

(Convenience Translation of Consolidated Financial Report Originally Issued in Turkish)

**DENİZBANK
ANONİM ŞİRKETİ AND ITS
FINANCIAL SUBSIDIARIES**

**INDEPENDENT AUDITOR'S
REPORT,
CONSOLIDATED FINANCIAL
STATEMENTS AND NOTES
FOR THE YEAR ENDED
31 DECEMBER 2010**

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

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

Denizbank A.Ş.
To the Board of Directors
İstanbul

**DENİZBANK ANONİM ŞİRKETİ
AND ITS FINANCIAL SUBSIDIARIES**

**INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR 1 JANUARY-31 DECEMBER 2010**

We have audited the accompanying consolidated balance sheet of Denizbank A.Ş. ("the Bank") and its financial subsidiaries ("the Group") as at 31 December 2010, and the related consolidated statements of income, cash flows and changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the regulation on "Licensing and Operations of Audit Firms in Banking" published in the Official Gazette dated 1 November 2006 and numbered 26333, and the International Standards on Auditing. We planned and performed our audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 audit opinion.

Independent Auditor's Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2010 and the results of its operations and its cash flows for the year then ended in accordance with the prevailing accounting principles and standards set out as per the Articles 37 and 38 of the Banking Act numbered 5411, and other regulations, communiqués and circulars in respect of accounting and financial reporting, and pronouncements made by BRSA.

Additional paragraph for English translation

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

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

Hasan Kılıç
Partner
Istanbul, 23 February 2011

DENİZBANK A.Ş.
CONSOLIDATED FINANCIAL REPORT AS OF 31 DECEMBER 2010

Address of the Bank's Headquarters

Büyükdere Caddesi No:106
34394 -ESENTEPE/İSTANBUL

Telephone and Fax Numbers

Tel : 0.212.355 08 00
Fax: 0.212.267 27 24

Website of the Bank

www.denizbank.com

E-mail address of the Bank

investorrelations@denizbank.com

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

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

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

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

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

23 February 2011

HAKAN ELVERDİ
Senior Vice President
International and Regulatory
Financial Reporting

SUAVİ DEMİRCİOĞLU
Executive Vice President
Financial Affairs

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

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

HACI AHMET KILIÇOĞLU
Deputy Chairman of Board of Directors
and Member of Audit Committee

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

Contact information for questions on this financial report:

Name/Title: İmge İhtiyar / Department Head, International Reporting Department

Tel No: 0 212 336 4670

Fax No: 0 212 336 3080

SECTION ONE**General Information**

I.	Parent Bank's date of establishment, beginning statute, its history including changes on its statute	1
II.	Capital structure, shareholders controlling the management and supervision of the Parent Bank directly or indirectly, and, if exists, changes on these issues and the Group that the Bank belongs to	1
III.	Explanations regarding the chairman and the members of board of directors, audit committee, general manager and assistant and shares of the Parent Bank they possess and their areas of responsibility	2
IV.	Type of services provided and the areas of operations of the Parent Bank	3

SECTION TWO**Consolidated Financial Statements**

I.	Consolidated balance sheets	5
II.	Consolidated statements of off-balance sheet items	7
III.	Consolidated statements of income	8
IV.	Consolidated statements of recognized profits and losses accounted for under equity	9
V.	Consolidated statements of changes in shareholders' equity	10
VI.	Consolidated statements of cash flows	11
VII.	Consolidated profit distribution tables	12

SECTION THREE**Accounting Policies**

I.	Basis of presentation	13
II.	Explanation on the strategy for the use of financial instruments and transactions denominated in foreign currencies	14
III.	Information regarding consolidated subsidiaries	15
IV.	Explanations on forward transactions, options and derivative instruments	16
V.	Explanations on interest income and expense	17
VI.	Explanations on fees and commissions	17
VII.	Explanations on financial assets	17
VIII.	Explanations on impairment of financial assets	19
IX.	Explanations on offsetting financial instruments	19
X.	Explanations on sale and repurchase agreements and transactions related to the lending of securities	19
XI.	Explanations on assets held for sale and discontinued operations	19
XII.	Explanations on goodwill and other intangible assets	20
XIII.	Explanations on tangible assets	20
XIV.	Explanations on leasing activities	20
XV.	Explanations on provisions and contingent liabilities	21
XVI.	Explanations on obligations for employee benefits	21
XVII.	Explanations on taxation	22
XVIII.	Additional explanations on borrowings	23
XIX.	Explanations on shares and share issue	23
XX.	Explanations on acceptances	23
XXI.	Explanations on government grants	23
XXII.	Explanations on segment reporting	23
XXIII.	Explanations on other matters	23

SECTION FOUR**Consolidated Financial Position**

I.	Explanations related to the consolidated capital adequacy standard ratio	24
II.	Explanations related to the consolidated credit risk	29
III.	Explanations related to the consolidated market risk	35
IV.	Explanations related to the consolidated operational risk	35
V.	Explanations related to the consolidated foreign currency exchange rate risk	36
VI.	Explanations related to the consolidated interest rate risk	38
VII.	Explanations related to the consolidated liquidity risk	42
VIII.	Presentation of financial assets and liabilities at their fair value	44
IX.	Transactions carried out on behalf and account of other parties and fiduciary transactions	46
X.	Explanations related to the consolidated segment reporting	46

SECTION FIVE**Disclosures and Footnotes on Consolidated Financial Statements**

I.	Explanations and disclosures related to consolidated assets	48
II.	Explanations and disclosures related to consolidated liabilities	66
III.	Explanations and disclosures related to consolidated off-balance sheet items	74
IV.	Explanations and disclosures related to consolidated statement of income	78
V.	Explanations and disclosures related to consolidated statement of changes in shareholders' equity	83
VI.	Explanations and disclosures related to consolidated cash flow statement	84
VII.	Explanations and disclosures related to DFS Group's risk group	85
VIII.	Domestic, foreign and off-shore banking branches and foreign representatives of the Parent Bank	87

SECTION SIX**Other Disclosures and Footnotes**

I.	Other explanations related to DFS Group's operations	88
----	--	----

SECTION SEVEN**Independent Auditor's Review Report**

I.	Information on the independent auditor's review report	90
II.	Disclosures and footnotes of the independent auditor	90

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 Istanbul Stock Exchange ("ISE") since 1 October 2004. 0.16% of the Bank's shares are publicly held as of 31 December 2010.

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

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

Current Period

Name of the Shareholder	Amount (Full TRY)	Share %
Dexia Participation Belgique SA	714,945,274	99.84
Publicly traded	1,154,681	0.16
Others shareholders	45	0
Total	716,100,000	100

Prior Period

Name of the Shareholder	Amount (Full TRY)	Share %
Dexia Participation Belgique SA	714,945,274	99.84
Publicly traded	1,154,681	0.16
Others shareholders	45	0
Total	716,100,000	100

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

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		
Dirk G.M. Bruneel	Chairman	--
Board of Directors		
Hacı Ahmet Kılıçoğlu	Deputy Chairman	0.000002
Hakan Ateş	Member, President and CEO	0.000002
Ayfer Yılmaz	Member	0.000002
M. Cem Bodur	Member	0.000002
Wouter G.M. Van Roste	Member	--
Stefaan L.G. Decraene	Member	--
Philippe J.E. Rucheton	Member	--
Eric P.B.A. Hermann	Member	--
Claude E.L.G. Piret	Member	--
Hasan Hüseyin Uyar	Member	--
Audit Committee		
Dirk G.M. Bruneel	Member	--
Eric P.B.A. Hermann	Member	--
Hacı Ahmet Kılıçoğlu	Member	--
Statutory Auditors		
Cem Kadırgan	Member-Auditor	--
Mehmet Uğur Ok	Member-Auditor	--
Executive Vice Presidents		
Mustafa Aydın	Retail, SME and Agricultural Loan Allocation	--
Bora Böcügöz	Treasury and Private Banking	--
Suavi Demircioğlu	Financial Affairs	--
Dilek Duman	Information Technologies and Support Operations	--
Gökhan Ertürk	Retail Banking	--
Tanju Kaya	Central Operations and Foreign Subsidiaries	--
Derya Kumru	Corporate - Commercial Banking, Public Finance and Foreign Subsidiaries	--
Gökhan Sun	SME and Agricultural Banking	--
Mustafa Özel	Branch and Central Operations	--

In accordance with the resolution of Board of Directors dated 22 December 2010, Hasan Hüseyin Uyar, who was the Executive Vice President in charge of the Corporate and Commercial Credits Group was appointed as the member of the Board of Directors.

In accordance with resolution of Board of Directors dated 2 February 2011, Mustafa Saruhan Özel, the Chief Economist, was appointed as the Executive Vice President in charge of the Economic Research, Strategy and Project Management Group; İbrahim Şen was appointed as the Executive Vice President in charge of the Corporate Banking Group; and Mehmet Aydoğdu was appointed as the Executive Vice President in charge of the Commercial Banking and Public Finance Group.

The title of Derya Kumru, who was the Executive Vice President in charge of the Corporate - Commercial Banking, Public Finance and Foreign Subsidiaries has been changed as Executive Vice President in charge of the Wholesale Banking Group in accordance with the resolution of Board of Directors dated 2 February 2011.

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

The Parent Bank is a private sector deposit bank which provides banking services to its customers through 499 domestic and 1 foreign branch as of 31 December 2010.

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

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

SECTION TWO

CONSOLIDATED FINANCIAL STATEMENTS

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

DENİZBANK ANONİM ŞİRKETİ
CONSOLIDATED BALANCE SHEETS
(STATEMENTS OF FINANCIAL POSITION)
AS OF 31 DECEMBER 2010 AND 2009
(Currency: Thousands of TRY - Turkish Lira)

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

ASSETS	Footnotes	AUDITED CURRENT PERIOD (31/12/2010)			AUDITED PRIOR PERIOD (31/12/2009)		
		TRY	FC	Total	TRY	FC	Total
I. CASH AND BALANCES WITH THE CENTRAL BANK	(5.1.1)	374,642	1,345,897	1,720,539	636,295	741,622	1,377,917
II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Net)	(5.1.2)	370,548	270,255	640,803	155,554	89,504	245,058
2.1 Financial Assets Held For Trading		370,548	270,255	640,803	155,554	89,504	245,058
2.1.1 Public Sector Debt Securities		309,136	21,090	330,226	106,492	23,050	129,542
2.1.2 Share Certificates		13,700	2,152	15,852	152	311	463
2.1.3 Positive Value of Trading Purpose Derivatives		47,696	246,926	294,622	47,833	63,866	111,699
2.1.4 Other Securities		16	87	103	1,077	2,277	3,354
2.2 Financial Assets Designated at Fair Value		-	-	-	-	-	-
2.2.1 Public Sector Debt Securities		-	-	-	-	-	-
2.2.2 Share Certificates		-	-	-	-	-	-
2.2.3 Loans		-	-	-	-	-	-
2.2.4 Other Securities		-	-	-	-	-	-
III. BANKS	(5.1.3)	335,195	912,324	1,247,519	207,169	793,188	1,000,357
IV. DUE FROM MONEY MARKETS		1,232,636	-	1,232,636	700,426	-	700,426
4.1 Interbank Money Market		290	-	290	700,426	-	700,426
4.2 Istanbul Stock Exchange		-	-	-	-	-	-
4.3 Reverse Repurchase Agreements		1,232,346	-	1,232,346	-	-	-
V. FINANCIAL ASSETS AVAILABLE FOR SALE (Net)	(5.1.4)	2,959,145	306,883	3,266,028	1,872,003	451,691	2,323,694
5.1 Share Certificates		11,854	736	12,590	3,894	767	4,661
5.2 Public Sector Debt Securities		2,947,291	247,563	3,194,854	1,868,109	334,389	2,202,498
5.3 Other Securities		-	58,584	58,584	-	116,535	116,535
VI. LOANS AND RECEIVABLES	(5.1.5)	14,134,999	7,810,781	21,945,780	10,584,863	6,338,258	16,923,121
6.1 Loans and Receivables		13,867,086	7,754,001	21,621,087	10,277,336	6,258,538	16,535,874
6.1.1 Loans Utilized to the Bank's Risk Group		175	53,461	53,636	46	-	46
6.1.2 Public Sector Debt Securities		-	-	-	-	-	-
6.1.3 Others		13,866,911	7,700,540	21,567,451	10,277,290	6,258,538	16,535,828
6.2 Loans under Follow-Up		964,716	118,358	1,083,074	922,803	131,163	1,053,966
6.3 Specific Provisions (-)		696,803	61,578	758,381	615,276	51,443	666,719
VII. FACTORING RECEIVABLES		851,193	25,001	876,194	553,953	14,758	568,711
VIII. INVESTMENT HELD TO MATURITY (Net)	(5.1.6)	720,347	111,612	831,959	654,098	135,594	789,692
8.1 Public Sector Debt Securities		720,347	66,332	786,679	654,098	69,989	724,087
8.2 Other Securities		-	45,280	45,280	-	65,605	65,605
IX. INVESTMENTS IN ASSOCIATES (Net)	(5.1.7)	6,029	-	6,029	6,524	-	6,524
9.1 Associates accounted for Under Equity Method		-	-	-	-	-	-
9.2 Unconsolidated Associates		6,029	-	6,029	6,524	-	6,524
9.2.1 Financial Associates		941	-	941	938	-	938
9.2.2 Non-Financial Associates		5,088	-	5,088	5,586	-	5,586
X. INVESTMENTS IN SUBSIDIARIES (Net)	(5.1.8)	5,949	-	5,949	17,637	-	17,637
10.1 Unconsolidated Financial Subsidiaries		-	-	-	11,688	-	11,688
10.2 Unconsolidated Non-Financial Subsidiaries		5,949	-	5,949	5,949	-	5,949
XI. ENTITIES UNDER COMMON CONTROL (JOINT VENT.) (Net)	(5.1.9)	2,800	-	2,800	800	-	800
11.1 Joint Ventures accounted for Under Equity Method		-	-	-	-	-	-
11.2 Unconsolidated Joint Ventures		2,800	-	2,800	800	-	800
11.2.1 Financial Joint Ventures		-	-	-	-	-	-
11.2.2 Non-Financial Joint Ventures		2,800	-	2,800	800	-	800
XII. LEASE RECEIVABLES (Net)	(5.1.10)	120,204	847,341	967,545	81,546	984,939	1,066,485
12.1 Financial Lease Receivables		151,507	961,441	1,112,948	106,202	1,138,629	1,244,831
12.2 Operational Lease Receivables		-	-	-	-	-	-
12.3 Others		-	-	-	-	-	-
12.4 Unearned Income (-)		31,303	114,100	145,403	24,656	153,690	178,346
XIII. HEDGING PURPOSE DERIVATIVES	(5.1.11)	187,578	10,942	198,520	168,555	14,477	183,032
13.1 Fair Value Hedge		-	-	-	-	-	-
13.2 Cash Flow Hedge		187,578	10,942	198,520	168,555	14,477	183,032
13.3 Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-
XIV. TANGIBLE ASSETS (Net)	(5.1.12)	274,775	5,901	280,676	232,506	6,716	239,222
XV. INTANGIBLE ASSETS (Net)	(5.1.13)	35,739	5,855	41,594	29,530	7,774	37,304
15.1 Goodwill		-	-	-	-	-	-
15.2 Others		35,739	5,855	41,594	29,530	7,774	37,304
XVI. INVESTMENT PROPERTIES (Net)	(5.1.14)	-	-	-	-	-	-
XVII. TAX ASSETS	(5.1.15)	56,177	92	56,269	87,457	6,337	93,794
17.1 Current Tax Assets		-	-	-	688	4,825	5,513
17.2 Deferred Tax Assets		56,177	92	56,269	86,769	1,512	88,281
XVIII. ASSETS RELATED TO HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)	(5.1.16)	-	-	-	-	-	-
18.1 Held For Sale		-	-	-	-	-	-
18.2 Discontinued Operations		-	-	-	-	-	-
XIX. OTHER ASSETS	(5.1.17)	398,705	133,619	532,324	295,443	73,678	369,121
TOTAL ASSETS		22,066,661	11,786,503	33,853,164	16,284,359	9,658,536	25,942,895

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 2010 AND 2009
(Currency: Thousands of TRY - Turkish Lira)

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

LIABILITIES AND EQUITY	Footnotes	AUDITED CURRENT PERIOD (31/12/2010)			AUDITED PRIOR PERIOD (31/12/2009)		
		TRY	FC	Total	TRY	FC	Total
I. DEPOSITS	(5.II.1)	10,833,600	9,235,260	20,068,860	7,223,404	7,868,509	15,091,913
1.1 Deposits of the Bank's Risk Group		42,701	1,943	44,644	18,543	7,941	26,484
1.2 Others		10,790,899	9,233,317	20,024,216	7,204,861	7,860,568	15,065,429
II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING	(5.II.2)	57,807	121,357	179,164	46,677	129,103	175,780
III. FUNDS BORROWED	(5.II.3)	1,026,391	6,020,569	7,046,960	403,175	4,875,995	5,279,170
IV. DUE TO MONEY MARKETS		26,348	-	26,348	299,570	-	299,570
4.1 Interbank Money Market		-	-	-	-	-	-
4.2 Istanbul Stock Exchange		-	-	-	-	-	-
4.3 Reverse Repurchase Agreements		26,348	-	26,348	299,570	-	299,570
V. SECURITIES ISSUED (Net)		-	-	-	-	-	-
5.1 Bills		-	-	-	-	-	-
5.2 Asset Backed Securities		-	-	-	-	-	-
5.3 Bonds		-	-	-	-	-	-
VI. FUNDS		-	-	-	-	-	-
6.1 Borrowers Funds		-	-	-	-	-	-
6.2 Others		-	-	-	-	-	-
VII. SUNDRY CREDITORS		430,325	207,504	637,829	272,166	66,193	338,359
VIII. OTHER EXTERNAL RESOURCES	(5.II.4)	380,896	289,812	670,708	275,760	12,390	288,150
IX. FACTORING PAYABLES		-	-	-	-	-	-
X. LEASE PAYABLES (Net)	(5.II.5)	-	-	-	-	-	-
10.1 Financial Lease Payables		-	-	-	-	-	-
10.2 Operational Lease Payables		-	-	-	-	-	-
10.3 Others		-	-	-	-	-	-
10.4 Deferred Financial Leasing Expenses (-)		-	-	-	-	-	-
XI. HEDGING PURPOSE DERIVATIVES	(5.II.6)	170,545	10,035	180,580	173,150	9,636	182,786
11.1 Fair Value Hedge		-	-	-	-	-	-
11.2 Cash Flow Hedge		170,545	10,035	180,580	173,150	9,636	182,786
11.3 Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-
XII. PROVISIONS	(5.II.7)	528,336	12,439	540,775	458,773	19,651	478,424
12.1 General Provisions		183,074	-	183,074	135,469	-	135,469
12.2 Restructuring Provisions		-	-	-	-	-	-
12.3 Reserve for Employee Benefits		43,481	1,115	44,596	26,770	1,677	28,447
12.4 Insurance Technical Provisions (Net)		65,732	345	66,077	50,930	331	51,261
12.5 Other Provisions		236,049	10,979	247,028	245,604	17,643	263,247
XIII. TAX LIABILITIES	(5.II.8)	67,134	5,457	72,591	78,200	3,688	81,888
13.1 Current Tax Liability		67,134	5,021	72,155	78,200	3,688	81,888
13.2 Deferred Tax Liability		-	436	436	-	-	-
XIV. PAYABLES RELATED TO HELD FOR SALE AND DISCONTINUED OPERATIONS	(5.II.9)	-	-	-	-	-	-
14.1 Held For Sale		-	-	-	-	-	-
14.2 Discontinued Operations		-	-	-	-	-	-
XV. SUBORDINATED LOANS	(5.II.10)	-	770,144	770,144	-	758,907	758,907
XVI. SHAREHOLDERS' EQUITY	(5.II.11)	3,470,400	188,805	3,659,205	2,828,214	139,734	2,967,948
16.1 Paid-In Capital		716,100	-	716,100	716,100	-	716,100
16.2 Supplementary Capital		233,678	22,639	256,317	183,270	14,252	197,522
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		109,684	29,306	138,990	74,458	20,397	94,855
16.2.4 Revaluation Fund on Tangible Assets		-	-	-	-	-	-
16.2.5 Revaluation Fund on Intangible Assets		-	-	-	-	-	-
16.2.6 Revaluation Fund on Investment Properties		-	-	-	-	-	-
16.2.7 Bonus Shares Obtained from Associates, Subsidiaries and Joint Ventures		11	-	11	11	-	11
16.2.8 Hedging Funds (Effective Portion)		(163,592)	(6,667)	(170,259)	(178,774)	(6,145)	(184,919)
16.2.9 Revaluation Fund on Assets Held for Sale and Discontinued Operations		-	-	-	-	-	-
16.2.10 Other Supplementary Capital		189,164	-	189,164	189,164	-	189,164
16.3 Profit Reserves		1,648,181	46,762	1,694,943	1,115,441	50,453	1,165,894
16.3.1 Legal Reserves		81,862	5,018	86,880	55,274	5,018	60,292
16.3.2 Status Reserves		-	-	-	-	-	-
16.3.3 Extraordinary Reserves		1,561,584	11,171	1,572,755	1,056,403	11,171	1,067,574
16.3.4 Other Profit Reserves		4,735	30,573	35,308	3,764	34,264	38,028
16.4 Profit or Loss		856,385	119,404	975,789	813,403	75,029	888,432
16.4.1 Prior Periods' Profits / Losses		281,665	79,884	361,549	222,325	61,322	283,647
16.4.2 Current Period Profit / Loss		574,720	39,520	614,240	591,078	13,707	604,785
16.5 Minority Shares	(5.II.12)	16,056	-	16,056	-	-	-
TOTAL LIABILITIES AND EQUITY		16,991,782	16,861,382	33,853,164	12,059,089	13,883,806	25,942,895

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 2010 AND 2009

(Currency: Thousands of TRY- Turkish Lira)

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

See Note 3.1.2

	Footnotes	AUDITED CURRENT PERIOD (31/12/2010)			AUDITED PRIOR PERIOD (31/12/2009)		
		TRY	FC	Total	TRY	FC	Total
A. OFF BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I+II+III)		36,312,952	51,549,845	87,862,797	11,622,162	22,309,745	33,931,907
I. GUARANTEES	(5.III.1)	2,931,821	4,703,888	7,635,709	1,975,012	3,118,732	5,093,744
1.1. Letters of Guarantee		2,928,668	2,652,453	5,581,121	1,974,966	1,795,114	3,770,080
1.1.1. Guarantees Subject to State Tender Law		-	-	-	-	-	-
1.1.2. Guarantees Given for Foreign Trade Operations		166,976	89,888	256,864	126,789	44,429	171,218
1.1.3. Other Letters of Guarantee		2,761,692	2,562,565	5,324,257	1,848,177	1,750,685	3,598,862
1.2. Bank Acceptances		-	176,448	176,448	46	119,759	119,805
1.2.1. Import Letter of Acceptance		-	176,448	176,448	46	119,759	119,805
1.2.2. Other Bank Acceptances		-	-	-	-	-	-
1.3. Letters of Credit		3,153	1,600,151	1,603,304	-	902,394	902,394
1.3.1. Documentary Letters of Credit		3,153	1,348,418	1,351,571	-	753,942	753,942
1.3.2. Other Letters of Credit		-	251,733	251,733	-	148,452	148,452
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		-	274,836	274,836	-	301,465	301,465
1.9. Other Sureties		-	-	-	-	-	-
II. COMMITMENTS	(5.III.1)	26,630,636	24,799,868	51,430,504	5,228,434	4,670,973	9,899,407
2.1. Irrevocable Commitments		5,501,212	6,392,235	11,893,447	5,227,753	4,670,973	9,898,726
2.1.1. Asset Purchase and Sale Commitments		182,584	5,725,441	5,908,025	168,939	4,665,802	4,834,741
2.1.2. Deposit Purchase and Sales Commitments		-	-	-	-	-	-
2.1.3. Share Capital Commitments to Associates and Subsidiaries		12,790	-	12,790	12,240	-	12,240
2.1.4. Loan Granting Commitments		1,496,801	392,668	1,889,469	762,247	-	762,247
2.1.5. Securities Issuance Brokerage Commitments		-	-	-	-	-	-
2.1.6. Commitments for Reserve Deposit Requirements		-	-	-	-	-	-
2.1.7. Commitments for Cheque Payments		791,430	-	791,430	583,772	-	583,772
2.1.8. Tax and Fund Obligations from Export Commitments		3,539	-	3,539	3,542	-	3,542
2.1.9. Commitments for Credit Card Limits		2,981,108	-	2,981,108	3,465,961	-	3,465,961
2.1.10. Commitments for Promotional Operations Re-Credit Cards and Banking Services		-	-	-	6,332	-	6,332
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		32,960	274,126	307,086	224,720	5,171	229,891
2.2. Revocable Commitments		21,129,424	18,407,633	39,537,057	681	-	681
2.2.1. Revocable Loan Granting Commitments		21,128,743	18,407,633	39,536,376	-	-	-
2.2.2. Other Revocable Commitments		681	-	681	681	-	681
III. DERIVATIVE FINANCIAL INSTRUMENTS	(5.III.5)	6,750,495	22,046,089	28,796,584	4,418,716	14,520,040	18,938,756
3.1. Hedging Purpose Derivatives		852,559	1,599,384	2,451,943	884,552	1,596,891	2,481,443
3.1.1. Fair Value Hedge		-	-	-	-	-	-
3.1.2. Cash Flow Hedge		852,559	1,599,384	2,451,943	884,552	1,596,891	2,481,443
3.1.3. Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-
3.2. Trading Purpose Derivatives		5,897,936	20,446,705	26,344,641	3,534,164	12,923,149	16,457,313
3.2.1. Forward Foreign Currency Purchases/Sales		365,555	4,019,822	4,385,377	151,654	2,233,015	2,384,669
3.2.1.1. Forward Foreign Currency Purchases		80,947	2,113,470	2,194,417	76,460	1,117,582	1,194,042
3.2.1.2. Forward Foreign Currency Sales		284,608	1,906,352	2,190,960	75,194	1,115,433	1,190,627
3.2.2. Currency and Interest Rate Swaps		2,909,125	12,432,958	15,342,083	1,852,634	8,622,428	10,475,062
3.2.2.1. Currency Swaps-Purchases		356,335	5,764,201	6,120,536	126,768	3,532,576	3,659,344
3.2.2.2. Currency Swaps-Sales		2,552,790	3,462,587	6,015,377	1,725,866	1,995,926	3,721,792
3.2.2.3. Interest Rate Swaps-Purchases		-	1,603,085	1,603,085	-	1,546,963	1,546,963
3.2.2.4. Interest Rate Swaps-Sales		-	1,603,085	1,603,085	-	1,546,963	1,546,963
3.2.3. Currency, Interest Rate and Security Options		2,537,767	3,922,545	6,460,312	1,467,780	1,960,812	3,428,592
3.2.3.1. Currency Options-Purchases		1,249,185	1,904,118	3,153,303	639,332	987,637	1,626,969
3.2.3.2. Currency Options-Sales		1,283,652	1,866,929	3,150,581	828,448	816,327	1,644,775
3.2.3.3. Interest Rate Options-Purchases		4,930	75,749	80,679	-	78,424	78,424
3.2.3.4. Interest Rate Options-Sales		-	75,749	75,749	-	78,424	78,424
3.2.3.5. Securities Options-Purchases		-	-	-	-	-	-
3.2.3.6. Securities Options-Sales		-	-	-	-	-	-
3.2.4. Currency Futures		-	33,137	33,137	-	53,414	53,414
3.2.4.1. Currency Futures-Purchases		-	33,137	33,137	-	36,229	36,229
3.2.4.2. Currency Futures-Sales		-	-	-	-	17,185	17,185
3.2.5. Interest Rate Futures		-	-	-	-	34,370	34,370
3.2.5.1. Interest Rate Futures-Purchases		-	-	-	-	17,185	17,185
3.2.5.2. Interest Rate Futures-Sales		-	-	-	-	17,185	17,185
3.2.6. Others		85,489	38,243	123,732	62,096	19,110	81,206
B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)		65,236,039	17,197,430	82,433,469	46,079,492	13,417,429	59,496,921
IV. ITEMS HELD IN CUSTODY		8,105,927	794,795	8,900,722	4,367,623	640,712	5,008,335
4.1. Customers' Securities and Portfolios Held		-	-	-	-	-	-
4.2. Securities Held in Custody		7,243,415	228,646	7,472,061	3,428,526	225,363	3,653,889
4.3. Checks Received for Collection		429,459	405,571	835,030	276,072	235,850	511,922
4.4. Commercial Notes Received for Collection		411,138	113,547	524,685	364,758	144,516	509,274
4.5. Other Assets Received for Collection		-	-	-	-	-	-
4.6. Assets Received for Public Offering		-	-	-	-	-	-
4.7. Other Items under Custody		21,704	47,031	68,735	298,031	34,983	333,014
4.8. Custodians		211	-	211	-	-	236
V. PLEDGED ITEMS		56,975,326	16,301,309	73,276,635	41,559,239	12,646,553	54,205,792
5.1. Securities		1,456,842	343,939	1,800,781	1,213,333	312,615	1,525,948
5.2. Guarantee Notes		36,561,031	6,085,125	42,646,156	27,296,068	4,400,803	31,696,871
5.3. Commodities		2,924,504	1,340,537	4,265,041	2,148,125	996,841	3,144,966
5.4. Warrants		-	-	-	-	-	-
5.5. Immovables		15,214,395	7,460,970	22,675,365	10,317,560	6,411,263	16,728,823
5.6. Other Pledged Items		818,554	1,070,738	1,889,292	584,153	525,031	1,109,184
5.7. Pledged Items-Depository		-	-	-	-	-	-
VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES		154,786	101,326	256,112	152,630	130,164	282,794
TOTAL OFF BALANCE SHEET ITEMS (A+B)		101,548,991	68,747,275	170,296,266	57,701,654	35,727,174	93,428,828

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

DENİZBANK ANONİM ŞİRKETİ
CONSOLIDATED STATEMENTS OF INCOME
FOR THE PERIODS ENDED 31 DECEMBER 2010 AND 2009
(Currency: Thousands of TRY - Turkish Lira)

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

INCOME AND EXPENSE ITEMS	Footnotes	AUDITED CURRENT PERIOD (01/01-31/12/2010)	AUDITED PRIOR PERIOD (01/01-31/12/2009)
I. INTEREST INCOME	(5.IV.1)	2,813,874	2,987,461
1.1 Interest from Loans		2,192,623	2,317,115
1.2 Interest from Reserve Deposits		16,996	27,338
1.3 Interest from Banks		36,580	53,516
1.4 Interest from Money Market Transactions		17,649	15,612
1.5 Interest from Securities Portfolio		444,675	423,323
1.5.1 Trading Securities		24,003	24,909
1.5.2 Financial Assets at Fair Value Through Profit or Loss		-	-
1.5.3 Available for Sale Securities		277,064	292,167
1.5.4 Held to Maturity Securities		143,608	106,247
1.6 Interest from Financial Leases		77,311	116,385
1.7 Other Interest Income		28,040	34,172
II. INTEREST EXPENSE	(5.IV.2)	1,025,457	1,123,190
2.1 Interest on Deposits		841,521	864,762
2.2 Interest on Funds Borrowed		161,110	242,693
2.3 Interest on Money Market Transactions		5,817	12,840
2.4 Interest on Securities Issued		-	-
2.5 Other Interest Expense		17,009	2,895
III. NET INTEREST INCOME (I - II)		1,788,417	1,864,271
IV. NET FEES AND COMMISSION INCOME /EXPENSE	(5.IV.11)	313,912	291,561
4.1 Fees and Commissions Received		419,770	384,947
4.1.1 Non-Cash Loans		52,196	54,089
4.1.2 Other		367,574	330,858
4.2 Fees and Commissions Paid		105,858	93,386
4.2.1 Non-Cash Loans		473	318
4.2.2 Other		105,385	93,068
V. DIVIDEND INCOME	(5.IV.3)	355	8,762
VI. TRADING INCOME/LOSS (Net)	(5.IV.4)	(152,765)	(64,816)
6.1 Profit / Loss on Securities Trading		38,053	137,207
6.2 Profit / Loss on Derivative Financial Transactions		(270,297)	(722,339)
6.3 Foreign Exchange Gains / Losses		79,479	520,316
VII. OTHER OPERATING INCOME	(5.IV.5)	408,146	299,971
VIII. TOTAL OPERATING INCOME (III+IV+V+VI+VII)		2,358,065	2,399,749
IX. PROVISION FOR LOANS AND OTHER RECEIVABLES (-)	(5.IV.6)	506,431	691,863
X. OTHER OPERATING EXPENSES (-)	(5.IV.7)	1,072,156	930,391
XI. NET OPERATING PROFIT/LOSS (VIII-IX-X)		779,478	777,495
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)		779,478	777,495
XVI. TAX PROVISION FOR CONTINUING OPERATIONS (±)	(5.IV.8)	(163,187)	(172,710)
16.1 Current Tax		(140,390)	(255,590)
16.2 Deferred Tax		(22,797)	82,880
XVII. NET PROFIT / LOSS FROM CONTINUING OPERATIONS (XV±XVI)	(5.IV.9)	616,291	604,785
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)	(5.IV.8)	-	-
XXI. TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-
21.1 Current Tax		-	-
21.2 Deferred Tax		-	-
XXII. NET PROFIT / LOSS FROM DISCONTINUED OPERATIONS (XX±XXI)	(5.IV.9)	-	-
XXIII. NET PROFIT / LOSS (XVII+XXII)	(5.IV.10)	616,291	604,785
23.1 Group's Profit / Loss		614,240	604,785
23.2 Minority Shares		2,051	-
Earnings / Losses per Share (Per thousand share)		0.86	0.84

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

DENİZBANK ANONİM ŞİRKETİ
CONSOLIDATED STATEMENTS OF RECOGNIZED
PROFITS AND LOSSES ACCOUNTED FOR
UNDER EQUITY
FOR THE PERIODS ENDED 31 DECEMBER 2010 AND 2009
(Currency: Thousands of TRY - Turkish Lira)

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

	AUDITED CURRENT PERIOD (01/01-31/12/2010)	AUDITED PRIOR PERIOD (01/01-31/12/2009)
I. ADDITIONS TO SECURITIES REVALUATION RESERVE FROM AVAILABLE FOR SALE INVESTMENTS	84,256	246,194
II. TANGIBLE ASSETS REVALUATION DIFFERENCES	-	-
III. INTANGIBLE ASSETS REVALUATION DIFFERENCES	-	-
IV. FOREIGN EXCHANGE DIFFERENCES FOR FOREIGN CURRENCY TRANSACTIONS	(2,720)	(6,887)
V. PROFIT/LOSS RELATED TO DERIVATIVES USED IN CASH FLOW HEDGES (Effective portion of Fair Value Differences)	2,621	(56,562)
VI. PROFIT/LOSS RELATED TO DERIVATIVES USED IN HEDGE OF A NET INVESTMENT IN FOREIGN SUBSIDIARIES (Effective portion of Fair Value Differences)	6,691	3,191
VII. THE EFFECT OF CHANGES IN ACCOUNTING POLICIES OR CORRECTION OF ERRORS	-	-
VIII. OTHER PROFIT/LOSS ITEMS ACCOUNTED FOR UNDER EQUITY DUE TO TAS	-	-
IX. DEFERRED TAXES OF VALUATION DIFFERENCES	(15,029)	(46,637)
X. NET PROFIT/LOSS ACCOUNTED UNDER EQUITY (I+II+...+IX)	75,819	139,299
XI. CURRENT PERIOD PROFIT/LOSS	616,291	604,785
1.1 Net Change in Fair Value of Securities (Transfer to Profit & Loss)	23,429	63,237
1.2 Reclassification and Transfer of Derivatives Accounted for Cash Flow Hedge Purposes Recycled to Income Statement	(3,686)	37
1.3 Transfer of Hedge of Net Investment in Foreign Operations Recycled to Income Statement	-	-
1.4 Other	596,548	541,511
XII. TOTAL PROFIT AND LOSS ACCOUNTED FOR THE PERIOD (X±XI)	692,110	744,084

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

DENİZBANK ANONİM ŞİRKETİ
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIODS ENDED 31 DECEMBER 2010 AND 2009
(Currency: Thousands of TRY - Turkish Lira)

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

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
AUDITED PRIOR PERIOD (01/01-31/12/2009)																			
I. Balances at the Beginning of Period		716,100	189,164	98,411	-	46,387	-	803,389	44,915	342,463	219,274	(39,734)	-	15	(133,242)	-	2,287,142	-	2,287,142
Changes in the Period																			
II. Increase / Decrease Related to Mergers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Valuation Differences of Securities	(5.V.1)	-	-	-	-	-	-	-	-	-	-	134,589	-	-	-	-	134,589	-	134,589
IV. Hedging Transactions (Effective Portion)		-	-	-	-	-	-	-	-	-	-	-	-	-	(51,677)	-	(51,677)	-	(51,677)
4.1 Cash Flow Hedge		-	-	-	-	-	-	-	-	-	-	-	-	-	(54,868)	-	(54,868)	-	(54,868)
4.2 Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-	-	-	-	-	-	-	-	3,191	-	3,191	-	3,191
V. Revaluation Fund of Tangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Revaluation Fund of Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Bonus Shares Obtained from Associates, Subsidiaries and Joint Ventures		-	-	-	-	-	-	-	-	-	-	-	-	(4)	-	-	(4)	-	(4)
VIII. Foreign Exchange Differences		-	-	-	-	-	-	-	(6,887)	-	-	-	-	-	-	-	(6,887)	-	(6,887)
IX. Changes Related to Sale of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Changes Related to Reclassification of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. Effects of Changes in Equities of Associates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII. The Effect of Capital Increase		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.1 Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2 Internal Resources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII. Issuance of Capital Stock		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV. Share Cancellation Profits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV. Capital Reserves from Inflation Adjustments to Paid-In Capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI. Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII. Current Period Net Profit / Loss		-	-	-	-	-	-	-	-	604,785	-	-	-	-	-	-	604,785	-	604,785
XVIII. Profit Distribution	(5.V.4)	-	-	-	-	13,905	-	264,185	-	(342,463)	64,373	-	-	-	-	-	-	-	-
18.1 Dividends Distributed		-	-	-	-	13,905	-	264,185	-	-	(278,090)	-	-	-	-	-	-	-	-
18.2 Transfer to Reserves		-	-	-	-	-	-	-	-	-	342,463	-	-	-	-	-	-	-	-
18.3 Other		-	-	-	-	-	-	-	-	(342,463)	-	-	-	-	-	-	-	-	-
Balances at the End of Period (III+IV+V+.....+XVIII+XIX+XX)		716,100	189,164	98,411	-	60,292	-	1,067,574	38,028	604,785	283,647	94,855	-	11	(184,919)	-	2,967,948	-	2,967,948
AUDITED CURRENT PERIOD (01/01-31/12/2010)																			
I. Balances at the Beginning of Period		716,100	189,164	98,411	-	60,292	-	1,067,574	38,028	604,785	283,647	94,855	-	11	(184,919)	-	2,967,948	-	2,967,948
Changes in the Period																			
II. Increase / Decrease Related to Mergers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Valuation Differences of Securities	(5.V.1)	-	-	-	-	-	-	-	-	-	-	44,135	-	-	-	-	44,135	-	44,135
IV. Hedging Transactions (Effective Portion)		-	-	-	-	-	-	-	-	-	-	-	-	-	14,660	-	14,660	-	14,660
4.1 Cash Flow Hedge		-	-	-	-	-	-	-	-	-	-	-	-	-	7,969	-	7,969	-	7,969
4.2 Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-	-	-	-	-	-	-	-	6,691	-	6,691	-	6,691
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		-	-	-	-	-	-	-	(2,720)	-	-	-	-	-	-	-	(2,720)	-	(2,720)
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(*)		-	-	-	-	-	-	-	-	-	4,886	-	-	-	-	-	4,886	14,005	18,891
XVII. Current Period Net Profit / Loss		-	-	-	-	-	-	-	-	614,240	-	-	-	-	-	-	614,240	2,051	616,291
XVIII. Profit Distribution	(5.V.4)	-	-	-	-	26,588	-	505,181	-	(604,785)	73,016	-	-	-	-	-	-	-	-
18.1 Dividend Distributed		-	-	-	-	26,588	-	505,181	-	-	(531,769)	-	-	-	-	-	-	-	-
18.2 Transfer to Reserves		-	-	-	-	-	-	-	-	-	604,785	-	-	-	-	-	-	-	-
18.3 Other		-	-	-	-	-	-	-	-	(604,785)	-	-	-	-	-	-	-	-	-
Balances at the End of Period (I+II+III+....+XVI+XVII+XVIII)		716,100	189,164	98,411	-	86,880	-	1,572,755	35,308	614,240	361,549	138,990	-	11	(170,259)	-	3,643,149	16,056	3,659,205

(*)The amount represents the effect of the consolidation of Deniz Yatırım Ortaklığı A.Ş. for the first time as of 31 December 2010.

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

DENİZBANK ANONİM ŞİRKETİ
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIODS ENDED 31 DECEMBER 2010 AND 2009
(Currency: Thousands of TRY - Turkish Lira)

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

	Footnotes	AUDITED CURRENT PERIOD (01/01-31/12/2010)	AUDITED PRIOR PERIOD (01/01-31/12/2009)
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating Profit before Changes in Operating Assets and Liabilities (+)		1,456,528	1,589,429
1.1.1 Interest Received (+)		2,841,731	3,086,844
1.1.2 Interest Paid (-)		1,007,762	1,208,776
1.1.3 Dividend Received (+)		355	8,762
1.1.4 Fees And Commissions Received (+)		410,866	377,152
1.1.5 Other Income (+)		311,910	676,991
1.1.6 Collections from Previously Written-Off Loans and Other Receivables (+)		480,055	288,530
1.1.7 Payments to Personnel and Service Suppliers (-)		526,530	452,708
1.1.8 Taxes Paid (-)		151,562	244,502
1.1.9 Other (+/-)	(5.VI.1)	(902,535)	(942,864)
1.2 Changes in Operating Assets and Liabilities		(1,072,008)	(329,674)
1.2.1 Net (Increase) Decrease in Trading Securities (+/-)		(129,855)	(84,201)
1.2.2 Net (Increase) Decrease in Financial Assets Designated at FV (+/-)		-	-
1.2.3 Net (Increase) Decrease in Banks (+/-)		(90,102)	98,787
1.2.4 Net (Increase) Decrease in Loans (+/-)		(6,040,178)	(2,052,837)
1.2.5 Net (Increase) Decrease in Other Assets (+/-)		(615,472)	(121,622)
1.2.6 Net Increase (Decrease) in Bank Deposits (+/-)		(34,230)	(29,173)
1.2.7 Net Increase (Decrease) in Other Deposits (+/-)		5,006,342	2,888,812
1.2.8 Net Increase (Decrease) in Funds Borrowed (+/-)		456,996	(594,821)
1.2.9 Net Increase (Decrease) in Due Payables (+/-)		-	-
1.2.10 Net Increase (Decrease) in Other Liabilities (+/-)	(5.VI.1)	374,491	(434,619)
I. Net Cash (Used in)/Provided from Banking Operations (+/-)		384,520	1,259,755
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II. Net Cash Provided from / (Used in) Investing Activities (+/-)		(958,009)	(259,295)
2.1 Cash Paid for Purchase of Investments, Associates and Subsidiaries (-)		2,000	88,547
2.2 Cash Obtained From Sale of Investments, Associates And Subsidiaries (+)		495	-
2.3 Fixed Assets Purchases (-)		93,881	60,992
2.4 Fixed Assets Sales (+)		3,738	6,620
2.5 Cash Paid for Purchase of Investments Available for Sale (-)		1,728,142	1,288,090
2.6 Cash Obtained From Sale of Investments Available for Sale (+)		861,781	1,171,714
2.7 Cash Paid for Purchase of Investment Securities (-)		-	-
2.8 Cash Obtained from Sale of Investment Securities (+)		-	-
2.9 Other (+/-)	(5.VI.1)	-	-
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net Cash Provided from / (Used in) Financing Activities (+/-)		1,284,160	(927,297)
3.1 Cash Obtained from Funds Borrowed and Securities Issued (+)		2,230,754	1,324,928
3.2 Cash Used for Repayment of Funds Borrowed and Securities Issued (-)		946,594	2,252,225
3.3 Capital Increase (+)		-	-
3.4 Dividends Paid (-)		-	-
3.5 Payments for Finance Leases (-)		-	-
3.6 Other (+/-)	(5.VI.1)	-	-
IV. Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents (+/-)	(5.VI.1)	(15,412)	(5,455)
V. Net Increase / (Decrease) in Cash and Cash Equivalents		695,259	67,708
VI. Cash and Cash Equivalents at the Beginning of Period (+)	(5.VI.2)	2,711,216	2,643,508
VII. Cash and Cash Equivalents at the End of Period	(5.VI.3)	3,406,475	2,711,216

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

DENİZBANK ANONİM ŞİRKETİ
CONSOLIDATED PROFIT DISTRIBUTION TABLES
FOR THE PERIODS ENDED 31 DECEMBER 2010 AND 2009
(Currency: Thousands of TRY - Turkish Lira)

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

	AUDITED CURRENT PERIOD (01/01-31/12/2010)	AUDITED PRIOR PERIOD (01/01-31/12/2009)
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 financial statements and the accompanying footnotes in accordance with Turkish Accounting Standards and Regulation on Principles Related to Banks' Accounting Applications and Preserving the Documents

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

2. Additional paragraph for convenience translation to English

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

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

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

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

Financial Assets Subject to Reclassification	Amounts at the Date of Reclassification	Amounts at the Balance Sheet Date	Amounts If Reclassification Was Not Made
Cost	292,553	295,239	292,553
Disposal	--	(244,905)	(238,665)
Cost after Disposal		50,334	53,888
Fair Value	295,239	57,880	57,880
Current Year Profit / (Loss)	--	1,624	864
Prior Periods' Profits / (Losses)	(1,082)	(505)	3,128
Effect on Shareholders' Equity	--	6,427	--

3.2 Disclosures related to other reclassifications

Certain reclassifications have been made in the prior period's consolidated statement of cash flows to comply with the current period presentation.

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

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

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

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

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

Net foreign currency position of DFS Group in foreign enterprises is considered along with the position of 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 TRY by using historical foreign currency exchange rates. Balances of the foreign currency denominated assets and liabilities are translated into TRY by using foreign currency exchange rates of the 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 2010</u>	<u>31 December 2009</u>
US Dollar	TRY 1.5376	TRY 1.4873
Euro	TRY 2.0551	TRY 2.1427

2.2 Foreign exchange gains and losses included in the income statement

Net foreign exchange gains included in the income statement amounts to TRY 79,479 (1 January - 31 December 2009: net foreign exchange gain of TRY 520,316).

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

The assets and liabilities of foreign operations are translated to TRY at foreign exchange rates of the Parent Bank ruling at the balance sheet date. The revenues and expenses of foreign operations are translated to TRY 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 TRY equivalent of their equities and the Parent Bank's share in their net assets are recorded in "other profit reserves". As of 31 December 2010, total foreign exchange differences in equity amount to TRY 30,573 (31 December 2009: TRY 34,264).

The foreign exchange difference of TRY 4,735 (31 December 2009: TRY 3,764) arising from the translation of the financial statements of Bahrain branch of the Parent Bank to TRY is recorded in "other profit reserves".

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

III. Information regarding the consolidated subsidiaries

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

The Parent Bank owns, directly or indirectly, the shares of Deniz Yatırım Menkul Kıymetler A.Ş. (Deniz Yatırım), Ekspres Yatırım Menkul Değerler A.Ş. (Ekspres Yatırım), Deniz Türev Menkul Değerler A.Ş. (Deniz Türev), Eurodeniz International Banking Unit Ltd. (Eurodeniz), Deniz Portföy Yönetimi A.Ş. (Deniz Portföy), Denizbank AG, CJSC Dexia Bank, Deniz Finansal Kiralama A.Ş. (Deniz Leasing), Deniz Faktoring A.Ş. (Deniz Faktoring), Deniz Emeklilik ve Hayat A.Ş. (Deniz Emeklilik) and Deniz Yatırım Ortaklığı A.Ş. (Deniz Yatırım Ortaklığı), and these subsidiaries are consolidated as explained in detail in footnote 5.1.8.

Intertech Bilgi İşlem ve Pazarlama Ticaret A.Ş. and Denizbank Kültür Sanat Ticaret A.Ş. which are also the subsidiaries of the Parent Bank, Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş. a jointly controlled entity of the Bank, and Pupa Gayrimenkul Kiralama ve Yönetim Hizmetleri A.Ş.(Pupa) a subsidiary of Deniz Leasing are not consolidated since they are non-financial subsidiaries.

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

1. Consolidation method

“Full Consolidation” method has been applied in consolidating the financial statements of the Parent Bank with the financial statements of its subsidiaries. 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 major principles of consolidation of subsidiaries

- 1.1** 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.
- 1.2** All intercompany transactions and intercompany balances between the consolidated subsidiaries and the Parent Bank are eliminated.

The financial statements which have been used in the consolidation are prepared as of 31 December 2010 and appropriate adjustments are made to financial statements to use uniform accounting policies for transactions and events alike in similar circumstances, in accordance with the principal of materiality.

2. Associates

There are no financial associates included in the consolidation.

3. Entities under common control (Joint Vent.)

There are no financial entities under common control which are consolidated.

IV. Explanations on forward transactions, options and derivative instruments

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

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

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

V. Explanations on interest income and expenses

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

VI. Explanations on fees and commissions

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

VII. Explanations on financial assets

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

1. Financial assets at fair value through profit or loss

1.1 *Financial assets held for trading*

Trading securities are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, trading securities are measured at fair value and gains and losses arising from a change in the fair value are recognized in the income statement. Differences between the fair value and cost of trading securities are also recorded in “financial assets held for trading” line on the balance sheet.

DFS Group recognized the gains and losses arising from the valuation of share certificates and derivative instruments; which are classified within financial assets held for trading; within “net trading income/loss” line on the statement of income.

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

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

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

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

2. Investment securities available-for-sale

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

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

3. Investment securities held-to-maturity

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

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

Interest earned on held-to-maturity securities are recognized as interest income and 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.

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

4. Loans and specific provisions

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

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

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

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

If the amount computed by discounting expected future cash flows of a financial asset using the effective interest rate method or (if any) its fair value is lower than its carrying value that financial asset is considered to be impaired; in that case provision is provided for the impairment of the financial asset and it is recognized as expense.

IX. Explanations on offsetting financial instruments

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

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

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

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

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

XI. Explanations on assets held for sale and discontinued operations

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

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

DFS Group does not have any assets held for sale or discontinued operations as of 31 December 2010 (31 December 2009: None).

XII. Explanations on goodwill and other intangible assets

There is no goodwill in the accompanying consolidated financial statements as of the balance sheet dates.

All intangible assets are initially recognized at cost in accordance with TAS 38 "Intangible Assets".

The Group's intangible assets consist of software and license rights.

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.

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 are carried at their historical cost, less any currency difference and financing expenses capitalized.

Tangible assets purchased before 2003 and in 2007 are depreciated on a straight-line basis and those purchased in 2003, 2004, 2005 and 2006 are depreciated using the double-declining method. The depreciation rates used are 2% for properties and 2% - 50% for tangible assets owned or held under financial leasing.

As of 31 December 2010 the Parent Bank has an impairment provision of TRY 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. Expenditures that extend the capacity of the tangible assets or those that extend the useful life and service capacity of the asset, or enhance the quality of the service, or decrease the cost of services are capitalized.

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

XIV. Explanations on leasing activities

The maximum period of the lease contracts is mostly 4 years. Fixed assets acquired through financial leasing are recognized in tangible assets and depreciated in line with fixed assets group they relate to. The obligations under 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.

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

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. Periodical financial leasing revenues, total financial leasing investments, unearned finance lease revenues and lease revenues are accounted for during the whole leasing period using the net investment method.

Specific provisions for non-performing financial lease receivables of DFS Group are provided for in accordance with the “Comminique 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 26588 dated 20 July 2007; specific provisions are also provided for the financial lease receivables deemed doubtful but not yet due.

XV. 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 850 lawsuits against DFS Group with total risks amounting to TRY 56,960, US Dollar 2,092,191 and Euro 4,447,329 as of 31 December 2010. There are also 6,350 follow-up cases amounting to TRY 59,756, US Dollar 361,961 and Euro 1,142,046 in total that are filed by DFS Group and are at courts. DFS Group booked a provision amounting to TRY 5,044 for the continuing lawsuits (31 December 2009: TRY 4,660).

XVI. Explanations on obligations for employee benefits

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

In accordance with existing legislation in Turkey, DFS Group is required to make certain payments to each employee whose employment is terminated due to retirement or due to reasons other than resignation or misconduct. The retirement pay is calculated on the basis of 30 days’ pay per year of employment within the Group or the official retirement pay ceiling and the notice pay is calculated for the relevant notice period as determined based on year of employment.

Employee termination benefits calculated by an independent actuary have been recognized in the consolidated financial statements.

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

Vacation accruals have been calculated upon employees’ unused vacation days and recognized in the consolidated financial statements.

There are no foundations, pensions or similar associations which DFS Group’s employees are members of.

XVII. 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.

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 TRY 56,269 (31 December 2009: TRY 88,281) and deferred tax liabilities of TRY 436 (31 December 2009: nil) have been recognized in the accompanying financial statements.

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

XVIII. Additional explanations on borrowings

Instruments representing the borrowings are initially recognized at cost and measured at amortized cost based on the internal rate of return. 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 applies cash flow hedge accounting to maintain protection for a portion of its floating rate liabilities by interest rate swaps.

The Parent Bank, if required, borrows funds from domestic and foreign institutions. The Parent Bank can also borrow funds in the forms of syndication loans and securitization loans from foreign institutions. Financial instruments representing borrowings are measured at amortised cost based on the internal rate of return subsequent to recognition.

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

XIX. Explanations on shares and share issuance

Transactions related to issuance of share certificates are explained in footnote 5.II.11.8. No dividends have been declared subsequent to the balance sheet date.

XX. Explanations on acceptances

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

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

XXI. Explanations on government grants

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

XXII. Explanations on segment reporting

Segment reporting is presented in Section Four, Footnote X.

XXIII. Explanations on other matters

None.

SECTION FOUR

CONSOLIDATED FINANCIAL POSITION

I. Explanations related to the consolidated capital adequacy standard ratio

The consolidated capital adequacy ratio is 15.70% as of 31 December 2010 (31 December 2009: 16.72%). This ratio is higher than the stipulated minimum prudential ratio in the related legislation.

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

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

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

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

For the calculation of their risk based values, derivative financial instruments are re-weighted and classified according to the related risk groups after being multiplied by the rates stated in the Article 5 of “Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks”.

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

2. Consolidated and unconsolidated capital adequacy ratios

Risk Weighted Assets							
Consolidated							
	0%	10%	20%	50%	100%	150%	200%
Credit Risk Base							
Balance Sheet Items (Net)	5,415,795	--	1,474,853	4,927,682	17,821,272	58,031	8,976
Cash in Vault	483,050	--	24	--	--	--	--
Due Dated Financial Assets	--	--	--	--	--	--	--
Central Bank of the Republic of Turkey	457,456	--	--	--	--	--	--
Domestic and Foreign Banks, Foreign Branches	36,126	--	756,031	--	453,338	--	--
Interbank Money Market	290	--	--	--	--	--	--
Receivables from Reverse Repos	1,231,985	--	--	--	--	--	--
Reserve Deposits	779,100	--	--	--	--	--	--
Loans	1,418,377	--	477,526	4,819,692	14,412,730	58,031	8,976
Non-performing Loans (Net)	--	--	--	--	324,693	--	--
Receivables from Leasing Operations	--	--	--	--	944,119	--	--
Investments Available-for-Sale	--	--	--	--	12,590	--	--
Investments Held-to-Maturity	645,524	--	44,558	--	--	--	--
Receivables from Forward Sale of Assets	--	--	--	--	--	--	--
Miscellaneous Receivables	--	--	76,840	--	986,901	--	--
Accrued Interest and Other Income	164,590	--	7,822	107,990	315,869	--	--
Investments in Associates, Subsidiaries and Joint Ventures (Net)	--	--	--	--	14,778	--	--
Tangible Assets	--	--	--	--	208,289	--	--
Other Assets	199,297	--	112,052	--	147,965	--	--
Off-Balance Sheet Items	100,107	--	646,052	160,558	4,996,778	--	--
Non-Cash Loans and Commitments	100,107	--	174,534	160,558	4,858,473	--	--
Derivatives	--	--	471,518	--	138,305	--	--
Accounts Not Risk Weighted	--	--	--	--	--	--	--
Total Risk Weighted Assets	5,515,902	--	2,120,905	5,088,240	22,818,050	58,031	8,976

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

Risk Weighted Assets							
The Parent Bank							
	0%	10%	20%	50%	100%	150%	200%
Credit Risk Base							
Balance Sheet Items (Net)	4,674,610	--	923,133	3,866,318	14,034,865	58,031	8,976
Cash in Vault	470,674	--	24	--	--	--	--
Due Dated Financial Assets	--	--	--	--	--	--	--
Central Bank of the Republic of Turkey	457,455	--	--	--	--	--	--
Domestic and Foreign Banks, Foreign Branches	35,567	--	258,845	--	31	--	--
Interbank Money Market	--	--	--	--	--	--	--
Receivables from Reverse Repos	1,221,000	--	--	--	--	--	--
Reserve Deposits	777,380	--	--	--	--	--	--
Loans	815,699	--	462,139	3,767,491	12,703,511	58,031	8,976
Non-performing Loans (Net)	--	--	--	--	255,341	--	--
Receivables from Leasing Operations	--	--	--	--	--	--	--
Investments Available-for-Sale	--	--	--	--	3,907	--	--
Investments Held-to-Maturity	580,125	--	7,613	--	--	--	--
Receivables from Forward Sale of Assets	--	--	--	--	--	--	--
Miscellaneous Receivables	--	--	76,840	--	93,661	--	--
Accrued Interest and Other Income	151,292	--	5,620	98,827	269,956	--	--
Investments in Associates, Subsidiaries and Joint Ventures (Net)	--	--	--	--	450,086	--	--
Tangible Assets	--	--	--	--	207,940	--	--
Other Assets	165,418	--	112,052	--	50,432	--	--
Off-Balance Sheet Items	100,107	--	609,424	160,558	4,890,269	--	--
Non-Cash Loans and Commitments	100,107	--	174,534	160,558	4,762,640	--	--
Derivatives	--	--	434,890	--	127,629	--	--
Accounts Not Risk Weighted	--	--	--	--	--	--	--
Total Risk Weighted Assets	4,774,717	--	1,532,557	4,026,876	18,925,134	58,031	8,976

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

	Consolidated		The Parent Bank	
	Current Period	Prior Period	Current Period	Prior Period
Risk Weighted Assets	25,891,350	20,108,948	21,350,082	16,402,564
Value at Market Risk	600,038	688,088	628,363	418,388
Value at Operational Risk	3,034,474	2,193,067	2,504,466	1,763,496
Shareholders' Equity	4,634,319	3,844,779	4,023,374	3,534,806
Shareholders' Equity / (RWA+VAMR+VAOR)*100	15.70%	16.72%	16.43%	19.02%

RWA: Risk Weighted Assets

VAMR: Value at Market Risk

VAOR: Value at Operational Risk

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

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	86,880	60,292
I. Legal Reserve (Turkish Commercial Code 466/1)	86,880	60,292
II. Legal Reserve (Turkish Commercial Code 466/2)	--	--
Other Legal Reserve per Special Legislation	--	--
Status Reserves	--	--
Extraordinary Reserves	1,608,063	1,105,602
Reserve Appropriated at the General Assembly	1,572,755	1,067,574
Retained Earnings	--	--
Accumulated Losses	--	--
Foreign Currency Translation Differences	35,308	38,028
Inflation Component of Legal Reserves, Status Reserves and Extraordinary Reserves	--	--
Profit	975,789	888,432
Current Period Profit	614,240	604,785
Prior Periods' Profits	361,549	283,647
Free Provisions Booked for Possible Losses (Up to 25% of the Core Capital)	165,277	140,517
Gain on Sale of Real Estate and Investments in Associates and Subsidiaries to be Added to the Paid-in capital	--	--
Primary Subordinated Loans (Up to 15% of the Core Capital)	--	--
Minority Interest	16,056	--
Loss that is not covered with reserves (-)	--	--
Net Current Period Loss	--	--
Prior Periods' Losses	--	--
Leasehold Improvements (-)	72,387	74,855
Prepaid Expenses (-)	41,998	19,335
Intangible Assets (-)	41,594	37,304
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	3,699,761	3,067,024
SUPPLEMENTARY CAPITAL		
General Reserves	183,074	135,469
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	11	11
Primary Subordinated Loans Excluded from the Core Capital	--	--
Secondary Subordinated Loans	701,528	624,504
45% of Securities Revaluation Reserve (100% If Negative)	62,546	42,685
Associates and Subsidiaries	--	--
Investments Available-for-Sale	62,546	42,685
Inflation Component of Capital Reserves, Profit Reserves and Prior Period Profits (except adjustment to legal, status and extraordinary reserves)	--	--
Minority Interest	--	--
Total Supplementary Capital	947,159	802,669
TIER III CAPITAL (Including Minority Interest, If Any)	--	--

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

CAPITAL	4,646,920	3,869,693
DEDUCTIONS FROM CAPITAL	12,601	24,914
Shares in Unconsolidated Banks and Financial Institutions	--	11,688
Secondary Subordinated Loans Granted to Banks, Financial Institutions (Foreign and Domestic), or Preferred Shareholders, and Primary/Secondary Subordinated Loans Obtained from Them	--	--
Shares in Banks and Financial Institutions Accounted for under the Equity Method	--	--
Loans Granted in Violation of the Articles 50 and 51 of the Law	--	--
Amount in Excess of 50% of the Equities of the Net Book Value of the Properties of the Banks, and Net Book Value of the Assets Held for Resale that Should Be Disposed of According to the Article 57 of the Law which is not Disposed of in Five Years after Foreclosure	12,601	13,226
Others	--	--
TOTAL SHAREHOLDERS' EQUITY	4,634,319	3,844,779

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.

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

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

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

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

Forward transactions can be realized at maturity. However, if it is required, 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 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 2009: 26%).

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

The share of the top 100 non-cash loan customers comprises 48% of the total non-cash loans portfolio (31 December 2009: 51%).

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

The Bank's total cash and non-cash loans from its top 100 loan customers comprise 17% of the total assets and off-balance sheet items (31 December 2009: 18%).

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

As at 31 December 2010, DFS Group's general loan provision amounts to TRY 183,074 (31 December 2009: TRY 135,469).

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

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

	Real persons and Institutions (loans)		Banks and Other Financial Institutions (loans)		Securities*		Other Loans**	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Loan Concentration by beneficiaries								
Private Sector	17,133,870	13,312,568	--	--	32,203	55,425	4,358,281	2,913,627
Public Sector	481,855	598,450	--	--	4,311,759	3,056,127	29,048	56,698
Banks	39,118	17,793	3,715,897	2,733,070	71,764	130,069	834,530	774,409
Retail	6,134,676	4,629,506	--	--	--	--	1,035,810	963,718
Share Certificates	--	--	--	--	28,442	5,124	447,845	24,961
Total	23,789,519	18,558,317	3,715,897	2,733,070	4,444,168	3,246,745	6,705,514	4,733,413
Loan Concentration by Geographical Regions								
Domestic	23,143,189	18,159,081	2,799,129	2,071,922	4,270,755	2,991,359	5,561,216	3,967,715
European Union Countries	270,155	210,733	487,890	484,531	136,898	185,742	838,917	627,259
OECD Countries***	21,447	2,650	26,427	8,770	--	--	59,953	8,642
Off Shore Regions	--	3,243	297,329	700	--	--	613	937
USA, Canada	28,681	18,553	71,612	98,842	18,292	14,509	111,933	38,691
Other Countries	326,047	164,057	33,510	68,305	18,223	55,135	132,882	90,169
Total	23,789,519	18,558,317	3,715,897	2,733,070	4,444,168	3,246,745	6,705,514	4,733,413

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

**Consists of classifications other than first three columns in Uniform Chart of Accounts and loan definitions in article 48 of 5411 Numbered legislation. Guarantees and commitments are taken into account by using their credit conversion rates.

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

9. Information on geographical concentration

Current Period	Assets	Liabilities	Non-Cash Loans	Capital Investments	Net Profit
Domestic	31,682,566	21,193,809	7,150,238	14,778	541,775
European Union Countries	1,196,101	11,229,835	141,811	--	42,363
OECD Countries	54,365	157,996	74,334	--	--
Off-Shore Banking Regions	297,329	134,158	1,215	--	19,763
USA, Canada	167,843	307,351	30,629	--	--
Other Countries	440,182	215,775	237,482	--	10,339
Subsidiaries, associates and jointly controlled companies	--	--	--	--	--
Unallocated Assets/Liabilities	--	--	--	--	--
Total	33,838,386	33,238,924	7,635,709	14,778	614,240

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

Prior Period	Assets	Liabilities	Non-Cash Loans	Capital Investments	Net Profit
Domestic	24,317,491	15,647,576	4,828,397	--	538,330
European Union Countries	1,154,367	9,168,647	88,683	--	36,412
OECD Countries	17,102	127,760	7,525	--	--
Off-Shore Banking Regions	3,912	116,893	1,086	--	38,911
USA, Canada	136,804	85,563	5,676	--	--
Other Countries	288,258	191,671	162,377	--	(8,868)
Subsidiaries, associates and jointly controlled companies	--	--	--	24,961	--
Unallocated Assets/Liabilities	--	--	--	--	--
Total	25,917,934	25,338,110	5,093,744	24,961	604,785

10. Information on cash loans concentration up to sector

	Current Period				Prior Period			
	TRY	%	FC	%	TRY	%	FC	%
Agricultural	1,385,280	9.98	356,569	4.60	1,375,184	13.38	114,028	1.82
Farming and Raising Livestock	1,380,260	9.95	253,717	3.27	1,371,039	13.34	78,852	1.26
Forestry	1,737	0.01	96,550	1.25	1,766	0.02	35,176	0.56
Fishing	3,283	0.02	6,302	0.08	2,379	0.02	--	--
Manufacturing	1,012,939	7.30	2,297,717	29.63	805,078	7.83	1,891,976	30.23
Mining	287,704	2.07	450,723	5.81	303,376	2.95	309,183	4.94
Production	663,830	4.79	1,449,623	18.70	479,172	4.66	1,219,814	19.49
Electric, gas and water	61,405	0.44	397,371	5.12	22,530	0.22	362,979	5.80
Construction	760,125	5.48	1,076,235	13.88	670,163	6.52	756,809	12.09
Services	3,123,576	22.54	2,944,791	37.98	2,054,407	19.99	2,012,214	32.16
Wholesale and retail trade	1,662,795	11.99	721,880	9.31	1,049,006	10.21	403,420	6.45
Hotel, food and beverage Services	323,489	2.33	910,252	11.74	256,630	2.50	451,525	7.21
Transportation and telecommunication	369,659	2.67	815,710	10.52	237,611	2.31	690,154	11.03
Financial institutions	323,739	2.33	69,349	0.89	255,186	2.48	79,989	1.28
Real estate and renting services	16,501	0.13	183,381	2.36	7,480	0.07	113,880	1.82
Self-employment services	--	--	--	--	--	--	594	0.01
Education services	179,832	1.30	62,027	0.81	90,303	0.88	76,412	1.22
Health and social services	247,561	1.79	182,192	2.35	158,191	1.54	196,240	3.14
Other	7,585,166	54.70	1,078,689	13.91	5,372,504	52.28	1,483,511	23.70
Total	13,867,086	100.00	7,754,001	100.00	10,277,336	100.00	6,258,538	100.00

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

11. Maximum credit risk sensitivity of financial statement items

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

	Current Period	Prior Period
Central Bank of the Republic of Turkey	1,237,465	1,032,287
Financial Assets at Fair Value through Profit or Loss	640,803	245,058
Banks	1,247,519	1,000,357
Due From Money Markets	1,232,636	700,426
Investment Securities Available for Sale	3,266,028	2,323,694
Loans	23,789,519	18,558,317
Investment Securities Held to Maturity	831,959	789,692
Hedging Purposes Derivatives	198,520	183,032
Total	32,444,449	24,832,863
Guarantee and Sureties	7,635,709	5,093,744
Commitments	11,893,447	9,898,726
Total	19,529,156	14,992,470
Total Credit Risk Sensitivity	51,973,605	39,825,333

12. Distribution of credit risk according to the operational segments

Current Period	Commercial Loans (*)	Consumer Loans	Credit Cards	Other	Total
Standard Loans	16,381,840	4,897,669	1,015,689	17,833	22,313,031
Closely Monitored Loans	893,175	220,321	38,299	--	1,151,795
Non-performing Loans	680,610	289,771	112,156	537	1,083,074
Specific Provision (-)	439,409	226,241	92,196	535	758,381
Total	17,516,216	5,181,520	1,073,948	17,835	23,789,519

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

The loans of DFS Group amounting to TRY 12,081,789 (31 December 2010: TRY 8,136,893) are collateralized by cash, mortgage, cheques and notes obtained from customers.

Prior Period	Commercial Loans (*)	Consumer Loans	Credit Cards	Other	Total
Standard Loans	12,847,060	3,671,675	638,621	10,068	17,167,424
Closely Monitored Loans	670,453	298,634	34,559	--	1,003,646
Non-performing Loans	612,633	299,999	140,904	430	1,053,966
Specific Provision (-)	354,206	197,472	114,616	425	666,719
Total	13,775,940	4,072,836	699,468	10,073	18,558,317

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

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

13. Credit quality per class of financial assets as of 31 December 2010 and 31 December 2009

Current Period	Neither past due nor impaired	Past due or impaired (*)	Total
Loans and advances to customers			
Commercial Loans	17,033,812	482,404	17,516,216
Consumer Loans	5,075,784	105,736	5,181,520
Credit Cards	971,207	102,741	1,073,948
Other	17,833	2	17,835
Total	23,098,636	690,883	23,789,519

(*) Past due or impaired amounts include only the overdue installments.

Prior Period	Neither past due nor impaired	Past due or impaired (*)	Total
Loans and advances to customers			
Commercial Loans	13,251,396	524,544	13,775,940
Consumer Loans	3,931,577	141,259	4,072,836
Credit Cards	621,855	77,613	699,468
Other	10,068	5	10,073
Total	17,814,896	743,421	18,558,317

(*) Past due or impaired amounts include only the overdue installments.

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

	Current Period	Prior Period
Loans and advances to customers		
Commercial Loans	156,413	86,046
Consumer Loans	110,612	111,157
Other	--	--
Total	267,025	197,203

15. Credit rating system

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

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

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

Rating Grades	Current Period	Prior Period
Above Average	41%	38%
Average	40%	39%
Below Average	14%	15%
Unrated	5%	8%

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.

1. Market risk

	Amount
(I) Capital Obligation against General Market Risk - Standard Method	30,535
(II) Capital Obligation against Specific Risk - Standard Method	3,379
(III) Capital Obligation against Currency Risk - Standard Method	14,088
(IV) Capital Obligation against Commodity Risk - Standard Method	--
(V) Capital Obligation against Clearing Risk - Standard Method	--
(VI) Capital Obligation against Options Subject to Market Risk - Standard Method	1
(VII) Capital Obligation against Market Risk at the Banks calculating Risk Measuring Models	
(VIII) Total Capital Obligation against Market Risk (I+II+III+IV+V+VI)	48,003
(IX) Value-At-Market-Risk (12,5 x VIII) or (12,5 x VII)	600,038

2. Average market risk

	Current Period			Prior Period		
	Average	Maximum	Minimum	Average	Maximum	Minimum
Interest Rate Risk	27,399	31,255	24,505	32,678	34,798	29,634
Share Certificate Risk	2,142	2,659	1,811	1,855	2,308	1,330
Currency Risk	12,294	14,670	8,779	13,819	18,179	7,735
Commodity Risk	--	--	--	--	--	--
Clearing Risk	--	--	--	--	--	--
Option Risk	148	265	19	14	29	4
Total Value-At-Risk	524,784	600,038	483,850	604,556	688,088	483,888

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 June 2007, of the “Regulation on Measurement and Evaluation of the Capital Adequacy of the Banks”, published in the Official Gazette dated 1 November 2006 and numbered 26333, operational risk is computed using the gross income of DFS Group for the years ended 2009, 2008 and 2007. 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 TRY 3,034,474 and TRY 242,758, respectively. Market risk measurements are performed monthly.

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.

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 TRY 1.5376
Euro purchase rate as at the balance sheet date TRY 2.0551

<u>Date</u>	<u>US Dollar</u>	<u>Euro</u>
27 December 2010	1.5403	2.0260
28 December 2010	1.5416	2.0406
29 December 2010	1.5567	2.0437
30 December 2010	1.5460	2.0491
31 December 2010	1.5376	2.0551

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 2010 are TRY 1.5127 and TRY 2.0009, respectively.

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

6. Information on currency risk

Current Period	EUR	USD	JPY	Other	Total
Assets					
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Turkey	1,191,078	141,692	499	12,628	1,345,897
Due from Banks and Other Financial Institutions	393,606	432,750	14,940	71,028	912,324
Financial Assets at Fair Value Through Profit or Loss	32,859	237,217	158	21	270,255
Interbank Money Market Placements	--	--	--	--	--
Investment Securities Available-for-Sale	45,482	247,925	--	13,476	306,883
Loans (*)	3,148,434	5,784,345	87,308	200,880	9,220,967
Investments in Subsidiaries and Associates	--	--	--	--	--
Investment Securities Held-to-Maturity	103,740	7,872	--	--	111,612
Hedging Purpose Financial Derivatives	--	10,942	--	--	10,942
Tangible Assets	5,292	39	--	570	5,901
Intangible Assets	2,700	326	--	2,829	5,855
Other Assets (**)	534,092	562,086	201	28,902	1,125,281
Total Assets	5,457,283	7,425,194	103,106	330,334	13,315,917
Liabilities					
Bank Deposits	15,591	8,577	--	4,508	28,676
Foreign Currency Deposits	5,580,278	3,423,671	3,641	198,994	9,206,584
Interbank Money Markets	--	--	--	--	--
Funds Borrowed from Other Financial Institutions	2,337,755	4,449,422	761	2,775	6,790,713
Marketable Securities Issued	--	--	--	--	--
Miscellaneous Payables	23,551	181,323	280	2,350	207,504
Hedging Purpose Financial Derivatives	--	10,035	--	--	10,035
Other Liabilities (***)	33,899	394,001	159	1,006	429,065
Total Liabilities	7,991,074	8,467,029	4,841	209,633	16,672,577
Net "On Balance Sheet Position"	(2,533,791)	(1,041,835)	98,265	120,701	(3,356,660)
Net "Off-Balance Sheet Position"	2,588,143	1,211,902	(110,786)	(88,237)	3,601,022
Financial Derivatives (Assets)	5,174,266	8,579,994	592,716	1,339,300	15,686,276
Financial Derivatives (Liabilities)	2,586,123	7,368,092	703,502	1,427,537	12,085,254
Non-Cash Loans	1,317,872	3,241,688	9,256	135,072	4,703,888
Prior Period					
Total Assets	5,138,189	5,601,088	104,202	266,828	11,110,307
Total Liabilities	6,762,666	6,807,447	3,995	170,004	13,744,112
Net "On Balance Sheet Position"	(1,624,477)	(1,206,359)	100,207	96,824	(2,633,805)
Net "Off-Balance Sheet Position"	1,805,214	1,248,982	(74,634)	(105,112)	2,874,450
Financial Derivatives (Assets)	3,204,372	6,884,385	311,672	629,717	11,030,146
Financial Derivatives (Liabilities)	1,399,158	5,635,403	386,306	734,829	8,155,696
Non-Cash Loans	1,023,058	1,994,282	7,477	93,915	3,118,732

(*) : Foreign currency indexed loans amounting to TRY 1,410,186 are included.

(**) : Foreign currency indexed factoring receivables amounting to TRY 119,228 are included.

(***) : Equity in foreign currencies, amounting to TRY 188,805 is excluded.

6.1 *Currency risk exposure*

The table below demonstrates prospective increase and decrease in equities and profit/loss as of 31 December 2010 and 2009 (excluding tax effect) on condition that 10 per cent devaluation of TRY 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	2,949	5,885	826	2,848
Euro	7,063	7,045	12,300	12,312
Total (Net)	10,012	12,930	13,126	15,160

(*) Equity effect in the table also includes income statement effect of 10 per cent devaluation of TRY 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.

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

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	780,010	--	--	--	--	940,529	1,720,539
Due from Banks and Other Fin.Inst.	673,181	297,576	78,837	27,599	111	170,215	1,247,519
Financial Assets at Fair Value Through Profit or Loss	139,285	187,419	175,549	89,858	32,840	15,852	640,803
Interbank Money Market Placements	1,232,636	--	--	--	--	--	1,232,636
Investment Securities Av.-for-Sale	286,890	1,143,470	804,683	829,738	188,657	12,590	3,266,028
Loans	4,405,021	3,141,166	4,097,147	7,227,945	2,749,808	324,693	21,945,780
Investment Securities Held-to-Mat.	43,149	761,601	27,209	--	--	--	831,959
Other Assets (*)	267,616	355,216	760,831	698,325	42,342	843,570	2,967,900
Total Assets	7,827,788	5,886,448	5,944,256	8,873,465	3,013,758	2,307,449	33,853,164
Liabilities							
Bank Deposits	85,883	71,513	45,253	1	--	152,964	355,614
Other Deposits	9,778,286	3,338,425	1,477,588	1,388,282	1,131	3,729,534	19,713,246
Interbank Money Market Placements	26,348	--	--	--	--	--	26,348
Miscellaneous Payables	32,098	855	345	42	--	604,489	637,829
Marketable Securities Issued	--	--	--	--	--	--	--
Funds Borrowed from Other Fin.Inst.	2,236,670	3,228,486	1,820,078	525,714	6,156	--	7,817,104
Other Liabilities (**)	33,831	27,659	121,123	205,285	44,521	4,870,604	5,303,023
Total Liabilities	12,193,116	6,666,938	3,464,387	2,119,324	51,808	9,357,591	33,853,164
Off-Balance Sheet Items							
On Balance Sheet Long Position	--	--	2,479,869	6,754,141	2,961,950	--	12,195,960
On Balance Sheet Short Position	(4,365,328)	(780,490)	--	--	--	(7,050,142)	(12,195,960)
Off-Balance Sheet Long Position	--	--	--	--	--	--	--
Off-Balance Sheet Short Position	--	--	--	--	--	--	--
Total Position	(4,365,328)	(780,490)	2,479,869	6,754,141	2,961,950	(7,050,142)	--

(*) Other assets/non-interest bearings include; Tangible Assets, Intangible Assets, Investments in Associates and Joint Ventures, Tax Assets, Investments in Subsidiaries, Assets Held for Resale, hedging purpose derivatives and other assets with balances of TRY 280,676, TRY 41,594, TRY 8,829, TRY 56,269, TRY 5,949, TRY 27,312 and TRY 422,941 respectively.

(**) Other liabilities/non-interest bearings include; Shareholders' Equity, Tax Liabilities, Provisions and other liabilities of TRY 3,659,205, TRY 72,591, TRY 540,775, and TRY 598,033, respectively.

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

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	861,043	--	--	--	--	516,874	1,377,917
Due from Banks and Other Fin.Inst.	843,958	608	17,770	567	364	137,090	1,000,357
Financial Assets at Fair Value Through Profit or Loss	38,422	54,169	30,446	95,416	26,142	463	245,058
Interbank Money Market Placements	700,426	--	--	--	--	--	700,426
Investment Securities Av.-for-Sale	1,477	490,884	557,046	1,065,482	204,144	4,661	2,323,694
Loans	3,385,526	2,170,611	3,439,124	5,392,794	2,147,819	387,247	16,923,121
Investment Securities Held-to-Mat.	9,560	654,111	104,256	21,765	--	--	789,692
Other Assets (*)	147,983	237,433	600,250	847,311	50,783	698,870	2,582,630
Total Assets	5,988,395	3,607,816	4,748,892	7,423,335	2,429,252	1,745,205	25,942,895
Liabilities							
Bank Deposits	345,436	277	--	--	--	45,117	390,830
Other Deposits	8,194,393	1,561,206	1,288,864	902,797	82,581	2,671,242	14,701,083
Interbank Money Market Placements	299,570	--	--	--	--	--	299,570
Miscellaneous Payables	31,094	284	209	443	--	306,329	338,359
Marketable Securities Issued	--	--	--	--	--	--	--
Funds Borrowed from Other Fin.Inst.	1,384,425	3,254,807	686,986	612,987	98,872	--	6,038,077
Other Liabilities (**)	90,679	23,384	61,711	252,333	24,836	3,722,033	4,174,976
Total Liabilities	10,345,597	4,839,958	2,037,770	1,768,560	206,289	6,744,721	25,942,895
On Balance Sheet Long Position	--	--	2,711,122	5,654,775	2,222,963	--	10,588,860
On Balance Sheet Short Position	(4,357,202)	(1,232,142)	--	--	--	(4,999,516)	(10,588,860)
Off-Balance Sheet Long Position	--	--	--	--	--	--	--
Off-Balance Sheet Short Position	--	--	--	--	--	--	--
Total Position	(4,357,202)	(1,232,142)	2,711,122	5,654,775	2,222,963	(4,999,516)	--

(*) Other assets/non-interest bearings include; Tangible Assets, Intangible Assets, Investments in Associates, Tax Assets, Investments in Subsidiaries, Assets Held for Resale and other assets with balances of TRY 239,222, TRY 37,304, TRY 7,324, TRY 93,794, TRY 17,637, TRY 18,032, and TRY 285,557 respectively.

(**) Other liabilities/non-interest bearings include; Shareholders' Equity, Tax Liabilities, Provisions and other liabilities with balances of TRY 2,967,948, TRY 81,888, TRY 478,424, and TRY 193,773, respectively.

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

4. Average interest rates applied to monetary financial instruments

	EUR %	USD %	JPY %	TRY %
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	2.97	3.19	--	9.84
Financial Assets at Fair Value Through Profit or Loss	4.51	3.71	--	7.32
Interbank Money Market Placements	--	--	--	6.92
Investment Securities Available-for-Sale	4.28	3.77	--	12.26
Loans	4.70	4.44	5.13	14.34
Investment Securities Held-to-Maturity	4.51	7.98	--	18.69
Liabilities				
Bank Deposits	--	0.83	--	8.05
Other Deposits	2.75	2.87	0.20	8.60
Interbank Money Market Placements	--	--	--	6.81
Miscellaneous Payables	--	--	--	--
Marketable Securities Issued	--	--	--	--
Funds Borrowed from Other Financial Institutions	2.16	1.40	2.69	6.31
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	--	--	--	5.20
Due from Banks and Other Financial Institutions	0.61	0.87	--	--
Financial Assets at Fair Value Through Profit or Loss	4.45	4.83	--	7.86
Interbank Money Market Placements	--	--	--	6.50
Investment Securities Available-for-Sale	2.76	3.97	--	13.64
Loans	5.90	5.43	6.07	17.93
Investment Securities Held-to-Maturity	6.62	9.64	--	19.24
Liabilities				
Bank Deposits	1.94	2.33	--	7.88
Other Deposits	3.04	2.59	0.91	9.09
Interbank Money Market Placements	--	--	--	6.59
Miscellaneous Payables	--	--	--	--
Marketable Securities Issued	--	--	--	--
Funds Borrowed from Other Financial Institutions	2.13	1.47	2.99	9.92

5. Possible effects of the sensitivity to interest rates of the Group's financial assets and liabilities on net income and equity in the future

The interest rate sensitivity of the income statement expresses the effects of probable changes in the interest rates on the value of interest bearing financial assets held for trading and on the net interest income on other interest sensitive assets and liabilities as at 31 December 2010. The sensitivity of the equity is calculated by the revaluation of the available for sale securities portfolio and hedging purpose transactions as of 31 December 2010 based on possible interest rate changes.

The effect of increasing TRY and FC interest rates by 100 basis point as of 31 December 2010 on next period's income statement is TRY (32,174)(31 December 2009: TRY (25,730)).

The effect of increasing TRY and FC interest rates on equity is TRY (13,338)(31 December 2009: TRY (18,154)).

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 8% of the balance sheet is allocated to cash and balances with banks, 10% 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. Matching of the interest rates of the payments with assets and liabilities and probable effects of any mismatch on profitability**

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

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

Approximately 8% of balance sheet is allocated to cash balances, 10% 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 ISE repurchase market) are not used. DFS Group's short-term liquidity needs are mainly met with deposits and short-term funds borrowed from foreign banks.

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

Cash flows of DFS Group 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.

- 5. Liquidity Ratios of the Group**

According to BRSA's "Legislation on Measurement and Assessment of Liquidity Adequacy of the Banks" 26333 numbered official gazette dated on 1 November 2006, liquidity ratio is required to be 80 % for foreign currency assets/liabilities and 100 % for total assets/liabilities in the calculation of the banks weekly and monthly reporting. Liquidity ratios, prepared based on non-consolidated financial statements of the Bank, for 2010 are as below:

	First Maturity Slice (Weekly)		Second Maturity Slice (Monthly)	
	FC	FC + TRY	FC	FC + TRY
Average (%)	125.96	161.45	123.68	127.38
Max. (%)	141.00	184.00	148.00	138.00
Min. (%)	107.00	137.00	113.00	121.00

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

6. 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 Year	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	940,529	780,010	--	--	--	--	--	1,720,539
Due from Banks and Other Fin.Inst.	170,215	680,333	285,634	110,729	258	350	--	1,247,519
Financial Assets at Fair Value Through Profit or Loss	--	139,267	142,095	170,760	139,973	32,856	15,852	640,803
Interbank Money Market Placements	--	1,232,636	--	--	--	--	--	1,232,636
Investment Securities Av.-for-Sale	--	266,962	14,287	149,708	2,485,718	336,763	12,590	3,266,028
Loans	324,693	3,323,148	1,521,949	4,374,959	8,971,699	3,429,332	--	21,945,780
Investment Securities Held-to-Mat.	--	--	2,078	6,249	730,716	92,916	--	831,959
Other Assets (*)	371,784	264,922	350,130	750,342	716,594	42,342	471,786	2,967,900
Total Assets	1,807,221	6,687,278	2,316,173	5,562,747	13,044,958	3,934,559	500,228	33,853,164
Liabilities								
Bank Deposits	152,964	84,490	87,210	30,950	--	--	--	355,614
Other Deposits	3,729,534	9,778,286	3,321,863	1,494,150	1,388,282	1,131	--	19,713,246
Funds Borrowed from Other Fin.Inst.	--	575,294	309,589	2,052,452	3,691,903	1,187,866	--	7,817,104
Interbank Money Market Placements	--	26,348	--	--	--	--	--	26,348
Marketable Securities Issued	--	--	--	--	--	--	--	--
Miscellaneous Payables	551,920	32,098	855	345	42	--	52,569	637,829
Other Liabilities	701,761	27,502	80,975	121,123	188,331	56,348	4,126,983	5,303,023
Total Liabilities	5,136,179	10,524,018	3,800,492	3,699,020	5,268,558	1,245,345	4,179,552	33,853,164
Net Liquidity Gap	(3,328,958)	(3,836,740)	(1,484,319)	1,863,727	7,776,400	2,689,214	(3,679,324)	--
Prior Period								
Total Assets	1,812,399	4,155,741	1,845,416	4,724,333	9,819,032	3,156,268	429,706	25,942,895
Total Liabilities	3,264,967	8,932,086	1,954,524	2,230,254	4,267,830	1,879,015	3,414,219	25,942,895
Net Liquidity Gap	(1,452,568)	(4,776,345)	(109,108)	2,494,079	5,551,202	1,277,253	(2,984,513)	--

(*) 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.

VIII. 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.

	Carrying value		Fair value	
	Current Period	Prior Period	Current Period	Prior Period
Financial Assets	30,367,661	23,372,486	30,567,500	23,554,202
Interbank money market placements	1,232,636	700,426	1,232,636	700,426
Due from banks	1,247,519	1,000,357	1,245,997	1,000,331
Investment securities available-for-sale	3,266,028	2,323,694	3,266,028	2,323,694
Investment securities held-to-maturity	831,959	789,692	933,229	888,182
Loans and Other Receivables	23,789,519	18,558,317	23,889,610	18,641,569
Financial Liabilities	28,523,793	21,468,349	28,449,422	21,444,137
Bank deposits	355,614	390,830	356,968	390,794
Other deposits	19,713,246	14,701,083	19,662,261	14,655,660
Funds borrowed from other financial institutions	7,817,104	6,038,077	7,794,364	6,059,324
Miscellaneous payables	637,829	338,359	637,829	338,359

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

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 2010	Level 1	Level 2	Level 3	Total
<i>Financial Assets at Fair Value Through Profit or Loss</i>	346,181	294,622	--	640,803
<i>Public Sector Debt Securities</i>	330,226	--	--	330,226
<i>Share Certificates</i>	15,852	--	--	15,852
<i>Trading Purpose Derivatives</i>		294,622	--	294,622
<i>Other Securities</i>	103	--	--	103
<i>Financial Assets Available for Sale(*)</i>	3,253,438	--	--	3,253,438
<i>Public Sector Debt Securities</i>	3,194,854	--	--	3,194,854
<i>Other Securities</i>	58,584	--	--	58,584
<i>Hedging Purpose Derivatives</i>	--	198,520	--	198,520
Total Assets	3,599,619	493,142	--	4,092,761
 <i>Derivative Financial Liabilities Held for Trading</i>	 --	 179,164	 --	 179,164
<i>Hedging Purpose Derivatives</i>	--	180,580	--	180,580
Total Liabilities	--	359,744	--	359,744

Current Period-31 December 2009	Level 1	Level 2	Level 3	Total
<i>Financial Assets at Fair Value Through Profit or Loss</i>	133,359	111,699	--	245,058
<i>Public Sector Debt Securities</i>	129,542	--	--	129,542
<i>Share Certificates</i>	463	--	--	463
<i>Trading Purpose Derivatives</i>	--	111,699	--	111,699
<i>Other Securities</i>	3,354	--	--	3,354
<i>Financial Assets Available for Sale(*)</i>	2,319,033	--	--	2,319,033
<i>Public Sector Debt Securities</i>	2,202,498	--	--	2,202,498
<i>Other Securities</i>	116,535	--	--	116,535
<i>Hedging Purpose Derivatives</i>	--	183,032	--	183,032
Total Assets	2,452,392	294,731	--	2,747,123
 <i>Derivative Financial Liabilities Held for Trading</i>	 --	 175,780	 --	 175,780
<i>Hedging Purpose Derivatives</i>	--	182,786	--	182,786
Total Liabilities	--	358,566	--	358,566

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 TRY 12,590, 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.

IX. 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.

X. Explanations related to the consolidated segment reporting

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

In retail banking, it offers loan products (consumer loans, mortgage, and 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 everyday needs of customers are overdraft loans, automated bill payment, checkbooks and rental safes.

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

Within treasury and investment banking, sales, prop-trading and private banking departments offer spot and forward TRY and foreign exchange transactions, trading of 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.

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

Segment information of the Group is presented in the following table:

	Retail Banking	Corporate Banking	Treasury and Investment Banking	Total
Current Period (01.01.2010 - 31.12.2010)				
Operating income	1,480,405	565,770	311,535	2,357,710
Operating profit before taxes	341,029	149,030	289,064	779,123
Dividend income	--	--	--	355
Provision for taxes on income	--	--	--	(163,187)
Net profit for the period				616,291
Current Period (31.12.2010)				
Segment assets	10,574,197	13,215,322	9,138,004	32,927,523
Subsidiaries, associates and JVs	--	--	--	14,778
Undistributed assets	--	--	--	910,863
Total assets				33,853,164
Segment liabilities	13,170,021	6,543,225	8,558,810	28,272,056
Undistributed liabilities	--	--	--	1,921,903
Shareholders' equity	--	--	--	3,659,205
Total liabilities				33,853,164
Prior Period (01.01.2009 - 31.12.2009)				
Operating income	1,395,408	646,762	348,817	2,390,987
Operating profit before taxes	285,777	155,695	327,261	768,733
Dividend income	--	--	--	8,762
Provision for taxes on income	--	--	--	(172,710)
Net profit for the period				604,785
Prior Period (31.12.2009)				
Segment assets	8,455,666	10,102,649	6,620,178	25,178,493
Subsidiaries, associates and JVs	--	--	--	24,961
Undistributed assets	--	--	--	739,441
Total assets				25,942,895
Segment liabilities	10,525,867	4,175,629	7,086,630	21,788,126
Undistributed liabilities	--	--	--	1,186,821
Shareholders' equity	--	--	--	2,967,948
Total liabilities				25,942,895

SECTION FIVE

DISCLOSURES AND FOOTNOTES 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	
	TRY	FC	TRY	FC
Cash in TRY / Foreign Currency	195,813	287,237	134,374	211,239
Central Bank of the Republic of Turkey	178,829	1,058,636	501,921	530,366
Other (*)	--	24	--	17
Total	374,642	1,345,897	636,295	741,622

(*) Includes TRY 24 of cheques purchased (31 December 2009: TRY 17).

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

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Unrestricted Demand Deposits	178,829	279,536	501,921	171,135
Unrestricted Time Deposits	--	--	--	--
Restricted Time Deposits	--	779,100	--	359,231
Total	178,829	1,058,636	501,921	530,366

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

According to the “Communiqué of the Central Bank of the Republic of Turkey on Reserve Deposits”; all banks operating in Turkey should provide a reserve at 6% in terms of Turkish Lira for their liabilities in Turkish Lira and 11% in terms of US Dollars and Euro for their liabilities in foreign currencies. The Central Bank of the Republic of Turkey does not pay interest for foreign currency reserve deposits. Interest payment on Turkish Lira reserves was ceased with the “Communiqué on Amendments to be made on Announcement on Reserve Deposits” published in the Official Gazette dated 23 September 2010 and numbered 27708.

With the amendments dated 17 December 2010 and 24 January 2011, related to “Announcement on Reserve Deposits”, reserve deposit rates have been defined in a range of 5% to 12% depending on the terms of the deposits. Besides, funds provided under repurchase agreements; except for the transactions with the Central Bank of the Republic of Turkey or with the domestic banks; are included in the reserve deposit base.

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

2.1 Information on trading securities given as collateral or blocked

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Share Certificates	--	--	--	--
Bonds, Treasury Bills and Similar Marketable Securities	11,662	17,616	12,073	19,312
Other	--	--	--	--
Total	11,662	17,616	12,073	19,312

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

2.2 Trading securities subject to repurchase agreements

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Government Bonds	--	--	3,701	--
Treasury Bills	--	--	--	--
Other Debt Securities	--	--	--	--
Bonds Issued or Guaranteed by Banks	--	--	--	--
Asset Backed Securities	--	--	--	--
Other	--	--	--	--
Total	--	--	3,701	--

2.3 Positive value of trading purpose derivatives

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Forward Transactions	544	27,872	112	15,219
Swap Transactions	45,347	162,662	45,957	30,060
Futures Transactions	--	--	--	1,163
Options	1,805	56,392	1,764	17,424
Other	--	--	--	--
Total	47,696	246,926	47,833	63,866

3. Information on Banks

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Banks				
Domestic	132,332	198,419	117,135	223,096
Foreign	202,863	713,905	90,034	570,092
Foreign head offices and branches	--	--	--	--
Total	335,195	912,324	207,169	793,188

3.1 Foreign banks

	Unrestricted Amount		Restricted Amount	
	Current Period	Prior Period	Current Period	Prior Period
EU Countries	487,890	484,531	--	--
USA, Canada	71,612	98,842	--	--
OECD Countries (*)	26,427	8,770	--	--
Off shore zones	297,329	700	--	--
Other	33,510	67,283	--	--
Total	916,768	660,126	--	--

(*) 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

Investment securities available-for-sale given as collateral are government bonds and Eurobonds with carrying value of TRY 466,459 (31 December 2009: TRY 498,979).

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

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

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Share certificates	--	--	--	--
T-bills, Bonds and Similar Securities	255,918	210,541	227,238	271,741
Other	--	--	--	--
Total	255,918	210,541	227,238	271,741

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

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Government Bonds	22,208	--	328,649	--
Treasury Bills	--	--	--	--
Other Debt Securities	--	--	--	--
Bonds Issued or Guaranteed by Banks	--	--	--	--
Asset Backed Securities	--	--	--	--
Other	--	--	--	--
Total	22,208	--	328,649	--

4.5 Information on available-for-sale securities

	Current Period	Prior Period
Debt instruments	3,260,719	2,323,000
Quoted on Stock Exchange	3,260,719	2,323,000
Unquoted on Stock Exchange	--	--
Share certificates	12,590	4,661
Quoted on Stock Exchange	--	--
Unquoted on Stock Exchange	12,590	4,661
Impairment provision (-)	7,281	3,967
Total	3,266,028	2,323,694

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	--	39	--	453
Loans Granted to Employees	34,233	16	30,306	16
Total	34,233	55	30,306	469

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

	Standard Loans and Other Receivables		Loans and Other Receivables Under Close Monitoring	
	Loans and Other Receivables	Restructured or Rescheduled	Loans and Other Receivables	Restructured or Rescheduled
Cash Loans				
Non-specialized Loans	19,491,875	25,991	896,223	17,634
Discount Notes	87,457	--	142	--
Export Loans	502,870	--	87,486	--
Import Loans	1,049	--	--	--
Loans Given to Financial Sector	354,345	--	--	--
Foreign Loans	633,263	716	--	--
Consumer Loans	4,872,394	25,275	205,742	14,579
Credit Cards	1,015,689	--	38,299	--
Precious Metal Loans	41,118	--	70	--
Other	11,983,690	--	564,484	3,055
Specialization Loans	1,083,280	--	88,251	--
Other Receivables	17,833	--	--	--
Total	20,592,988	25,991	984,474	17,634

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	7,751,048	592	270,438	3,328
Non-specialized loans	7,096,879	592	234,054	3,328
Specialized loans	636,336	--	36,384	--
Other receivables	17,833	--	--	--
Medium and Long-term loans and other receivables	12,841,940	25,399	714,036	14,306
Non-specialized loans	12,394,996	25,399	662,169	14,306
Specialized loans	446,944	--	51,867	--
Other receivables	--	--	--	--
Total	20,592,988	25,991	984,474	17,634

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

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

	Short Term	Medium or Long Term	Total
Consumer Loans-TRY	134,893	4,489,438	4,624,331
Real estate Loans	6,512	1,964,953	1,971,465
Vehicle Loans	4,158	288,364	292,522
General Purpose Loans	112,004	2,236,121	2,348,125
Other	12,219	--	12,219
Consumer Loans-Indexed to FC	1,590	299,267	300,857
Real estate Loans	--	288,362	288,362
Vehicle Loans	--	1,503	1,503
General Purpose Loans	1,590	9,402	10,992
Other	--	--	--
Consumer Loans-FC	16	38,414	38,430
Real estate Loans	16	25,861	25,877
Vehicle Loans	--	--	--
General Purpose Loans	--	704	704
Other	--	11,849	11,849
Individual Credit Cards-TRY	976,563	25,756	1,002,319
Installment	338,402	25,756	364,158
Non installment	638,161	--	638,161
Individual Credit Cards-FC	640	--	640
Installment	246	--	246
Non installment	394	--	394
Loans Given to Employees-TRY	1,738	17,582	19,320
Real estate Loans	--	3,241	3,241
Vehicle Loans	10	192	202
General Purpose Loans	1,728	14,149	15,877
Other	--	--	--
Loans Given to Employees - Indexed to FC	--	--	--
Real estate Loans	--	--	--
Vehicle Loans	--	--	--
General Purpose Loans	--	--	--
Other	--	--	--
Loans Given to Employees - FC	--	118	118
Real estate Loans	--	--	--
Vehicle Loans	--	--	--
General Purpose Loans	--	--	--
Other	--	118	118
Personnel Credit Cards - TRY	13,520	190	13,710
Installment	5,973	190	6,163
Non installment	7,547	--	7,547
Personnel Credit Cards - FC	17	--	17
Installment	4	--	4
Non installment	13	--	13
Overdraft Loans-TRY (Real Persons) (*)	134,665	--	134,665
Overdraft Loans-FC (Real Persons)	269	--	269
Total	1,263,911	4,870,765	6,134,676

(*) Overdrafts used by the personnel of the Parent Bank is TRY 1,068 (31 December 2009: TRY 1,204).

5.5 Information on installment commercial loans and corporate credit cards

	Short Term	Medium or Long Term	Total
Installment Commercial Loans - TRY	103,494	1,352,086	1,455,580
Real estate Loans	350	142,219	142,569
Vehicle Loans	7,137	160,555	167,692
General Purpose Loans	95,946	944,225	1,040,171
Other	61	105,087	105,148
Installment Commercial Loans - Indexed to FC	19,162	373,424	392,586
Real estate Loans	259	25,659	25,918
Vehicle Loans	401	35,983	36,384
General Purpose Loans	18,502	297,875	316,377
Other	--	13,907	13,907
Installment Commercial Loans - FC	--	625	625
Real estate Loans	--	--	--
Vehicle Loans	--	--	--
General Purpose Loans	--	--	--
Other	--	625	625
Corporate Credit Cards - TRY	37,055	144	37,199
Installment	3,670	144	3,814
Non installment	33,385	--	33,385
Corporate Credit Cards - FC	103	--	103
Installment	--	--	--
Non installment	103	--	103
Overdraft Loans-TRY (Legal Entities)	172,723	--	172,723
Overdraft Loans-FC (Legal Entities)	706	--	706
Total	333,243	1,726,279	2,059,522

5.6 Loan concentration according to counterparty

	Current Period	Prior Period
Public	481,055	598,450
Private	21,139,232	15,937,424
Total	21,621,087	16,535,874

5.7 Domestic and foreign loans

	Current Period	Prior Period
Domestic Loans	20,987,108	16,100,408
Foreign Loans	633,979	435,466
Total	21,621,087	16,535,874

5.8 Loans granted to subsidiaries and associates

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

5.9 Specific provisions for loans

	Current Period	Prior Period
Specific Provisions		
Loans and Receivables with Limited Collectability	30,648	53,088
Loans and Receivables with Doubtful Collectability	90,645	150,496
Uncollectible Loans and Receivables	637,088	463,135
Total	758,381	666,719

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

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	834	1,169	16,026
(Gross Amounts Before Specific Reserves)			
Restructured Loans and Other Receivables	--	--	--
Rescheduled Loans and Other Receivables	834	1,169	16,026
Prior Period	1,666	15,865	13,760
(Gross Amounts Before Specific Reserves)			
Restructured Loans and Other Receivables	--	--	--
Rescheduled Loans and Other Receivables	1,666	15,865	13,760

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	170,101	318,913	564,952
Additions (+)	486,029	89,283	73,315
Transfers from Other Categories of Non-Performing Loans (+)	--	438,418	483,511
Transfers to Other Categories of Non-Performing Loans (-)	438,418	483,511	--
Collections (-)	120,214	159,288	200,553
Write-offs (-) (*)	--	1,822	137,642
<i>Corporate and Commercial Loans</i>	--	1,807	29,649
<i>Retail Loans</i>	--	15	48,355
<i>Credit Cards</i>	--	--	59,638
<i>Other</i>	--	--	--
Balances at End of the Period	97,498	201,993	783,583
Specific Provisions (-)	30,648	90,645	637,088
Net Balance on Balance Sheet	66,850	111,348	146,495

(*)Based on the resolution of the Parent Bank's Board of Directors, a portion of the credit card and individual, corporate and consumer loans portfolio amounting to TRY 129,610 which have been under follow-up for at least 2 years and fully provided against, was sold to Standart Varlık Yönetimi A.Ş and LBT Varlık Yönetimi A.Ş. for TRY 11,164 with the sales agreements dated 19 January 2010 and 30 September 2010. In addition, the amount written-offs is TRY 9,854.

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

5.10.3 Information on specific provision movements

	Commercial Loans (*)	Consumer Loans	Credit Cards	Other	Total
Prior Period Closing	354,206	197,472	114,616	425	666,719
Additions (+)	193,168	144,549	53,588	119	391,424
Collections (-)	(76,368)	(67,294)	(16,370)	(9)	(160,041)
FX Difference	(141)	(116)	--	--	(257)
Write off(-)	(31,456)	(48,370)	(59,638)	--	(139,464)
Current Period Closing	439,409	226,241	92,196	535	758,381

(*) Commercial loans contain commercial, corporate and operating loans.

Fair value of the collaterals received against non-performing loans, capped with the outstanding balances of those loans, is TRY 156,315 as of 31 December 2010 (31 December 2009: TRY 119,917).

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

	Group III Loans and receivables with limited collectability	Group IV Loans and receivables with doubtful collectability	Group V Uncollectible loans and receivables
Current Period			
Balance as of the Period End	3,416	18,974	95,968
Specific Provisions (-)	177	11,186	50,215
Net Balance on Balance Sheet	3,239	7,788	45,753
Prior Period			
Balance as of the Period End	12,782	40,381	78,000
Specific Provisions (-)	1,633	13,972	35,838
Net Balance on Balance Sheet	11,149	26,409	42,162

5.10.5 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)	66,850	111,348	146,495
Loans Granted to Real Persons and Legal Entities (Gross)	97,241	192,636	781,414
Specific provisions (-)	30,391	81,288	634,919
Loans Granted to Real Persons and Legal Entities (Net)	66,850	111,348	146,495
Banks (Gross)	--	--	--
Specific provisions (-)	--	--	--
Banks (Net)	--	--	--
Other Loan and Receivables (Gross)	257	9,357	2,169
Specific provisions (-)	257	9,357	2,169
Other Loan and Receivables (Net)	--	--	--
Prior Period (Net)	117,013	168,417	101,817
Loans Granted to Real Persons and Legal Entities (Gross)	169,963	307,123	562,759
Specific provisions (-)	52,950	138,706	460,946
Loans Granted to Real Persons and Legal Entities (Net)	117,013	168,417	101,813
Banks (Gross)	--	--	--
Specific provisions (-)	--	--	--
Banks (Net)	--	--	--
Other Loan and Receivables (Gross)	138	11,790	2,193
Specific provisions (-)	138	11,790	2,189
Other Loan and Receivables (Net)	--	--	4

5.11 Aging analysis of past due but not impaired financial assets

	Less than			
Loans	1-30 days	31-60 Days	61-90 Days	Total
Current Period	236,259	85,089	44,842	366,190
Prior Period	170,249	89,233	96,693	356,175

The table includes only past due installments.

5.12 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.

5.13 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. The amount written-off is TRY 9,854 in 2010 (31 December 2009: TRY 1,058).

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

6. Information on investment securities held-to-maturity

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

6.1.1 Information on securities subject to repurchase agreement

Held-to-maturity investments subject to repurchase agreement are government bonds with a book value amounting to TRY 9,144 (31 December 2009: TRY 5,277).

6.1.2 Information on securities subject to given as collateral or blocked

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Bills	--	--	--	--
Bonds and Similar Marketable Securities	201,009	22	181,579	178
Other	--	--	--	--
Total	201,009	22	181,579	178

6.2 Information on government securities held-to-maturity

	Current Period	Prior Period
Government Bonds	786,679	724,087
Treasury Bills	--	--
Other Government Debt Securities	--	--
Total	786,679	724,087

6.3 Information on investment securities held-to-maturity

	Current Period	Prior Period
Debt Securities	831,959	790,028
Quoted on Stock Exchange	720,347	653,453
Unquoted on Stock Exchange	111,612	136,575
Impairment (-)	--	336
Total	831,959	789,692

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	789,692	758,201
Foreign exchange differences (*)	64,676	37,159
Purchases	--	--
Disposals/Redemptions	(22,409)	(5,332)
Impairment losses (-)	--	336
Balance at the end of the period	831,959	789,692

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

The Parent Bank transferred a portion of its securities from "investment securities available-for-sale" portfolio, with a notional amount of TRY 552,934, to the "investment securities held-to-maturity" portfolio due to change in the intention of holding, effective from 1 October 2008. The negative valuation differences amounting to TRY 39,455 under equity accrued until the date of transfer will be amortized and recycled to profit/loss until the maturities of these securities. As of the balance sheet date, the remaining negative valuation difference under equity is TRY 18,407.

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

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. (*)		İstanbul/Turkey	9	--
2-Gelişen Bilgi Teknolojileri A.Ş. (**)		İstanbul/Turkey	5	5
3-Emeklilik Gözetim Merkezi A.Ş. (*)		İstanbul/Turkey	--	8
4-Kredi Garanti Fonu A.Ş.		Ankara/Turkey	2	--

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income on Securities Portfolio	Current Period Profit/Loss	Prior Period Profit/Loss	Fair Value
1	40,927	32,578	1,303	1,655	--	9,905	6,640	--
2	433	431	--	490	--	356	747	--
3	6,893	5,958	347	302	71	1,679	625	--
4	138,091	133,547	2,235	4,510	--	5,437	3,528	--

(*) Information on the financial statements are presented as of the year ended 30 September 2010.

(**) Information on the financial statements are presented as of the period ended 31 December 2010.

7.2 Investments in consolidated associates

There are no investments in consolidated associates.

8. Investments in subsidiaries

Denizbank AG increased its paid-in capital in cash by EUR 24,990,512 (TRY 55,959) on 27 March 2009 completely to be met by Deniz Leasing.

Denizbank AG increased its paid-in capital in cash by EUR 19,999,665 (TRY 38,358) on 1 October 2010 completely to be met by the Parent Bank. 72% of the Denizbank AG shares are owned by the Parent Bank, while the remaining 28% are owned by Deniz Leasing as of 31 December 2010.

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

Deniz Yatırım Ortaklığı has been consolidated for the first time as of 31 December 2010, in accordance with the communiqué of Banking Regulation and Supervision Agency, dated 23 January 2011 and numbered 27824.

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

8.1 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-İntertech Bilgi İşlem ve Pazarlama Ticaret A.Ş.	İstanbul/Turkey	100	--
2-Denizbank Kültür Sanat Yayıncılık Ticaret ve Sanayi A.Ş.	İstanbul/Turkey	100	--
3-Pupa Gayrimenkul Kiralama ve Yönetim Hizmetleri 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
1	5,901	2,687	3,638	241	--	880	349	--
2	1,311	1,307	277	--	--	(12)	112	--
3	135,871	(30,923)	121,818	552	--	(5,101)	(110,822)	--

Information on the financial statements are presented as of the period ended 31 December 2010.

8.2 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	72	28	Full consolidation
2 Eurodeniz International Banking Unit Ltd.	Nicosia / Cyprus	100	--	Full consolidation
3 Deniz Yatırım Menkul Kıymetler A.Ş.	İstanbul / Turkey	100	--	Full consolidation
4 Deniz Türev Menkul Değerler A.Ş.	İstanbul / Turkey	88	12	Full consolidation
5 Ekspres Yatırım Menkul Değerler A.Ş.	İstanbul / Turkey	71	29	Full consolidation
6 CJSC Dexia Bank	Moscow / Russia	49	51	Full consolidation
7 Deniz Portföy Yönetimi A.Ş.	İstanbul / Turkey	--	100	Full consolidation
8 Deniz Finansal Kiralama A.Ş.	İstanbul / Turkey	84	16	Full consolidation
9 Deniz Faktoring A.Ş.	İstanbul / Turkey	100	--	Full consolidation
10 Deniz Emeklilik ve Hayat A.Ş.	İstanbul / Turkey	100	--	Full consolidation
11 Deniz Yatırım Ortaklığı A.Ş.	İstanbul/Turkey	--	50	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
1	4,506,887	324,489	7,992	156,551	3,603	29,957	21,604	--
2	1,096,713	3,891	114	55,101	--	1,152	266	--
3	59,998	49,641	453	3,809	375	11,696	15,772	--
4	9,289	9,164	11	822	34	(36)	196	--
5	44,681	42,612	79	4,371	2,224	1,757	2,961	--
6	359,733	72,826	3,399	15,669	2,061	8,197	2,569	--
7	2,915	2,140	8	166	5	(221)	(78)	--
8	1,836,438	342,596	58	113,583	--	41,559	(44,521)	--
9	919,137	139,768	116	83,599	--	31,072	31,017	--
10	178,862	64,906	1,546	9,920	5,149	22,779	16,317	--
11	32,182	32,111	--	1,158	3,790	4,103	7,640	--

Information on the financial statements are presented as of the period ended 31 December 2010.

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

8.2.1 *Movement of consolidated subsidiaries*

	Current Period	Prior Period
Balance at the Beginning of the Period	519,798	462,334
Movements during the Period	47,555	57,464
Purchases	38,358	55,959
Bonus Shares Received	--	1,349
Dividends from Current Year Profit	--	--
Sales	--	--
Revaluation Increase, Effect of Inflation and F/X Difference	(1,442)	156
Other (*)	10,639	--
Allowance for impairment	--	--
Balance at the End of the Period	567,353	519,798
Capital Commitments	9,990	9,990
Share Percentage at the end of Period (%)	--	--

(*) Consists of the investment in Deniz Yatırım Ortaklığı; which has been consolidated for the first-time as of 31 December 2010.

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

	Current Period	Prior Period
Banks	251,988	215,073
Insurance Companies	13,819	13,819
Factoring Companies	26,107	26,107
Leasing Companies	226,929	226,929
Finance Companies	--	--
Other Subsidiaries	48,510	37,870
Total	567,353	519,798

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

8.2.3 *Quoted subsidiaries within the consolidation scope*

	Current Period	Prior Period
Quoted on domestic markets	10,639	--
Quoted on foreign markets	--	--

Deniz Yatırım Ortaklığı was established on 5 May 1995 by registering at the Trade Registry and announced in the Turkish Trade Registry Gazette dated 16 May 1995 and numbered 3786 to operate in capital markets in accordance with Capital Market Law numbered 2499 and related regulations.

Shares of Deniz Yatırım Ortaklığı have been quoted on Istanbul Stock Exchange ("ISE") since 30 October 1995.

50% of Deniz Yatırım Ortaklığı shares belong to Deniz Yatırım and the rest are publicly traded.

8.2.4 *Consolidated subsidiaries disposed during the current period*

None.

8.2.5 *Consolidated subsidiaries acquired during the current period*

None.

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

9. Entities Under Common Control (Joint Ventures)

9.1 Information on non-consolidated entities under common control

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	8,473	7,012	3,390	2,371	(1,171)

Information on the financial statements are presented as of the period ended 31 December 2010.

In the Extraordinary General Meeting of the Shareholders of Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş held on 23 July 2010, it was decided to increase its paid-in capital by TRY 6,000. The Parent Bank paid its commitment of TRY 2,000 on 2 August 2010.

9.2 Information on consolidated entities under common control (business association)

There are no entities under common control which are consolidated.

10. Information on lease receivables

10.1 Maturity analysis of finance lease receivables

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	408,426	336,703	438,726	364,974
Between 1-4 years	625,462	560,395	706,167	611,489
Over 4 years	79,060	70,447	99,938	90,022
Total	1,112,948	967,545	1,244,831	1,066,485

10.2 Information on net investments in finance lease receivables

	Current Period	Prior Period
Gross finance lease receivable	1,112,948	1,244,831
Unearned finance income (-)	145,403	178,346
Cancelled leasing agreements (-)	--	--
Net investment on finance leases	967,545	1,066,485

10.3 Information on finance lease agreements of the Parent Bank

None.

11. Information on hedging purpose derivatives

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Fair Value Hedge	--	--	--	--
Cash Flow Hedge	187,578	10,942	168,555	14,477
Hedging of a Net Investment in Foreign Subsidiaries	--	--	--	--
Total	187,578	10,942	168,555	14,477

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

12. Information on tangible assets

	Land and buildings	Fixed assets under finance lease	Vehicles	Other tangible fixed assets	Total
Current Period End:					
Net book value at the beginning of the period	49,800	164,950	1,625	238,544	454,919
Additions	44	18,945	421	93,416	112,826
Disposals	(1,053)	--	(539)	(9,853)	(11,445)
Net FX difference from foreign subsidiaries	--	--	(8)	(473)	(481)
Net book value at the end of the period	48,791	183,895	1,499	321,634	555,819
Accumulated depreciation at the beginning of the period (-)	9,197	104,087	1,340	101,073	215,697
Disposals	(461)	--	(526)	(7,043)	(8,030)
Net FX difference from foreign subsidiaries	--	--	(2)	(205)	(207)
Depreciation	878	16,906	129	49,770	67,683
Current period accumulated depreciation (-)	9,614	120,993	941	143,595	275,143
Closing net book value	39,177	62,902	558	178,039	280,676
Prior Period End:					
Net book value at the beginning of the period	48,956	135,413	1,820	197,226	383,415
Additions	844	29,537	30	60,118	90,529
Disposals	--	--	(217)	(18,172)	(18,389)
Net FX difference from foreign subsidiaries	--	--	(8)	(628)	(636)
Net book value at the end of the period	49,800	164,950	1,625	238,544	454,919
Accumulated depreciation at the beginning of the period (-)	8,207	84,316	1,304	81,281	175,108
Disposals	--	--	(61)	(6,976)	(7,037)
Net FX difference from foreign subsidiaries	--	--	(7)	(148)	(155)
Depreciation	990	19,771	104	26,916	47,781
Prior period accumulated depreciation (-)	9,197	104,087	1,340	101,073	215,697
Closing net book value	40,603	60,863	285	137,471	239,222

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

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

Value of the buildings has decreased due to fluctuations in the real estate market in prior years.

12.1.2 *Amount recorded or reversed in the financial statements*

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

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

None.

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

13. Information on intangible assets

13.1 Useful lives and amortization rates

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

13.2 Amortization methods

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

13.3 Movement of intangible assets

Current Period End:	Rights	Other	Total
Net book value at the beginning of the period	102,856	2,650	105,506
Additions	22,536	--	22,536
Disposals	(924)	--	(924)
Net FX difference from foreign subsidiaries	(255)	--	(255)
Net book value at the end of the period	124,213	2,650	126,863
Accumulated depreciation at the beginning of the period (-)	65,552	2,650	68,202
Disposals	(440)	--	(440)
Net FX difference from foreign subsidiaries	(164)	--	(164)
Depreciation	17,671	--	17,671
Current period accumulated depreciation (-)	82,619	2,650	85,269
Closing net book value	41,594	--	41,594
Prior Period End:			
Net book value at the beginning of the period	80,236	2,650	82,886
Additions	25,298	--	25,298
Disposals	(2,335)	--	(2,335)
Net FX difference from foreign subsidiaries	(343)	--	(343)
Net book value at the end of the period	102,856	2,650	105,506
Accumulated depreciation at the beginning of the period (-)	52,974	2,611	55,585
Disposals	(540)	--	(540)
Net FX difference from foreign subsidiaries	(53)	--	(53)
Depreciation	13,171	39	13,210
Prior period accumulated depreciation (-)	65,552	2,650	68,202
Closing net book value	37,304	--	37,304

13.4 The carrying value, description and remaining useful life of significant intangible assets, if any
None.

13.5 Information on intangible assets that have been purchased by government grants and originally have been accounted for by using the fair value principle
None.

13.6 Subsequent periods' valuation methodology for intangible assets that have been purchased by government grants in the past and originally have been accounted for by using the fair value principle
None.

- 13.7** *Carrying value of intangible assets that are pledged or restricted in usage*
None.
- 13.8** *Amount of any commitments granted for the purchase of intangible assets*
None.
- 13.9** *In case of a revaluation, information on an asset by asset basis for intangible assets*
None.
- 13.10** *Total amount charged to income statement as research and development expense, if any*
None.
- 13.11** *Goodwill or negative goodwill arising from consolidated investments*
None.
- 14.** **Information on investment properties**
None.

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

15. Information on deferred tax asset

15.1 Amount of deferred tax asset recognized in the balance sheet in respect of deductible temporary differences, unused tax losses and unused tax credits

Deferred tax asset calculated on the basis of related regulation is TRY 56,269 (31 December 2009: TRY 88,281) and deferred tax liability is TRY 436 (31 December 2009: nil). 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	47,552	49,094
Valuation Differences of Financial Assets	16,042	20,198
Provision for Employee Benefits	8,373	5,129
Valuation Differences of Derivatives	--	7,229
Other	16,998	11,823
	88,965	93,473
Deferred Tax Liabilities:		
Valuation Differences of Tangible Assets	(4,406)	(5,192)
Valuation Differences of Derivatives	(28,726)	--
	(33,132)	(5,192)
Net Deferred Tax Assets	55,833	88,281

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

None.

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

None.

16. Information on assets held for sale and non-current assets related to discontinued operations

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

17. Information on other assets

17.1 Information on prepaid expense, taxes and similar items

Prepaid expenses are TRY 41,998 (31 December 2009: TRY 19,335).

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

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

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	628,320	--	1,066,362	4,666,595	109,470	23,260	9,937	--	6,503,944
Foreign Currency Deposits	2,022,733	--	1,256,461	2,621,887	275,022	1,059,382	1,941,140	--	9,176,625
Residents in Turkey	1,174,859	--	1,143,477	2,350,093	188,197	78,647	214,127	--	5,149,400
Residents Abroad	847,874	--	112,984	271,794	86,825	980,735	1,727,013	--	4,027,225
Public Sector Deposits	139,036	--	1,717	12,355	20,374	34	441	--	173,957
Commercial Deposits	884,092	--	835,126	1,599,104	131,326	5,413	193,105	--	3,648,166
Other Ins. Deposits	25,394	--	30,521	122,972	739	46	923	--	180,595
Precious Metal Deposits	29,959	--	--	--	--	--	--	--	29,959
Bank Deposits	152,964	--	58,223	111,183	29,640	3,604	--	--	355,614
Central Bank	--	--	--	--	--	--	--	--	--
Domestic Banks	5,777	--	50,903	1,002	2,019	--	--	--	59,701
Foreign Banks	38,968	--	7,320	110,181	27,621	3,604	--	--	187,694
Special Finan.Inst.	108,219	--	--	--	--	--	--	--	108,219
Other	--	--	--	--	--	--	--	--	--
Total	3,882,498	--	3,248,410	9,134,096	566,571	1,091,739	2,145,546	--	20,068,860

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	464,219	--	600,501	3,650,424	26,297	10,448	23,913	--	4,775,802
Foreign Currency Deposits	1,469,933	--	948,748	2,633,460	111,984	603,480	2,032,257	--	7,799,862
Residents in Turkey	961,110	--	857,337	2,434,214	63,759	104,625	154,652	--	4,575,697
Residents Abroad	508,823	--	91,411	199,246	48,225	498,855	1,877,605	--	3,224,165
Public Sector Deposits	107,555	--	1,051	3,010	22	20	80	--	111,738
Commercial Deposits	597,808	--	598,016	687,027	10,981	30,713	206	--	1,924,751
Other Ins. Deposits	20,185	--	25,892	31,098	59	104	50	--	77,388
Precious Metal Deposits	11,542	--	--	--	--	--	--	--	11,542
Bank Deposits	45,117	--	165,514	177,907	2,292	--	--	--	390,830
Central Bank	--	--	--	--	--	--	--	--	--
Domestic Banks	1,925	--	145,194	31,178	2,032	--	--	--	180,329
Foreign Banks	10,646	--	20,320	146,729	260	--	--	--	177,955
Special Finan.Inst.	32,546	--	--	--	--	--	--	--	32,546
Other	--	--	--	--	--	--	--	--	--
Total	2,716,359	--	2,339,722	7,182,926	151,635	644,765	2,056,506	--	15,091,913

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

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	2,593,363	2,129,250	3,839,039	2,592,972
Foreign Currency Saving Deposits	669,408	684,314	2,177,628	2,019,115
Other Saving Deposits	--	--	--	--
Foreign Branches' Deposits Under Foreign Insurance Coverage	--	--	--	--
Off-Shore Deposits Under Foreign Insurance Coverage	--	--	--	--
Total	3,262,771	2,813,564	6,016,667	4,612,087

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	77,142	77,441
Deposits and Other Accounts belong to Major Shareholders with Their Parents, Spouse and Children under Their Wardship	--	--
Deposits and Other Accounts belong to Members of Board of Directors, CEO and Deputy CEO with Their Parents, Spouse and Children under Their Wardship	12,916	12,803
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	34,120	111,657
Total	124,178	201,901

2. Information on trading purpose derivatives

2.1 Negative value of trading purpose derivatives

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Forward Transactions	4,014	22,412	--	13,493
Swap Transactions	52,122	41,319	46,044	96,976
Futures Transactions	--	2,072	--	53
Options	1,671	55,554	633	18,581
Other	--	--	--	--
Total	57,807	121,357	46,677	129,103

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

3. Information on funds borrowed

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Central Bank Loans	--	--	--	--
Domestic Bank and Institutions	473,543	136,909	251,500	58,678
Foreign Bank, Institutions and Funds	552,848	5,883,660	151,675	4,817,317
Total	1,026,391	6,020,569	403,175	4,875,995

The Parent Bank, via a special purpose entity (SPE), obtained a securitization loan with three year grace period for the principal payment, 7 year maturity and quarterly fixed interest payments, amounting to USD 80 million on 30 June 2005 by the resolution of the Board of Directors dated 28 September 2005 and numbered 2005/33. As of 31 December 2010, the outstanding balance amounts to USD 25 millions.

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 USD 350 million on 28 September 2007 by the resolution of the Board of Directors dated 25 September 2007 and numbered 2007/27. As of 31 December 2010, the outstanding balance of the loan is USD 297.5 million.

3.1 Maturity information of funds borrowed

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Short-Term	852,079	2,203,433	261,737	737,031
Medium and Long-Term	174,312	3,817,136	141,438	4,138,964
Total	1,026,391	6,020,569	403,175	4,875,995

3.2 Additional information on concentrations of the Bank's liabilities

As at 31 December 2010, the Bank's liabilities comprise; 59% deposits, 23% funds borrowed and subordinated loans (31 December 2009: 58%, 23%, respectively).

4. 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.

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

None.

5.1 Changes in agreements and further commitments arising

None.

5.2 Obligations under finance leases

None.

5.3 Information on operational leases

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

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

5.4 Information on “Sell-and-lease back” agreements

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

6. Information on liabilities arising from hedging purpose derivatives

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Fair Value Hedge	--	--	--	--
Cash Flow Hedge	170,545	10,035	173,150	9,636
Hedging of a Net Investment in Foreign Subsidiaries	--	--	--	--
Total	170,545	10,035	173,150	9,636

7. Information on provisions

7.1 Information on general provisions

	Current Period	Prior Period
Provisions for Loans and Receivables in Group I	142,727	103,999
Provisions for Loans and Receivables in Group II	20,042	17,582
Provisions for Non Cash Loans	20,305	13,888
Other	--	--
Total	183,074	135,469

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

	Current Period	Prior Period
Foreign Exchange Provision for Foreign Currency Indexed Loans (*)	6,763	15,698

(*) Foreign exchange differences of foreign currency indexed loans are offset against “Loans and receivables” in assets.

7.3 Information on provision for employee benefits

DFS Group calculated the provision for employee benefits recognized in its consolidated financial statements using the actuarial methods referred to in TAS 19 “Employee Benefits”.

As of 31 December 2010, TRY 25,219 of provision for employment termination benefits (31 December 2009: TRY 11,743) and TRY 19,377 of unused vacation accruals (31 December 2009: TRY 16,704) were reflected to the consolidated financial statements.

	Current Period	Prior Period
Discount rate	4.66%	5.92%
Interest Rate	10.00%	11.00%
Expected rate of salary/limit increase	5.1%	4.8%

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

7.4 Information on other provisions

7.4.1 Information on free provisions provided for probable risks

	Current Period	Prior Period
Free Provisions Provided for Probable Risks	201,979	191,237

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

7.4.2 Information on other provisions exceeding 10% of total provisions

TRY 33,439 (31 December 2009: TRY 36,589) of other provisions consists of provisions for non-cash loans that are not indemnified and converted into cash. TRY 5,044 (31 December 2009: TRY 4,660) consists of provisions for lawsuits pending against DFS Group and TRY 6,566 (31 December 2009: TRY 30,761) consists of other provisions.

8. Information on taxation

8.1 Information on current taxes

8.1.1 Information on current tax liability

As of 31 December 2010, the current tax charge of DFS Group is TRY 140,495 (31 December 2009: TRY 255,837), and it has been offset with advance taxes amounting to TRY 117,146 (31 December 2009: TRY 217,107 (it has been offset with "absorbed withholding of tax paid in foreign countries" amounting to TRY 17)).

As of 31 December 2010, DFS Group's total tax and premium liabilities is TRY 72,155 (31 December 2009: TRY 81,888).

8.1.2 Information on taxes payable

	Current Period	Prior Period
Corporate taxes payable	23,349	38,730
Taxation on securities	13,220	9,380
Capital gains taxes on property	930	727
Banking Insurance Transaction Tax (BITT)	15,989	15,033
Taxes on foreign exchange transactions	--	--
Value added taxes payable	694	522
Other	10,117	10,860
Total	64,299	75,252

8.1.3 Information on premiums

	Current Period	Prior Period
Social security premiums- employee share	3,551	3,039
Social security premiums- employer share	3,505	2,909
Bank pension fund premium- employee share	--	--
Bank pension fund premium- employer share	--	--
Pension fund membership fees and provisions- employee share	--	--
Pension fund membership fees and provisions- employer share	--	--
Unemployment insurance- employee share	258	224
Unemployment insurance- employer share	449	373
Other	93	91
Total	7,856	6,636

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

8.2 Information on deferred tax liabilities

Deferred tax liability calculated on the basis of related regulation is TRY 436 (31 December 2009: nil). Information on deferred taxes is disclosed in footnote 15 of "explanations and disclosures related to consolidated assets".

9. Information on payables related to assets held for sale

None.

10. Information on subordinated loans

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

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

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

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

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Domestic banks	--	--	--	--
Other domestic institutions	--	--	--	--
Foreign banks	--	770,144	--	758,907
Other foreign institutions	--	--	--	--
Total	--	770,144	--	758,907

11. Information on shareholders' equity

11.1 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 2010, the Parent Bank has "other capital reserves" amounting to TRY 189,164 (31 December 2009: TRY 189,164) arising from the effect of inflation restatement of the paid-in capital.

11.2 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.

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

None.

11.4 Information on share capital increases from revaluation funds

None.

11.5 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.

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

11.6 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.

11.7 Information on the privileges given to stocks representing the capital

The Parent Bank does not have any preferred stocks.

11.8 Common stock issue premiums, shares and equity instruments

	Current Period	Prior Period
Number of Shares (*)	50,368,526	50,368,526
Preferred Stock	--	--
Common Stock Issue Premium (**)	98,411	98,411
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 TRY 202,000 to TRY 290,000; and TRY 50,369 of this TRY 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 TRY 94,440 was realized. The inflation restatement effect of TRY 3,911 was also recognized over the original balance until December 2004. A total issuance premium of TRY 60 was realized through the Bank's paid-in capital increase amounting TRY 400,000 on 28 August 2008.

11.9 Securities Revaluation Reserve

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Associates, Subsidiaries and JVs	--	--	--	--
Valuation Difference	109,684	29,306	74,458	20,397
Foreign Exchange Difference	--	--	--	--
Total	109,684	29,306	74,458	20,397

11.10 Information on hedging funds

11.10.1 Information on cash flow hedge items

The Parent Bank hedges a portion of its floating rate liabilities by interest rate swaps. The effective portion of the fair value losses of those swaps, amounting to TRY 109,936 (31 December 2009: TRY 117,905), has been disclosed in hedging reserves under equity.

11.10.2 Information on hedging foreign net investment risk

DFS Group hedges its foreign currency exchange rate risk from retranslation of its foreign operations by net investment hedge accounting, through recognizing the effective portion of foreign exchange rate changes of a portion of its foreign currency denominated liabilities under equity. The related loss under hedging reserve amounts to TRY 60,323 as of 31 December 2010 (31 December 2009: TRY 67,014).

12. Information on minority shares

	Current Period	Prior Period
Balance at the Beginning of the Period	--	--
Minority interest in net income of consolidated subsidiaries	2,051	--
Prior period dividend	--	--
Increase/(decrease) in minority interest due to disposals	--	--
Other	14,005	--
Balance at the End of the Period (*)	16,056	--

(*) Represents the minority shares of Deniz Yatırım Ortaklığı which has been consolidated for the first time as of 31 December 2010.

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 2010, non-cash loans, commitments for credit card limits and commitments for cheque payments are TRY 7,635,709 , TRY 2,981,108 and TRY 791,430, respectively (31 December 2009: TRY 5,093,744, TRY 3,465,961 and TRY 583,772, 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 2010, DFS Group has letters of guarantee amounting to TRY 5,581,121, bills of exchange and acceptances amounting to TRY 176,448, and guarantees and sureties on letters of credit amounting to TRY 1,603,304. There are also other guarantees and sureties amounting to TRY 274,836.

As of 31 December 2009 DFS Group has letters of guarantee amounting to TRY 3,770,080, bills of exchange and acceptances amounting to TRY 119,805, and guarantees and sureties on letter of credit amounting to TRY 902,394. There are also other guarantees and sureties amounting to TRY 301,465.

1.2.2 Final guarantees, provisional guarantees, sureties and similar transactions

	Current Period	Prior Period
Provisional Letters of Guarantee	588,487	338,764
Final Letters of Guarantee	3,905,033	2,803,467
Letters of Guarantee for Advances	774,393	425,021
Letters of Guarantee given to Customs Offices	256,863	171,218
Other Letters of Guarantee	56,345	31,610
Total	5,581,121	3,770,080

2. Total amount of non-cash loans

	Current Period	Prior Period
Non-Cash Loans Given for Obtaining Cash Loans	476,614	363,448
With Original Maturity of 1 Year or Less	228,139	151,253
With Original Maturity of More Than 1 Year	248,475	212,195
Other Non-Cash Loans	7,159,095	4,730,296
Total	7,635,709	5,093,744

3. Sectorial risk concentrations of non-cash loans

	Current Period				Prior Period			
	TRY	%	FC	%	TRY	%	FC	%
Agricultural	53,358	1.82	39,684	0.84	30,003	1.52	18,351	0.59
Farming and Raising Livestock	52,794	1.80	39,658	0.84	29,487	1.49	18,351	0.59
Forestry	334	0.01	26	--	376	0.02	--	--
Fishing	230	0.01	--	--	140	0.01	--	--
Manufacturing	430,915	14.70	1,822,321	38.74	351,365	17.78	1,049,348	33.65
Mining	91,970	3.14	451,607	9.60	58,146	2.94	268,714	8.62
Production	268,896	9.17	1,185,277	25.20	262,525	13.29	644,960	20.68
Electric, gas and water	70,049	2.39	185,437	3.94	30,694	1.55	135,674	4.35
Construction	1,013,639	34.57	1,339,697	28.48	656,508	33.24	1,032,782	33.12
Services	1,143,319	39.00	1,204,904	25.61	798,095	40.42	852,187	27.34
Wholesale and retail trade	684,362	23.34	447,424	9.51	485,895	24.60	356,636	11.44
Hotel, food and beverage Services	81,268	2.77	227,857	4.84	53,065	2.69	144,038	4.62
Transportation and telecommunication	171,215	5.84	256,974	5.46	92,745	4.70	254,997	8.18
Financial institutions	98,096	3.35	262,454	5.58	91,203	4.62	84,144	2.70
Real estate and renting Services	10,151	0.35	1,648	0.04	10,030	0.51	2,280	0.07
Self-employment services	--	--	68	--	--	--	71	--
Education services	7,403	0.25	1,660	0.04	3,348	0.17	2,969	0.10
Health and social services	90,824	3.10	6,819	0.14	61,809	3.13	7,052	0.23
Other	290,590	9.91	297,282	6.32	139,041	7.04	166,064	5.32
Total	2,931,821	100.00	4,703,888	100.00	1,975,012	100.00	3,118,732	100.00

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

	I. Group		II. Group	
	TRY	FC	TRY	FC
Letters of guarantee	2,897,872	2,641,584	30,796	10,869
Bank acceptances	--	176,448	--	--
Letters of credit	3,153	1,600,007	--	144
Endorsements	--	--	--	--
Underwriting commitments	--	--	--	--
Factoring commitments	--	--	--	--
Other commitments and contingencies	--	274,391	--	445
Total	2,901,025	4,692,430	30,796	11,458

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

5. Information related to derivative financial instruments

Current Period	1 month	3 months	12 months	1-5 year	More than 5 years	Total
Hedging Purpose Derivative Transactions						
A. Total hedging Purpose Derivative Transactions	21,543	96,081	839,529	1,330,881	163,909	2,451,943
Fair Value Hedge Transactions	--	--	--	--	--	--
Cash Flow Hedge Transactions	21,543	96,081	839,529	1,330,881	163,909	2,451,943
Net Foreign Investment Hedge Transactions	--	--	--	--	--	--
Types of trading transactions						
Foreign currency related derivative transactions (I)	8,515,358	7,761,652	5,984,431	332,448	264,422	22,858,311
Forward FC Call transactions	514,895	1,311,686	367,836	--	--	2,194,417
Forward FC Put transactions	513,704	1,309,660	367,596	--	--	2,190,960
Swap FC Call transactions	3,138,150	2,188,447	499,904	161,824	132,211	6,120,536
Swap FC Put transactions	3,081,098	2,151,467	500,294	150,307	132,211	6,015,377
Options FC Call transactions	633,906	388,167	2,121,076	10,154	--	3,153,303
Options FC Put transactions	633,605	385,224	2,121,589	10,163	--	3,150,581
Futures FC Call transactions	--	27,001	6,136	--	--	33,137
Futures FC Put transactions	--	--	--	--	--	--
Total of interest derivative transactions (II)	--	33,226	338,892	1,920,716	1,069,764	3,362,598
Swap Interest Call transactions	--	14,148	169,446	884,609	534,882	1,603,085
Swap Interest Put transactions	--	14,148	169,446	884,609	534,882	1,603,085
Options Interest Call transactions	--	4,930	--	75,749	--	80,679
Options Interest Put transactions	--	--	--	75,749	--	75,749
Securities Interest Call transactions	--	--	--	--	--	--
Securities Interest Put transactions	--	--	--	--	--	--
Futures Interest Call transactions	--	--	--	--	--	--
Futures Interest Put transactions	--	--	--	--	--	--
Other types of trading transactions (III)	80,271	36,307	7,154	--	--	123,732
B. Total types of trading transactions (I+II+III)	8,595,629	7,831,185	6,330,477	2,253,164	1,334,186	26,344,641
Total Derivative Transactions (A+B)	8,617,172	7,927,266	7,170,006	3,584,045	1,498,095	28,796,584

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

Prior Period	1 month	3 months	12 months	1-5 year	More than 5 years	Total
Hedging Purpose Derivative Transactions						
A. Total hedging Purpose						
Derivative Transactions	--	--	66,719	2,253,668	161,056	2,481,443
Fair Value Hedge Transactions	--	--	--	--	--	--
Cash Flow Hedge Transactions	--	--	66,719	2,253,668	161,056	2,481,443
Net Foreign Investment Hedge Transactions	--	--	--	--	--	--
Types of trading transactions						
Foreign currency related derivative transactions (I)	8,589,778	1,302,174	2,554,653	413,824	230,534	13,090,963
Forward FC Call transactions	914,906	172,288	102,927	3,921	--	1,194,042
Forward FC Put transactions	910,326	172,708	103,695	3,898	--	1,190,627
Swap FC Call transactions	2,157,676	222,261	956,892	207,248	115,267	3,659,344
Swap FC Put transactions	2,193,323	231,354	983,091	198,757	115,267	3,721,792
Options FC Call transactions	1,204,016	225,151	197,802	--	--	1,626,969
Options FC Put transactions	1,209,531	224,998	210,246	--	--	1,644,775
Futures FC Call transactions	--	36,229	--	--	--	36,229
Futures FC Put transactions	--	17,185	--	--	--	17,185
Total of interest derivative transactions (II)	--	34,370	27,516	2,043,262	1,179,996	3,285,144
Swap Interest Call transactions	--	--	13,758	943,207	589,998	1,546,963
Swap Interest Put transactions	--	--	13,758	943,207	589,998	1,546,963
Options Interest Call transactions	--	--	--	78,424	--	78,424
Options Interest Put transactions	--	--	--	78,424	--	78,424
Securities Interest Call transactions	--	--	--	--	--	--
Securities Interest Put transactions	--	--	--	--	--	--
Futures Interest Call transactions	--	17,185	--	--	--	17,185
Futures Interest Put transactions	--	17,185	--	--	--	17,185
Other types of trading transactions (III)	63,145	18,061	--	--	--	81,206
B. Total types of trading transactions (I+II+III)	8,652,923	1,354,605	2,582,169	2,457,086	1,410,530	16,457,313
Total Derivative Transactions (A+B)	8,652,923	1,354,605	2,648,888	4,710,754	1,571,586	18,938,756

6. Contingent assets and liabilities

None.

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

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

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

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	
	TRY	FC	TRY	FC
Short Term Loans	841,037	48,640	938,628	66,648
Medium and Long Term Loans	957,566	291,490	960,351	320,474
Loans Under Follow-Up	53,890	--	31,014	--
Premiums Received from Resource Utilization Support Fund	--	--	--	--
Total	1,852,493	340,130	1,929,993	387,122

Also includes fees and commissions from cash loans granted.

1.2 Information on interest income received from banks

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Central Bank of the Republic of Turkey	--	--	10	--
Domestic Banks	14,474	1,037	13,933	2,634
Foreign Banks	16,528	4,541	11,645	25,294
Foreign Head Offices and Branches	--	--	--	--
Total	31,002	5,578	25,588	27,928

1.3 Information on interest income received from securities portfolio

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Trading Securities	22,365	1,638	20,995	3,915
Financial Assets at Fair Value Through Profit or Loss	--	--	--	--
Investment Securities Available-for-Sale	254,243	22,821	264,952	27,215
Investment Securities Held-to-Maturity	136,414	7,194	104,548	1,698
Total	413,022	31,653	390,495	32,828

1.4 Information on interest income received from associates and subsidiaries

	Current Period	Prior Period
Interest Received from Associates and Subsidiaries	5,044	2,594

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

2. Interest expense

2.1 Information on interest expense related to funds borrowed

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Banks	58,183	102,927	44,267	198,426
Central Bank of the Republic of Turkey	527	--	41	--
Domestic Banks	15,208	2,145	18,318	2,647
Foreign Banks	42,448	100,782	25,908	195,779
Foreign Head Offices and Branches	--	--	--	--
Other Institutions	--	--	--	--
Total	58,183	102,927	44,267	198,426

Also includes fees and commissions related to funds borrowed.

2.2 Information on interest expense paid to associates and subsidiaries

	Current Period	Prior Period
Interest Paid to Associates and Subsidiaries	1,288	241

2.3 Information on interest expense paid to securities issued

None.

2.4 Maturity structure of the interest expense on deposits

Account Name	Time Deposits							Total
	Demand Deposits	Up to 1 Month	Up to 3 Month	Up to 6 Month	Up to 1 Year	1 year and over	Accum. Deposits	
TRY								
Bank Deposits	147	8,138	--	--	--	--	--	8,285
Saving Deposits	612	78,742	366,137	5,638	1,103	1,885	--	454,117
Public Sector Deposits	--	650	1,754	630	2	22	--	3,058
Commercial Deposits	536	57,433	88,079	5,098	4,205	2,939	--	158,290
Other Deposits	15	4,342	7,194	149	4	7	--	11,711
"7 Days Notice" Deposits	--	--	--	--	--	--	--	--
Total Turkish Lira	1,310	149,305	463,164	11,515	5,314	4,853	--	635,461
FC								
Foreign Currency Deposits	2,124	117,356	76,745	5,067	1,335	2,239	--	204,866
Bank Deposits	101	1,093	--	--	--	--	--	1,194
"7 Days Notice" Deposits	--	--	--	--	--	--	--	--
Precious Metal Deposits	--	--	--	--	--	--	--	--
Total Foreign Currency	2,225	118,449	76,745	5,067	1,335	2,239	--	206,060
Total	3,535	267,754	539,909	16,582	6,649	7,092	--	841,521

3. Dividend income

	Current Period	Prior Period
Trading Securities	16	680
Financial Assets at Fair Value Through Profit or Loss	--	--
Investment Securities Available-for-Sale	171	7,552
Other (from Subsidiaries and Associates)	168	530
Total	355	8,762

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

4. Information on trading income / loss

	Current Period	Prior Period
Income	19,486,341	18,338,130
Capital Market Transactions	55,916	158,116
Derivative Financial Instruments	960,257	571,018
Foreign Exchange Gains	18,470,168	17,608,996
Loss (-)	19,639,106	18,402,946
Capital Market Transactions	17,863	20,909
Derivative Financial Instruments	1,230,554	1,293,357
Foreign Exchange Losses	18,390,689	17,088,680
Net Trading Income / Loss	(152,765)	(64,816)

Net loss from foreign exchange translation differences related to derivative financial instruments is TRY (29,534) (net profit for the period 1 January - 31 December 2009: TRY 17,389).

5. Information on other operating income

	Current Period	Prior Period
Reversal of prior periods' provisions	232,785	160,040
Banking activities income from customers	78,959	73,534
Insurance technical provisions and insurance operating income	40,841	29,547
Communication income	9,210	8,106
Cheque book fees	3,485	3,970
Other	42,866	24,774
Total	408,146	299,971

6. Impairment on loans and other receivables

	Current Period	Prior Period
Specific Provisions on Loans and Other Receivables:	391,424	428,335
<i>Loans and Receivables in Group III</i>	119	100
<i>Loans and Receivables in Group IV</i>	--	--
<i>Loans and Receivables in Group V</i>	391,305	428,235
Non-performing Commissions and Other Receivables	--	--
General Loan Loss Provisions	47,605	26,258
Free Provision for Probable Risks	34,228	96,642
Impairment Losses on Securities:	12,619	4,992
<i>Financial Assets at Fair Value Through Profit or Loss</i>	77	210
<i>Investment Securities Available-for-Sale</i>	12,542	4,782
Impairment Losses on Associates, Subsidiaries, Joint Ventures and Investment Securities Held to Maturity:	--	85,336
<i>Associates</i>	--	--
<i>Subsidiaries</i>	--	85,000
<i>Joint Ventures</i>	--	--
<i>Investment Securities Held-to-Maturity</i>	--	336
Other	20,555	50,300
Total	506,431	691,863

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

7. Information related to other operational expenses

	Current Period	Prior Period
Personnel Expenses	530,002	454,676
Reserve for Employee Termination Benefits	13,896	2,384
Reserve for Bank's Social Aid Fund Deficit	--	--
Impairment Losses on Tangible Assets	--	--
Depreciation Charges of Tangible Assets	67,683	47,781
Impairment Losses on Intangible Assets	--	--
Amortization Charges of Intangible Assets	17,671	13,210
Impairment Losses on Investment Accounted for under Equity Method	--	--
Impairment of Assets to be Disposed	--	--
Depreciation of Assets to be Disposed	762	676
Impairment of Assets Held for Sale	--	--
Other Operating Expenses	346,341	294,239
Operational Leases Expenses	73,526	66,319
Repair and Maintenance Expenses	10,841	8,787
Advertisement Expenses	57,659	34,597
Other Expenses (*)	204,315	184,536
Losses on Sale of Assets	2,699	4,905
Other	93,102	112,520
Total	1,072,156	930,391

(*) 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 and others amounting to TRY 40,048, TRY 29,576, TRY 11,981, TRY 6,785, TRY 13,412, TRY 32,563, and TRY 69,950, respectively. (1 January - 31 December 2009: TRY 33,191, TRY 28,999, TRY 12,919, TRY 5,988, TRY 12,424, TRY 42,412 and TRY 48,603, respectively.)

8. Information on tax provision for continued and discontinued operations

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

The current period taxation charge is TRY 140,390 (1 January - 31 December 2009: TRY 255,590) while deferred tax charge is TRY 22,797 (1 January - 31 December 2009: TRY 82,880 deferred tax benefit).

8.2 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 (+)	23,140	80,875
Arising from Reversal of Deductible Temporary Differences (-)	(16,078)	(2,336)
Arising from Origination of Taxable Temporary Differences (-)	(38,375)	(5,113)
Arising from Reversal of Taxable Temporary Differences (+)	8,516	9,454
Total	(22,797)	82,880

8.3 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	7,062	78,539
Arising from Origination (-)/ Reversal (+) of Taxable Temporary Differences	(29,859)	4,341
Arising from Origination (+)/ Reversal (-) of Tax Losses	--	--
Arising from Origination (+)/ Reversal (-) of Unused Tax Credits	--	--
Total	(22,797)	82,880

9. Information on continuing and discontinued operations net profit/loss

	Current Period	Prior Period
Continuing and discontinued operations profit before tax	779,478	777,495
Tax provisions for continuing and discontinued operations	(163,187)	(172,710)
Continuing and discontinued operations profit/loss	616,291	604,785

10. Information on net profit and loss

10.1 *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.

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

10.3 Profit or loss attributable to minority interests

	Current Period	Prior Period
Profit/(loss) attributable to minority interests	2,051	--

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

11. 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 commissions and others	89,011	70,527
POS commissions	78,091	106,684
Brokerage fees	76,350	63,770
Account management fees	25,901	27,206
Remittance commissions	17,746	18,229
Expertise fees	9,278	5,657
Insurance services	8,372	9,548
Other	62,825	29,237
Total	367,574	330,858

Other Fees and Commissions Paid	Current Period	Prior Period
Credit card / POS commissions	78,182	76,480
EFT fees and commissions	2,437	2,137
Other	24,766	14,451
Total	105,385	93,068

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 increases from revaluation of investments available-for-sale of DFS Group has been TRY 44,135 as of 31 December 2010 (31 December 2009: TRY 134,589). This amount has been reflected to "Valuation Differences of Securities" in the balance sheet.

As of 31 December 2010, an additional valuation increase of TRY 23,429 has been realized from redemption/sale of other item in "investments available-for-sale" portfolio (31 December 2009: TRY 63,237)

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 TRY 35,308 (31 December 2009: TRY 38,028) 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 Bank transferred TRY 26,588 (31 December 2009: TRY 13,905) to legal reserves and TRY 505,181 (31 December 2009: TRY 264,185) to extraordinary reserves in 2010.

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 TRY (902,535) (31 December 2009: TRY (942,864)) before “changes in operating assets and liabilities” comprise other operating expenses, fees and commissions paid and net trading income/loss. As a result of these changes in the cash flow statement, the balance of cash and cash equivalents has changed from TRY 2,711,216 (31 December 2009: TRY 2,643,508) to TRY 3,406,475 in 2010 (31 December 2009: 2,738,161).

“Other liabilities” item included in “change in assets and liabilities arising from banking activities”, amounting to TRY 374,491 (31 December 2009: TRY (434,619)) comprise changes in sundry creditors, taxes and duties payable, and other external resources.

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	Prior Period
	01.01.2010	01.01.2009
Cash	345,630	331,610
Interbank Money Market Placements	700,426	500
Trading Securities (Net)	14,835	29,104
Banks and Other Financial Institutions	1,650,325	2,282,294
Cash Equivalents	2,711,216	2,643,508

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

	Current Period	Prior Period
	31.12.2010	31.12.2009
Cash	483,074	345,630
Interbank Money Market Placements	1,232,636	700,426
Trading Securities (Net)	98,886	14,835
Banks and Other Financial Institutions	1,591,879	1,650,325
Cash Equivalents	3,406,475	2,711,216

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

None (31 December 2009: Nil).

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

As of 31 December 2010, DFS Group's own risk group balances are:

Cash loans, finance lease receivables, placements, other assets, deposits, funds borrowed, subordinated loans, other liabilities and non-cash loans amounting to TRY 53,636, TRY 163,318, TRY 36,346, TRY 46,396, TRY 44,165, TRY 3,514,211, TRY 770,144, TRY 774 and TRY 3,068, respectively.

As a result of the transactions with the risk group, the DFS Group has recorded net interest and commission expenses, and derivative transaction losses amounting to TRY 68,167 and TRY 12,143, respectively.

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

Current Period

DFS Group's Risk Group (*)	Associates, Subsidiaries and Joint-Ventures		Bank's Direct and Indirect 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	161,431	415	36,860	453	46	8
Balance at the End of the Period	163,341	2,009	82,293	700	54,062	359
Interest and Commission Income Received	5,852	--	709	74	3,110	16

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	--	10	65,579	1,675	66	38
Balance at the End of the Period	161,431	415	36,860	453	46	8
Interest and Commission Income Received	4,278	--	1,076	521	--	--

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

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

DFS Group's Risk Group (*)	Associates, Subsidiaries and Joint-Ventures		Bank's Direct and Indirect Shareholders		Other 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	12,959	2,122	4,850,931	6,657,408	9,464	3,943
Balance at the End of the Period	14,553	12,959	4,304,425	4,850,931	10,316	9,464
Interest and Commission Expenses	2,421	2,141	74,829	176,855	678	495

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

DENİZBANK ANONİM ŞİRKETİ
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2010

(Currency: Thousands of TRY - Turkish Lira)

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

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

DFS Group's Risk Group (*)	Associates, Subsidiaries and Joint-Ventures		Bank's Direct and Indirect Shareholders		Other 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	--	--	2,611,143	2,423,657	--	--
Balance at the End of the Period	--	--	4,646,499	2,611,143	62,875	--
Total Income/Loss	--	--	(6,541)	(149,079)	(21)	(53)
Transactions for Hedging Purposes:						
Balance at the Beginning of the Period	--	--	267,714	83,699	--	--
Balance at the End of the Period	--	--	276,768	267,714	--	--
Total Income/Loss	--	--	(5,581)	(2,257)	--	--

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

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

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

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

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

The pricing policy and other terms of transactions with the risk group entities are set in compliance with the market prices. As of 31 December 2010, cash loans and other receivables of the risk group represent 1% of DFS Group's total cash loans and bank deposits granted, the deposits and borrowings represent 16% of DFS Group's total deposits and borrowings. Non-cash loans granted to risk group companies represent 0.04% of the total balance.

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

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

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	499	8,569			
			Country of Incorporations		
Foreign representation	--	--	--		
				Total Assets	Statutory Share Capital
Foreign branch	--	--	--	--	--
Off shore banking region branches	1	4	1-Bahrain	3,806,734	--

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

The Parent Bank opened 51 new branches and closed 1 of its branches in 2010.

3. The branches of associates and subsidiaries

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

CJSC Dexia Bank, which 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

European Commission, Belgium, France and Luxembourg governments and Dexia Group; the ultimate parent of DFS Group; agreed in Dexia's ongoing restructuring plan on 5 February 2010. It was affirmed by Dexia Group in its press release dated 6 February 2010 that Denizbank Financial Services Group (DFSG) and Turkish market will remain for Dexia as one of the main growth areas in banking business. On the other hand, Dexia Group decided to dispose off its insurance operations in Turkey until 31 October 2012.

On 1 October 2010, the Parent Bank signed a syndicated loan agreement for one year with 30 international financial institutions participated from 12 countries. The syndicated loan consists of two tranches in USD and EUR amounting to USD 126.5 million and EUR 385 million and costs Libor/ Euribor + 1.3%.

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

Denizbank's rating by Fitch Ratings

On 8 June 2010, Fitch Ratings affirmed Denizbank's long and short term local and foreign currency IDR's (Issuer Default Ratings), national long-term rating, individual and support ratings, removing Rating Watch Negative (RWN) placed on 5 March 2010 and assigned "Stable" Outlook. On 2 December 2010, Fitch Ratings assigned Denizbank's long term local and foreign currency ratings to "Positive" Outlook.

The latest ratings of Denizbank are as follows:

Foreign Currency				Local Currency		
Short Term	Long Term	Individual	Support	Short term	Long Term	National
F3	BBB (Positive)	C	2 (Stable)	F3 (Stable)	BBB (Positive)	AAA(tur) (Stable)

Denizbank's rating by Moody's

On 8 January 2010, Moody's upgraded Denizbank's long term foreign currency deposit rating from B1 to Ba3 and changed its outlook from 'Stable' to 'Positive' on 7 October 2010. There are no changes in other rating categories. The latest ratings of Denizbank are as follows:

Long Term Foreign Currency Deposit	Long Term Local Currency Deposit	Short Term Foreign Currency Deposit	Short Term Local Currency Deposit	Local Currency Deposit Outlook	Financial Strength Rating	Financial Strength Rating Outlook
Ba3 /Positive	Baa2	Non-Prime	Prime-2	Stable	C-	Stable

3. Subsequent Events

None.

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

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

SECTION SEVEN

INDEPENDENT AUDITORS' REPORT

I. Information on the independent auditors' report

DFS Group's consolidated financial statements and footnotes as of 31 December 2010 have been audited by DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (Member of Deloitte Touche Tohmatsu Limited) and the independent auditors' report dated 23 February 2011 is presented in front of the 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.