries to be Added to the Paid-in capital	306.054	306.054
Primary Subordinated Loans	--	--
Minority Interest	37.292	15.764
Losses that is not covered with reserves (-)	--	--
Net Current Period Loss	--	--
Prior Periods' Losses	--	--
Operating Lease Development Costs (-)	104.514	90.969
Intangible Assets (-)	163.063	98.346
Deferred Tax Assets (Amount Exceeding 10% of the Core Capital) (-)	--	--
Amount Excess of Article 56/3 of the Law (-)	--	--
Consolidation Goodwill (Net) (-)	--	--
Total Core Capital	6.603.447	5.406.661
SUPPLEMENTARY CAPITAL		
General Reserves	700.374	443.897
45% of Increase in Revaluation Fund of Movable Fixed Assets	--	--
45% of Increase in Revaluation Fund of Properties	--	--
Bonus Shares of Associates, Subsidiaries and Entities Under Common Control not Recognized in Profit	11	11
Primary Subordinated Loans Excluded from the Core Capital	--	--
Secondary Subordinated Loans	1.940.485	737.134
45% of Value Increase Fund of Financial Assets Available for Sale and Associates and Subsidiaries (100% if any impairment)	(350.515)	133.920
Inflation Component of Capital Reserves, Profit Reserves and Prior Period Profits (except adjustment to legal reserves)	--	--
Minority Interest	--	--
Total Supplementary Capital	2.290.355	1.314.962
CAPITAL	8.893.802	6.721.623
DEDUCTIONS FROM CAPITAL	36.655	37.902
Shares in Unconsolidated Banks and Financial Institutions	--	--
BSsecondary 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	33.837	35.350
Securitization Positions - Adopting the Method of Deducting from Equity	--	--
Others	2.818	2.552
TOTAL SHAREHOLDERS' EQUITY	8.857.147	6.683.721

5. Approaches for assessment of adequacy of internal capital requirements for current and future activities

The Parent Bank's assessment process of adequacy of internal capital requirements and capital adequacy policies was prepared in accordance with the strategic plan which is yearly conducted and regard the instant and next three years. This assessment includes the interest rate risk, liquidity risk, reputational risk, residual risk, concentration risk, strategy risk, and country and transfer risks arising from Banking activities besides the market, credit and operational risks directly affecting its legal capital adequacy ratio. The assessment methodology of internal capital requirements is a developing process, accordingly the future improvement areas are determined and the working plans are set.

II. Explanations related to the consolidated credit risk

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

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

Credit risk limits of the customers are determined based on the customers' financial strength and the credit requirement, within the credit authorization limits of the branches, the credit evaluation group, the regional directorates, the executive vice president responsible from loans, the general manager, the credit committee and the Board of Directors; on condition that they are in compliance with the related regulations.

Credit risk limits are determined for debtors or group of debtors. Credit risk limits of the debtors, group of debtors and sectors are monitored on a weekly basis.

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

Risk limits and allocations relating to daily transactions are monitored on a daily basis. Off-balance sheet risk concentrations are monitored by on-site and off-site investigations.

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

The Group targets a healthy loan portfolio and in order to meet its target there are process instructions, follow-up and control procedures, close monitoring procedures and risk classifications for loans in accordance with the banking legislation.

In order to prevent the loans becoming non-performing either due to cyclical changes or structural problems, the potential problematic customers are determined through the analysis of early warning signals, and the probable performance problems are aimed to be resolved at an early stage.

It is preferred to obtain highly liquid collaterals such as bank guarantees, real estate and ship mortgages, pledges on securities, bills of exchange and sureties of the persons and companies.

Descriptions of past due and impaired loans as per the accounting practices

Loans which were transferred to second group loans based on the "Regulation on Procedures and principles for Determination of Qualifications of Loans and Other Receivables By Banks and Provisions to be Set Aside" and whose principal and interest payments were not realized at the relevant due dates are regarded as past due loans by the Parent Bank. Loans whose principal and interest payments were late for more than 90 days and the loans whose debtors have suffered deterioration in their creditworthiness as per the Bank's evaluations are regarded as impaired loans.

Methods and approaches regarding valuation adjustments and provisions

Based on the "Regulation on Procedures and principles for Determination of Qualifications of Loans and Other Receivables By Banks and Provisions to be Set Aside" the Parent Bank calculates general provision for past due loans and specific provision for impaired loans.

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Total amount of exposures after offsetting transactions but before applying credit risk mitigations and the average exposure amounts that are classified in different risk groups and types

Corporate and commercial credit risks are evaluated according to the Group's internal assessment ("rating") system; which complies with the Basel II model; and classified according to their probability of default.

Rating/Scoring Grades	Current Period	Prior Period
Above Average	54%	50%
Average	31%	35%
Below Average	5%	8%
Unrated	10%	7%

Group applies a different assessment method ("scoring") for consumer and SME credit risks. Ratings compatible with Basel II model is presented below:

Rating/Scoring Grades	Current Period	Prior Period
Above Average	35%	38%
Average	32%	31%
Below Average	33%	31%

Risk classifications	Current Period (*)	Average (**)
Conditional and unconditional receivables from central governments or central banks	15.039.553	14.209.921
Conditional and unconditional receivables from regional or local governments	888.219	644.445
Conditional and unconditional receivables from administrative units and non-commercial enterprises	1	1
Conditional and unconditional receivables from multilateral development banks	--	--
Conditional and unconditional receivables from international organizations	--	--
Conditional and unconditional receivables from banks and brokerage houses	1.471.896	1.184.944
Conditional and unconditional receivables from corporates	41.267.522	36.225.488
Conditional and unconditional retail receivables	14.181.301	13.613.583
Conditional and unconditional receivables secured by mortgages	7.384.794	5.626.119
a) Receivables secured by residential mortgages	3.900.885	3.586.925
b) Receivables secured by commercial mortgages	3.483.909	2.039.194
Past due receivables	476.309	481.058
Receivables defined in high risk category by BRSA	5.221.959	4.232.685
Securities collateralized by mortgages	--	--
Securitization positions	--	--
Short-term receivables from banks, brokerage houses and corporates	2.143.937	1.787.825
Investments similar to collective investment funds	--	1.455
Other receivables	2.659.464	2.395.411
Total	90.734.955	80.402.932

(*) Includes risk amounts in banking book before the effect of credit risk mitigation but after the credit conversions.

(**) Arithmetical average of the amounts in quarterly reports prepared after the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Bank dated 28 June 2012.

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Risk classifications	Prior Period (*)	Average (**)
Conditional and unconditional receivables from central governments or central banks	12.137.776	11.555.452
Conditional and unconditional receivables from regional or local governments	467.023	417.147
Conditional and unconditional receivables from administrative units and non-commercial enterprises	1	1
Conditional and unconditional receivables from multilateral development banks	--	--
Conditional and unconditional receivables from international organizations	--	--
Conditional and unconditional receivables from banks and brokerage houses	863.463	755.292
Conditional and unconditional receivables from corporates	28.674.173	26.933.356
Conditional and unconditional retail receivables	11.759.662	12.196.080
Conditional and unconditional receivables secured by mortgages	3.886.914	3.690.575
a) Receivables secured by residential mortgages	2.749.114	2.599.512
b) Receivables secured by commercial mortgages	1.137.800	1.091.063
Past due receivables	534.490	482.330
Receivables defined in high risk category by BRSA	2.926.132	2.866.126
Securities collateralized by mortgages	--	--
Securitization positions	--	--
Short-term receivables from banks, brokerage houses and corporates	1.379.472	1.482.215
Investments similar to collective investment funds	--	--
Other receivables	2.240.773	2.147.623
Total	64.869.879	62.526.197

(*) Includes risk amounts in banking book before the effect of credit risk mitigation but after the credit conversions.

(**) Arithmetical average of the amounts in quarterly reports prepared after the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Bank dated 28 June 2012.

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

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

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

Forward transactions can be realized at maturity. However, if it is required, reverse positions of the current positions are purchased to decrease the risk.

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

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

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

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

Long term commitments are accepted as having more risk than short term commitments which results in a diversification of risk and are monitored periodically.

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

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

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

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

6. DFS Group's

a) The share of the top 100 and 200 cash loan customers in the total cash loans portfolio

The share of the top 100 cash loan customers comprises 23% of the total cash loans portfolio (31 December 2012: 21%), the share of the top 200 cash loan customers comprises 30% of the total cash loans portfolio (31 December 2012: 29%).

b) The share of the top 100 and 200 non-cash loan customers in the total loan non-cash loans portfolio

The share of the top 100 non-cash loan customers comprises 45% of the total non-cash loans portfolio (31 December 2012: 44%), the share of the top 200 non-cash loan customers comprises 58% of the total non-cash loans portfolio (31 December 2012: 59%)

c) The share of the total cash and non-cash loan balance of the top 100 and 200 loan customers in the total assets and off-balance sheet items

The Bank's total cash and non-cash loans from its top 100 loan customers comprise 17% of the total assets and off-balance sheet items (31 December 2012: 16%), the Bank's total cash and non-cash loans from its top 200 loan customers comprise 24% of the total on and off-balance sheet items (31 December 2012: 22%)

7. DFS Group's general loan provision for its loans

As at 31 December 2013, DFS Group's general loan provision amounts to TL 700.374 (31 December 2012: TL 443.897).

8. Profile of significant exposures in major regions

Risk Classifications (*)(***)																	
Current Period	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Total
Domestic	13.762.705	849.172	--	--	--	355.178	29.606.283	11.297.420	7.009.421	469.639	5.209.474	--	--	471.000	--	2.366.383	71.396.675
European Union Countries	1.272.828	35.394	--	--	--	624.783	854.592	47.039	64.963	5.610	9.751	--	--	1.398.974	--	104.357	4.418.291
OECD Countries (**)	--	--	--	--	--	385	36	1.352	2.890	47	266	--	--	5.067	--	--	10.043
Off-Shore Banking Regions	--	--	--	--	--	497	22.729	1.139	--	--	--	--	--	1.569	--	--	25.934
USA, Canada	--	--	--	--	--	15.800	60.098	499	1.065	4	169	--	--	148.049	--	--	225.684
Other Countries	25	--	--	--	--	67.038	1.104.655	40.479	39.546	1.009	2.299	--	--	107.931	--	186.387	1.549.369
Subsidiaries, associates and jointly controlled companies	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Unallocated Assets/Liabilities	3.995	3.653	1	--	--	408.215	9.619.129	2.793.373	266.909	--	--	--	--	11.347	--	2.337	13.108.959
Total	15.039.553	888.219	1	--	--	1.471.896	41.267.522	14.181.301	7.384.794	476.309	5.221.959	--	--	2.143.937	--	2.659.464	90.734.955

Prior Period	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Total
Domestic	10.921.838	433.868	--	--	--	321.399	20.902.034	9.209.976	3.738.735	527.707	2.920.283	--	--	526.230	--	2.102.028	51.604.098
European Union Countries	1.215.730	28.369	--	--	--	162.592	477.777	41.183	40.318	6.547	4.862	--	--	572.973	--	55.233	2.605.584
OECD Countries (**)	--	--	--	--	--	--	98	2.357	3.329	63	251	--	--	3.914	--	--	10.012
Off-Shore Banking Regions	--	--	--	--	--	--	10.936	2.701	583	--	137	--	--	18	--	--	14.375
USA, Canada	--	--	--	--	--	11.730	36.287	898	2.518	--	--	--	--	171.402	--	--	222.835
Other Countries	208	--	--	--	--	65.961	565.537	23.396	21.430	173	599	--	--	86.252	--	65.985	829.541
Subsidiaries, associates and jointly controlled companies	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	17.513	17.513
Unallocated Assets/Liabilities	--	4.786	1	--	--	301.781	6.681.504	2.479.151	80.001	--	--	--	--	18.683	--	14	9.565.921
Total	12.137.776	467.023	1	--	--	863.463	28.674.173	11.759.662	3.886.914	534.490	2.926.132	--	--	1.379.472	--	2.240.773	64.869.879

(*) Exposure categories are as per the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks:

A: Conditional and unconditional receivables from central governments or central banks
B: Conditional and unconditional receivables from regional or local governments
C: Conditional and unconditional receivables from administrative units and non-commercial enterprises
D: Conditional and unconditional receivables from multilateral development banks
E: Conditional and unconditional receivables from international organizations
F: Conditional and unconditional receivables from banks and brokerage houses
G: Conditional and unconditional receivables from corporates
H: Conditional and unconditional retail receivables

I: Conditional and unconditional receivables secured by mortgages
J: Past due receivables
K: Receivables defined in high risk category by BRSA
L: Securities collateralized by mortgages
M: Securitization positions
N: Short-term receivables from banks, brokerage houses and corporates
O: Investments similar to collective investment funds
P: Other receivables

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

(***) Includes risk amounts before the effect of credit risk mitigation but after the credit conversions.

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9. Risk Profile by Sectors or Counterparties

Current Period										Risk Classifications (*)(**)									
Sectors/Counterparties	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	TP	FC	Total
Agricultural	--	--	--	--	--	--	887.173	2.550.388	674.530	32.742	3.780	--	--	--	--	--	3.600.466	548.147	4.148.613
Farming and Cattle	--	--	--	--	--	--	873.763	2.542.169	673.675	32.673	3.775	--	--	--	--	--	3.586.882	539.173	4.126.055
Forestry	--	--	--	--	--	--	1.852	5.520	173	59	1	--	--	--	--	--	7.155	450	7.605
Fishing	--	--	--	--	--	--	11.558	2.699	682	10	4	--	--	--	--	--	6.429	8.524	14.953
Manufacturing	--	2	--	--	--	--	12.445.201	671.726	502.613	58.080	5.070	--	--	--	--	--	4.034.456	9.648.236	13.682.692
Mining	--	2	--	--	--	--	1.961.343	48.914	54.633	3.104	288	--	--	--	--	--	498.213	1.570.071	2.068.284
Production	--	--	--	--	--	--	8.694.689	618.816	416.209	52.208	4.670	--	--	--	--	--	3.388.702	6.397.890	9.786.592
Utilities (Electric, gas and water)	--	--	--	--	--	--	1.789.169	3.996	31.771	2.768	112	--	--	--	--	--	147.541	1.680.275	1.827.816
Construction	--	36.927	--	--	--	--	6.427.303	404.401	690.570	37.237	2.133	--	--	--	--	--	3.475.544	4.123.027	7.598.571
Services	7.561.615	1.115	--	--	--	1.471.896	18.118.860	2.408.185	1.842.484	133.073	41.188	--	--	2.143.937	--	37.462	10.292.065	23.467.750	33.759.815
Wholesale and retail trade	--	1	--	--	--	--	7.100.911	1.779.439	891.546	70.259	7.838	--	--	--	--	--	5.098.640	4.751.354	9.849.994
Hotel, food and beverage services	--	--	--	--	--	--	4.244.704	126.005	430.895	2.942	199	--	--	--	--	--	788.754	4.015.991	4.804.745
Transportation and telecommunication	--	48	--	--	--	--	3.469.753	379.647	158.691	13.630	297	--	--	--	--	5.637	1.463.125	2.564.578	4.027.703
Financial institutions	7.561.615	101	--	--	--	1.471.896	1.302.986	24.869	55.054	3.799	32.449	--	--	2.143.937	--	31.825	1.916.910	10.711.621	12.628.531
Real estate and letting services	--	965	--	--	--	--	676.312	36.222	35.498	570	47	--	--	--	--	--	118.613	631.001	749.614
Self-employment services	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Education services	--	--	--	--	--	--	579.767	15.537	159.077	158	7	--	--	--	--	--	487.641	266.905	754.546
Health and social services	--	--	--	--	--	--	744.427	46.466	111.723	41.715	351	--	--	--	--	--	418.382	526.300	944.682
Other	7.477.938	850.175	1	--	--	--	3.388.985	8.146.601	3.674.597	215.177	5.169.788	--	--	--	--	2.622.002	27.277.142	4.268.122	31.545.264
Total	15.039.553	888.219	1	--	--	1.471.896	41.267.522	14.181.301	7.384.794	476.309	5.221.959	--	--	2.143.937	--	2.659.464	48.679.673	42.055.282	90.734.955

(*) Exposure categories are as per the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks:

A: Conditional and unconditional receivables from central governments or central banks
B: Conditional and unconditional receivables from regional or local governments
C: Conditional and unconditional receivables from administrative units and non-commercial enterprises
D: Conditional and unconditional receivables from multilateral development banks
E: Conditional and unconditional receivables from international organizations
F: Conditional and unconditional receivables from banks and brokerage houses
G: Conditional and unconditional receivables from corporates
H: Conditional and unconditional retail receivables

I: Conditional and unconditional receivables secured by mortgages
J: Past due receivables
K: Receivables defined in high risk category by BRSA
L: Securities collateralized by mortgages
M: Securitization positions
N: Short-term receivables from banks, brokerage houses and corporates
O: Investments similar to collective investment funds
P: Other receivables

(**) Includes risk amounts before the effect of credit risk mitigation but after the credit conversions.

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Prior Period						Risk Classifications (*)(**)													
Sectors/Counterparties	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	TP	FC	Total
Agricultural	--	--	--	--	--	--	724.524	1.938.765	426.705	46.779	4.170	--	--	--	--	--	2.764.153	376.790	3.140.943
Farming and Cattle	--	--	--	--	--	--	712.679	1.930.444	425.792	46.592	4.142	--	--	--	--	--	2.750.078	369.571	3.119.649
Forestry	--	--	--	--	--	--	4.056	5.337	396	80	25	--	--	--	--	--	9.627	267	9.894
Fishing	--	--	--	--	--	--	7.789	2.984	517	107	3	--	--	--	--	--	4.448	6.952	11.400
Manufacturing	--	2	--	--	--	--	9.053.676	671.456	135.224	59.080	5.263	--	--	--	--	--	2.936.496	6.988.205	9.924.701
Mining	--	2	--	--	--	--	1.510.421	43.875	18.062	4.158	617	--	--	--	--	--	325.183	1.251.952	1.577.135
Production	--	--	--	--	--	--	6.330.849	622.131	112.822	54.906	4.556	--	--	--	--	--	2.474.264	4.651.000	7.125.264
Utilities (Electric, gas and water)	--	--	--	--	--	--	1.212.406	5.450	4.340	16	90	--	--	--	--	--	137.049	1.085.253	1.222.302
Construction	--	53.461	--	--	--	--	4.831.345	372.232	258.466	60.680	5.412	--	--	--	--	--	2.629.695	2.951.901	5.581.596
Services	4.542.205	62	--	--	--	458.498	11.297.728	2.293.704	505.405	150.126	20.805	--	--	773.820	--	7.461	7.777.038	12.272.776	20.049.814
Wholesale and retail trade	--	1	--	--	--	--	4.245.678	1.729.948	270.035	51.388	15.781	--	--	--	--	--	4.086.566	2.226.265	6.312.831
Hotel, food and beverage services	--	--	--	--	--	--	2.485.563	123.575	131.864	2.350	1.709	--	--	--	--	--	555.343	2.189.718	2.745.061
Transportation and telecommunication	--	61	--	--	--	--	2.190.824	323.288	41.340	11.630	2.853	--	--	--	--	2.800	1.047.433	1.525.363	2.572.796
Financial institutions	4.542.205	--	--	--	--	458.498	827.126	24.795	17.628	274	55	--	--	773.820	--	4.661	1.292.654	5.356.408	6.649.062
Real estate and letting services	--	--	--	--	--	--	569.318	29.413	7.700	914	251	--	--	--	--	--	76.875	530.721	607.596
Self-employment services	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Education services	--	--	--	--	--	--	481.857	16.524	20.514	254	31	--	--	--	--	--	345.045	174.135	519.180
Health and social services	--	--	--	--	--	--	497.362	46.161	16.324	83.316	125	--	--	--	--	--	373.122	270.166	643.288
Other	7.595.571	413.498	1	--	--	404.965	2.766.900	6.483.505	2.561.114	217.825	2.890.482	--	--	605.652	--	2.233.312	22.109.045	4.063.780	26.172.825
Total	12.137.776	467.023	1	--	--	863.463	28.674.173	11.759.662	3.886.914	534.490	2.926.132	--	--	1.379.472	--	2.240.773	38.216.427	26.653.452	64.869.879

(*) Exposure categories are as per the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks:

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H: Conditional and unconditional retail receivables

- I: Conditional and unconditional receivables secured by mortgages
J: Past due receivables
K: Receivables defined in high risk category by BRSA
L: Securities collateralized by mortgages
M: Securitization positions
N: Short-term receivables from banks, brokerage houses and corporates
O: Investments similar to collective investment funds
P: Other receivables

(**) Includes risk amounts before the effect of credit risk mitigation but after the credit conversions.

10. Analysis of maturity-bearing exposures according to remaining maturities

Current Period

Risk classifications	Undistributed (*)	1 month	1-3 months	3-6 months	6-12 months	Over 1 year
Conditional and unconditional receivables from central governments or central banks	1.465.177	6.101.614	337.586	334	337.120	6.797.722
Conditional and unconditional receivables from regional or local governments	--	606	7.603	5.058	22.427	852.525
Conditional and unconditional receivables from administrative units and non-commercial enterprises	--	--	--	--	--	1
Conditional and unconditional receivables from multilateral development banks	--	--	--	--	--	--
Conditional and unconditional receivables from international organizations	--	--	--	--	--	--
Conditional and unconditional receivables from banks and brokerage houses	60	19.390	391	137.471	135.949	1.178.635
Conditional and unconditional receivables from corporates	11	3.299.099	4.325.718	2.446.213	4.522.155	26.674.326
Conditional and unconditional retail receivables	137.218	305.877	890.887	1.087.131	3.733.608	8.026.580
Conditional and unconditional receivables secured by mortgages	12	205.223	181.227	284.940	431.922	6.281.470
Past due receivables	360.670	31.200	3.667	3.129	7.441	70.202
Receivables defined in high risk category by BRSA	54.206	613.399	--	--	693	4.553.661
Securities collateralized by mortgages	--	--	--	--	--	--
Securitization positions	--	--	--	--	--	--
Short-term receivables from banks, brokerage houses and corporates	245.683	1.645.006	253.248	--	--	--
Investments similar to collective investment funds	--	--	--	--	--	--
Other receivables	2.506.704	205	27.663	5	27	124.860
Total Amount	4.769.741	12.221.619	6.027.990	3.964.281	9.191.342	54.559.982

(*) Drawing amounts are included.

Prior Period

Risk classifications	Undistributed (*)	1 month	1-3 months	3-6 months	6-12 months	Over 1 year
Conditional and unconditional receivables from central governments or central banks	508.740	3.818.977	403.400	42.046	154.731	7.209.882
Conditional and unconditional receivables from regional or local governments	--	1.324	6.757	2.312	10.993	445.637
Conditional and unconditional receivables from administrative units and non-commercial enterprises	--	--	--	--	--	1
Conditional and unconditional receivables from multilateral development banks	--	--	--	--	--	--
Conditional and unconditional receivables from international organizations	--	--	--	--	--	--
Conditional and unconditional receivables from banks and brokerage houses	--	11.893	--	197.372	234.544	419.654
Conditional and unconditional receivables from corporates	14	2.138.723	3.403.607	2.332.258	3.879.490	16.920.081
Conditional and unconditional retail receivables	126.534	2.262.321	685.597	895.840	3.686.012	4.103.358
Conditional and unconditional receivables secured by mortgages	--	75.749	115.449	136.391	161.183	3.398.142
Past due receivables	439.168	28.634	1.554	5.486	7.868	51.780
Receivables defined in high risk category by BRSA	64.688	217.434	--	--	--	2.644.010
Securities collateralized by mortgages	--	--	--	--	--	--
Securitization positions	--	--	--	--	--	--
Short-term receivables from banks, brokerage houses and corporates	298.501	979.641	101.330	--	--	--
Investments similar to collective investment funds	--	--	--	--	--	--
Other receivables	2.118.070	1.597	--	--	--	121.106
Total Amount	3.555.715	9.536.293	4.717.694	3.611.705	8.134.821	35.313.651

(*) Drawing amounts are included.

11. Risk Classifications

Credit ratings of International Credit Rating Agencies (CRA); Fitch, Moody's and Standard and Poors are used in the process of determining the risk weights as per the Article 6 of the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks.

The scope of credit rating notes is valid for the non-residents and is limited to the receivables from Central Governments or Central Banks, and receivables from Banks and Brokerage Houses. When the credit ratings given by two different CRA for a particular receivable balance corresponding to different risk weights, the higher risk weight is taken into account; when the credit ratings given by more than two CRA corresponding to different risk weights then the higher of the lowest two risk weights is taken into account. According to the regulation credit ratings of the international CRA is not applicable for the receivables from the residents.

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Current Period

Credit Quality Grade	Risk Rating			Risk Classifications			
	Fitch	Moody's	S&P	Receivables from Central Governments or Central Banks*	Receivables from Banks and Brokerage Houses		Corporate Receivables
					Receivables with Remaining Maturities Less Than 3 Months	Receivables with Remaining Maturities More Than 3 Months	
1	AAA	Aaa	AAA	%0	%20	%20	%20
	AA+	Aa1	AA+				
	AA	Aa2	AA				
	AA-	Aa3	AA-				
2	A+	A1	A+	%20	%20	%50	%50
	A	A2	A				
	A-	A3	A-				
3	BBB+	Baa1	BBB+	%50	%20	%50	%100
	BBB	Baa2	BBB				
	BBB-	Baa3	BBB-				
4	BB+	Ba1	BB+	%100	%50	%100	%100
	BB	Ba2	BB				
	BB-	Ba3	BB-				
5	B+	B1	B+	%100	%50	%100	%150
	B	B2	B				
	B-	B3	B-				
6	CCC	Caa1	CCC+	%150	%150	%150	%150
		Caa2	CCC				
		Caa3	CCC-				
	CC	Ca	CC				
	C		C				
	D	C	D				

Prior Period

Credit Quality Grade	Risk Rating			Risk Classifications		
				Receivables from Central Governments or Central Banks*	Receivables from Banks and Brokerage Houses	
	Fitch	Moody's	S&P		Receivables with Remaining Maturities Less Than 3 Months	Receivables with Remaining Maturities More Than 3 Months
1	AAA	Aaa	AAA	%0	%20	%20
	AA+	Aa1	AA+			
	AA	Aa2	AA			
	AA-	Aa3	AA-			
2	A+	A1	A+	%20	%20	%50
	A	A2	A			
	A-	A3	A-			
3	BBB+	Baa1	BBB+	%50	%20	%50
	BBB	Baa2	BBB			
	BBB-	Baa3	BBB-			
4	BB+	Ba1	BB+	%100	%50	%100
	BB	Ba2	BB			
	BB-	Ba3	BB-			
5	B+	B1	B+	%100	%50	%100
	B	B2	B			
	B-	B3	B-			
6	CCC	Caa1	CCC+	%150	%150	%150
		Caa2	CCC			
		Caa3	CCC-			
	CC	Ca	CC			
	C	C	C			
	D		D			

12. Exposures by risk weights

Current Period

Risk Weight	%0	%10	%20	%50	%75	%100	%150	%200	%250	Equity Deductions
Exposures before Credit Risk Mitigation	15.893.973	--	2.888.960	1.407.571	17.719.544	47.505.466	1.324.595	3.850.661	144.185	304.232
Exposures after Credit Risk Mitigation	15.893.973	--	2.888.960	8.043.596	13.149.026	42.923.456	1.312.100	3.821.074	144.185	304.232

Prior Period

Risk Weight	%0	%10	%20	%50	%75	%100	%150	%200	%250	Equity Deductions
Exposures before Credit Risk Mitigation	12.948.090	--	1.712.988	604.948	14.909.070	31.694.602	1.358.427	1.641.754	--	227.217
Exposures after Credit Risk Mitigation	12.948.090	--	1.712.988	4.463.611	11.651.628	29.484.218	1.349.900	1.627.624	--	227.217

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13. Information by major sectors and type of counterparties

Impaired Loans; are the loans either overdue for more than 90 days or loans regarded as impaired due to their creditworthiness. For such loans, "specific provisions" are allocated as per the Provisioning Regulation.

Past Due Loans; are the loans those are overdue up to 90 days but not impaired. For such loans, "general provisions" are allocated as per the Provisioning Regulation.

Important Sectors / Counterparties	Current Period		Value Adjustments(*)	Provisions(**)
	Loans			
	Impaired	Past Due		
Agricultural	174.021	96.362	3.296	129.277
Farming and Cattle	168.807	95.236	3.250	124.541
Forestry	3.055	51	1	2.588
Fishing	2.159	1.075	45	2.148
Manufacturing	180.709	365.654	12.579	140.099
Mining	11.878	45.574	1.909	8.593
Production	162.531	256.120	9.391	128.088
Utilities (Electric, gas and water)	6.300	63.960	1.279	3.418
Construction	105.944	53.503	1.573	74.911
Services	334.099	477.471	18.657	240.837
Wholesale and retail trade	138.959	116.964	2.914	100.691
Hotel, food and beverage services	6.906	26.574	983	4.139
Transportation and telecommunication	42.082	300.975	13.302	33.676
Financial institutions	7.452	8.743	409	3.721
Real estate and letting services	1.300	1.273	27	951
Self-employment services	10.830	--	--	7.652
Education services	607	19.690	944	500
Health and social services	125.963	3.252	78	89.506
Other	815.320	1.149.450	71.160	586.487
Total	1.610.093	2.142.440	107.265	1.171.611

(*) Representing the general provision of past due loans.

(**) Representing specific provision amounts.

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Important Sectors / Counterparties	Prior Period		Value Adjustments(*)	Provisions(**)
	Loans			
	Impaired	Past Due		
Agricultural	165.945	158.178	3.462	107.960
Farming and Cattle	159.368	157.130	3.439	102.025
Forestry	2.897	83	2	2.346
Fishing	3.680	965	21	3.589
Manufacturing	127.997	310.091	9.976	78.880
Mining	12.470	4.974	109	8.057
Production	111.375	249.417	8.754	66.772
Utilities (Electric, gas and water)	4.152	55.700	1.113	4.051
Construction	132.817	36.339	839	69.135
Services	310.111	400.473	12.819	165.171
Wholesale and retail trade	114.872	83.035	1.957	69.070
Hotel, food and beverage services	6.870	117.918	4.383	3.627
Transportation and telecommunication	38.286	166.858	5.142	29.083
Financial institutions	1.522	7.279	337	1.379
Real estate and letting services	1.139	1.797	37	553
Self-employment services	13.791	--	--	9.874
Education services	702	17.790	845	512
Health and social services	132.929	5.796	118	51.073
Other	654.920	706.187	29.196	406.852
Total	1.391.790	1.611.268	56.292	827.998

(*) Representing the general provision of past due loans.

(**) Representing specific provision amounts.

Movements in valuation adjustments and provisions

Current Period	Opening Balance	Charge for the period	Releases of provisions	Other adjustments(*)	Ending Balance
Specific provisions	827.998	684.679	(160.736)	(180.330)	1.171.611
General provisions	443.897	256.477	--	--	700.374

(*) Representing sales from the non-performing loans portfolio in amount of TL (182.079) and exchange differences in amount of TL 1.749.

Prior Period	Opening Balance	Charge for the period	Releases of provisions	Other adjustments(*)	Ending Balance
Specific provisions	608.769	490.690	(80.006)	(191.455)	827.998
General provisions	291.975	151.922	--	--	443.897

(*) Representing sales from the non-performing loans portfolio in amount of TL (190.877) and exchange differences in amount of TL (578).

14. Distribution of credit risk according to the operational segments

Current Period	Commercial Loans (*)	Consumer Loans	Credit Cards	Other	Total
Standard Loans	40.047.104	9.635.365	4.032.658	21.509	53.736.636
Closely Monitored Loans	1.299.658	870.761	120.831	--	2.291.250
Non-performing Loans	916.386	447.910	245.797	--	1.610.093
Specific Provision (-)	680.985	326.724	163.902	--	1.171.611
Total	41.582.163	10.627.312	4.235.384	21.509	56.466.368

Informations on the table include receivables of Deniz Leasing and Deniz Factoring

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

Prior Period	Commercial Loans (*)	Consumer Loans	Credit Cards	Other	Total
Standard Loans	26.899.393	7.566.634	1.980.225	15.294	36.461.546
Closely Monitored Loans	1.142.177	556.872	77.109	--	1.776.158
Non-performing Loans	798.364	440.830	152.596	--	1.391.790
Specific Provision (-)	462.784	270.144	95.070	--	827.998
Total	28.377.150	8.294.192	2.114.860	15.294	38.801.496

Informations on the table include receivables of Deniz Leasing and Deniz Factoring.

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

The loans of DFS Group amounting to TL 36.594.697 (31 December 2012: TL 25.098.869) are collateralized by cash, mortgage, cheques and notes obtained from customers.

III. 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.

Under the standard method, the measurements are made over the "trading book" as per the statutory accounting and reporting classification.

1. Market risk

	Current Period
(I) Capital Obligation against General Market Risk - Standard Method	14.867
(II) Capital Obligation against Specific Risk - Standard Method	688
Capital Obligation against Specific Risk of Securitization Positions- Standard Method	--
(III) Capital Obligation against Currency Risk - Standard Method	34.267
(IV) Capital Obligation against Commodity Risk - Standard Method	285
(V) Capital Obligation against Clearing Risk - Standard Method	--
(VI) Capital Obligation against Options Subject to Market Risk - Standard Method	32
(VII) Capital Obligation against Counterparty Credit Risk - Standard Method	38.117
(VIII) Capital Obligation against Market Risk at the Banks calculating Risk Measuring Models	--
(IX) Total Capital Obligation against Market Risk (I+II+III+IV+V+VI+VII)	88.256
(X) (X) Value-At-Market-Risk (12,5 x VIII) or (12,5 x IX)	1.103.200

2. Average market risk

	Current Period			Prior Period		
	Average	Maximum	Minimum	Average	Maximum	Minimum
Interest Rate Risk	17.437	26.398	11.645	15.653	17.974	13.332
Share Certificate Risk	1.801	2.976	652	1.409	2.632	186
Currency Risk	35.071	45.886	21.454	34.834	36.706	32.961
Commodity Risk	306	482	183	206	231	181
Clearing Risk	--	--	--	--	--	--
Option Risk	85	139	32	183	324	42
Counterparty Credit Risk	26.218	38.117	15.081	16.855	19.179	14.531
Total Value-At-Risk	1.011.466	1.103.200	802.213	864.244	873.850	854.638

2.1 Quantitative information on counterparty risk

In counterparty credit risk calculations, the fair value methodology is used according to the Appendix-2, Part 3 of the "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks". Positions arising from existing netting contracts are not taken into account for capital adequacy calculations.

Transactions related to the credit derivatives do not have hedging purposes and details based on the type of transaction are as follows:

Current Period	Amount
Interest-Rate Contracts	55.886
Foreign-Exchange-Rate Contracts	1.373.256
Commodity Contracts	--
Equity-Shares Related Contracts	9.476
Other	--
Gross Positive Fair Values	1.438.618
Netting Benefits	--
Net Current Exposure Amount	1.438.618
Collaterals Received	--
Net Derivative Position	1.438.618
Prior Period	Amount
Interest-Rate Contracts	49.923
Foreign-Exchange-Rate Contracts	361.526
Commodity Contracts	3.427
Equity-Shares Related Contracts	9.008
Other	--
Gross Positive Fair Values	423.884
Netting Benefits	--
Net Current Exposure Amount	423.884
Collaterals Received	--
Net Derivative Position	423.884

IV. Explanations related to the consolidated operational risk

DFS Group used the "Basic Indicators Approach" in computation of its operational risk. In accordance with the 4th section (Computation of the Operational Risk) which is valid after 1 July 2012, of the "Regulation on Measurement and Evaluation of the Capital Adequacy of the Banks", published in the Official Gazette dated 28 June 2012 and numbered 28337, operational risk is computed using the gross income of DFS Group for the years ended 2012, 2011 and 2010. As explained in detail in footnote I of this section, value at operational risk within the context of "Capital Adequacy Ratio" and operational risk capital liabilities are TL 4.558.988 and TL 364.719, respectively. Market risk measurements are performed monthly.

	31.12.2010	31.12.2011	31.12.2012	Total / No. of Years of Positive GI	Rate (%)	Total
Gross Income (GI)	2.080.916	2.357.674	2.855.790	2.431.460	15	364.719
Value at Operational Risk (Total*12,5)						4.558.988

V. Explanations related to the consolidated foreign currency exchange rate risk

1. Foreign exchange risk the Group is exposed to, related estimations, and the limits set by the Board of Directors of the Parent Bank for positions which 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.

Based on general economic environment and market conditions the Parent Bank's Board of Directors reviews the risk limits daily and makes changes where necessary.

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.

Informations relating to investment hedge to avoid foreign currency exchange rate risk arising from retranslation of its foreign investments are explained in Note 10.10.2 from Section Five.

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 as at the balance sheet date	TL 2,1304
Euro purchase rate as at the balance sheet date	TL 2,9344

<u>Date</u>	<u>US Dollar</u>	<u>Euro</u>
25 December 2013	2,0710	2,8353
26 December 2013	2,0957	2,8693
27 December 2013	2,1604	2,9844
30 December 2013	2,1343	2,9365
31 December 2013	2,1304	2,9344

5. The basic arithmetical average of the Parent Bank's foreign exchange bid rate for the last thirty days prior to the balance sheet date

The arithmetical average US Dollar and Euro purchase rates for December 2013 are TL 2,0665 and TL 2,8316, respectively.

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6. Information on currency risk

Current Period	EUR	USD	Other FC ⁽⁵⁾	Total
Assets				
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Turkey	2.681.377	3.636.498	1.226.245	7.544.120
Due from Banks and Other Financial Institutions	2.036.124	233.798	83.961	2.353.883
Financial Assets at Fair Value Through Profit or Loss ⁽¹⁾	22.511	33.776	3.438	59.725
Interbank Money Market Placements	--	--	--	--
Investment Securities Available-for-Sale	961.160	190.177	160.740	1.312.077
Loans ⁽²⁾	7.628.673	15.624.303	385.438	23.638.414
Investments in Subsidiaries and Associates	29	--	--	29
Investment Securities Held-to-Maturity	138.682	273.684	--	412.366
Hedging Purpose Financial Derivatives	--	--	--	--
Tangible Assets	12.301	78	1.388	13.767
Intangible Assets ⁽³⁾	--	--	--	--
Other Assets ⁽⁴⁾	1.202.691	736.282	49.245	1.988.218
Total Assets	14.683.548	20.728.596	1.910.455	37.322.599
Liabilities				
Bank Deposits	893.088	763.458	789.372	2.445.918
Foreign Currency Deposits	15.713.258	11.336.243	1.008.139	28.057.640
Interbank Money Markets	--	--	63.838	63.838
Funds Borrowed from Other Financial Institutions	4.078.794	6.844.875	6.297	10.929.966
Marketable Securities Issued	--	--	--	--
Miscellaneous Payables	395.938	112.595	3.803	512.336
Hedging Purpose Financial Derivatives	--	--	--	--
Other Liabilities ⁽⁶⁾	713.647	890.625	2.293	1.606.565
Total Liabilities	21.794.725	19.947.796	1.873.742	43.616.263
Net "On Balance Sheet Position"	(7.111.177)	780.800	36.713	(6.293.664)
Net "Off-Balance Sheet Position"⁽⁷⁾	7.354.726	(380.046)	117.916	7.092.596
Financial Derivatives (Assets)	11.245.208	15.521.031	1.075.187	27.841.426
Financial Derivatives (Liabilities)	3.890.482	15.901.077	957.271	20.748.830
Net Position	243.549	400.754	154.629	798.932
Non-Cash Loans	3.269.264	8.261.592	288.317	11.819.173
Prior Period				
Total Assets	9.278.754	13.412.216	1.303.237	23.994.206
Total Liabilities	13.517.612	11.181.600	844.119	25.543.331
Net "On Balance Sheet Position"	(4.238.858)	2.230.616	459.118	(1.549.125)
Net "Off-Balance Sheet Position"	4.517.876	(1.881.279)	(362.317)	2.274.280
Financial Derivatives (Assets)	6.801.606	7.935.025	480.824	15.217.455
Financial Derivatives (Liabilities)	2.283.730	9.816.304	843.141	12.943.175
Net Position	279.018	349.337	96.801	725.155
Non-Cash Loans	1.947.636	4.928.766	298.233	7.174.635

(1) : Foreign currency differences of derivative assets amounting to TL 819.472 are excluded.

(2) : Foreign currency indexed loans amounting to TL 3.053.979 are included.

(3) : Intangible assets amounting to TL 5.614 are excluded.

(4) : Foreign currency indexed factoring receivables amounting to TL 258.435 are included. Prepaid Expenses amounting to TL 65.735 are excluded.

(5) : There are gold amounts in total assets amounting to TL 1.389.284 and in total liabilities amounting to TL 1.337.963.

(6) : Foreign currency differences of equities amounting to TL 784.532 and derivative liabilities amounting to TL 156.918 are excluded

(7) : Net amount of Receivables and Liabilities from financial derivatives is shown on the table. SWAP FX Transactions that reported under the "Financial Assets Purchase Pledges" is included in "Net Off-Balance Sheet Position".

6.1 *Currency risk exposure*

The table below demonstrates prospective increase and decrease in equities and the statement of income as of 31 December 2013 and 2012 (excluding tax effect) on condition that 10 percent devaluation of TL against the currencies below. This analysis has been prepared under the assumption that all other variables, especially interest rates, to be constant.

	Current Period		Prior Period	
	Period Profit Loss	Equity (*)	Period Profit Loss	Equity (*)
US Dollar	(19.103)	(21.964)	(13.171)	(10.576)
Euro	28.158	29.469	30.018	33.490
Total (Net)	9.055	7.505	16.847	22.914

(*) Equity effect in the table also includes income statement effect of 10 per cent devaluation of TL against other currencies.

VI. **Explanations related to the consolidated interest rate risk**

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

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 where necessary.

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

The Group 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
Assets							
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Turkey	--	--	--	--	--	8.815.044	8.815.044
Due from Banks and Other Fin. Inst.	1.606.629	47.235	179.248	133.559	13.938	596.364	2.576.973
Financial Assets at Fair Value Through Profit or Loss	197.764	58.815	252.755	514.377	23.441	87.508	1.134.660
Interbank Money Market Placements	1.290.942	--	--	--	--	--	1.290.942
Investment Securities Av.-for-Sale	99.286	1.172.436	2.352.788	799.725	494.611	4.104	4.922.950
Loans	7.840.108	4.707.569	6.213.662	19.316.646	14.260.316	438.482	52.776.783
Investment Securities Held-to-Mat.	1.345.097	251.468	293.528	100.941	580.428	--	2.571.462
Other Assets (*)	441.456	641.335	887.887	1.395.822	323.314	1.889.164	5.578.978
Total Assets	12.821.282	6.878.858	10.179.868	22.261.070	15.696.048	11.830.666	79.667.792
Liabilities							
Bank Deposits	782.667	808.405	40.612	856.228	--	266.324	2.754.236
Other Deposits	22.738.202	5.700.339	4.693.792	5.831.982	127.023	10.610.956	49.702.294
Interbank Money Market Placements	761.305	--	--	--	--	--	761.305
Miscellaneous Payables	9.463	27	24.854	--	--	1.468.317	1.502.661
Marketable Securities Issued	244.318	569.233	157.493	649.089	--	--	1.620.133
Funds Borrowed from Other Fin. Inst.	2.184.777	2.194.269	5.276.613	1.540.541	2.142.436	--	13.338.636
Other Liabilities (**)	290.884	282.534	1.104.854	171.427	17.846	8.120.982	9.988.527
Total Liabilities	27.011.616	9.554.807	11.298.218	9.049.267	2.287.305	20.466.579	79.667.792
On Balance Sheet Long Position	--	--	--	13.211.803	13.408.743	--	26.620.546
On Balance Sheet Short Position	(14.190.334)	(2.675.949)	(1.118.350)	--	--	(8.635.913)	(26.620.546)
Off-Balance Sheet Long Position	996.502	3.643.802	1.277.341	1.465.797	--	--	7.383.442
Off-Balance Sheet Short Position	(386.722)	(1.467.719)	(1.460.984)	(3.620.960)	--	--	(6.936.385)
Total Interest Sensitivity Gap	(13.580.554)	(499.866)	(1.301.993)	11.056.640	13.408.743	(8.635.913)	447.057

(*) Other assets/non-interest bearings include; Tangible Assets, Intangible Assets, Investment Properties, Investments in Associates and Joint Ventures, Tax Assets, Investments in Subsidiaries, Assets to be sold and other assets with balances of TL 409.454, TL 163.063, TL 119.573, TL 12.878, TL 164.353, TL , 5.678, TL 129.500, and TL 884.665 respectively.

(**) Other liabilities/non-interest bearings include; Shareholders' Equity, Tax Liabilities, Provisions, and Other Liabilities with balances of TL 6.088.369, TL 141.782, TL 1.002.696, and TL 888.135 respectively.

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Prior Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non- Interest Bearing	Total
Assets							
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Turkey	--	--	--	--	--	5.249.589	5.249.589
Due from Banks and Other Fin. Inst.	839.073	1	295.966	1.074	--	480.019	1.616.133
Financial Assets at Fair Value Through Profit or Loss	83.411	194.748	453.327	181.374	29.370	36.649	978.879
Interbank Money Market Placements	512.292	--	--	--	--	--	512.292
Investment Securities Av.-for-Sale	1.773.238	1.339.168	2.252.254	1.307.293	893.208	3.928	7.569.089
Loans	7.378.602	3.455.271	5.155.427	12.507.765	7.083.197	563.792	36.144.054
Investment Securities Held-to-Mat.	46.353	188.665	23.792	--	--	--	258.810
Other Assets (*)	166.299	867.742	372.652	1.205.825	115.187	1.438.031	4.165.736
Total Assets	10.799.268	6.045.595	8.553.418	15.203.331	8.120.962	7.772.008	56.494.582
Liabilities							
Bank Deposits	599.354	104.775	15.363	681.332	--	207.049	1.607.873
Other Deposits	15.349.968	6.427.270	2.920.778	3.167.190	85.132	7.034.243	34.984.581
Interbank Money Market Placements	1.787.810	--	--	--	--	--	1.787.810
Miscellaneous Payables	310	2.554	34.866	7.665	--	755.453	800.848
Marketable Securities Issued	--	310.209	451.970	6.753	--	--	768.932
Funds Borrowed from Other Fin. Inst.	376.037	2.333.772	3.444.857	636.118	1.099.635	--	7.890.419
Other Liabilities (**)	90.444	248.008	550.064	126.977	15.489	7.623.137	8.654.119
Total Liabilities	18.203.923	9.426.588	7.417.898	4.626.035	1.200.256	15.619.882	56.494.582
On Balance Sheet Long Position	--	--	1.135.520	10.577.296	6.920.706	--	18.633.522
On Balance Sheet Short Position	(7.404.655)	(3.380.993)	--	--	--	(7.847.874)	(18.633.522)
Off-Balance Sheet Long Position	512.734	1.870.559	554.662	779.641	36.914	--	3.754.510
Off-Balance Sheet Short Position	(249.039)	(481.248)	(477.783)	(2.319.805)	(123.451)	--	(3.651.326)
Total Interest Sensitivity Gap	(7.140.960)	(1.991.682)	1.212.399	9.037.132	6.834.169	(7.847.874)	103.184

(*) Other assets/non-interest bearings include; Tangible Assets, Intangible Assets, Investments in Associates and Joint Ventures, Tax Assets, Investments in Subsidiaries, Assets to be sold and other assets with balances of TL 357.335, TL 98.346, TL 11.872, TL 100.622, TL 5.649, TL 121.438, and TL 742.769 respectively.

(**) Other liabilities/non-interest bearings include; Shareholders' Equity, Tax Liabilities, Provisions and other liabilities with balances of TL 5.664.624, TL 229.435, TL 761.726, and TL 967.352 respectively.

4. Average interest rates applied to monetary financial instruments

	EUR	USD	JPY	TL
	%	%	%	%
Current Period				
Assets				
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Turkey	--	--	--	--
Due from Banks and Other Financial Institutions	0,34	1,95	--	7,65
Financial Assets at Fair Value Through Profit or Loss	4,79	4,86	--	10,26
Interbank Money Market Placements	--	--	--	7,74
Investment Securities Available-for-Sale	1,53	4,56	--	7,79
Investment Securities Available-for-Sale	5,38	5,35	5,99	13,07
Investment Securities Held-to-Maturity	1,77	5,73	--	9,14
Liabilities				
Bank Deposits	0,31	0,90	--	8,93
Other Deposits	2,14	2,99	0,10	8,90
Interbank Money Market Placements	--	--	--	4,76
Miscellaneous Payables	--	--	--	--
Marketable Securities Issued	--	--	--	9,33
Funds Borrowed from Other Financial Institutions	1,22	2,76	--	4,16
Prior Period				
	%	%	%	%
Assets				
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Turkey	--	--	--	--
Due from Banks and Other Financial Institutions	0,57	1,24	--	6,84
Financial Assets at Fair Value Through Profit or Loss	2,04	3,40	--	7,37
Interbank Money Market Placements	--	--	--	6,69
Investment Securities Available-for-Sale	0,70	3,11	--	9,26
Investment Securities Available-for-Sale	5,56	5,91	5,38	15,61
Investment Securities Held-to-Maturity	2,28	6,32	--	18,33
Liabilities				
Bank Deposits	1,02	0,45	--	7,81
Other Deposits	2,58	3,12	0,10	8,27
Interbank Money Market Placements	--	--	--	5,43
Miscellaneous Payables	--	--	--	--
Marketable Securities Issued	--	--	--	8,08
Funds Borrowed from Other Financial Institutions	1,38	2,23	--	7,12

5. Interest rate risk on banking book

5.1 *Nature of interest rate risk resulted from banking book, major assumptions including also early repayment of loans and movements in deposits other than term deposits and frequency of measuring interest rate risk*

Interest rate risk resulted from banking book is due to repricing maturity differences of assets and liabilities. Considering repricing maturities, average maturity of asset items is higher than the average maturity of liability items.

Interest risk is evaluated weekly considering size, developments at maturity structure and interest movements relating to asset and liability items. Interest risk exposed by the bank is managed centrally by the asset and liability committee and within the direction of decisions taken, the balance sheet interest sensitivity is aimed at minimum level and insured by interest based derivative contracts.

The effect of potential changes on interest rates to net present value is calculated within the scope of "Regulation on Measurement and Evaluation of Interest Rate Risk Resulted from Banking Book as per Standard Shock Method" and reported monthly.

Measurements performed with Standard Shock Method include all on and off balance sheet items in the "Banking Book" based on the classification as per the statutory accounting and reporting. Maturity assumption relating to demand deposits is overviewed yearly with analyses over at least five year data. By such analyses, the Bank gathers information on average duration of its demand deposits, and the amount and trend of deposit charge offs from different maturity brackets.

5.2 *Economic value differences resulted from interest rate instabilities and prepared based on the Parent Bank's non-consolidated financial statements according to Regulation on Measurement and Evaluation of Interest Rate Risk Resulted from Banking Book as per Standard Shock Method*

Interest rate risk for all banking transactions outside the trading portfolio are followed under interest rate risk related to the banking book. Interest rate risk related to the trading portfolio is followed under market risk.

ALCO performs daily management of interest rate risk in accordance with the risk limits set by the Board of Directors of the Parent Bank in relation to interest rate sensitivities of the banking book. ALCO meetings are held on a weekly basis.

The measurement process of interest rate risk resulting from the banking book, is designed and managed by the Parent Bank on a bank-only basis to include the interest rate positions defined as Banking book by Parent the Bank and to consider the relevant repricing and maturity data. Duration gaps, gaps by maturity brackets and sensitivity analysis are used in monitoring of repricing risk resulting from maturity mismatch. The duration gap and sensitivity analysis are carried out weekly. In the duration gap analysis, the present values of interest-rate-sensitive asset and liability items are calculated using yield curves developed from market interest rates.

In case of instruments with no maturities, the maturity is determined as per interest rate fixing periods and customer behaviors. Such results are supported by sensitivity and scenario analysis applied periodically for possible fluctuations in the markets.

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The interest rate risk arising from banking book can be seen on the table below in accordance with "Regulation on Measurement and Evaluation of Interest Rate Risk in Banking Accounts with Standard Shock Method" as of 31 December 2013.

Current Period

	Type of Currency	Shocks Applied (+/- basis points)	Gains/Losses	Gains/Equity - Losses/Equity
1	TL	(+) 500 bps	(1.144.039)	(15,71%)
2	TL	(-) 400 bps	1.139.794	15,65%
3	Euro	(+) 200 bps	34.660	0,48%
4	Euro	(-) 200 bps	(22.751)	(0,31%)
5	US Dollar	(+) 200 bps	233.520	3,21%
6	US Dollar	(-) 200 bps	(276.819)	(3,80%)
	Total (of positive shocks)		(875.859)	(12,03%)
	Total (of negative shocks)		840.224	11,54%

Prior Period

	Type of Currency	Shocks Applied (+/- basis points)	Gains/Losses	Gains/Equity - Losses/Equity
1	TL	(+) 500 bps	(1.088.820)	(18,27%)
2	TL	(-) 400 bps	1.092.154	18,33%
3	Euro	(+) 200 bps	(598)	(0,01%)
4	Euro	(-) 200 bps	15.422	0,26%
5	US Dollar	(+) 200 bps	(74.086)	(1,24%)
6	US Dollar	(-) 200 bps	96.864	1,63%
	Total (of positive shocks)		(1.163.504)	(19,52%)
	Total (of negative shocks)		1.204.440	20,22%

6. Position risk of equity shares on banking book

6.1. Comparison of carrying, fair and market values of equity shares

DFS Group does not have associate and subsidiary traded at BIST markets as of 31 December 2013. (31 December 2012 - None).

6.2. Realized gains/losses, revaluation surpluses and unrealized gains/losses on equity securities and results included in core and supplementary capital

None. (31 December 2012 - None).

VII. 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 of the Parent Bank sets limits on the funds available to meet the urgent liquidity requirements and the liabilities which are 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 4% of the balance sheet is allocated to cash and balances with banks, 5% to investment securities which are easily convertible into cash and the available borrowing limits 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. Internal and external sources to meet the short and long-term liquidity needs, significant sources of liquidity that are not utilized**

Approximately 4% of balance sheet is allocated to cash balances, 5% to investment securities which are easily convertible into cash in order to meet any urgent liquidity needs. The available borrowing limits (such as Central Bank of the Republic of Turkey and BIST 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.

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

Cash flows of DFS Group are mainly in terms 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.

- 4. Liquidity Ratios of the Group**

According to BRSA's "Legislation on Measurement and Assessment of Liquidity Adequacy of the Banks" 26333 numbered official gazette dated on 1 November 2006, liquidity ratio is required to be 80 % for foreign currency assets/liabilities and 100 % for total assets/liabilities in the calculation of the banks weekly and monthly reporting. Liquidity ratios, prepared based on non-consolidated financial statements of the Bank, for 2013 are as below:

	First Maturity Slice (Weekly)		Second Maturity Slice (Monthly)	
	FC	FC + TL	FC	FC + TL
Average (%)	127,57	139,49	111,58	110,48
Maximum (%)	156,46	165,14	119,97	116,64
Minimum (%)	111,26	121,82	101,87	103,58

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

Current Period	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Undist. (*)	Total
Assets								
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Turkey	2.725.302	6.089.742	--	--	--	--	--	8.815.044
Due from Banks and Other Fin.Inst.	596.364	1.606.629	58.972	189.448	125.557	3	--	2.576.973
Financial Assets at Fair Value Through Profit or Loss	--	197.528	58.191	252.383	515.075	23.975	87.508	1.134.660
Interbank Money Market Placements	--	1.290.942	--	--	--	--	--	1.290.942
Investment Securities Av.-for-Sale	--	16.766	242.430	1.000.636	2.217.742	1.441.272	4.104	4.922.950
Loans	438.482	7.125.596	2.702.304	8.819.074	19.428.708	14.262.619	--	52.776.783
Investment Securities Held-to-Mat.	--	--	--	14.677	150.852	2.405.933	--	2.571.462
Other Assets	764.705	434.641	640.650	882.095	1.395.862	336.566	1.124.459	5.578.978
Total Assets	4.524.853	16.761.844	3.702.547	11.158.313	23.833.796	18.470.368	1.216.071	79.667.792
Liabilities								
Bank Deposits	266.324	782.667	808.405	40.612	856.228	--	--	2.754.236
Other Deposits	10.610.956	22.371.366	5.837.451	4.891.481	5.864.017	127.023	--	49.702.294
Funds Borrowed from Other Fin.Inst. and Subordinated Loans	--	1.771.981	596.179	5.126.134	3.496.360	2.347.982	--	13.338.636
Interbank Money Market Placements	--	761.305	--	--	--	--	--	761.305
Marketable Securities Issued	--	161.960	566.382	160.194	731.597	--	--	1.620.133
Miscellaneous Payables	1.468.317	9.463	27	24.854	--	--	--	1.502.661
Other Liabilities	881.582	401.927	282.534	1.104.854	171.427	17.846	7.128.357	9.988.527
Total Liabilities	13.227.179	26.260.669	8.090.978	11.348.129	11.119.629	2.492.851	7.128.357	79.667.792
Net Liquidity Gap	(8.702.326)	(9.498.825)	(4.388.431)	(189.816)	12.714.167	15.977.517	(5.912.286)	--
Prior Period								
Total Assets	3.448.088	9.712.387	3.088.113	9.175.769	18.608.595	11.799.406	662.224	56.494.582
Total Liabilities	8.958.478	18.135.754	8.451.609	6.516.967	6.034.776	1.912.830	6.484.168	56.494.582
Net Liquidity Gap	(5.510.390)	(8.423.367)	(5.363.496)	2.658.802	12.573.819	9.886.576	(5.821.944)	--

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

6. Financial liabilities according to agreement maturities

DFS Group has significant financial liabilities which are not in derivative status. These are based on contract and separation of the contract maturities can be seen on table below. Interest amounts that will pay on these assets and liabilities added on maturity columns.

Current Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Total
Liabilities						
Deposit	34.338.363	6.747.733	5.042.883	6.840.748	129.953	53.099.680
Funds borrowed	2.688.255	844.107	5.501.147	4.185.572	2.973.477	16.192.558
Due to money markets	761.254	--	--	--	--	761.254
Securities issued	170.372	586.489	209.374	868.432	--	1.834.667
Total	37.958.244	8.178.329	10.753.404	11.894.752	3.103.430	71.888.159

Prior Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Total
Liabilities						
Deposit	23.311.051	6.586.373	3.005.744	3.981.104	89.361	36.973.633
Funds borrowed	410.321	1.503.058	2.674.790	2.183.023	1.812.974	8.584.166
Due to money markets	1.788.180	--	--	--	--	1.788.180
Securities issued	709	215.299	472.856	114.989	--	803.853
Total	25.510.261	8.304.730	6.153.390	6.279.116	1.902.335	48.149.832

VIII. Securitization exposures

None.

IX. Credit risk mitigation techniques

The Parent Bank applies credit risk mitigation techniques according to the comprehensive financial guarantee method in compliance with the communique "Regulation on Credit Risk Mitigation Techniques".

Currency mismatch between receivables and collaterals, and the haircuts to be applied on collateral types are taken into account using the standard haircuts as defined in the Communique appendix; while the maturity mismatch between receivables and collaterals are handled by the method defined in the Article 49 of the Communique.

In the credit risk mitigation process, collaterals such as cash, deposit blockage and debt securities are taken into consideration. Physical collaterals are only used for determination of the risk classification according to commercial and residential mortgages. In calculation balance sheet and off-balance sheet component of netting are not taken into account.

Information about guaranties according to risk classifications;

Current Period

Risk classification	Amount (*)	Financial Guarantees	Other/Physical Guarantees	Guarantees and Credit Derivatives
Conditional and unconditional receivables from central governments or central banks	15.032.337	--	--	--
Conditional and unconditional receivables from regional or local governments	894.154	--	--	--
Conditional and unconditional receivables from administrative units and non-commercial enterprises	3	--	--	--
Conditional and unconditional receivables from multilateral development banks	--	--	--	--
Conditional and unconditional receivables from international organizations	--	--	--	--
Conditional and unconditional receivables from banks and brokerage houses	1.121.817	124	--	--
Conditional and unconditional receivables from corporates	51.836.490	2.501.304	--	--
Conditional and unconditional retail receivables	24.066.631	164.395	--	--
Conditional and unconditional receivables secured by mortgages	7.614.067	--	6.636.038	--
a) Receivables secured by residential mortgages	3.953.400	--	3.838.871	--
b) Receivables secured by commercial mortgages	3.660.667	--	2.797.167	--
Past due receivables	1.550.957	54	--	--
Receivables defined in high risk category by BRSA	5.318.898	42.034	--	--
Securities collateralized by mortgages	--	--	--	--
Securitization positions	--	--	--	--
Short-term receivables from banks, brokerage houses and corporates	2.125.486	--	--	--
Investments similar to collective investment funds	--	--	--	--
Other receivables	2.661.800	--	--	--
Total	112.222.640	2.707.911	6.636.038	--

(*) Represents the risk figure before deduction of the haircut applied to collateral value.

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Prior Period

Risk classification	Amount (*)	Financial Guarantees	Other/Physical Guarantees	Guarantees and Credit Derivatives
Conditional and unconditional receivables from central governments or central banks	12.124.846	--	--	--
Conditional and unconditional receivables from regional or local governments	484.606	--	--	--
Conditional and unconditional receivables from administrative units and non-commercial enterprises	3	--	--	--
Conditional and unconditional receivables from multilateral development banks	--	--	--	--
Conditional and unconditional receivables from international organizations	--	--	--	--
Conditional and unconditional receivables from banks and brokerage houses	904.393	28.443	--	--
Conditional and unconditional receivables from corporates	35.552.342	1.528.068	--	--
Conditional and unconditional retail receivables	18.815.256	136.187	--	--
Conditional and unconditional receivables secured by mortgages	3.955.592	--	3.955.592	--
a) Receivables secured by residential mortgages	2.773.647	--	2.773.647	--
b) Receivables secured by commercial mortgages	1.181.945	--	1.181.945	--
Past due receivables	1.286.494	19.350	--	--
Receivables defined in high risk category by BRSA	3.002.126	22.573	--	--
Securities collateralized by mortgages	--	--	--	--
Securitization positions	--	--	--	--
Short-term receivables from banks, brokerage houses and corporates	1.176.586	--	--	--
Investments similar to collective investment funds	--	--	--	--
Other receivables	2.240.784	--	--	--
Total	79.543.028	1.734.621	3.955.592	--

(*) Represents the risk figure before deduction of the haircut applied to collateral value.

X. Risk management objectives and policies

The Risk Management Strategy is based on consistently monitoring risk levels and capital requirement and maintaining the balance between long and short term goals and capital structure. Risk politics, implementation methods and limits which provide opportunity to manage different dimensions of risks arising from activities, are the basis of risk management strategy. The Board of Directors owns the entire risk management strategy, programme and organization.

The Parent Bank organizes the relation between capital and risk levels with risk tolerance and limit mechanisms. While determining limits, current circumstances along with prospective problems are taken into account. Limit consistency is evaluated and confirmed by the Board of Directors. Audit committee is responsible for the monitoring of compliance with the risk management policies and risk limits specified by the Board of Directors and reporting respective measures to the Board of Directors. Executive units are responsible for following risks and limit consistency relating to their respective area of operations.

As per the risk policies accepted by the Parent Bank, risk management operations including risk measuring, monitoring, controlling and reporting are performed separately from executive units and reported directly to the Board of Directors. To design risk measurement models, parameters defined considering internationally recognized methods and conditions specific to active markets, are used. In order to insure adaptation of risk politics and risk measurement models to changing conditions, regular reviews are carried out. Limit usages within risk management activities are closely monitoring and reporting.

Strategic and tactic bank targets should be consistent with limits identified as part of risk policies. The Parent Bank applies credit risk mitigation techniques for various risk factors for the purposes of compliance with the Parent Bank's internal and legal limits and taking precautions in the direction of economic developments and new regulations. Efficiency and competence of protection provided by risk reduction instruments are being followed through risk measurements.

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

1. Calculation of financial assets and liabilities at their fair value

The fair value of held-to-maturity assets are determined based on market prices, or when they are not available, based on market prices quoted for other securities subject to similar terms of interest, maturity and other conditions.

The expected fair value of the demand deposits represents the amount to be paid upon request. The fair value of the overnight deposits and floating rate placements represent their carrying value. The expected fair value of the fixed rate deposits are determined by calculating the discounted cash flows using the market interest rates of similar instruments.

The expected fair value of fixed rate loans and receivables are determined by calculating the discounted cash flows using the current market interest rates. For the loans with floating interest rates, it is assumed that the carrying value reflects the fair value.

The following table summarizes the carrying value and fair value of financial assets and liabilities. The carrying value represents the sum of the acquisition costs and interest accruals of financial assets and liabilities.

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	Carrying value		Fair Value	
	Current Period	Prior Period	Current Period	Prior Period
Financial Assets	67.828.695	48.757.820	67.244.082	48.819.149
Interbank money market placements	1.290.942	512.292	1.290.942	512.292
Due from banks	2.576.973	1.616.133	2.577.454	1.616.105
Investment securities available-for-sale	4.922.950	7.569.089	4.922.950	7.569.089
Investment securities held-to-maturity	2.571.462	258.810	2.502.928	268.637
Loans and Other Receivables	56.466.368	38.801.496	55.949.808	38.853.026
Financial Liabilities	69.679.265	47.840.463	69.557.814	47.693.621
Bank deposits	2.754.236	1.607.873	2.754.532	1.606.917
Other deposits	49.702.294	34.984.581	49.708.236	35.024.081
Interbank money market borrowings	761.305	1.787.810	761.305	1.787.810
Funds borrowed from other financial institutions	10.984.826	7.002.757	11.043.231	6.892.145
Subordinated Loans	2.353.810	887.662	2.196.298	811.059
Securities Issued	1.620.133	768.932	1.591.551	770.761
Miscellaneous payables	1.502.661	800.848	1.502.661	800.848

2. Classification of fair value

TFRS 7 sets classification of valuation techniques according to the inputs used in valuation techniques based on fair value calculations which are whether observable or not.

Fair value levels of financial assets and liabilities that are carried at fair value in DFS Group's financial statements are given below:

Current Period-31 December 2013	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value Through Profit or Loss	106.541	1.028.119	--	1.134.660
Public Sector Debt Securities	19.010	--	--	19.010
Share Certificates	32.961	--	--	32.961
Trading Purpose Derivatives	--	1.028.119	--	1.028.119
Other Securities	54.570	--	--	54.570
Financial Assets Available for Sale (*)	4.918.846	--	--	4.918.846
Public Sector Debt Securities	4.650.334	--	--	4.650.334
Other Securities	268.512	--	--	268.512
Hedging Purpose Derivatives	--	--	--	--
Total Assets	5.025.387	1.028.119	--	6.053.506
Derivative Financial Liabilities Held for Trading	--	454.826	--	454.826
Hedging Purpose Derivatives	--	--	--	--
Total Liabilities	--	454.826	--	454.826

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)

Level 3: Unobservable inputs

(*) Share certificates amounting TL 4.104, classified in financial assets available for sale that do not have quoted market prices in an active market or whose fair value cannot be measured, are carried at cost.

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Prior Period-31 December 2012	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value Through Profit or Loss	828.484	150.395	--	978.879
<i>Public Sector Debt Securities</i>	785.914	--	--	785.914
<i>Share Certificates</i>	35.554	--	--	35.554
<i>Trading Purpose Derivatives</i>	--	150.395	--	150.395
<i>Other Securities</i>	7.016	--	--	7.016
Financial Assets Available for Sale (*)	7.565.161	--	--	7.565.161
<i>Public Sector Debt Securities</i>	7.402.589	--	--	7.402.589
<i>Other Securities</i>	162.572	--	--	162.572
Hedging Purpose Derivatives	--	69.783	--	69.783
Total Assets	8.393.645	220.178	--	8.613.823
Derivative Financial Liabilities Held for Trading	--	136.278	--	136.278
Hedging Purpose Derivatives	--	92.182	--	92.182
Total Liabilities	--	228.460	--	228.460

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)

Level 3: Unobservable inputs

(*) Share certificates amounting TL 3.928, classified in financial assets available for sale that do not have quoted market prices in an active market or whose fair value cannot be measured, are carried at cost.

No transition has been made between Level 1 and Level 2 during the year.

XII. Transactions carried out on behalf and account of other parties and fiduciary transactions

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

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

2. Transactions directly realized with other financial institutions depending on fiduciary contracts and probability of material effect of such transactions on the financial position of the Bank.

None.

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XIII. Explanations related to the consolidated segment reporting

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

Wholesale 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.

In retail banking, it offers loan products (consumer loans, mortgage, and vehicle loans), distinctive credit cards, investment products (mutual funds, shares, government bonds/treasury bills, 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 every day needs of customers are overdraft loans, automated bill payment, checkbooks and rental safes.

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

Segment information of the Group as of 31 December 2013 is presented in the following table:

Current Period (01.01.2013-31.12.2013)	Wholesale Banking		Retail Banking			Total
	Corporate Banking	Commercial Banking &Public Finance	Agriculture &Sme Banking	Retail Banking	Treasury & Investment Banking	
Net interest income	428.390	570.693	846.321	782.120	382.854	3.010.378
Net fee and commission income	54.622	52.814	177.251	358.708	(21.680)	621.715
Other income/expense, net	76.856	155.624	192.722	196.966	119.429	741.597
Total segment income	559.868	779.131	1.216.294	1.337.794	480.603	4.373.690
Other operating expenses	(134.564)	(240.398)	(709.542)	(858.021)	(135.153)	(2.077.678)
Provision for loan losses and other receivables	(95.320)	(189.561)	(256.313)	(451.299)	(34.989)	(1.027.482)
Tax charge						(257.445)
Net profit from continuing operations	329.984	349.172	250.439	28.474	310.461	1.011.085
Net profit from discontinued operations	--	--	--	--	--	--
Net profit	329.984	349.172	250.439	28.474	310.461	1.011.085
Current Period (31.12.2013)						
Segment assets	13.013.072	18.315.171	11.279.073	13.859.052	21.312.031	77.778.399
Subsidiaries and associates						18.556
Undistributed assets						1.870.837
Total assets						79.667.792
Segment liabilities	8.263.628	8.581.457	7.158.614	26.699.843	18.930.584	69.634.126
Undistributed liabilities						3.945.297
Shareholders' equity						6.088.369
Total liabilities						79.667.792

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Prior Period (01.01.2012-31.12.2012)	Wholesale Banking		Retail Banking			Total
	Corporate Banking	Commercial Banking &Public Finance	Agriculture &Sme Banking	Retail Banking	Treasury & Investment Banking	
Net interest income	322.486	456.021	695.963	611.571	383.877	2.469.918
Net fee and commission income	46.322	61.240	152.199	233.987	(11.522)	482.226
Other income/expense, net	30.248	58.516	116.685	107.035	(83.685)	228.799
Total segment income	399.056	575.777	964.847	952.593	288.670	3.180.943
Other operating expenses	(123.878)	(222.232)	(548.416)	(560.029)	(43.270)	(1.497.825)
Provision for loan losses and other receivables	(11.436)	(170.865)	(188.943)	(355.862)	(413)	(727.519)
Tax charge						(235.918)
Net profit from continuing operations	263.742	182.680	227.488	36.702	244.987	719.681
Net profit from discontinued operations	--	--	--	--	--	--
Net profit	263.742	182.680	227.488	36.702	244.987	719.681
Prior Period (31.12.2012)						
Segment assets	8.164.604	12.954.440	8.090.669	9.591.783	16.254.575	55.056.071
Subsidiaries and associates						17.521
Undistributed assets						1.420.990
Total assets						56.494.582
Segment liabilities	6.787.718	6.247.006	5.041.599	17.669.985	12.283.493	48.029.801
Undistributed liabilities						2.800.157
Shareholders' equity						5.664.624
Total liabilities						56.494.582

Information relating to segment information of the Group was prepared in accordance with data obtained from system of Management Reporting.

SECTION FIVE

DISCLOSURES AND NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

I. Explanations and disclosures related to consolidated assets

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

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash in TL / Foreign Currency	482.621	777.426	396.536	536.919
Central Bank of the Republic of Turkey	788.303	6.766.616	328.198	3.987.923
Other (*)	--	78	--	13
Total	1.270.924	7.544.120	724.734	4.524.855

(*) Includes TL 78 of cheques purchased (31 December 2012: TL 13).

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

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted Demand Deposits	788.303	676.873	185.924	319.574
Unrestricted Time Deposits	--	--	--	--
Restricted Time Deposits	--	6.089.743	142.274	3.668.349
Total	788.303	6.766.616	328.198	3.987.923

(*)Consolidated foreign subsidiaries include balances of Central Bank.

1.2 Information on Central Bank of the Republic of Turkey

As of 31 December 2013, all banks operating in Turkey should provide a reserve in a range of 5% to 11,5% (31 December 2012: between 5% and 11%) depending on the terms of the deposits for their liabilities in Turkish Lira and in a range of 6% to 13% (31 December 2012: between 6% and 11,5%) in US Dollars, standard gold or Euro for their liabilities in foreign currencies.

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	
	TL	FC	TL	FC
Share Certificates	--	--	--	--
Bonds, Treasury Bills and Similar Marketable Securities	8.646	835	9.327	1.040
Other	--	--	--	--
Total	8.646	835	9.327	1.040

2.2 Trading securities subject to repurchase agreements

	Current Period		Prior Period	
	TL	FC	TL	FC
Government Bonds	--	--	350.823	--
Treasury Bills	--	--	--	--
Other Debt Securities	--	--	--	--
Bonds Issued or Guaranteed by Banks	--	--	--	--
Asset Backed Securities	--	--	--	--
Other	--	--	--	--
Total	--	--	350.823	--

2.3 Positive value of trading purpose derivatives

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	9.386	63.386	5.668	12.452
Swap Transactions	140.967	656.638	21.883	87.897
Futures Transactions	--	--	--	--
Options	4.609	153.133	2.424	20.071
Other	--	--	--	--
Total	154.962	873.157	29.975	120.420

3. Information on Banks

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
Domestic	210.633	565.675	260.095	314.389
Foreign	12.457	1.788.208	102	1.041.547
Foreign head offices and branches	--	--	--	--
Total	223.090	2.353.883	260.197	1.355.936

3.1 Foreign banks

	Unrestricted Amount		Restricted Amount	
	Current Period	Prior Period	Current Period	Prior Period
EU Countries	1.584.285	733.451	6.391	8.888
USA, Canada	132.586	180.838	12.180	--
OECD Countries (*)	3.064	5.342	--	--
Off shore zones	3.855	40	--	--
Other	58.304	113.090	--	--
Total	1.782.094	1.032.761	18.571	8.888

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

4. Information on investment securities available-for-sale

4.1 Major types of investment securities available-for-sale

Investment securities available-for-sale consist of 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

Consist of collaterals given to the Central Bank of the Republic of Turkey, Istanbul Clearing and Custody Bank (Takasbank), and European Central Bank for liquidity, interbank money market, foreign exchange market, debt transactions and other transactions. Investment securities available-for-sale given as collaterals are government bonds and Eurobonds with carrying value of TL 1.036.893 (31 December 2012: TL 1.508.424).

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

	Current Period		Prior Period	
	TL	FC	TL	FC
Share certificates	--	--	--	--
T-bills, Bonds and Similar Securities	122.577	914.316	570.688	937.736
Other	--	--	--	--
Total	122.577	914.316	570.688	937.736

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

	Current Period		Prior Period	
	TL	FC	TL	FC
Government Bonds	468.683	--	1.572.538	--
Treasury Bills	--	--	--	--
Other Debt Securities	--	--	--	--
Bonds Issued or Guaranteed by Banks	--	31.250	--	32.460
Asset Backed Securities	--	--	--	--
Other	--	46.682	--	35.933
Total	468.683	77.932	1.572.538	68.393

4.5 Information on available-for-sale securities

	Current Period	Prior Period
Debt instruments	5.130.450	7.573.339
Quoted on Stock Exchange	5.130.450	7.573.339
Unquoted on Stock Exchange	--	--
Share certificates	4.104	3.928
Quoted on Stock Exchange	--	--
Unquoted on Stock Exchange	4.104	3.928
Impairment provision (-)	211.604	8.178
Total	4.922.950	7.569.089

5. Information related to loans

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

	Current Period		Prior Period	
	Cash	Non-Cash	Cash	Non-Cash
Direct Loans Granted to Shareholders	--	--	--	--
Corporate Shareholders	--	--	--	--
Individual Shareholders	--	--	--	--
Indirect Loans Granted to Shareholders	--	--	4.956	--
Loans Granted to Employees	53.244	4	44.262	4
Total	53.244	4	49.218	4

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

Current Period	Performing Loans and Other Receivables			Loans and Other Receivables Under Close Monitoring		
	Loans and Other Receivables (Total)	Agreement conditions modified		Loans and Other Receivables (Total)	Agreement conditions modified	
		Extension of Payment Plan	Other		Extension of Payment Plan	Other
Cash Loans						
Non-specialized Loans	47.594.868	176.620	--	1.999.385	794.369	--
Working Capital Loans	14.839.643	42.372	--	207.332	145.028	--
Export Loans	1.259.800	--	--	4.254	--	--
Import Loans	--	--	--	--	--	--
Loans Given to Financial Sector	312.327	--	--	7.667	7.667	--
Consumer Loans	9.635.365	3.227	--	870.761	251.559	--
Credit Cards	4.032.639	--	--	120.831	--	--
Other	17.515.094	131.021	--	788.540	390.115	--
Specialization Loans	2.600.993	13.211	--	143.055	32.691	--
Other Receivables	--	--	--	--	--	--
Total	50.195.861	189.831	--	2.142.440	827.060	--

Number of modifications made to extend payment plan	Performing Loans and Other Receivables	Loans and Other Receivables Under Close Monitoring
Extended by 1 or 2 times	188.667	811.793
Extended by 3,4 or 5 times	1.164	15.267
Extended by more than 5 times	--	--
Total	189.831	827.060

Extended period of time	Performing Loans and Other Receivables	Loans and Other Receivables Under Close Monitoring
0-6 Months	13	93.772
6-12 Months	2.079	30.503
1-2 Years	11.103	154.465
2-5 Years	46.754	267.362
5 Year and Over	129.882	280.958
Total	189.831	827.060

5.3 Information on loans according to maturity structure concentration

	Standard Loans and Other Receivables		Loans and Other Receivables Under Close Monitoring	
	Loans and Other Receivables	Restructured or Rescheduled	Loans and Other Receivables	Restructured or Rescheduled
Short-term loans and other receivables	13.631.940	11.026	478.655	82.800
Non-specialized loans	12.309.464	548	412.231	70.637
Specialized loans	1.322.476	10.478	66.424	12.163
Other receivables	--	--	--	--
Medium and Long-term loans and other receivables	36.563.921	178.805	1.663.785	744.260
Non-specialized loans	35.285.404	176.072	1.587.154	723.732
Specialized loans	1.278.517	2.733	76.631	20.528
Other receivables	--	--	--	--
Total	50.195.861	189.831	2.142.440	827.060

5.4 Information on consumer loans, individual credit cards and personnel credit cards

	Short Term	Medium or Long Term	Total
Consumer Loans-TL	183.192	9.805.253	9.988.445
Real estate Loans	2.011	4.128.749	4.130.760
Vehicle Loans	4.521	633.944	638.465
General Purpose Loans	172.194	5.042.560	5.214.754
Other	4.466	--	4.466
Consumer Loans-Indexed to FC	--	119.800	119.800
Real estate Loans	--	117.966	117.966
Vehicle Loans	--	--	--
General Purpose Loans	--	1.834	1.834
Other	--	--	--
Consumer Loans-FC	--	51.087	51.087
Real estate Loans	--	15.612	15.612
Vehicle Loans	--	--	--
General Purpose Loans	--	34.782	34.782
Other	--	693	693
Individual Credit Cards-TL	3.479.073	342.628	3.821.701
Installment	1.553.270	342.628	1.895.898
Non installment	1.925.803	--	1.925.803
Individual Credit Cards-FC	968	--	968
Installment	174	--	174
Non installment	794	--	794
Loans Given to Employees-TL	3.109	28.262	31.371
Real estate Loans	--	3.142	3.142
Vehicle Loans	--	314	314
General Purpose Loans	3.109	24.744	27.853
Other	--	62	62
Loans Given to Employees - Indexed to FC	--	66	66
Real estate Loans	--	66	66
Vehicle Loans	--	--	--
General Purpose Loans	--	--	--
Other	--	--	--
Loans Given to Employees - FC	13	182	195
Real estate Loans	--	--	--
Vehicle Loans	--	--	--
General Purpose Loans	--	--	--
Other	13	182	195
Personnel Credit Cards - TL	19.780	355	20.135
Installment	9.066	355	9.421
Non installment	10.714	--	10.714
Personnel Credit Cards - FC	27	--	27
Installment	3	--	3
Non installment	24	--	24
Overdraft Loans-TL (Real Persons) (*)	314.942	--	314.942
Overdraft Loans-FC (Real Persons)	--	220	220
Total	4.001.104	10.347.853	14.348.957

(*) Overdrafts used by the personnel of the Parent Bank are TL 1.512 (31 December 2012: TL 1.498).

5.5 Information on installment commercial loans and corporate credit cards

	Short Term	Medium or Long Term	Total
Installment Commercial Loans - TL	273.088	3.890.041	4.163.129
Real estate Loans	205	188.513	188.718
Vehicle Loans	6.047	377.120	383.167
General Purpose Loans	266.711	3.155.016	3.421.727
Other	125	169.392	169.517
Installment Commercial Loans - Indexed to FC	25.248	818.876	844.124
Real estate Loans	--	27.153	27.153
Vehicle Loans	684	76.471	77.155
General Purpose Loans	23.950	684.461	708.411
Other	614	30.791	31.405
Installment Commercial Loans - FC	449.411	133.972	583.383
Real estate Loans	--	--	--
Vehicle Loans	--	103	103
General Purpose Loans	--	5.354	5.354
Other	449.411	128.515	577.926
Corporate Credit Cards - TL	297.498	12.960	310.458
Installment	156.966	12.960	169.926
Non installment	140.532	--	140.532
Corporate Credit Cards - FC	181	--	181
Installment	13	--	13
Non installment	168	--	168
Overdraft Loans-TL (Legal Entities)	486.028	--	486.028
Overdraft Loans-FC (Legal Entities)	--	--	--
Total	1.531.454	4.855.849	6.387.303

5.6 Loan concentration according to counterparty

	Current Period	Prior Period
Public	1.024.393	545.467
Private	51.313.908	35.034.795
Total	52.338.301	35.580.262

5.7 Domestic and foreign loans

	Current Period	Prior Period
Domestic Loans	50.229.542	34.447.567
Foreign Loans	2.108.759	1.132.695
Total	52.338.301	35.580.262

5.8 Loans granted to subsidiaries and associates

	Current Period	Prior Period
Direct loans granted to subsidiaries and associates	24.481	4.956
Indirect loans granted to subsidiaries and associates	--	--
Total	24.481	4.956

5.9 Specific provisions for loans

Specific Provisions	Current Period	Prior Period
Loans and Receivables with Limited Collectability	38.038	62.996
Loans and Receivables with Doubtful Collectability	222.638	225.339
Uncollectible Loans and Receivables	910.935	539.663
Total	1.171.611	827.998

5.10 Information on non-performing loans (Net)

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

	Group III Loans and receivables with limited collectability	Group IV Loans and receivables with doubtful collectability	Group V Uncollectible loans and receivables
Current Period	1.354	6.888	22.814
(Gross Amounts Before Specific Reserves)			
Restructured Loans and Other Receivables	--	--	--
Rescheduled Loans and Other Receivables	1.354	6.888	22.814
Prior Period	2.637	16.444	5.264
(Gross Amounts Before Specific Reserves)			
Restructured Loans and Other Receivables	--	--	--
Rescheduled Loans and Other Receivables	2.637	16.444	5.264

5.10.2 Movement of non-performing loans

	Group III Loans and receivables with limited collectability	Group IV Loans and receivables with doubtful collectability	Group V Uncollectible loans and receivables
Balances at Beginning of Period	265.489	480.590	645.711
Additions (+)	735.161	103.386	69.870
Transfers from Other Categories of Non-Performing Loans (+)	--	701.186	722.207
Transfers from Other Categories of Non-Performing Loans (-)	701.186	722.207	--
Collections (-)	128.956	175.269	203.644
Write-offs (-) (*)	--	--	182.245
Corporate and Commercial Loans	--	--	--
Retail Loans	--	--	95.409
Credit Cards	--	--	45.112
Other	--	--	41.724
Balances at End of the Period	170.508	387.686	1.051.899
Specific Provisions (-)	38.038	222.638	910.935
Net Balance on Balance Sheet	132.470	165.048	140.964

(*) The Parent Bank sold its commercial loans, credit cards and corporate loans non-performing portfolio in amount of TL 182.245 in accordance with sales contract amounting to TL 30.450 which dated on 24 December 2013 to İstanbul Varlık Yönetim A.Ş. and Final Varlık Yönetimi A.Ş. .

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

	Group III	Group IV	Group V
	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectible loans and receivables
Current Period			
Balance as of the Period End	6.518	10.728	12.798
Specific Provisions (-)	5.164	8.995	5.042
Net Balance on Balance Sheet	1.354	1.733	7.756
Prior Period			
Balance as of the Period End	12.840	25.310	16.583
Specific Provisions (-)	2.008	9.964	7.420
Net Balance on Balance Sheet	10.832	15.346	9.163

5.10.4 Information on non-performing loans according to beneficiary group

	Group III	Group IV	Group V
	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectible loans and receivables
Current Period (Net)	132.470	165.048	140.964
Loans Granted to Real Persons and Legal Entities (Gross)	170.508	385.186	1.051.899
Specific provisions (-)	38.038	220.138	910.935
Loans Granted to Real Persons and Legal Entities (Net)	132.470	165.048	140.964
Banks (Gross)	--	--	--
Specific provisions (-)	--	--	--
Banks (Net)	--	--	--
Other Loan and Receivables (Gross)	--	2.500	--
Specific provisions (-)	--	2.500	--
Other Loan and Receivables (Net)	--	--	--
Prior Period (Net)	202.493	255.251	106.048
Loans Granted to Real Persons and Legal Entities (Gross)	265.489	478.562	645.711
Specific provisions (-)	62.996	223.317	539.663
Loans Granted to Real Persons and Legal Entities (Net)	202.493	255.245	106.048
Banks (Gross)	--	--	--
Specific provisions (-)	--	--	--
Banks (Net)	--	--	--
Other Loan and Receivables (Gross)	--	2.028	--
Specific provisions (-)	--	2.022	--
Other Loan and Receivables (Net)	--	6	--

5.11 Liquidation policy for uncollectible loans and receivables

For uncollectible loans and receivables, the Bank tries to solve the issue with the customer. If no result is obtained, all legal actions are taken. Such actions are completed when the insufficiency of collaterals is documented or a certificate of insolvency is obtained.

5.12 Information on write-off from assets policy

Unrecoverable non-performing loans are written off with the decision of the Board of Directors on condition that receivable of the Group is not material compared to the costs to be incurred for the preparation of necessary documentation. There is not any written-off amount in 2013 (31 December 2012: TL 271).

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 TL 230.632 (31 December 2012: TL none).

6.1.2 Information on securities subject to given as collateral or blocked

	Current Period		Prior Period	
	TL	FC	TL	FC
Bills	--	--	--	--
Bonds and Similar Marketable Securities	449.309	259.937	139.259	11.730
Other	--	--	--	--
Total	449.309	259.937	139.259	11.730

6.2 Information on government securities held-to-maturity

	Current Period	Prior Period
Government Bonds	2.521.394	217.032
Treasury Bills	--	--
Other Government Debt Securities	--	--
Total	2.521.394	217.032

6.3 Information on investment securities held-to-maturity

	Current Period	Prior Period
Debt Securities	2.573.094	258.810
Quoted on Stock Exchange	2.537.703	228.763
Unquoted on Stock Exchange	35.391	30.047
Impairment (-)	1.632	--
Total	2.571.462	258.810

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

	Current Period	Prior Period
Balance at the beginning of the period	258.810	912.105
Foreign exchange differences (*)	81.674	3.940
Purchases(**)	2.375.602	--
Disposals/Redemptions	(142.992)	(657.235)
Impairment losses (-)	1.632	--
Total	2.571.462	258.810

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

(**) Reclassified securities are included in "Purchases".

The Parent Bank transferred a portion of its securities from "investment securities available-for-sale" portfolio, with a notional amount of TL 2.194.086 and US Dollar 136.323, to the "investment securities held-to-maturity" portfolio due to change in the intention of holding dating 23 July, 24 July and 26 December 2013. The negative valuation differences amounting to TL 189.435 followed under equity until the date of classification 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 TL 187.032.

A portion of securities transferred from "investment securities available-for-sale" portfolio to "investment securities held-to-maturity" portfolio with a national amount of TL 552.934 on 1 October 2008 was amortized on 14 August 2013.

7. Investments in associates

7.1 Investments in unconsolidated associates

Title	Address (City/Country)	The Parent Bank's share percentage (%)	The Parent Bank's risk group share percentage (%)
1-Kredi Kayıt Bürosu A.Ş. (*)	Istanbul/Turkey	9	--
2-Kredi Garanti Fonu A.Ş. (*)	Ankara/Turkey	2	--
3-Ege Tarım Ürünleri Lisanslı Dep. A.Ş. (**)	İzmir/Turkey	10	--

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income on Securities Portfolio	Current Period Profit/Loss	Prior Period Profit/Loss	Fair Value
1	91.353	78.926	48.848	1.784	--	28.149	33.183	--
2	277.342	271.721	3.293	7.385	--	10.746	5.098	--
3	10.946	10.805	8.962	75	--	(1.670)	(1.058)	--

(*) Information on the financial statements is presented as of the period ended 30 September 2013.

(**) Information on the financial statements is presented as of the period ended 31 December 2013.

7.2 Investments in consolidated associates

There are no investments in consolidated associates.

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8. Investments in subsidiaries

8.1 Information on capital adequacies of major subsidiaries

The parent Bank does not need any capital requirement due to its subsidiaries included in the calculation of its consolidated capital adequacy standard ratio.

Amounts at below prepared within the scope of regulations depended by Denizbank AG and they are obtained from financial datas of 31 December 2013.

	Denizbank AG
CORE CAPITAL	1.574.742
Paid-in capital	469.006
Share Premium	682.614
Reserves	423.122
SUPPLEMENTARY CAPITAL	--
TIER III CAPITAL	--
DEDUCTIONS FROM CAPITAL	(2.695)
SHAREHOLDERS' EQUITY	1.572.047
NET AVAILABLE SHAREHOLDERS' EQUITY	1.572.047

8.2 Information on non-consolidated subsidiaries

Title	Address (City/Country)	The Parent Bank's share percentage-If different voting percentage (%)	The Parent Bank's risk group share percentage (%)
1-Intertech Bilgi İşlem ve Pazarlama Ticaret A.Ş.	İstanbul/Turkey	100	--
2-Denizbank Kültür Sanat Yayıncılık Ticaret ve Sanayi A.Ş.	İstanbul/Turkey	100	--
3-Deniz Kartlı Ödeme Sistemleri A.Ş.	İstanbul/Turkey	--	100
4-Açık Deniz Radyo ve Televizyon İletişim Yayıncılık ve Sanayi A.Ş.	İstanbul/Turkey	--	100

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income on Securities Portfolio	Current Period Profit/Loss	Prior Period Profit/Loss	Fair Value	Capital requirement
1	48.202	--	2.946	185	--	575	34	--	--
2	1.525	--	--	--	--	10	(12)	--	--
3	260	--	--	20	--	(3)	--	--	--
4	274	--	--	--	--	(4)	--	--	--

Information on the financial statements is presented as of the period ended 31 December 2013, subsidiaries above are not included in consolidation because they are nonfinancial partnerships.

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8.3 Information on consolidated subsidiaries

Title	Address (City/Country)	The Parent Bank's share percentage (%)	Other shareholders' share percentage (%)	Consolidation Method
1 Denizbank AG	Vienna / Austria	100	--	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 Ekspres Yatırım Menkul Değerler A.Ş.	Istanbul / Turkey	71	29	Full consolidation
5 CJSC Denizbank Moskova	Moscow / Russia	49	51	Full consolidation
6 Deniz Portföy Yönetimi A.Ş.	Istanbul / Turkey	--	100	Full consolidation
7 Deniz Finansal Kiralama A.Ş.	Istanbul / Turkey	84	16	Full consolidation
8 Deniz Faktoring A.Ş.	Istanbul / Turkey	100	--	Full consolidation
9 Deniz Gayrimenkul Yatırım Ortaklığı A.Ş.	Istanbul / Turkey	--	87	Full consolidation
10 Pupa Gayrimenkul Kiralama ve Yönetim Hizmetleri A.Ş.	Istanbul / Turkey	--	100	Full consolidation
11 Deniz Varlık Yönetim A.Ş.	Istanbul / Turkey	--	100	Full consolidation

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income on Securities Portfolio	Current Period Profit/Loss	Prior Period Profit/Loss	Fair Value	Capital requirement
1	18.074.102	1.857.878	14.996	615.373	65.172	258.858	105.864	--	--
2	804.534	12.096	108	58.476	--	2.713	494	--	--
3	177.135	81.286	965	4.189	340	7.113	11.496	--	--
4	14.971	12.875	139	821	524	(382)	70	--	--
5	835.538	154.394	4.269	42.377	11.254	23.779	17.939	--	--
6	5.392	4.459	65	207	64	1.150	42	--	--
7	1.924.495	425.125	936	142.320	--	12.616	21.380	--	--
8	1.966.100	206.231	245	142.338	--	50.572	58.049	--	--
9	119.972	116.825	--	1.359	2.885	(1.047)	5.083	--	--
10	164.762	163.618	120.915	200	--	(20.528)	(155.855)	--	--
11	9.623	9.496	--	30	--	(504)	--	--	--

Information on the financial statements is presented as of the period ended 31 December 2013.

8.3.1 Movement of consolidated subsidiaries

	Current Period	Prior Period
Balance at the Beginning of the Period	1.133.681	838.689
Movements during the Period	748.146	294.992
Purchases (*)	646.056	96.147
Bonus Shares Received	--	199.739
Dividends from Current Year Profit	--	--
Sales	--	--
Revaluation Increase, Effect of Inflation and F/X Difference	102.090	(894)
Other	--	--
Allowance for impairment	--	--
Balance at the End of the Period	1.881.827	1.133.681
Capital Commitments	--	--
Share Percentage at the end of Period (%)	--	--

(*) Explanations about year in purchasing are on Section III -Note III.

8.3.2 *Sectorial information on the consolidated subsidiaries and the related carrying amounts*

	Current Period	Prior Period
Banks	1.143.965	616.321
Insurance Companies	--	--
Factoring Companies	138.107	138.107
Leasing Companies	303.929	303.929
Finance Companies	9.999	--
Other Subsidiaries	285.827	75.324
Total	1.881.827	1.133.681

Balances of the consolidated subsidiaries above have been eliminated in the accompanying financial statements.

8.3.3 *Quoted subsidiaries within the consolidation scope*

	Current Period	Prior Period
Quoted on domestic markets	101.942	12.551
Quoted on foreign markets	--	--

8.3.4 *Consolidated subsidiaries disposed during the current period*

None.

8.3.5 *Consolidated subsidiaries acquired during the current period*

None.

9. Entities Under Common Control (Joint Ventures)

9.1 Entities Under Common Control (Joint Ventures)

Title	The Parent Bank's share percentage (%)	The Group's share percentage (%)	Current Assets	Non-Current Assets	Non-Current Liabilities	Income	Expenses
Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş.	33	33	10.532	9.806	154	12.688	(9.988)

Information on the unreviewed financial statements is presented as of the period ended 31 December 2013.

9.2 Reasons of being non-consolidated for non-consolidated entities under common control (Joint Ventures) and methods of recognition of entities under common control (Joint Ventures) in the Parent Bank's unconsolidated financial statements

The Parent Bank, although represents Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş. ("Bantaş") with 33% of ownership rate as entities under common control in its financial statements, it was not consolidated due to be nonfinancial entity. Carry out with its cost value due to unformed necessary conditions.

10. Information on receivables from leasing activities

10.1 Maturity analysis of finance lease receivables

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	97.614	93.832	100.646	96.573
Between 1-4 years	1.210.334	1.070.717	1.103.203	963.148
Over 4 years	800.911	618.907	485.266	382.963
Total	2.108.859	1.783.456	1.689.115	1.442.684

10.2 Information on net investments in finance lease receivables

	Current Period	Prior Period
Gross finance lease receivable	2.108.859	1.689.115
Unearned finance income (-)	325.403	246.431
Cancelled leasing agreements (-)	--	--
Net investment on finance leases	1.783.456	1.442.684

11. Information on hedging purpose derivatives

	Current Period		Prior Period	
	TL	FC	TL	FC
Fair Value Hedge	--	--	--	--
Cash Flow Hedge	--	--	45.376	24.407
Hedging of a Net Investment in Foreign Subsidiaries	--	--	--	--
Total	--	--	45.376	24.407

Cash flow hedge accounting arising from the fluctuations in the interest rate and in which the hedging instrument was interest rate swaps and the hedged item was deposit has been revoked on 31 May 2013. Consequently, derivatives financial instruments which were previously in "hedging purpose derivatives assets/liabilities" because of being risk hedging instruments are classified in "financial assets/liabilities held for trading" lines. Negative differences amounting to TL 18.657 which were cumulated until the transfer date in "hedging funds" account under equity will be transferred to statement of income until the maturities of related derivative instruments. As of the balance sheet date, net negative valuation difference under equity is amounting to TL 14.613.

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12. Information on tangible assets

Current Period End:	Land and buildings	Fixed assets under finance lease	Vehicles	Other tangible fixed assets	Total
Net book value at the beginning of the period	58.661	202.757	2.149	519.230	782.797
Additions	1.106	6.334	101	138.769	146.310
Inter-account transfer	--	--	--	--	--
Disposals	--	(13.477)	(264)	(7.818)	(21.559)
Net FX difference from foreign subsidiaries	--	--	134	4.253	4.387
Net book value at the end of the period	59.767	195.614	2.120	654.434	911.935
Accumulated depreciation at the beginning of the period (-)	11.499	152.443	834	260.686	425.462
Additions (*)	--	--	--	480	480
Disposals	--	(13.571)	(181)	(5.549)	(19.301)
Inter-account transfer	--	--	--	--	--
Net FX difference from foreign subsidiaries	--	--	101	3.432	3.533
Depreciation	1.098	13.674	369	77.166	92.307
Current period accumulated depreciation (-)	12.597	152.546	1.123	336.215	502.481
Closing net book value	47.170	43.068	997	318.219	409.454
Prior Period End:					
Net book value at the beginning of the period	49.499	194.120	1.185	442.198	687.002
Additions	9.162	8.956	1.004	84.452	103.574
Inter-account transfer	--	(319)	--	(204)	(523)
Disposals	--	--	(25)	(6.616)	(6.641)
Net FX difference from foreign subsidiaries	--	--	(15)	(600)	(615)
Net book value at the end of the period	58.661	202.757	2.149	519.230	782.797
Accumulated depreciation at the beginning of the period (-)	10.496	137.237	693	194.534	342.960
Disposals	--	--	(26)	(5.025)	(5.051)
Inter-account transfer	--	(319)	--	(204)	(523)
Net FX difference from foreign subsidiaries	--	--	(7)	(333)	(340)
Depreciation	1.003	15.525	174	71.714	88.416
Prior period accumulated depreciation (-)	11.499	152.443	834	260.686	425.462
Closing net book value	47.162	50.314	1.315	258.544	357.335

(*) Driven from Pupa Gayrimenkul which was firstly added in to consolidation as of 31 December 2013.

The Parent Bank has booked an impairment loss provision of TL 4.402 for three of its buildings in prior years.

13. Movement of intangible assets

Current Period End:	Other	Goodwill	Total
Net book value at the beginning of the period	237.887	--	237.887
Additions	117.149	869	118.018
Disposals	(2.771)	--	(2.771)
Net FX difference from foreign subsidiaries	3.922	--	3.922
Net book value at the end of the period	356.187	869	357.056
Accumulated depreciation at the beginning of the period (-)	139.541	--	139.541
Disposals	(2.774)	--	(2.774)
Net FX difference from foreign subsidiaries	3.294	--	3.294
Depreciation	53.932	--	53.932
Current period accumulated depreciation (-)	193.993	--	193.993
Closing net book value	162.194	869	163.063
Prior Period End:	Other	Goodwill	Total
Net book value at the beginning of the period	181.045	--	181.045
Additions	60.099	--	60.099
Inter-account transfer	523	--	523
Disposals	(3.066)	--	(3.066)
Net FX difference from foreign subsidiaries	(714)	--	(714)
Net book value at the end of the period	237.887	--	237.887
Accumulated depreciation at the beginning of the period (-)	109.054	--	109.054
Disposals	(3.030)	--	(3.030)
Inter-account transfer	523	--	523
Net FX difference from foreign subsidiaries	(559)	--	(559)
Depreciation (-)	33.553	--	33.553
Prior period accumulated depreciation (-)	139.541	--	139.541
Closing net book value	98.346	--	98.346

An agreement was signed on 11 April 2013 between the parent Bank and Citibank A.Ş. ("Citi Turkey") regarding the acquisition of the retail banking part of Citi Turkey by the Bank and the transfer procedures were authorized through the letter of the Banking Regulation and Supervision Agency dated 28 May 2013 and that of the Competition Authority dated 7 June 2013. Upon the acquisition of the legal permissions, the retail banking part of Citi Turkey including its retail banking portfolio with over 600.000 customers, its employees and branches was transferred to the Parent Bank on 1 July 2013.

Citi Turkey was paid TL 40 million for the acquisition. The part amounting to TL 32.479 of this amount has been determined by an independent valuation firm as the amount of future economic benefits to be created by the transferred credit card and retail credit customer portfolio and has been classified under intangible assets and will be amortized in 5 years.

Fair values of acquired assets and liabilities and acquired goodwill amount calculated as seen follows according to Independent Valuation Office.

	Fair Value
Acquired Assets	1.700.561
Intangible Assets	32.479
Acquired Liabilities	(1.693.909)
Net Amount of Acquired Assets	39.131
Goodwill Calculation:	
Acquiring Value	40.000
Net Amount of Acquired Assets	39.131
Goodwill	869

14. Information on investment property

Investment properties are properties held by Pupa Gayrimenkul for the basic purpose of making lease profit.

	31 December 2013
Cost Value	235.124
Impairment	(103.833)
Accumulated Depreciation	(11.718)
Book Value	119.573

15. Information on deferred tax asset

Deferred tax asset calculated on the basis of related regulation is TL 127.705 (31 December 2012: TL 100.061) and deferred tax liability is TL 2.991 (31 December 2012: TL 9.440). These balances are the net of deductible and taxable temporary differences calculated as of the balance sheet date.

The following table presents the deferred tax bases:

	Current Period	Prior Period
Deferred Tax Assets:		
Miscellaneous Provisions	38.235	42.611
Valuation Differences of Financial Assets	1.343	--
Provision for Employee Benefits	17.058	14.330
Valuation Differences of Derivatives	--	6.901
Unearned Income	39.871	31.742
Financial Loss	92.149	--
Other	18.559	13.240
	207.215	108.824
Deferred Tax Liabilities:		
Valuation Differences of Tangible Assets	(9.481)	(5.989)
Valuation Differences of Derivatives	(66.191)	--
Valuation Differences of Financial Assets	--	(12.214)
Other	(6.829)	--
	(82.501)	(18.203)
Net Deferred Tax Assets	124.714	90.621

16. Information on property and equipment held for sale and related to discontinued operations

None.

17. Information on other assets

17.1 Information on prepaid expense, taxes and similar items

DFS Group's total prepaid expenses are TL 197.712 (31 December 2012: TL 148.241).

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

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II. Explanations and disclosures related to consolidated liabilities

1. Information on maturity structure of deposits

Current Period	Demand	7 Days Notice	Up to 1 Month	1-3 Months	3-6 Months	6 Months -1 Year	1 Year and Over	Accumulated Deposit Accounts	Total
Saving Deposits	1.124.424	--	1.665.078	9.863.484	335.145	97.032	647.602	24.743	13.757.508
Foreign Currency Deposits	7.353.092	--	2.322.550	5.851.064	742.818	2.528.385	8.699.958	595	27.498.462
Residents in Turkey	4.077.175	--	2.182.216	5.512.257	475.757	340.701	546.520	535	13.135.161
Residents Abroad	3.275.917	--	140.334	338.807	267.061	2.187.684	8.153.438	60	14.363.301
Public Sector Deposits	286.716	--	6.384	24.361	5.915	26.928	1.109	--	351.413
Commercial Deposits	1.542.628	--	1.902.055	2.788.081	177.283	64.892	245.418	--	6.720.357
Other Ins. Deposits	58.442	--	124.962	596.821	2.454	19.232	13.465	--	815.376
Precious Metal Deposits	245.654	--	53.113	214.809	14.826	12.252	17.513	1.011	559.178
Bank Deposits	266.324	--	396.340	411.813	807.465	11.918	860.376	--	2.754.236
Central Bank	--	--	--	--	--	--	--	--	--
Domestic Banks	3.388	--	8.096	85.698	--	3.110	4.148	--	104.440
Foreign Banks	51.444	--	388.244	326.115	807.465	8.808	856.228	--	2.438.304
Special Finan. Inst.	211.492	--	--	--	--	--	--	--	211.492
Other	--	--	--	--	--	--	--	--	--
Total	10.877.280	--	6.470.482	19.750.433	2.085.906	2.760.639	10.485.441	26.349	52.456.530

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	758.724	--	946.378	7.515.378	570.659	147.187	88.633	19.137	10.046.096
Foreign Currency Deposits	4.593.237	--	1.558.916	3.838.881	644.680	1.350.997	4.304.920	334	16.291.965
Residents in Turkey	2.437.973	--	1.463.965	3.549.203	325.533	70.610	421.519	309	8.269.112
Residents Abroad	2.155.264	--	94.951	289.678	319.147	1.280.387	3.883.401	25	8.022.853
Public Sector Deposits	238.169	--	24.573	25.085	14.086	275	624	--	302.812
Commercial Deposits	1.105.066	--	1.712.302	3.171.465	416.864	300.584	261.991	--	6.968.272
Other Ins. Deposits	80.106	--	62.320	626.070	67.972	13.591	15.398	--	865.457
Precious Metal Deposits	258.941	--	40.518	180.798	25.669	3.445	--	608	509.979
Bank Deposits	207.049	--	365.518	305.240	32.480	7.927	689.659	--	1.607.873
Central Bank	--	--	--	--	--	--	--	--	--
Domestic Banks	2.459	--	47.581	121.166	27.417	891	8.327	--	207.841
Foreign Banks	65.484	--	317.937	184.074	5.063	7.036	681.332	--	1.260.926
Special Finan. Inst.	139.106	--	--	--	--	--	--	--	139.106
Other	--	--	--	--	--	--	--	--	--
Total	7.241.292	--	4.710.525	15.662.917	1.772.410	1.824.006	5.361.225	20.079	36.592.454

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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 Deposits Insurance Fund		Exceeding the Deposit Insurance Limit	
	Current Period	Prior Period	Current Period	Prior Period
Saving Deposits	5.839.043	3.373.808	7.626.306	6.549.009
Foreign Currency Saving Deposits	1.510.632	948.153	4.718.181	3.301.359
Other Saving Deposits	--	--	--	--
Foreign Branches' Deposits Under Foreign Insurance Coverage	--	--	--	--
Off-Shore Deposits Under Foreign Insurance Coverage	--	--	--	--
Total	7.349.675	4.321.961	12.344.487	9.850.368

1.2 Saving deposits in Turkey are not covered by any insurance in any other countries since the Bank's headquarter is not located abroad.

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

	Current Period	Prior Period
Deposits and Other Accounts in Foreign Branches	226.856	101.677
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	33.115	29.136
Deposits and Other Accounts linked to Crimes Mentioned in 282nd Article of 5237 Numbered Turkish Penal Code dated on 26/09/2004	--	--
Deposits belong to Off-Shore Banks who are established in Turkey	64.666	89.922
Total	324.637	220.735

2. Information on trading purpose derivatives

2.1 Negative value of trading purpose derivatives

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	30.017	5.500	60	17.235
Swap Transactions	231.927	57.830	18.008	76.666
Futures Transactions	--	--	--	--
Options	1.129	128.423	343	23.966
Other	--	--	--	--
Total	263.073	191.753	18.411	117.867

3. Information on funds borrowed

	Current Period		Prior Period	
	TL	FC	TL	FC
Central Bank Loans	--	--	--	--
Domestic Bank and Institutions	1.160.849	321.599	844.363	318.714
Foreign Bank, Institutions and Funds	1.247.821	8.254.557	666.809	5.172.871
Total	2.408.670	8.576.156	1.511.172	5.491.585

The Parent Bank has repaid the syndication loans matured on 14 November 2013 amounting to Euro 392,5 million and US Dollar 221 million and procured on 21 November 2013, under the coordination of Sberbank, Standard Chartered and Wells Fargo and with the participation of 47 banks from 23 countries in the international markets, syndication loans with a maturity of 1 year and a total cost of Libor/Euribor + 0,75% consisting of two different segments amounting to US Dollar 328 million and Euro 503 million.

The Parent Bank, via a special purpose entity (SPE), obtained a securitization loan with three year grace period for the principal payment, 8 year maturity and quarterly floating interest payments, amounting to US Dollar 350 million on 28 June 2007 by the resolution of the Board of Directors dated 25 June 2007 and numbered 2007/27. As of 31 December 2013, the outstanding balance of the loan is US Dollar 87,5 million.

In accordance with the resolution of the Board of Directors dated 6 April 2011 and numbered 2011/17, the Parent Bank obtained a securitization loan amounting to Euro 300 million via a special purpose entity (SPE) from a consortium of lenders led by West LB and participated by EBRD, EIB, IFC and DEG on 27 April 2011. As of 31 December 2013, the outstanding balance of the loan is Euro 266,1 million. Securitization consists of five different loans having 5-12 years final maturity and 2-3 years grace period for the principal payment.

3.1 Maturity information of funds borrowed

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	1.775.888	5.408.560	1.233.397	2.897.752
Medium and Long-Term	632.782	3.167.596	277.775	2.593.833
Total	2.408.670	8.576.156	1.511.172	5.491.585

3.2 Additional information on concentrations of the Bank's liabilities

As at 31 December 2013, the Bank's liabilities comprise; 66% deposits, 20% funds borrowed, due to money markets, securities issued and subordinated loans (31 December 2012: 65%, 18%, respectively).

4. Information on securities issued

	Current Period		Prior Period	
	TL	FC	TL	FC
Bonds	195.349	--	167.589	--
Bills	857.025	--	601.343	--
Asset Backed Security	567.759	--	--	--
Total	1.620.133	--	768.932	--

Nominal value of TL 108.580 (31 December 2012: TL 150.337) of the securities issued were repurchased by the Parent Bank and offset in the financial statements.

5. If other liabilities line of the balance sheet exceeds 10% of the balance sheet total; excluding the off balance sheet commitments; information on components making up at least 20% of the other liabilities

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

6. Information on lease payables

None.

6.1 *Changes in agreements and further commitments arising*

None.

6.2 *Obligations under finance leases*

None.

6.3 *Information on operational leases*

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

6.4 *Information on "Sell-and-lease back" agreements*

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

7. Information on liabilities arising from hedging purpose derivatives

	Current Period		Prior Period	
	TL	FC	TL	FC
Fair Value Hedge	--	--	--	--
Cash Flow Hedge	--	--	89.911	2.271
Hedging of a Net Investment in Foreign Subsidiaries	--	--	--	--
Total	--	--	89.911	2.271

8. Information on provisions

8.1 *Information on general provisions*

	Current Period	Prior Period
Provisions for Loans and Receivables in Group I	543.011	347.910
Additional Provision for Loans with Extended Maturities	4.508	14.495
Provisions for Loans and Receivables in Group II	99.648	56.292
Additional Provision for Loans with Extended Maturities	52.492	17.538
Provisions for Non Cash Loans	57.715	39.695
Other	--	--
Total	700.374	443.897

8.2 *Provision for currency exchange gain/loss on foreign currency indexed loans*

	Current Period	Prior Period
Foreign Exchange Provision for Foreign Currency Indexed Loans	244	10.312

Foreign exchange differences of foreign currency indexed loans are offset against "Loans and receivables" in assets.

8.3 *Information on provision for employee benefits*

TAS 19 required to using the actuarial methods for calculation of operating obligations.

Accordingly, the following actuarial assumptions were used in the calculation of the total reserve for employment termination benefits.

	Current Period	Prior Period
Discount rate	4,52%	3,62%
Interest Rate	9,75%	8,80%
Expected rate of salary/limit increase	5,00%	5,00%

As of 31 December 2013, TL 56.281 of provision for employment termination benefits (31 December 2012: TL 47.348) and TL 31.964 of unused vacation accruals (31 December 2012: TL 26.010) were reflected to the consolidated financial statements.

Movement of retirement pays liability during the period;

	Current Period	Prior Period
Balance at the Beginning of the Period	47.348	34.127
Changes in the period	11.027	9.378
Actuarial loss/gain (*)	2.139	7.205
Paid in the period	(4.455)	(3.261)
FX difference	222	(101)
Balance at the End of the Period	56.281	47.348

(*) Actuarial gain and losses occurred after 1 January 2013 accounted under shareholders' equity in accordance with TAS 19.

8.4 *Information on other provisions*

8.4.1 *Information on free provisions provided for probable risks*

	Current Period	Prior Period
Free Provisions Provided for Probable Risks	64.343	137.234

Free provisions for probable risks were provided for probable risks related to the loan portfolio.

8.4.2 *Information on other provisions exceeding 10% of total provisions*

TL 113.594 (31 December 2012: TL 87.874) of other provisions consists of provisions for non-cash loans that are not indemnified and converted into cash. TL 19.085 consists of provisions for lawsuits pending against DFS Group (31 December 2012: TL 18.549) and TL 17.055 (31 December 2012: TL 814) consists of other provisions.

9. Information on taxation

9.1 Information on current taxes

9.1.1 Information on current tax liability

As of 31 December 2013, the corporate tax provision of DFS Group is TL 135.388 (31 December 2012: TL 350.038), and it has been offset with advance taxes amounting to TL 122.915 (31 December 2012: TL 208.352).

9.1.2 Information on taxes payable

	Current Period	Prior Period
Corporate taxes payable	12.473	141.686
Taxation on securities	28.806	24.782
Capital gains taxes on property	1.822	1.372
Banking Insurance Transaction Tax (BITT)	31.756	26.011
Taxes on foreign exchange transactions	--	--
Value added taxes payable	2.256	1.480
Other	34.876	10.421
Total	111.989	205.752

9.1.3 Information on premiums

	Current Period	Prior Period
Social security premiums- employee share	6.324	4.738
Social security premiums- employer share	6.857	4.880
Bank pension fund premium- employee share	203	137
Bank pension fund premium- employer share	250	167
Pension fund membership fees and provisions- employee share	--	--
Pension fund membership fees and provisions- employer share	--	--
Unemployment insurance- employee share	451	338
Unemployment insurance- employer share	873	653
Other	11.844	3.330
Total	26.802	14.243

9.2 Information on deferred tax liabilities

Deferred tax liability calculated on the basis of related regulation is TL 2.991 (31 December 2012: TL 9.440). Information on deferred taxes is disclosed in footnote 15 of "explanations and disclosures related to consolidated assets".

10. Information on payables related to assets held for sale

None.

11. Information on subordinated loans

	Current Period		Prior Period	
	TL	FC	TL	FC
Domestic banks	--	--	--	--
Other domestic institutions	--	--	--	--
Foreign banks	--	2.353.810	--	887.662
Other foreign institutions	--	--	--	--
Total	--	2.353.810	--	887.662

The Parent Bank has taken subordinated loans from Dexia Credit Local amounting to Euro 90 million on 28 December 2006, US Dollar 50 million on 28 June 2007, US Dollar 130 million on 27 September 2007, US Dollar 200 million on 27 February 2008. The maturity of these loans is 10 years.

The Parent Bank has taken two subordinated loans from Sberbank of Russia on 28 June 2013 and 30 September 2013 amounting to US Dollar 300 million each. These loans each have a maturity of 10 years and an annual fixed interest rate of 6,10% and 7,49% respectively.

The Banking Regulation and Supervision Agency has declared in writing that the recognition of the mentioned loans as secondary subordinated debt in the supplementary capital account in accordance with the terms defined in the "Regulation on the Equity of Banks" published in the Official Gazette dated 1 November 2006 and numbered 26333 was approved.

12. Information on shareholders' equity

12.1 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 31 December 2013, the Parent Bank has "other capital reserves" amounting to TL 189.164 (31 December 2012: TL 189.164) arising from the effect of inflation restatement of the paid-in capital.

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

Registered paid-in capital system is not applied.

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

None.

12.4 Information on share capital increases from revaluation funds

None.

12.5 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 commitments

The capital is totally paid in and there are no capital commitments.

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

Balance sheets of the entities under DFS Group are managed prudently, to minimize the negative effects of interest rate, foreign currency and credit risks. This policy contributes to the progress of DFS Group's profitability with a steady increasing trend.

12.7 Information on the privileges given to stocks representing the capital

The Parent Bank does not have any preferred stocks.

12.8 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 Cancellation Profits	--	--
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 was increased from TL 202.000 to TL 290.000; and TL 50.369 of this TL 88.000 increase was received in cash through issuance of new shares to the public.

(**) The share price for the above mentioned public issuance was "twothousandeighthundredandseventyfive" Turkish Liras and a total issuance premium of TL 94.440 was realized. The inflation restatement effect of TL 3.911 was also recognized over the original balance until December 2004. A total issuance premium of TL 60 was realized through the Bank's paid-in capital increase amounting TL 400.000 on 28 August 2008.

12.9 Securities Revaluation Reserve

	Current Period		Prior Period	
	TL	FC	TL	FC
Associates, Subsidiaries and JVs	--	--	--	--
Valuation and FX Difference	(306.897)	(43.618)	246.413	51.186
Total	(306.897)	(43.618)	246.413	51.186

12.10 Information on hedging funds

12.10.1 Information on cash flow hedge items

Cash flow hedge accounting arising from the fluctuations in the interest rate and in which the hedging instrument was interest rate swaps and the hedged item was deposit has been revoked on 31 May 2013. Consequently, derivatives financial instruments which were previously in "hedging purpose derivatives assets/liabilities" because of being risk hedging instruments are classified in "financial assets/liabilities held for trading" lines. Negative differences amounting to TL 18.657 which were cumulated until the transfer date in "hedging funds" account under equity will be transferred to statement of income until the maturities of related derivative instruments. As of the balance sheet date, net negative valuation difference under equity is amounting to TL 14.613.

12.10.2 Information on hedging foreign net investment risk

DFH Group applies net investment hedge strategy to hedge against the currency risk arising on a consolidated basis from the net investments amounting to a total of Euro 535,7 million and US Dollar 74,7 million of subsidiaries Denizbank AG, CJSC Denizbank and Eurodeniz. The part consisting of the same amounts of its foreign currency deposit has been defined as "hedging instrument".

The efficient part of the change in value of the foreign currency deposit arising from foreign currency within this scope has been recognized in the account of "hedging funds" under equity. As of 31 December 2013, this amount is TL (409.538). (31 December 2012: TL (107.401)).

13. Information on minority shares

	Current Period	Prior Period
Balance at the Beginning of the Period	15.764	13.517
Minority interest in net income of consolidated subsidiaries	(145)	2.254
Increase/(decrease) in minority interest due to disposals	--	--
Other	21.673	(7)
Balance at the End of the Period	37.292	15.764

14. Information on revaluation differences of tangible assets

Revaluation difference of tangible assets amounting to TL 306.054 include the gains on sale of Deniz Emeklilik ve Hayat A.Ş. and Deniz Türev Menkul Değerler A.Ş. amounting to TL 305.198 and the gain on sale of real estate for the remaining amount of TL 856, which are placed to the related reserve account under shareholders' equity with the exemption from corporate tax according to 5/1-e clause of Corporate Tax Law, (31 December 2012: TL 306.054).

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

1. Information related to off-balance sheet commitments

1.1 *Type and amount of irrevocable commitments*

All of DFS Group's off-balance sheet loan commitments are in the nature of irrevocable commitments. As of 31 December 2013, non-cash loans, commitments for credit card limits and commitments for cheque payments are TL 18.415.516, TL 7.731.311 and TL 1.415.524, respectively (31 December 2012: TL 12.380.747, TL 4.759.217 and TL 1.350.185, respectively). These items are detailed in the off-balance sheet accounts.

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

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

As of 31 December 2013, DFS Group has letters of guarantee amounting to TL 13.866.124, bills of exchange and acceptances amounting to TL 139.482, and guarantees and sureties on letters of credit amounting to TL 2.696.140. There are also other guarantees and sureties amounting to TL 1.713.770.

As of 31 December 2012 DFS Group has letters of guarantee amounting to TL 10.249.061, bills of exchange and acceptances amounting to TL 325.728, and guarantees and sureties on letter of credit amounting to TL 1.497.432. There are also other guarantees and sureties amounting to TL 308.526.

1.2.2 *Final guarantees, provisional guarantees, sureties and similar transactions*

	Current Period	Prior Period
Provisional Letters of Guarantee	969.666	1.102.000
Final Letters of Guarantee	9.961.504	6.893.799
Letters of Guarantee for Advances	2.075.062	1.226.835
Letters of Guarantee given to Customs Offices	249.616	248.985
Other Letters of Guarantee	610.276	777.442
Total	13.866.124	10.249.061

2. Total amount of non-cash loans

	Current Period	Prior Period
Non-Cash Loans Given for Obtaining Cash Loans	1.991.081	1.979.078
With Original Maturity of 1 Year or Less	1.914.317	637.515
With Original Maturity of More Than 1 Year	76.764	1.341.563
Other Non-Cash Loans	16.424.435	10.401.669
Total	18.415.516	12.380.747

3. Sectorial risk concentrations of non-cash loans

	Current Period				Prior Period			
	TL	%	FC	%	TL	%	FC	%
Agricultural	146.646	2,22	380.771	3,22	128.017	2,46	74.074	1,03
Farming and Cattle	145.752	2,21	380.771	3,22	127.438	2,45	74.074	1,03
Forestry	643	0,01	--	--	128	0,00	--	0,00
Fishing	251	0,00	--	--	451	0,01	--	0,00
Manufacturing	1.072.942	16,27	3.492.268	29,54	772.667	14,84	2.330.439	32,48
Mining	198.579	3,01	1.112.679	9,41	223.898	4,30	753.946	10,51
Production	728.355	11,04	1.763.668	14,92	439.287	8,44	1.225.664	17,08
Electric, gas and water	146.008	2,22	615.921	5,21	109.482	2,10	350.829	4,89
Construction	2.287.131	34,67	3.412.844	28,88	1.840.794	35,36	2.151.083	29,98
Services	2.445.284	37,07	3.659.886	30,97	1.879.371	36,10	2.075.172	28,93
Wholesale and retail trade	1.459.751	22,13	2.169.612	18,36	1.080.543	20,76	1.101.198	15,35
Hotel, food and beverage services	186.221	2,82	261.281	2,21	156.969	3,01	157.795	2,20
Transportation and telecommunication	438.961	6,65	417.697	3,53	295.956	5,68	360.928	5,03
Financial institutions	182.106	2,76	721.326	6,10	166.319	3,19	403.12	5,62
Real estate and letting services	15.463	0,23	3.808	0,03	6.638	0,13	7.305	0,10
Self-employment services	--	--	--	--	--	--	--	0,00
Education services	24.182	0,37	14.123	0,12	10.775	0,21	12.699	0,18
Health and social services	138.600	2,11	72.039	0,62	162.171	3,12	32.127	0,45
Other	644.340	9,77	873.404	7,39	585.263	11,24	543.867	7,58
Total	6.596.343	100,00	11.819.173	100,00	5.206.112	100,00	7.174.635	100,00

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

	I. Group		II. Group	
	TL	FC	TL	FC
Letters of guarantee	6.499.989	7.238.491	85.014	42.630
Bank acceptances	1.566	137.916	--	--
Letters of credit	3.148	2.691.856	--	1.136
Endorsements	--	--	--	--
Underwriting commitments	--	--	--	--
Factoring commitments	--	--	--	--
Other commitments and contingencies	6.626	1.706.399	--	745
Total	6.511.329	11.774.662	85.014	44.511

5. Information related to derivative financial instruments

Current Period	Up to 1 month	1-3 months	3-12 months	1-5 year	More than 5 years	Total
Hedging Purpose Derivative Transactions						
A. Total hedging Purpose Derivative Transactions	--	--	--	--	--	--
Fair Value Hedge Transactions	--	--	--	--	--	--
Cash Flow Hedge Transactions	--	--	--	--	--	--
Net Foreign Investment Hedge Transactions	--	--	--	--	--	--
Types of trading transactions						
Foreign currency related derivative transactions (I)	28.614.423	4.508.209	16.277.889	4.573.243	--	53.973.764
Forward FC Call transactions	1.207.872	563.200	892.521	9.349	--	2.672.942
Forward FC Put transactions	1.191.867	554.097	874.868	10.415	--	2.631.247
Swap FC Call transactions	10.792.130	150.618	3.802.453	2.437.506	--	17.182.707
Swap FC Put transactions	10.608.402	132.774	3.796.696	2.115.973	--	16.653.845
Options FC Call transactions	2.438.334	1.555.307	3.459.685	--	--	7.453.326
Options FC Put transactions	2.375.818	1.552.213	3.451.666	--	--	7.379.697
Futures FC Call transactions	--	--	--	--	--	--
Futures FC Put transactions	--	--	--	--	--	--
Total of interest derivative transactions (II)	941.448	630.826	436.382	6.115.555	1.243.938	9.368.149
Swap Interest Call transactions	315.412	315.413	193.933	3.057.778	621.969	4.504.505
Swap Interest Put transactions	315.412	315.413	193.933	3.057.777	621.969	4.504.504
Options Interest Call transactions	160.624	--	24.258	--	--	184.882
Options Interest Put transactions	150.000	--	24.258	--	--	174.258
Securities Interest Call transactions	--	--	--	--	--	--
Securities Interest Put transactions	--	--	--	--	--	--
Futures Interest Call transactions	--	--	--	--	--	--
Futures Interest Put transactions	--	--	--	--	--	--
Other types of trading transactions (III)	148.948	375	--	--	--	149.323
B. Total types of trading transactions (I+II+III)	29.704.819	5.139.410	16.714.271	10.688.798	1.243.938	63.491.236
Total Derivative Transactions (A+B)	29.704.819	5.139.410	16.714.271	10.688.798	1.243.938	63.491.236

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Prior Period	Up to 1 month	1-3 months	3-12 months	1-5 year	More than 5 years	Total
Hedging Purpose Derivative Transactions						
A. Total hedging Purpose Derivative Transactions	44.620	--	283.105	969.418	170.974	1.468.117
Fair Value Hedge Transactions	--	--	--	--	--	--
Cash Flow Hedge Transactions	44.620	--	283.105	969.418	170.974	1.468.117
Net Foreign Investment Hedge Transactions	--	--	--	--	--	--
Types of trading transactions						
Foreign currency related derivative transactions (I)	14.189.795	6.297.303	6.708.736	583.178	56.552	27.835.564
Forward FC Call transactions	666.227	602.273	395.038	--	--	1.663.538
Forward FC Put transactions	663.912	601.977	395.652	--	--	1.661.541
Swap FC Call transactions	4.765.212	1.191.555	793.586	288.696	28.276	7.067.325
Swap FC Put transactions	4.435.706	1.188.813	792.130	288.696	28.276	6.733.621
Options FC Call transactions	1.852.552	1.364.635	2.159.081	2.893	--	5.379.161
Options FC Put transactions	1.806.186	1.348.050	2.173.249	2.893	--	5.330.378
Futures FC Call transactions	--	--	--	--	--	--
Futures FC Put transactions	--	--	--	--	--	--
Total of interest derivative transactions (II)	696.482	4.936	64.468	4.246.191	263.131	5.275.208
Swap Interest Call transactions	318.241	2.468	32.234	2.072.896	147.838	2.573.677
Swap Interest Put transactions	318.241	2.468	32.234	2.105.441	115.293	2.573.677
Options Interest Call transactions	--	--	--	33.927	--	33.927
Options Interest Put transactions	60.000	--	--	33.927	--	93.927
Securities Interest Call transactions	--	--	--	--	--	--
Securities Interest Put transactions	--	--	--	--	--	--
Futures Interest Call transactions	--	--	--	--	--	--
Futures Interest Put transactions	--	--	--	--	--	--
Other types of trading transactions (III)	396.661	39.690	1.037	--	--	437.388
B. Total types of trading transactions (I+II+III)	15.282.938	6.341.929	6.774.241	4.829.369	319.683	33.548.160
Total Derivative Transactions (A+B)	15.327.558	6.341.929	7.057.346	5.798.787	490.657	35.016.277

6. Credit derivatives and risk exposures on credit derivatives

None.

7. Contingent assets and liabilities

Result of conservatism DFS Group made a provision amounting to TL 19.085 (31 December 2012: TL 18.549) for lawsuits pending against itself; which are classified in "Other provisions" item at the balance sheet. For the other ongoing lawsuits, the likelihood of an outflow of resources is estimated remote.

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

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

IV. Explanations and disclosures related to consolidated statement of income

1. Interest income

1.1 Information on interest income received from loans

	Current Period		Prior Period	
	TL	FC	TL	FC
Short Term Loans	1.543.204	93.129	1.554.432	73.663
Medium and Long Term Loans	1.979.112	878.658	1.608.898	570.774
Loans Under Follow-Up	67.064	--	63.915	--
Premiums Received from Resource Utilization Support Fund	--	--	--	--
Total	3.589.380	971.787	3.227.245	644.437

Interest income received from loans also includes fees and commissions from cash loans granted.

1.2 Information on interest income received from banks

	Current Period		Prior Period	
	TL	FC	TL	FC
Central Bank of the Republic of Turkey	--	--	--	--
Domestic Banks	5.920	5.160	2.351	1.931
Foreign Banks	1.239	1.511	1.093	4.868
Foreign Head Offices and Branches	--	--	--	--
Total	7.159	6.671	3.444	6.799

1.3 Information on interest income received from securities portfolio

	Current Period		Prior Period	
	TL	FC	TL	FC
Trading Securities	94.684	301	70.058	1.792
Financial Assets at Fair Value Through Profit or Loss	--	--	--	--
Investment Securities Available-for-Sale	440.528	60.045	533.076	39.694
Investment Securities Held-to-Maturity	90.701	3.203	78.001	3.406
Total	625.913	63.549	681.135	44.892

1.4 Information on interest income received from associates and subsidiaries

	Current Period	Prior Period
Interest Received from Associates and Subsidiaries	2.231	6.447

2. Interest expense

2.1 Information on interest expense related to funds borrowed

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks	148.656	202.596	122.851	167.712
Central Bank of the Republic of Turkey	37	--	46	--
Domestic Banks	36.389	11.610	43.382	4.463
Foreign Banks	112.230	190.986	79.423	163.249
Foreign Head Offices and Branches	--	--	--	--
Other Institutions	--	--	--	--
Total	148.656	202.596	122.851	167.712

Interest expense related to funds borrowed also includes fees and commission expenses.

2.2 Information on interest expense paid to associates and subsidiaries

	Current Period	Prior Period
Interest Paid to Associates and Subsidiaries	1.214	2.120

2.3 Information on interest expense paid to securities issued

	Current Period	Prior Period
Interest Paid to Securities Issued	103.321	50.930

2.4 Maturity structure of the interest expense on deposits

Account Name	Time Deposits							Total
	Demand Deposits	Up to 1 Month	Up to 3 Month	Up to 6 Month	Up to 1 Year	More than 1 Year	Cumulative Deposit	
TL								
Bank Deposits	38	28.889	--	--	--	--	--	28.927
Saving Deposits	137	101.002	667.013	59.445	30.382	42.263	1.478	901.720
Public Sector Deposits	--	1.208	3.296	619	1.533	83	--	6.739
Commercial Deposits	29.010	94.944	247.440	31.914	16.532	16.761	--	436.601
Other Deposits	--	6.338	43.754	11.489	6.070	45	--	67.696
"7 Days Notice" Deposits	--	--	--	--	--	--	--	--
Total	29.185	232.381	961.503	103.467	54.517	59.152	1.478	1.441.683
FC								
Foreign Currency Deposits	2.148	284.354	126.944	19.187	17.364	13.068	4	463.069
Bank Deposits	128	6.032	--	--	--	--	--	6.160
"7 Days Notice" Deposits	--	--	--	--	--	--	--	--
Precious Metal Deposits	1	5.327	2.941	2.388	242	271	10	11.180
Total Foreign Currency	2.277	295.713	129.885	21.575	17.606	13.339	14	480.409
Total	31.462	528.094	1.091.388	125.042	72.123	72.491	1.492	1.922.092

3. Dividend income

	Current Period	Prior Period
Trading Securities	1.555	533
Financial Assets at Fair Value Through Profit or Loss	--	--
Investment Securities Available-for-Sale	4	1
Other (from Subsidiaries and Associates)	1.582	33
Total	3.141	567

4. Information on trading income / loss

	Current Period	Prior Period
Income	45.688.400	20.830.742
Capital Market Transactions	556.313	391.184
Derivative Financial Instruments	2.154.876	729.135
Foreign Exchange Gains	42.977.211	19.710.423
Loss (-)	45.494.731	20.870.750
Capital Market Transactions	393.389	193.944
Derivative Financial Instruments	1.223.272	1.545.887
Foreign Exchange Losses	43.878.070	19.130.919
Net Trading Income / Loss	193.669	(40.008)

Net income from foreign exchange translation differences related to derivative financial instruments is TL 152.616 (net income for the period 1 January - 31 December 2012: TL 52.703).

5. Information on other operating income

	Current Period	Prior Period
Reversal of prior periods' provisions	264.581	104.095
Filing fees	94.610	58.972
Communication income	11.906	10.815
Cheque book fees	3.865	4.314
Other	169.825	90.044
Total	544.787	268.240

6. Impairment on loans and other receivables

	Current Period	Prior Period
Specific Provisions on Loans and Other Receivables:	684.679	490.690
<i>Loans and Receivables in Group III</i>	98.595	196.172
<i>Loans and Receivables in Group IV</i>	165.762	127.546
<i>Loans and Receivables in Group V</i>	420.322	166.972
Non-performing Commissions and Other Receivables	--	--
General Loan Loss Provisions	256.477	151.922
Free Provision for Probable Risks	2.047	5.921
Impairment Losses on Securities	21.248	413
<i>Financial Assets at Fair Value Through Profit or Loss</i>	5.144	--
<i>Investment Securities Available-for-Sale</i>	16.104	413
Impairment Losses on Associates, Subsidiaries, Joint Ventures and Investment Securities Held to Maturity	1.632	--
<i>Associates</i>	--	--
<i>Subsidiaries</i>	--	--
<i>Joint Ventures</i>	--	--
<i>Investment Securities Held-to-Maturity</i>	1.632	--
Other	61.399	78.573
Total	1.027.482	727.519

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7. Information related to other operational expenses

	Current Period	Prior Period
Personnel Expenses	928.280	724.944
Reserve for Employee Termination Benefits	11.027	13.322
Reserve for Bank's Social Aid Fund Deficit	--	--
Impairment Losses on Tangible Assets	--	--
Depreciation Charges of Tangible Assets	92.307	88.416
Impairment Losses on Intangible Assets	--	--
Amortization Charges of Intangible Assets	53.932	33.553
Impairment Losses on Investment Accounted for under Equity Method	--	--
Impairment of Assets to be Disposed	--	--
Depreciation of Assets to be Disposed	2.960	1.588
Impairment of Assets Held for Sale	--	--
Other Operating Expenses	692.460	506.799
<i>Operational Leases Expenses</i>	<i>158.427</i>	<i>123.033</i>
<i>Repair and Maintenance Expenses</i>	<i>29.234</i>	<i>18.134</i>
<i>Advertisement Expenses</i>	<i>102.976</i>	<i>84.372</i>
<i>Other Expenses (*)</i>	<i>401.823</i>	<i>281.260</i>
Losses on Sale of Assets	2.603	1.253
Other(**)	294.109	127.950
Total	2.077.678	1.497.825

(*) Other expenses in other operational expenses comprise; communication expenses, IT repair and maintenance and software fees, stationery, entertainment and representation, heating and lighting, credit card service fee, penalty fine of Competition Authority and others amounting to TL 77.893, TL 50.415, TL 24.049, TL 8.213, TL 21.320, TL 72.116, TL 17.292 and TL 130.525, respectively (1 January - 31 December 2012: TL 60.220, TL 43.485, TL 17.456, TL 7.081, TL 18.800, TL 31.559 and TL 102.659, respectively).

(**) "Other" item comprise; operational tax, loss arises from consolidation of Pupa for the first time, SDIF expense, BRSA and BAT share amounting to TL 95.219, TL 91.382, TL 46.144, TL 8.148, respectively (1 January - 31 December 2012: TL 77.051, TL 24.086, TL 6.012, respectively).

8. Information on profit / loss before tax from continuing operations

As of 31 December 2013, DFS Group has a profit before tax from continuing operations amounting to TL 1.268.530 (31 December 2012: TL 955.599).

9. Information on tax provision for continued and discontinued operations

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

As 1 January-31 December 2013 the current period taxation charge on continuing operations is TL 124.062 (1 January-31 December 2012: TL 349.502) while deferred tax charge is TL 133.383 (1 January-31 December 2012: TL 113.584 deferred tax benefit).

There are not current period taxation charge on discontinuing operations. (31 December 2012-None).

9.2 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 (+)	42.713	120.133
Arising from Reversal of Deductible Temporary Differences (-)	(180.925)	(52.019)
Arising from Origination of Taxable Temporary Differences (-)	(111.145)	(16.492)
Arising from Reversal of Taxable Temporary Differences (+)	23.825	61.962
Total	(225.532)	113.584

9.3 *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	(138.212)	68.114
Arising from Origination (-)/ Reversal (+) of Taxable Temporary Differences	(87.320)	45.470
Arising from Origination (+)/ Reversal (-) of Tax Losses	92.149	--
Arising from Origination (+)/ Reversal (-) of Unused Tax Credits	--	--
Total	(133.383)	113.584

10. *Information on continuing and discontinued operations net profit/loss*

Income and expenses from continuing and discontinued operations for the years 31 December 2013 and 2012 as below:

10.1 *Net profit/loss from continuing operations*

	Current Period	Prior Period
Profit before tax from continuing operations	1.268.530	955.599
Tax provisions for continuing operations	(257.445)	(235.918)
Continuing operations profit/loss	1.011.085	719.681

10.2 *Net profit/loss from discontinued operations*

None. (31 December 2012 - None)

11. *Information on net profit and loss*

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

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

11.2 *Changes in estimations made by DFS Group with respect to the financial statement items do not have a material effect on profit/loss.*

11.3 *Profit or loss attributable to minority interests*

	Current Period	Prior Period
Profit/(loss) attributable to minority interests	(145)	2.254

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

12. If "other" lines of the income statement exceeds 10% of the period profit/loss, information on components making up at least 20% of "other" items

Other Fees and Commissions Received	Current Period	Prior Period
Credit card clearing and other commissions	262.016	195.279
Contracted merchant / POS commissions	171.447	178.338
Account management fees	90.857	50.154
Intermediary services	60.403	53.776
Insurance services	56.364	39.744
Remittance commissions	24.575	22.768
Expertise fees	9.413	4.392
Other	92.614	96.743
Total	767.689	641.194

Other Fees and Commissions Paid	Current Period	Prior Period
Credit card / POS commissions	150.726	169.390
EFT fees and commissions	6.041	4.783
Other	91.291	65.532
Total	248.058	239.705

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

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

The amount of net decreases from revaluation of investments available-for-sale of DFS Group has been TL 648.114 as of 31 December 2013, this amount has been reflected to "Valuation Differences of Securities" in the balance sheet (31 December 2012: TL 311.802 increase).

As of 31 December 2013, an additional valuation increase of TL 195.417 has been realized from redemption/sale of other item in "investments available-for-sale" portfolio (31 December 2012: TL 181.561 increase).

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

Foreign exchange differences resulting from the Bahrain branch of the Bank and from the translation of the financial statements of the consolidated foreign subsidiaries amounted to TL 418.103 (31 December 2012: TL 87.789) and included in shareholders' equity as "other profit reserves".

3. Dividend information

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

None.

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

None.

4. Amounts transferred to legal reserves

The Parent Bank transferred TL 812.632 (31 December 2012: TL 528.972) to extraordinary reserves from prior period profits in 2013. There is not any amount transferred to legal reserves (31 December 2012: TL 39.804).

5. Information on issuance of common stock

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

None.

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

None.

VI. Explanations and disclosures related to consolidated cash flow statement

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

"Other" item amounting to TL (2.818.505) (31 December 2012: TL (1.011.356)) before "changes in operating assets and liabilities" comprise other operating expenses, fees and commissions paid and net trading loss. As a result of these changes in the cash flow statement, the balance of cash and cash equivalents has changed from TL 3.593.313 (31 December 2012: TL 4.788.326) to TL 6.583.374 in 2013 (31 December 2012: TL 3.593.313).

"Other liabilities" item included in "change in assets and liabilities arising from banking activities", amounting to TL 164.098 (31 December 2012: TL 1.327.538) comprise changes in sundry creditors, taxes and duties payable, and other external resources.

TL 142.992 (31 December 2012: TL 657.235) be included in "Net Cash Flow from investing activities" comprises redemption of investments held to maturity.

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

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

	Current Period 01.01.2013	Prior Period 01.01.2012
Cash	933.455	607.951
Interbank Money Market Placements	511.400	1.284.157
Trading Securities (Net)	814.722	140.503
Banks	1.333.736	2.755.715
Cash Equivalents	3.593.313	4.788.326

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

	Current Period 31.12.2013	Prior Period 31.12.2012
Cash	1.260.111	933.455
Interbank Money Market Placements	1.290.942	511.400
Trading Securities (Net)	720.875	814.722
Banks	3.311.446	1.333.736
Cash Equivalents	6.583.374	3.593.313

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

DFS Group made a total provision for required reserves on Central Bank of Turkey and other foreign Central Banks in amount of TL 7.554.919 (31 December 2012 - TL 4.316.121). Additionally, there is TL 18.571 (31 December 2012 - TL 8.888) limited amount in foreign banks account.

5. Additional information

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

None.

VII. 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

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 Shareholder		Other Real Persons and Legal Entities in Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and Other Receivables						
Balance at the Beginning of the Period	206.861	137	--	--	94	4
Balance at the End of the Period	24.507	8.555	920	11.287	47	4
Interest and Commission Income Received	2.240	18	98	--	2	--

Prior Period

DFS Group's Risk Group (*)	Associates, Subsidiaries and Joint-Ventures		Bank's Direct and Indirect Shareholder		Other Real Persons and Legal Entities in Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and Other Receivables						
Balance at the Beginning of the Period	201.779	107	2.401	--	60	4
Balance at the End of the Period	206.861	137	--	--	94	4
Interest and Commission Income Received	6.457	1	164	40	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 Shareholder(**)		Other Real Persons and Legal Entities in Risk Group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Balance at the Beginning of the Period	22.887	17.982	335.616	405.738	16.571	4.129
Balance at the End of the Period	17.699	22.887	2.887.026	335.616	14.650	16.571
Interest and Commission Expenses	1.214	2.120	78.268	20.583	1.192	892

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

(**) Includes the subordinated loan obtained from Sberbank amounting to US Dollar 600.000.

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 Shareholder		Other Real Persons and Legal Entities 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	--	--	211.068	3.420	--	3.778
Balance at the End of the Period	--	--	292.678	211.068	4.735	--
Total Income/(Loss)	--	--	(18.463)	(14.449)	59	(511)
Transactions for Hedging Purposes:						
Balance at the Beginning of the Period	--	--	--	--	--	--
Balance at the End of the Period	--	--	--	--	--	--
Total Income/(Loss)	--	--	--	--	--	--

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

1.4 Information on benefit provided to Executives

DFS Group makes payment amounting to TL 53.541 (31 December 2012: TL 46.291) to its Executives as of 31 December 2013.

1.5 Information on transactions with DFS Group's risk group

As of 31 December 2013, cash loans and other receivables of the risk group represent 0,04% of DFS Group's total cash loans and bank deposits granted the deposits and borrowings represent 4,4% of DFS Group's total deposits and borrowings. Non-cash loans granted to risk group companies represent 0,11% of the total balance.

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

VIII. Domestic, foreign and off-shore banking branches and foreign representatives of the Parent Bank

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

	Number	Number of Employees			
Domestic branch	688	12.817			
			Country of Incorporations		
Foreign representation	--	--	--		
				Total Assets	Statutory Share Capital
Foreign branch	--	--	--	--	--
Off shore banking region branches	1	5	1-Bahreyn	3.576.500	--

2. Explanations on the Parent Bank's branch and agency openings or closings

The Parent Bank opened 79 new branches in 2013.

3. The branches of associates and subsidiaries

There are twenty four branches of Denizbank AG, which headquarter is located centrally in Vienna. Eighteen of branches are located in Austria, six of branches are located in Germany.

CJSC Denizbank Moscow, which headquarter is located in Moscow, operates through one branch.

SECTION SIX

OTHER DISCLOSURES AND FOOTNOTES

I. Other explanations related to DFS Group's operations

1. Explanations related to DFS Group's operations

To been issued asset backed securities denominated in TL equivalent of Euro 300 million, with fixed and/or floating rates to be determined in accordance with the market conditions at the date of the issue and with various orders and maturities to be sold to the corporate investors within the scope of private placement method during one year period via one or more than one issue by the Parent Bank registered with publishing in CMB's weekly bulletin numbered 2013/6 dated on 22 February 2013. The Parent Bank has carried out the issuance of asset backed securities in the total amount of TL 413.040 with 3 separate orders. Collateral relating to Asset backed securities issued are comprised of SME loans of the Parent Bank, were rated as A3 by Moody's.

2. Summary information about ratings of the Banks which has been assigned by the international rating agencies

Moody's (*)

Long Term Foreign Currency Deposits	Baa3 / Stable
Short Term Foreign Currency Deposits	Prime-3 / Stable
Long Term Local Currency Deposits	Baa3 / Stable
Short Term Local Currency Deposits	Prime-3 / Stable
Financial Strength Rating	D+(ba1) / Stable

Fitch Rating's ()**

Long Term Foreign Currency	BBB-/ Stable
Short Term Foreign Currency	F3
Long Term Local Currency	BBB- / Stable
Short Term Local Currency	F3
Financial Capacity	bbb-
Support	2
National	AAA (tur) / Stable

(*) As of 20 May 2013

(**) As of 18 April 2013

3. Subsequent events

The Parent Bank secured a US Dollar 300 million subordinated loan with 10 years maturity at the interest rate of 7,50% from Sberbank of Russia on 31 January 2014. Based on the written approval of BRSA in accordance with accounting standards described in "Regulation on Banks Equity Accounts" published on official gazette by the Banking Regulation and Supervision Agency on 1 November 2006, the fund was accepted as secondary subordinated loans which recognize in supplementary capital account as of 31 January 2014.

As a result of the mandatory call for bid made by Deniz GYO on BIST on 23 January 2014, the share of Deniz Yatırım in the shares of the Company rose from 86,76% to 91,38%. In the meeting of the Board of Directors of Deniz GYO held on 6 February 2014, Deniz GYO was decided to be merged with Pupa Gayrimenkul, 100% of the shares and voting rights of which were owned through the simplified merger method within the framework of the Turkish Commercial Code, Corporate Tax Law, Capital Markets Law and the provisions of the "Communiqué on Mergers and Demergers" of the Capital Market Board. An application was submitted to the Capital Market Board on 11 February 2014.

Within the scope of the increase of the paid-in capital of Deniz Yatırım, 100% of the equity of which is owned by the Parent Bank from TL 55.000 to TL 150.000, TL 23.750 corresponding to ¼ of the increased capital was paid in cash to Deniz Yatırım on 18 February 2014 and the remaining TL 71.250 was decided to be paid within 24 months upon the resolution to be taken by the Board of Directors.

SECTION SEVEN

INDEPENDENT AUDITORS' REPORT

I. Information on the independent auditors' report

DFS Group's consolidated financial statements and notes have been audited by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (Member Firm of Ernst&Young Global Limited) and the independent auditors' report dated 25 February 2014 is presented in front of the consolidated financial statements.

II. Disclosures and footnotes prepared by independent auditor

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