

**CONVENIENCE TRANSLATION
OF PUBLICLY ANNOUNCED
CONSOLIDATED FINANCIAL STATEMENTS
AND REVIEW REPORT
AT 31 MARCH 2013,
SEE NOTE I OF SECTION THREE**

ARAP TURK BANK A.Ş.

**PUBLICLY ANNOUNCED
CONSOLIDATED FINANCIAL STATEMENTS
TOGETHER WITH REVIEW REPORT
AT 31 MARCH 2013**



**CONVENIENCE TRANSLATION OF THE INDEPENDENT AUDITOR'S
REVIEW REPORT ORIGINALLY PREPARED AND ISSUED IN TURKISH**

To the Board of Directors of Arap Türk Bankası A.Ş.:

We have reviewed the accompanying consolidated balance sheet of Arap Türk Bankası A.Ş. ("the Bank") and its consolidated subsidiary at 31 March 2013 and the related consolidated statements of income, cash flows and changes in shareholders' equity for the period then ended. These financial statements are the responsibility of the Bank's management. Our responsibility, as independent auditors is to issue a report on these financial statements based on our review. The consolidated financial statements of the Bank as at and for the year ended 31 December 2012 were audited by another auditor whose report dated 7 February 2013 expressed a qualified opinion due to provision for possible risks provided by the Bank.

We conducted our review in accordance with the Uniform Chart of Accounts of banks, accounting standards and the independent audit principles in conformity with Banking Law No. 5411. Those principles require that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries concerning the Bank's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

As explained in note II.7 of "Explanations and Notes Related to Consolidated Financial Statements" in section five, at 31 March 2013 the Bank management has reversed and recorded as income the provision for possible risks amounting to 5,000 thousand TL which was recognized as at 31 December 2012.

Based on our review, except for the effects of the matter explained in the third paragraph above on the financial statements, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not give a true and fair view of the financial position of Arap Türk Bankası A.Ş. and its consolidated subsidiary at 31 March 2013 and the results of its operations and its cash flows for the period then ended in accordance with accounting principles and standards set out by regulations in conformity with Articles 37 and 38 of Banking Law No. 5411 and other regulations, interpretations and circulars published by the Banking Regulation and Supervision Agency on accounting and financial reporting principles.



Additional paragraph for convenience translation:

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

**Başaran Nas Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.
a member of
PricewaterhouseCoopers**

A handwritten signature in blue ink, appearing to read "Zeynep Uras", is positioned above the printed name.

**Zeynep Uras, SMMM
Partner**

Istanbul, 10 May 2013

**ARAP TÜRK BANKASI A.Ş. CONSOLIDATED INTERIM FINANCIAL REPORT
AS OF AND FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2013**

Address of the Bank's Headquarters : Valikonağı Caddesi No:10, 34367 – ŞİŞLİ/İSTANBUL
Telephone and Fax Numbers : Tel : 0 212 225 05 00 Faks: 0 212 225 05 26
Website of the Bank : http://www.atbank.com.tr
E-mail address of the Bank : webmaster@atbank.com.tr

The consolidated interim financial report as of and for the three month period ended 31 March 2013 prepared in accordance with the communiqué of "Financial Statements and Related Disclosures and Footnotes to be Announced to Public" by Banks as regulated by Banking Regulation and Supervision Agency, is comprised of the following sections:

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


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

	Subsidiaries	Associates	Jointly Controlled Companies
1	A&T Finansal Kiralama A.Ş.	-	-

The consolidated interim financial statements and related disclosures and footnotes that were subject to limited review, are prepared in accordance with the "Regulation on Accounting Applications for Banks and Safeguarding of Documents", Turkish Accounting Standards, Turkish Financial Reporting Standards related appendices and interpretations on these. Unless stated otherwise, the accompanying interim consolidated financial statements are presented in thousands of Turkish Lira (TL) as of 31 March 2013 and have been subject to limited review.



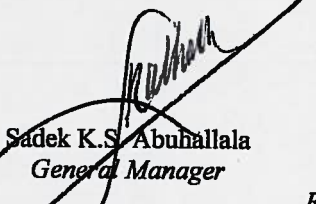
Osman Arslan
Chairman of the Board of Directors




Ömer Muzaffer Baktır
Member of The Board of Directors
and The Audit Committee



Muzaffer Armağan Saraçoğlu
Member of The Board of Directors
and The Audit Committee



Sadık K.S. Abuhallala
General Manager



Salih Hatipoğlu
Assistant General Manager
Responsible For Financial Reporting



Feyzullah Kûpeli
Manager

Contact information of the personnel for addressing questions regarding this financial report:

Name / Title: Feyzullah Kûpeli / Manager

Phone No : 0 212 225 05 00

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IN TURKISH, SEE NOTE I OF SECTION THREE**

ARAP TURK BANK A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2013

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

SECTION ONE

GENERAL INFORMATION ABOUT THE PARENT BANK

I. Parent Bank’s date of establishment, beginning statute, its history including changes on its statute

Arap Türk Bankası Anonim Şirketi (“the Bank”) has been established on 18 July 1976 as a joint stock entity in accordance with an agreement signed between the Republic of Turkey and the Libyan Arab Republic. The Bank is managed in conformity with the Articles of Association published in Official Gazette on 18 July 1976 and also as per the “Agreement for the Establishment of a Joint Bank between the Libyan Arab Republic and the Republic of Turkey” dated August 11, 1975. The duration of the Bank is 50 years from the commencement of the Agreement. This period shall be renewable automatically unless agreed otherwise by an Extraordinary General Meeting held at least one year prior to expiration.

In accordance with the Articles of Association, the Board of Directors shall elect a Chairman among its Turkish members and a Deputy Chairman among its Arab members. The General Manager shall always be nominated by the Arab Shareholders assigned by the Board.

II. Parent Bank’s share capital structure, shareholders directly or indirectly, alone or together holding the management and control of the bank, related changes within the year and information about bank’s group

The Parent Bank is a foreign bank status incorporated in Turkey. The main shareholder Libyan Foreign Bank is %100 owned by Central Bank of Libya. The main shareholder Libyan Foreign Bank has financial investments in various countries.

The other shareholders are Türkiye İş Bankası A.Ş., and T.C. Ziraat Bankası A.Ş.

As at December 2012, the Parent Bank’s share capital at the balance sheet date as follows:

Shareholders	Share amounts	Share percentages
Libyan Foreign Bank	149,687	%62.37
T. İş Bankası A.Ş.	49,382	%20.58
T.C. Ziraat Bankası A.Ş.	37,036	%15.43
Kuwait Investment Co.	3,895	%1.62
Total	240,000	%100

(*) Emek İnşaat ve İşletme A.Ş. has %0,0000014 share in the paid capital by 3,38 TL.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

III. Information about the Parent Bank's chairman and members of board of directors, members of audit committee, general manager and assistant general managers and their qualifications, related changes within the year and their shares at the Bank

Chairmen of the Board of Directors and Board Members

Name	Job Title – Description
Osman Arslan	Chairman of the Board of Directors
Ben Issa A. Hudanah	Deputy Chairman of the Board of Directors
Sadek K.S. Abuhallala	Member of the Board of Directors and General Manager
Abdurauf İbrahim Shneba	Member of the Board of Directors and Head of Audit Committee
Ömer Muzaffer Baktır	Member of the Board of Directors and Audit Committee
Muzaffer Armağan Saraçoğlu	Member of the Board of Directors and Audit Committee
Abdulfatah A. Enaami	Member of the Board of Directors
Esam Mustafa I. Elrayas	Member of the Board of Directors
Bahattin Özarslantürk (*)	Member of the Board of Directors

(*) Elected as a Member of the Board of Directors in the general assembly as of 29 March 2013.

General Manager and Deputies

Name	Job Title – Description
Sadek K.S. Abuhallala	Member of the Board of Directors and General Manager
Salih Hatipoğlu	Assistant General Manager - Financial Management and Strategic Planning Division
Özgür Erker	Assistant General Manager - Treasury and Financial Institutions Division
Abdulmonam Geat Ali Tbigha	Assistant General Manager – Credits Division
Abdussalam Elfituri B.Abushagur	Assistant General Manager – Information Technologies and Operations Division

Members of the board and top level managers do not possess any share in the Bank.

IV. Information on people and entities who have qualified share in the Parent Bank

Name Surname/Entity Title	Share Amount	Share Percentage %	Paid-in Capital	Unpaid Capital
Libyan Foreign Bank	149,687	62.37	149,687	-
T. İş Bankası A.Ş.	49,382	20.58	49,382	-
T.C. Ziraat Bankası A.Ş.	37,036	15.43	37,036	-

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ARAP TURK BANK A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2013

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

V. Information about the services and nature of activities of the Parent Bank

The Parent Bank was established to incorporate commercial activities among Turkey, Middle East and North African countries. The Bank is authorized to collect deposits and operates in corporate banking areas.

The Bank has seven branches; three in Istanbul, one in Ankara, one in Kayseri, one in Konya and one in Gaziantep and has share participations in a subsidiary operating in financial leasing business.

VI. Differences between the communiqué on preparation of consolidated financial statements of banks and Turkish Accounting Standards and short explanation about the institutions subject to full or proportional consolidation and institutions which are deducted from equity or not included in these three methods

The Parent Bank's subsidiary Arap Türk Finansal Kiralama Anonim Şirketi is included in the scope of full consolidation method.

A&T Finansal Kiralama A.Ş., has been established with the permission of T.C. Treasury and Foreign Trade Secretariats with the law numbered 3226, for leasing purpose both in Turkey and foreign countries and started operations with the announcement of its "Principal Agreement" in Turkey Trade Registry Gazette in 4 July 1997. Arap Turk Bankası A.Ş. has 99% of its shares and is the main shareholder of the Company. The leasing transactions of the Company include contraction equipments, machines and carriers and immovable.

Due to differences between the Communiqué on Preparation of Consolidated Financial Statements of Banks and Turkish Account Standards, there is no available subsidiary or associate different consolidation method applied.

There are not any investment amount on banks and financial institutions, with shareholding of more than 10% and deducted from capital.

VII. The existing or potential, actual or legal obstacles on the transfer of shareholder's equity between the Parent Bank and its subsidiaries or the reimbursement of liabilities

Immediately transfer of the shareholder's equity between the Parent Bank and its subsidiary is not available. Dividend distribution from shareholders equity is done according to related regulations.

There are no existing or potential, actual or legal obstacle to the reimbursement of liabilities between the Parent Bank and its subsidiary. The Bank charge or pay cost of the services according to the service agreements done between the Parent Bank and its subsidiary.

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ARAP TURK BANK A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2013

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

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CONSOLIDATED FINANCIAL STATEMENTS

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- V. Statement of Changes in Consolidated Shareholders’ Equity
- VI. Statement of Consolidated Cash Flows

Arap Türk Bankası Anonim Şirketi

Consolidated Balance Sheet (Consolidated Statement of Financial Position)

As of 31 March 2013

(Thousands of Turkish Lira)

ASSETS		Footnotes (5-I)	Reviewed			Audited		
			CURRENT PERIOD			PRIOR PERIOD		
			(31/03/2013)			(31/12/2012)		
			TL	FC	TOTAL	TL	FC	TOTAL
I.	CASH AND BALANCES WITH THE CENTRAL BANK OF TURKEY	(1)	2,935	298,227	301,162	36,300	171,175	207,475
II.	FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	(2)	62,596	73,918	136,514	120,943	71,577	192,520
2.1	Financial assets held for trading		62,596	73,918	136,514	120,943	71,577	192,520
2.1.1	Public sector debt securities		62,515	-	62,515	120,926	-	120,926
2.1.2	Securities representing a share in capital		-	-	-	-	-	-
2.1.3	Derivatives held for trading		81	-	81	17	-	17
2.1.4	Other marketable securities		-	73,918	73,918	-	71,577	71,577
2.2	Financial assets designated at fair value through profit or loss		-	-	-	-	-	-
2.2.1	Public sector debt securities		-	-	-	-	-	-
2.2.2	Equity securities		-	-	-	-	-	-
2.2.3	Loans granted		-	-	-	-	-	-
2.2.4	Other marketable securities		-	-	-	-	-	-
III.	BANKS	(3)	41,523	1,129,396	1,170,919	73,574	739,052	812,626
IV.	MONEY MARKET PLACEMENTS		153,089	-	153,089	596,126	-	596,126
4.1	Interbank money market placements		-	-	-	-	-	-
4.2	Istanbul Stock Exchange money market placements		-	-	-	-	-	-
4.3	Receivables from reverse repurchase agreements		153,089	-	153,089	596,126	-	596,126
V.	FINANCIAL ASSETS AVAILABLE FOR SALE (Net)	(4)	175	733	908	175	722	897
5.1	Securities representing a share in capital		175	733	908	175	722	897
5.2	Public sector debt securities		-	-	-	-	-	-
5.3	Other marketable securities		-	-	-	-	-	-
VI.	LOANS	(5)	250,061	613,180	863,241	297,135	413,604	710,739
6.1	Loans		249,772	613,180	862,952	296,840	413,604	710,444
6.1.1	Loans granted to the Bank's risk group		71	14,246	14,317	-	10,522	10,522
6.1.2	Public sector debt securities		-	-	-	-	-	-
6.1.3	Other		249,701	598,934	848,635	296,840	403,082	699,922
6.2	Loans under follow-up		8,511	-	8,511	8,523	-	8,523
6.3	Specific provisions (-)		8,222	-	8,222	8,228	-	8,228
VII.	FACTORING RECEIVABLES		-	-	-	-	-	-
VIII.	INVESTMENTS HELD TO MATURITY (Net)	(6)	28,038	100,668	128,706	25,974	109,175	135,149
8.1	Public sector debt securities		14,395	83,174	97,569	19,918	82,882	102,800
8.2	Other marketable securities		13,643	17,494	31,137	6,056	26,293	32,349
IX.	INVESTMENTS IN ASSOCIATES (Net)	(7)	-	-	-	-	-	-
9.1	Consolidated by equity method		-	-	-	-	-	-
9.2	Unconsolidated associates		-	-	-	-	-	-
9.2.1	Financial investments in associates		-	-	-	-	-	-
9.2.2	Non-financial investments in associates		-	-	-	-	-	-
X.	INVESTMENTS IN SUBSIDIARIES (Net)	(8)	-	-	-	-	-	-
10.1	Financial subsidiaries		-	-	-	-	-	-
10.2	Non-financial subsidiaries		-	-	-	-	-	-
XI.	INVESTMENTS IN JOINT- VENTURES (Net)	(9)	-	-	-	-	-	-
11.1	Consolidated by equity method		-	-	-	-	-	-
11.2	Unconsolidated joint ventures		-	-	-	-	-	-
11.2.1	Financial investments in joint ventures		-	-	-	-	-	-
11.2.2	Non-financial investments in joint ventures		-	-	-	-	-	-
XII.	LEASE RECEIVABLES (Net)	(10)	27,703	71,697	99,400	26,804	73,331	100,135
12.1	Finance lease receivables		33,821	79,515	113,336	33,157	81,566	114,723
12.2	Operational leasing receivables		-	-	-	-	-	-
12.3	Others		-	-	-	-	-	-
12.4	Unearned income (-)		6,118	7,818	13,936	6,353	8,235	14,588
XIII.	DERIVATIVE FINANCIAL ASSETS HELD FOR HEDGING	(11)	-	-	-	-	-	-
13.1	Fair value hedges		-	-	-	-	-	-
13.2	Cash flow hedges		-	-	-	-	-	-
13.3	Hedges for investments made in foreign countries		-	-	-	-	-	-
XIV.	TANGIBLE ASSETS (Net)		26,506	-	26,506	27,267	-	27,267
XV.	INTANGIBLE ASSETS (Net)		2,157	-	2,157	2,055	-	2,055
15.1	Goodwill		-	-	-	-	-	-
15.2	Other		2,157	-	2,157	2,055	-	2,055
XVI.	INVESTMENT PROPERTY (Net)		-	-	-	-	-	-
XVII.	TAX ASSET	(13)	3,948	-	3,948	4,546	-	4,546
17.1	Current tax asset		-	-	-	-	-	-
17.2	Deferred tax asset		3,948	-	3,948	4,546	-	4,546
XVIII.	ASSET HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS	(14)	282	-	282	288	-	288
18.1	Held for sale purpose		282	-	282	288	-	288
18.2	Held from discontinued operations		-	-	-	-	-	-
XIX.	OTHER ASSETS	(15)	6,737	5,319	12,056	14,837	4,576	19,413
	TOTAL ASSETS		605,750	2,293,138	2,898,888	1,226,024	1,583,212	2,809,236

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

Arap Türk Bankası Anonim Şirketi
Consolidated Balance Sheet (Consolidated Statement of Financial Position)
As of 31 March 2013

(Thousands of Turkish Lira)

LIABILITIES and SHAREHOLDERS' EQUITY		Footnotes (5-II)	Reviewed			Audited		
			CURRENT PERIOD			PRIOR PERIOD		
			(31/03/2013)			(31/12/2012)		
			TL	FC	TOTAL	TL	FC	TOTAL
I. DEPOSITS		(1)	20,038	523,108	543,146	562,176	467,464	1,029,640
1.1 Deposits held by the Bank's risk group			1,246	72,582	73,828	536,328	127,430	663,758
1.2 Other			18,792	450,526	469,318	25,848	340,034	365,882
II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING		(2)	1,022	-	1,022	3,554	-	3,554
III. FUNDS BORROWED		(3)	3,852	1,862,138	1,865,990	2,815	1,304,152	1,306,967
IV. INTERBANK MONEY MARKET			11,797	-	11,797	-	-	-
4.1 Interbank money market payables			-	-	-	-	-	-
4.2 Istanbul Stock Exchange money market payables			-	-	-	-	-	-
4.3 Funds provided under repurchase agreements			11,797	-	11,797	-	-	-
V. MARKETABLE SECURITIES ISSUED (Net)			-	-	-	-	-	-
5.1 Bills			-	-	-	-	-	-
5.2 Asset backed securities			-	-	-	-	-	-
5.3 Bonds			-	-	-	-	-	-
VI. FUNDS			-	-	-	-	-	-
6.1 Borrower funds			-	-	-	-	-	-
6.2 Other			-	-	-	-	-	-
VII. MISCELLANEOUS PAYABLES			1,112	3,051	4,163	840	1,821	2,661
VIII. OTHER EXTERNAL RESOURCES		(4)	2,536	5,250	7,786	12,949	3,047	15,996
IX. FACTORING PAYABLES			-	-	-	-	-	-
X. LEASE PAYABLES (Net)		(5)	-	-	-	-	-	-
10.1 Finance leasing payables			-	-	-	-	-	-
10.2 Operational leasing payables			-	-	-	-	-	-
10.3 Other			-	-	-	-	-	-
10.4 Deferred finance leasing expenses (-)			-	-	-	-	-	-
XI. DERIVATIVE FINANCIAL LIABILITIES HELD FOR HEDGING		(6)	-	-	-	-	-	-
11.1 Fair value hedges			-	-	-	-	-	-
11.2 Cash flow hedges			-	-	-	-	-	-
11.3 Hedges for investments made in foreign countries			-	-	-	-	-	-
XII. PROVISIONS		(7)	24,401	275	24,676	25,450	271	25,721
12.1 General provisions			15,182	-	15,182	11,811	-	11,811
12.2 Restructuring reserves			-	-	-	-	-	-
12.3 Reserves for employee benefit			8,751	-	8,751	8,139	-	8,139
12.4 Insurance technical reserves (Net)			-	-	-	-	-	-
12.5 Other provisions			468	275	743	5,500	271	5,771
XIII. TAX LIABILITY		(8)	3,929	-	3,929	3,222	-	3,222
13.1 Current tax liability			3,929	-	3,929	3,222	-	3,222
13.2 Deferred tax liability			-	-	-	-	-	-
XIV. LIABILITIES FOR ASSETS HELD FOR RESALE AND ASSETS OF DISCONTINUED OPERATIONS		(9)	-	-	-	-	-	-
14.1 Held for sale purpose			-	-	-	-	-	-
14.2 Held from discontinued operations			-	-	-	-	-	-
XV. SUBORDINATED LOANS		(10)	-	-	-	-	-	-
XVI. SHAREHOLDERS' EQUITY		(11)	436,379	-	436,379	421,475	-	421,475
16.1 Paid-in capital			240,000	-	240,000	240,000	-	240,000
16.2 Supplementary capital			9,096	-	9,096	9,096	-	9,096
16.2.1 Share premium			-	-	-	-	-	-
16.2.2 Share cancellation profits			-	-	-	-	-	-
16.2.3 Securities Value Increase Fund			-	-	-	-	-	-
16.2.4 Revaluation surplus on tangible assets			-	-	-	-	-	-
16.2.5 Revaluation surplus on intangible assets			-	-	-	-	-	-
16.2.6 Revaluation surplus on investment property			-	-	-	-	-	-
16.2.7 Bonus shares of associates, subsidiaries and joint-ventures			-	-	-	-	-	-
16.2.8 Hedging reserves (effective portion)			-	-	-	-	-	-
16.2.9 Revaluation surplus on assets held for sale and assets of discontinued operations			-	-	-	-	-	-
16.2.10 Other capital reserves			9,096	-	9,096	9,096	-	9,096
16.3 Profit reserves			11,162	-	11,162	8,088	-	8,088
16.3.1 Legal reserves			11,015	-	11,015	7,941	-	7,941
16.3.2 Status reserves			-	-	-	-	-	-
16.3.3 Extraordinary reserves			147	-	147	147	-	147
16.3.4 Other profit reserves			-	-	-	-	-	-
16.4 Profit or loss			176,121	-	176,121	164,291	-	164,291
16.4.1 Prior years income/loss			161,077	-	161,077	103,423	-	103,423
16.4.2 Current year income/loss			15,044	-	15,044	60,868	-	60,868
16.5 Minority Interest			-	-	-	-	-	-
TOTAL LIABILITIES			505,066	2,393,822	2,898,888	1,032,481	1,776,755	2,809,236

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

Arap Türk Bankası Anonim Şirketi
Consolidated Off Balance Sheet Commitments
As of 31 March 2013
(Thousands of Turkish Lira)

		Footnotes (5-III)	Reviewed			Audited		
			CURRENT PERIOD			PRIOR PERIOD		
			(31/03/2013)			(31/12/2012)		
			TL	FC	TOTAL	TL	FC	TOTAL
A.	OFF BALANCE SHEET COMMITMENTS		259,632	1,732,418	1,992,050	272,163	1,580,366	1,852,529
I.	GUARANTEES AND WARRANTIES	(1),(2)	167,662	1,557,973	1,725,635	126,744	1,445,787	1,572,531
1.1	Letters of guarantee		166,462	1,147,234	1,313,696	121,194	1,126,146	1,247,340
1.1.1	Guarantees subject to State Tender Law		18,222	270	18,492	18,569	101	18,670
1.1.2	Guarantees given for foreign trade operations		46,202	1,114,288	1,160,490	7,815	1,100,960	1,108,775
1.1.3	Other letters of guarantee		102,038	32,676	134,714	94,810	25,085	119,895
1.2	Bank acceptances		1,200	17,256	18,456	5,550	63,485	69,035
1.2.1	Import letter of acceptance		-	-	-	-	-	-
1.2.2	Other bank acceptances		1,200	17,256	18,456	5,550	63,485	69,035
1.3	Letters of credit		-	393,483	393,483	-	256,156	256,156
1.3.1	Documentary letters of credit		-	-	-	-	-	-
1.3.2	Other letters of credit		-	393,483	393,483	-	256,156	256,156
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	Securities issue purchase guarantees		-	-	-	-	-	-
1.7	Factoring guarantees		-	-	-	-	-	-
1.8	Other guarantees		-	-	-	-	-	-
1.9	Other warranties		-	-	-	-	-	-
II.	COMMITMENTS	(1)	17,603	101,488	119,091	5,775	357	6,132
2.1	Irrevocable commitments		17,603	101,488	119,091	5,775	357	6,132
2.1.1	Asset purchase and sales commitments		11,775	101,488	113,263	-	-	-
2.1.2	Deposit purchase and sales commitments		-	-	-	-	-	-
2.1.3	Share capital commitment to associates and subsidiaries		-	-	-	-	-	-
2.1.4	Loan granting commitments		-	-	-	-	-	-
2.1.5	Securities issue brokerage commitments		-	-	-	-	-	-
2.1.6	Commitments for reserve deposit requirements		-	-	-	-	-	-
2.1.7	Payment commitments for checks		5,828	-	5,828	5,775	-	5,775
2.1.8	Tax and fund liabilities from export commitments		-	-	-	-	-	-
2.1.9	Commitments for credit card expenditure limits		-	-	-	-	-	-
2.1.10	Commitments for credit cards and banking services promotions		-	-	-	-	-	-
2.1.11	Receivables from short sale commitments		-	-	-	-	-	-
2.1.12	Payables for short sale commitments		-	-	-	-	-	-
2.1.13	Other irrevocable commitments		-	-	-	-	357	357
2.2	Revocable commitments		-	-	-	-	-	-
2.2.1	Revocable loan granting commitments		-	-	-	-	-	-
2.2.2	Other revocable commitments		-	-	-	-	-	-
III.	DERIVATIVE FINANCIAL INSTRUMENTS		74,367	72,957	147,324	139,644	134,222	273,866
3.1	Derivative financial instruments held for hedging		-	-	-	-	-	-
3.1.1	Fair value hedges		-	-	-	-	-	-
3.1.2	Cash flow hedges		-	-	-	-	-	-
3.1.3	Hedges for investments made in foreign countries		-	-	-	-	-	-
3.2	Trading transactions		74,367	72,957	147,324	139,644	134,222	273,866
3.2.1	Forward foreign currency buy/sell transactions		-	-	-	-	-	-
3.2.1.1	Forward foreign currency transactions-buy		-	-	-	-	-	-
3.2.1.2	Forward foreign currency transactions-sell		-	-	-	-	-	-
3.2.2	Swap transactions related to foreign currency and interest rates		74,367	72,957	147,324	139,644	134,222	273,866
3.2.2.1	Foreign currency swap-buy		-	72,957	72,957	-	134,222	134,222
3.2.2.2	Foreign currency swap-sell		74,367	-	74,367	139,644	-	139,644
3.2.2.3	Interest rate swaps-buy		-	-	-	-	-	-
3.2.2.4	Interest rate swaps-sell		-	-	-	-	-	-
3.2.3	Foreign currency, interest rate and security options		-	-	-	-	-	-
3.2.3.1	Foreign currency options-buy		-	-	-	-	-	-
3.2.3.2	Foreign currency options-sell		-	-	-	-	-	-
3.2.3.3	Interest rate options-buy		-	-	-	-	-	-
3.2.3.4	Interest rate options-sell		-	-	-	-	-	-
3.2.3.5	Securities options-buy		-	-	-	-	-	-
3.2.3.6	Securities options-sell		-	-	-	-	-	-
3.2.4	Foreign currency futures		-	-	-	-	-	-
3.2.4.1	Foreign currency futures-buy		-	-	-	-	-	-
3.2.4.2	Foreign currency futures-sell		-	-	-	-	-	-
3.2.5	Interest rate futures		-	-	-	-	-	-
3.2.5.1	Interest rate futures-buy		-	-	-	-	-	-
3.2.5.2	Interest rate futures-sell		-	-	-	-	-	-
3.2.6	Other		-	-	-	-	-	-
B.	CUSTODY AND PLEDGED SECURITIES (IV+V+VI)		242,679	230,477	473,156	243,213	215,532	458,745
IV.	ITEMS HELD IN CUSTODY		210,954	116,529	327,483	212,138	116,908	329,046
4.1	Assets under management		-	-	-	-	-	-
4.2	Investment securities held in custody		-	-	-	-	-	-
4.3	Checks received for collection		158,248	9,155	167,403	159,012	10,908	169,920
4.4	Commercial notes received for collection		52,706	107,374	160,080	53,126	106,000	159,126
4.5	Other assets received for collection		-	-	-	-	-	-
4.6	Assets received for public offering		-	-	-	-	-	-
4.7	Other items under custody		-	-	-	-	-	-
4.8	Custodians		-	-	-	-	-	-
V.	PLEDGED ITEMS		31,725	113,948	145,673	31,075	98,624	129,699
5.1	Marketable securities		-	-	-	-	-	-
5.2	Guarantee notes		250	200	450	250	196	446
5.3	Commodity		-	-	-	-	-	-
5.4	Warranty		-	-	-	-	-	-
5.5	Immovables		31,447	111,742	143,189	30,797	96,456	127,253
5.6	Other pledged items		28	2,006	2,034	28	1,972	2,000
5.7	Pledged items-depository		-	-	-	-	-	-
VI.	ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES		-	-	-	-	-	-
	TOTAL OFF BALANCE SHEET COMMITMENTS (A+B)		502,311	1,962,895	2,465,206	515,376	1,795,898	2,311,274

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

Arap Türk Bankası Anonim Şirketi

Consolidated Income Statement For The Period Ended 31 March 2013

(Thousands of Turkish Lira)

			Reviewed	Reviewed
INCOME and EXPENSES		Footnotes (5-IV)	CURRENT PERIOD (01/01/2013-31/03/2013)	PRIOR PERIOD (01/01/2012-31/03/2012)
I.	INTEREST INCOME	(1)	27,813	35,559
1.1	Interest on loans		10,801	15,158
1.2	Interest received from reserve deposits		-	-
1.3	Interest received from banks		6,816	5,917
1.4	Interest received from money market transactions		2,243	5,575
1.5	Interest received from marketable securities portfolio		5,599	7,074
1.5.1	Financial assets held for trading		2,885	3,328
1.5.2	Financial assets valued at fair value through profit or loss		-	-
1.5.3	Financial assets available for sale		-	-
1.5.4	Investments held to maturity		2,714	3,746
1.6	Finance lease income		2,352	1,800
1.7	Other interest income		2	35
II.	INTEREST EXPENSE	(2)	5,230	9,399
2.1	Interest on deposits		937	5,910
2.2	Interest on funds borrowed		4,268	1,562
2.3	Interest on money market transactions		25	1,927
2.4	Interest on securities issued		-	-
2.5	Other interest expense		-	-
III.	NET INTEREST INCOME/EXPENSE (I - II)		22,583	26,160
IV.	NET FEES AND COMMISSIONS INCOME/EXPENSE		8,666	14,537
4.1	Fees and commissions received		8,793	15,000
4.1.1	Non-cash loans		3,251	3,346
4.1.2	Other		5,542	11,654
4.2	Fees and commissions paid		127	463
4.2.1	Non-cash loans		1	1
4.2.2	Other		126	462
V.	DIVIDEND INCOME		-	6
VI.	NET TRADING INCOME/EXPENSE	(3)	(1,183)	1,410
6.1.	Profit/losses on trading account securities		-	9
6.2.	Loss/Profit on derivative transactions		(1,357)	308
6.3	Foreign exchange profit/losses		174	1,093
VII.	OTHER OPERATING INCOME	(4)	5,616	2,122
VIII.	TOTAL OPERATING INCOME/EXPENSE (III+IV+V+VI+VII)		35,682	44,235
IX.	PROVISION FOR LOAN LOSSES and OTHER RECEIVABLES (-)	(5)	4,054	1,977
X.	OTHER OPERATING EXPENSES (-)	(6)	13,069	13,206
XI.	NET OPERATING INCOME/LOSS (VIII-IX-X)		18,559	29,052
XII.	INCOME RESULTED FROM MERGERS		-	-
XIII.	INCOME/LOSS FROM INVESTMENTS UNDER EQUITY ACCOUNTING		-	-
XIV.	GAIN/LOSS ON NET MONETARY POSITION		-	-
XV.	INCOME/LOSS FROM CONTINUING OPERATIONS BEFORE TAXES (XI+...+XIV)		18,559	29,052
XVI.	PROVISION FOR TAXES FOR CONTINUING OPERATIONS (±)		(3,515)	(5,911)
16.1.	Current tax provision		(2,884)	(5,783)
16.2.	Deferred tax provision		(631)	(128)
XVII.	NET PROFIT/LOSSES FROM CONTINUING OPERATIONS (XV±XVI)	(8)	15,044	23,141
XVIII.	INCOME FROM DISCONTINUED OPERATIONS		-	-
18.1.	Income from assets held for sale		-	-
18.2.	Income from sale of associates, subsidiaries and joint-ventures		-	-
18.3.	Other income from discontinued operations		-	-
XIX.	EXPENSES FROM DISCONTINUED OPERATIONS (-)		-	-
19.1.	Expense on assets held for sale		-	-
19.2.	Expenses on sale of associates, subsidiaries and joint-ventures		-	-
19.3.	Other expense from discontinued operations		-	-
XX.	INCOME/EXPENSE BEFORE TAXES FROM DISCONTINUED OPERATIONS (XVIII-XIX)		-	-
XXI.	PROVISION FOR TAXES ON INCOME FROM DISCONTINUED OPERATIONS (±)		-	-
21.1.	Current tax provision		-	-
21.2.	Deferred tax provision		-	-
XXII.	NET PROFIT/LOSSES FROM DISCONTINUED OPERATIONS (XX±XXI)		-	-
XXIII.	NET PROFIT/LOSSES (XVII+XXII)		15,044	23,141
23.1	Group's profit/loss		15,044	23,141
23.2	Minority shares		-	-
	Earnings/Losses per share		0.0006	0.0964

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

Arap Türk Bankası Anonim Şirketi ve Finansal Bağlı Ortaklığı**31 Mart 2013 Tarihinde Sona Eren Yıla Ait****Özkaynaklarda Muhasebeleştirilen Gelir Gider Kalemlerine İlişkin Konsolide Tablo**

(Para birimi: Tutarlar Bin Türk Lirası olarak ifade edilmiştir.)

ÖZKAYNAKLARDA MUHASEBELEŞTİRİLEN GELİR GİDER KALEMLERİ		SINIRLI BAĞIMSIZ DENETİMDEN GEÇMİŞ	
		CARİ DÖNEM (01/01/2013-31/03/2013)	GEÇMİŞ DÖNEM (01/01/2012-31/03/2012)
I.	MENKUL DEĞERLER DEĞERLEME FARKLARINA SATILMAYA HAZIR FİNANSAL VARLIKLARDAN EKLENEN	-	-
II.	MADDİ DURAN VARLIKLAR YENİDEN DEĞERLEME FARKLARI	-	-
III.	MADDİ OLMAYAN DURAN VARLIKLAR YENİDEN DEĞERLEME FARKLARI	-	-
IV.	YABANCI PARA İŞLEMLERİ İÇİN KUR ÇEVİRİM FARKLARI	-	-
V.	NAKİT AKIŞ RİSKİNDEN KORUNMA AMAÇLI TÜREV FİNANSAL VARLIKLARA İLİŞKİN KÂR/ZARAR (Gerçeğe Uygun Değer Değişikliklerinin Etkin Kısım)	-	-
VI.	YURTDIŞINDAKİ NET YATIRIM RİSKİNDEN KORUNMA AMAÇLI TÜREV FİNANSAL VARLIKLARA İLİŞKİN KÂR/ZARAR (Gerçeğe Uygun Değer Değişikliklerinin Etkin Kısım)	-	-
VII.	MUHASEBE POLİTİKASINDA YAPILAN DEĞİŞİKLİKLER İLE HATALARIN DÜZELTİLMESİNİN ETKİSİ	(175)	(40)
VIII.	TMS UYARINCA ÖZKAYNAKLARDA MUHASEBELEŞTİRİLEN DİĞER GELİR GİDER UNSURLARI	-	-
IX.	DEĞERLEME FARKLARINA AİT ERTELENMİŞ VERGİ	35	8
X.	DOĞRUDAN ÖZKAYNAK ALTINDA MUHASEBELEŞTİRİLEN NET GELİR/GİDER (I+II+...+IX)	(140)	(32)
XI.	DÖNEM KÂR/ZARARI	-	-
11.1	Menkul Değerlerin Gerçeğe Uygun Değerindeki Net Değişme (Kar-Zarara Transfer)	-	-
11.2	Nakit Akış Riskinden Korunma Amaçlı Türev Finansal Varlıklardan Yeniden Sınıflandırılan ve Gelir Tablosunda Gösterilen Kısım	-	-
11.3	Yurtdışındaki Net Yatırım Riskinden Korunma Amaçlı Yeniden Sınıflandırılan ve Gelir Tablosunda Gösterilen Kısım	-	-
11.4	Diğer	-	-
XII.	DÖNEME İLİŞKİN MUHASEBELEŞTİRİLEN TOPLAM KÂR/ZARAR (X±XI)	(140)	(32)

Arap Türk Bankası Anonim Şirketi
Statement of Changes In Consolidated Shareholders' Equity
For the Period Ended 31 March 2013
(Thousands of Turkish Lira)

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	Footnotes	Paid-in Capital	Capital Reserves from 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 Value Increase Fund	Revaluation Surplus on Tangible and Intangible Assets	Bonus Shares of Equity Participations	Hedging Reserves	Accumulated Revaluation Surplus on Assets Held for sale and Assets of Discontinued Operations	Total Shareholders' Equity Except Minority Interest	Minority interest	Total Shareholders' Equity
PRIOR PERIOD (31/03/2012)																			
I. Balances at the beginning of the period		240,000	9,096	-	-	5,437	-	147	-	47,834	59,101	-	-	-	-	-	361,615	-	361,615
II. Corrections made as per TAS 8		-	-	-	-	-	-	-	-	165	(165)	-	-	-	-	-	-	-	-
2.1 Effects of corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effects of changes in accounting policies (1)		-	-	-	-	-	-	-	-	165	(165)	-	-	-	-	-	-	-	-
III. Adjusted balances at the beginning of the period (I-II)		240,000	9,096	-	-	5,437	-	147	-	47,999	58,936	-	-	-	-	-	361,615	-	361,615
Changes during the period																			
IV. Mergers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V. Securities Value Increase Fund		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Hedges for Risk Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.1 Net Cash Flow Hedges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.2 Net Foreign Investment Hedges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Revaluation surplus on tangible assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Revaluation surplus on intangible assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Bonus shares of associates, subsidiaries and joint ventures		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Foreign exchange differences		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. Changes resulted from disposal of assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII. Changes resulted from reclassification of assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII. Effect of change in equities of associates on Bank's Equity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV. Capital increase		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.1 Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.2 Internal sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV. Share issuance		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI. Share cancellation profits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII. Capital Reserves From Inflation Adjustments To Paid-in Capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVIII. Others		-	-	-	-	-	-	-	-	-	(32)	-	-	-	-	-	(32)	-	(32)
XIX. Current Period Net Profit		-	-	-	-	-	-	-	-	23,141	-	-	-	-	-	-	23,141	-	23,141
XX. Profit distribution		-	-	-	-	2,504	-	-	-	(47,999)	45,495	-	-	-	-	-	-	-	-
20.1 Dividends distributed		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20.2 Transfers to Reserves		-	-	-	-	2,504	-	-	-	(47,999)	45,495	-	-	-	-	-	-	-	-
20.3 Others		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances at end of period (III+IV+.....+XIV+XV+XVI)		240,000	9,096	-	-	7,941	-	147	-	23,141	104,399	-	-	-	-	-	384,724	-	384,724
CURRENT PERIOD (31/03/2013)																			
I. Balances at end of prior period		240,000	9,096	-	-	7,941	-	147	-	60,868	103,423	-	-	-	-	-	421,475	-	421,475
Changes within the period																			
II. Mergers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Securities Value Increase Fund		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IV. Hedges for Risk Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1 Net Cash Flow Hedges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2 Net Foreign Investment Hedges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V. Revaluation surplus on tangible assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Revaluation surplus on intangible assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Bonus shares of associates, subsidiaries and joint ventures		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Foreign exchange differences		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Changes resulted from disposal of assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Changes resulted from reclassification of assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. Effect of change in equities of associates on Bank's Equity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII. Capital increase		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.1 Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2 Internal sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII. Share issuance		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV. Share cancellation profits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV. Capital Reserves From Inflation Adjustments To Paid-in Capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI. Others		-	-	-	-	-	-	-	-	-	(140)	-	-	-	-	-	(140)	-	(140)
XVII. Current Period Net Profit		-	-	-	-	-	-	-	-	15,044	-	-	-	-	-	-	15,044	-	15,044
XVIII. Profit distribution		-	-	-	-	3,074	-	-	-	(60,868)	57,794	-	-	-	-	-	-	-	-
18.1 Dividends distributed		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18.2 Transfers to legal reserves		-	-	-	-	3,074	-	-	-	(60,868)	57,794	-	-	-	-	-	-	-	-
18.3 Others		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing balances (I+II+III+.....+XVI+XVII+XVIII)		240,000	9,096	-	-	11,015	-	147	-	15,044	161,077	-	-	-	-	-	436,379	-	436,379

(1) Updated TAS 19 - Standard of Employee Benefits came into force as the date of 1 January 2013. Changes brought by the standard must be applied retrospectively. In this context, actuarial gain/loss is amounting to TL 165 as of 31 December 2011, has been accounted under the "Prior Period Profit/Loss" and profit of the related period has risen at the same rate.

Arap Türk Bankası Anonim Şirketi

Consolidated Statement of Cash Flows For The Period Ended 31 March 2013

(Thousands of Turkish Lira)

		Footnotes	Reviewed	
			CURRENT PERIOD (31/03/2013)	PRIOR PERIOD (31/03/2012)
A.	CASH FLOWS FROM BANKING OPERATIONS			
1.1	Operating Profit Before Changes in Operating Assets and Liabilities		2,099	171,378
1.1.1	Interests Received		27,022	43,893
1.1.2	Interest Paid		(3,431)	(12,004)
1.1.3	Dividend Received		-	6
1.1.4	Fees and Commissions Received		8,793	15,000
1.1.5	Other Income		1,663	2,787
1.1.6	Collections From Previously Written-off Loans and Other Receivables		-	-
1.1.7	Payments to Personnel and Service Suppliers		(10,353)	(10,002)
1.1.8	Taxes Paid		(4,586)	(4,226)
1.1.9	Others		(17,009)	135,924
1.2	Changes in Operating Assets and Liabilities		(223,834)	(755,018)
1.2.1	Net Decrease in Financial Assets Held For Trading		56,050	44,373
1.2.2	Net (Increase) Decrease in Financial Assets Valued at Fair Value Through Profit or Loss		-	-
1.2.3	Net Decrease in Due From Banks and Other Financial Institutions		(216,112)	(133,798)
1.2.4	Net (Increase) in Loans		(152,418)	139,532
1.2.5	Net Decrease in Other Assets		7,795	32,139
1.2.6	Net Increase/(Decrease) in Bank Deposits		(472,719)	(1,215,633)
1.2.7	Net Increase (Decrease) in Other Deposits		(13,526)	19,239
1.2.8	Net Increase/(Decrease) in Funds Borrowed		556,982	521,456
1.2.9	Net Increase/(Decrease) in Matured Payables		-	-
1.2.10	Net Increase in Other Liabilities		10,114	(162,326)
I.	Net Cash Flow From Banking Operations		(221,735)	(583,640)
B.	CASH FLOWS FROM INVESTING ACTIVITIES			
II.	Net Cash Flow From Investing Activities		6,795	(29,720)
2.1	Cash Paid For Purchase of Associates, Subsidiaries, and Joint-Ventures		-	-
2.2	Cash Obtained From Sale of Associates, Subsidiaries and Joint-Ventures		-	-
2.3	Purchases of Tangible Assets		(28)	(186)
2.4	Sales of Tangible Assets		282	293
2.5	Cash Paid For Purchase of Financial Assets Available-For-Sale		-	-
2.6	Cash Obtained From Sale of Financial Assets Available-For-Sale		-	69
2.7	Cash Paid For Purchase of Investments Held-to-Maturity		(9,962)	(50,016)
2.8	Cash Obtained From Sale of Investments Held-to-Maturity		16,816	20,175
2.9	Others		(313)	(55)
C.	CASH FLOWS FROM FINANCING ACTIVITIES			
III.	Net Cash Flows From Financing Activities		-	-
3.1	Cash Obtained From Funds Borrowed and Securities Issued		-	-
3.2	Cash Used For Repayment of Funds Borrowed and Securities Issued		-	-
3.3	Equity Instruments Issued		-	-
3.4	Dividends Paid		-	-
3.5	Payments For Financial Leases		-	-
3.6	Others		-	-
IV.	Effect of Change in Foreign Exchange Rate On Cash and Cash Equivalents		7,808	(130,324)
V.	Net (Decrease)/Increase in Cash and Cash Equivalents		(207,132)	(743,684)
VI.	Cash and Cash Equivalents at Beginning of Period		1,395,002	1,560,979
VII.	Cash and Cash Equivalents at the End of Period		1,187,870	817,295

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

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SECTION THREE

EXPLANATIONS ON ACCOUNTING POLICIES

I. Explanations for basis of presentation and notes

The consolidated financial statements are prepared in accordance with the “Regulation on the Principles and Procedures Regarding Banks’ Accounting Applications and Safeguarding of Documents” published dated 1 November 2006 by the Banking Regulation and Supervision Agency (“BRSA”) which refers to “Turkish Accounting Standards” (“TAS”) and “Turkish Financial Reporting Standards” (“TFRS”) issued by the Turkish Accounting Standard Boards (“TASB”) and other decrees, notes and explanations related to the accounting and financial reporting principles (all “Turkish accounting Standards” or “TAS”) published by the BRSA and the format and the details of the publicly announced financial statements and related disclosures to these statements have been prepared in accordance with the “Communiqués Related to Publicly Announced Financial Statements of Banks and Explanations and Notes Related to these Financial Statements” published in the Official Gazette No. 28337 dated 28 June 2012, additions and changes in the related to communiqué. The Group maintains its books of account in Turkish Lira (TL).

Consolidated financial statements other than financial assets and liabilities that are presented with fair values, are prepared in thousands of TL and with cost value approach.

The preparation of consolidated financial statements in conformity with TAS requires the use of certain critical accounting estimates by the Bank management to exercise its judgment on the assets and liabilities of the balance sheet and contingent issues as of the balance sheet date. These estimates are being reviewed regularly and, when necessary, corrections are made and the effects of these corrections are reflected to the income statement.

For a correct perception of the financial statements, the accounting policies and valuation principles are explained between in Notes No. II and XXIII.

There is not any different accounting policy applied while the preparation of the consolidated financial statements.

Explanation for convenience translation into English:

The differences between accounting principles, as described in these preceding paragraphs and accounting principles generally accepted in countries in which unconsolidated financial statements are to be distributed and International Financial Reporting Standards (“IFRS”) have not been quantified in these unconsolidated financial statements. Accordingly, these unconsolidated financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

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II. Information on strategy for the use of financial instruments and foreign currency transactions

The Bank’s core business operation is banking activities including corporate banking, commercial banking, security transactions (treasury transactions) together with international banking services. The Parent Bank uses financial instruments intensively because of the nature of the Parent Bank. The main funding resources are deposits, borrowing and equity and these resources are invested in qualified financial assets. The Parent Bank follows the utilization of resources and the risk and return for the investments in various financial assets through an effective asset and liability management strategy.

The transactions in foreign currency are recorded in accordance with TAS 21 – Effects of Exchange Rate Changes. Related gain and loss occurred due to the changes in exchange rates resulted by the foreign currency transactions are translated into TL over the effective exchange rate prevailing at the date of the transaction and is recorded accordingly.

At the end of the related periods, foreign currency assets and liability balances outstanding are translated into Turkish Lira over the Group’s exchange rates prevailing at the balance sheet date and the resulting exchange rate differences are accounted as foreign exchange gains and losses.

III. Information on consolidated associates and subsidiaries

The accompanying consolidated financial statements are prepared in accordance with "Communiqué on Preparation of Consolidated Financial Statements" which is published in the Official Gazette No. 26340 dated November 8, 2006. The Parent Bank directly owns the shares of A&T Finansal Kiralama A.Ş. and this subsidiary is consolidated accordingly. As at March 31, 2013 and 2012, the Parent Bank has no associates.

A&T Finansal Kiralama Anonim Şirketi, was founded in 1997 with the aim to provide financial leasing services.

The Parent Bank and its subsidiary A&T Finansal Kiralama A.Ş that is included in consolidation are together referred to as “Group” in the disclosures and footnotes related to the consolidated financial statements.

“Full Consolidation” method has been applied in consolidating the financial statements of the Bank with the financial statements of its subsidiary. In accordance with this method, the financial statements of the Parent Bank and its subsidiary are combined on a line-by-line basis by adding together the all 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 statement of income.

The major principles applied in the consolidation of subsidiaries

The carrying amount of the Parent Bank’s net investment in the subsidiary and the Parent Bank’s portion of equity of the subsidiary are eliminated.

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All intercompany transactions and intercompany balances between the consolidated subsidiary and the Parent Bank are eliminated.

The financial statements which have been used in the consolidation are prepared as of 31 March 2013 and appropriate adjustments are made to financial statements to use uniform accounting policies for similar transactions and events in similar circumstances.

IV. Information on forward transactions, options and derivative instruments

The Group financial derivatives are classified as “Held for Trading” in accordance with TAS – 39 Financial Instruments: Recognition and Measurement.

Derivatives are initially recorded at their purchase costs including the transaction costs. The notional amounts of derivative transactions are recorded in off-balance sheet accounts based on their contractual amounts.

The derivative transactions are measured at fair value subsequent to initial recognition and if the fair value of a derivative financial instrument is positive, it is disclosed under the main account fair values of financial assets through profit or loss” in trading derivative financial instruments and if the fair value difference is negative, it is disclosed under trading derivative financial liabilities.

Gains and losses arising from a change in fair value of trading derivatives after the re measurement are accounted in the income statement. The fair value of the derivative financial instruments is calculated using quoted market prices by using discounted cash flows model.

V. Information on interest income and expense

Interest income and expense are recognized according to the effective interest method based on accrual basis. Effective interest rate is the rate that discounts the expected cash flows of financial assets or liabilities during their lifetimes to their carrying values. Effective interest rate is calculated when a financial asset or a liability is initially recorded and is not modified thereafter.

The computation of effective interest rate comprises discounts and premiums, fees and commissions paid or received and transaction costs. Transaction costs are additional costs that are directly related to the acquisition, issuance or disposal of financial assets or liabilities.

In accordance with the related regulation, the accrued interest income on non-performing loans are reversed and subsequently recognized as interest income only when collected.

VI. Information on fees and commission

Fees and commission received and paid are recognized according to either accrual basis of accounting or effective interest method depending on nature of fees and commission; incomes derived from agreements and asset purchases for third parties are recognized as income when realized.

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VII. Information on financial assets

The Group categorizes and records its financial assets as financial assets at fair value through profit or loss, financial assets available-for-sale, loans and receivables or financial assets held to maturity.

Financial assets except for measured at fair value through profit or loss are recognized initially with their transaction costs that are directly attributable to the acquisition or issue of the financial asset. Purchase and sale transactions of securities are accounted at settlement dates.

a. Financial Assets at Fair Value through Profit or Loss

This category has two sub categories: financial assets for trading purposes and those recorded as financial assets designated at fair value through profit or loss at their initial recognition.

Financial assets held for trading are part of a portfolio aiming to generate a profit from short term fluctuations in prices or dealer’s margin or in which a pattern of short term profit making exists.

Financial derivative instruments are classified as financial assets held for trading unless they are stated as for hedging purposes. Accounting of derivative financial assets is explained in III of Section Three.

The financial assets held for trading are initially recognized at cost which includes transaction costs. Subsequent to the initial recognition financial assets held for trading are re-measured at their fair value. The gains and losses arising from the change in fair value are recognized in the income statement. The interest income earned from financial assets held for trading is recorded in the interest income and share profit is recorded in the dividends account.

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b. Financial Assets Available-for-Sale

Financial assets available for sale are financial assets other than those classified as loans and receivables, financial assets held to maturity and financial assets at fair value through profit or loss.

Debt securities classified as financial assets available-for-sale are subsequently re-measured at their fair values. Unrealized gains and losses arising from changes in the fair value of securities classified as financial assets available for sale is reflected in the equity marketable securities value increase fund. When these financial assets available for sale are disposed of or collected the fair value differences accumulated under equity are transferred to the income statement.

Financial assets available for sale that have a quoted market price in an active market and whose fair values can be reliably measured are carried at fair value. Financial assets available for sale that do not have a quoted market price and whose fair values cannot be reliably measured are carried at cost, less provision for impairment.

c. Loans and Receivables

Loans and receivables are the financial assets raised by the Bank providing money, commodity and services to debtors. Loans are financial assets with fixed or determinable payments and not quoted in an active market.

Loans and receivables are recorded at cost and measured at amortized cost by using effective interest method. The duties paid, transaction expenditures and other similar expenses on assets received against such risks are considered as a part of transaction cost and charged to customers.

d. Financial Assets Held to Maturity

Held-to-maturity securities are financial assets that are not classified as loans and receivables with fixed maturities and pre-determinable payments that the Bank has the intent and ability to hold until maturity. The financial assets held to maturity are initially recognized at cost and subsequently carried at amortized cost using effective interest method with internal rate of return after deducting impairments, if any. Interest earned on financial assets held-to-maturity is recognized as interest income in the statement of income.

There are no financial assets that were previously classified as held to maturity but cannot be subject to this classification for two years due to the violation of the tainting rule.

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VIII. Information on impairment of Financial Assets

Financial assets or group of financial assets are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. If any such indication exists, the Group estimates the amount of impairment.

Impairment loss incurs if, and only if, there is objective evidence that the expected future cash flows of financial asset or group of financial assets are adversely affected by an event(s) (“loss event(s)”) incurred subsequent to recognition. The losses expected to incur due to future events are not recognized even if the probability of loss is high.

If there is an objective evidence that certain loans will not be collected, for such loans; the Group provides specific and general allowances for loan and other receivables classified in accordance with the Regulation on Identification of and Provision against Non-Performing Loans and Other Receivables published on the Official Gazette no. 26333 dated 1 November 2006 and the amendments to this regulation. The allowances are recorded in the statement of income of the related period.

Provision in prior periods has been collected which is provisioned accounts are recorded under other operating income is deducted. Is collected which is provisioned in the same year, the impairment loss is deducted from loans and other receivables.

If there is objective evidence that certain leasing receivables will not be collected; the Group assess that receivables in accordance with the Regulation on Identification of and Provision against Non-Performing Receivables of Financial Leasing, Factoring and Financing Companies published on the Official Gazette no.26588 dated 20 July 2007.

IX. Information on offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

X. Information on sale and repurchase agreements and lending of financial assets

Repurchase (“repo”) and resale (“reverse repo”) agreements of financial assets are followed at the balance sheet accounts. Financial assets which are sold to customers under repurchase agreements are categorized according to initial classification and are measured in accordance with the accounting policy of the related portfolio.

Funds obtained under repurchase agreements are accounted under funds provided under repurchase agreements in liability accounts. The interest expense accruals are calculated by means of internal rate of return method over the difference resulting from repurchase and sale prices for the relevant period.

Securities subject to repurchase (“reverse repo”) agreements are reflected under receivables from reverse repurchase agreements. The difference between the purchase and resell price which is related with the period is computed with the effective interest rate method for accrued interest income.

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XI. Information on assets held for sale and discontinued operations

An asset that is classified as held for sale (or to be discarded fixed assets) is measured with its book value or cost deducted fair value, depending on the lower one. An asset to be classified asset held for sale, particular asset (or to be discarded fixed assets) should be similar to these types of assets and should be able to be sold immediately with commonly accepted terms and conditions. Asset should be marketed in line with its fair value. For selling probability to be high, relevant management level should plan the sale and should finalize the plan by determining the buyers.

Assets held for sale are comprised of tangible assets acquired due to non performing receivables, and are accounted in the financial statements in accordance with the "Regulation On The Disposals of The Commodities and Properties Acquired Due to Receivables and The Purchase and Sale of Precious Metals by Banks" dated 1 November 2006 and published on the Official Gazette No.26333.

A discontinued operation is classified as the Group's assets discarded or assets held for sales. Information on discontinued operations is presented separately in consolidated income statement. As at reporting date, the Group does not have any discontinued operations.

XII. Information on goodwill and other intangible assets

There is no goodwill in the accompanying financial statements related to the acquisition of a subsidiary.

The Group's intangible assets consist of software.

Intangible assets are initially recorded at their costs in compliance with the TAS 38 – Intangible Assets.

The costs of the intangible assets purchased before 31 December 2004 are restated from the purchasing dates to 31 December 2004, the date the hyperinflationary period is considered to be ended. The intangible assets purchased after this date are recorded at their historical costs. The intangible assets are amortized based on straight line amortization. The useful life of software is determined as 5 years.

If there is objective evidence of impairment, the asset's recoverable amount is estimated in accordance with the TAS 36 – Impairment of Assets and if the recoverable amount is less than the carrying value of the related asset, a provision for impairment loss is made.

XIII. Information on tangible assets

The costs of the tangible assets purchased before 31 December 2004 are restated from the purchasing dates to 31 December 2004, the date the hyperinflationary period is considered to be ended. In subsequent periods no inflation adjustment is made for tangible assets, and costs which are restated as of 31 December 2004 are considered as their historical costs. Tangible assets purchased after 1 January 2005 are recorded at their historical costs after foreign exchange differences and financial expenses are deducted if any.

Gains and losses arising from the disposal of the tangible assets are calculated as the difference between the net book value and the net sales price and recognized in the income statement of the period.

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Maintenance and repair costs incurred for tangible assets are recorded as expense. Expenditures incurred that extend the useful life and service capacity of the assets are capitalized.

The depreciation rates used approximate the rates of the useful life of the tangible assets are as follows:

Tangible assets	Estimated useful life (Years)	Depreciation Rate (%)
Buildings	50	2
Motor vehicles	5	20
Office equipment, furniture and fixture	5-50	2-20

There are no changes in the accounting estimates that are expected to have an impact in the current or subsequent periods.

At each reporting date, the Bank evaluates whether there is objective evidence of impairment on its assets. If there is an objective evidence of impairment, the asset’s recoverable amount is estimated in accordance with the TAS 36 – Impairment of Assets and if the recoverable amount is less than the carrying value of the related asset, a provision for impairment loss is made.

XIV. Information on leasing activities

Finance leasing activities as the lessee

Tangible assets acquired by way of finance leasing are recognized in tangible assets and the obligations under finance leases arising from the lease contracts are presented under “Finance Lease Payables” account in the consolidated financial statements. In the determination of the related assets and liabilities, the lower of the fair value of the leased asset and the present value of leasing payments is considered. Financial costs of leasing agreements are expanded in lease periods at a fixed interest rate.

If there is impairment in the value of the assets obtained through financial lease and in the expected future benefits, the leased assets are valued with net realizable value. Depreciation for assets obtained through financial lease is calculated in the same manner as tangible assets.

Interest and exchange rate expenses related to financial leasing are recognized in the income statement. The Group does not provide financial leasing services as a lessor.

Finance leasing activities as the lessor

The total of minimum rent amounts are recorded at “finance lease receivables” account in gross amounts comprising the principal amounts and interests. The interest, the difference between the total of rent amounts and the cost of the fixed assets, is recorded at “unearned income” account. As the rents are collected, “finance lease receivables” account is decreased by the rent amount; and the interest component is recorded at consolidated income statement as interest income.

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Operational leases

Transactions regarding operational lease agreements are accounted on an accrual basis in accordance with the terms of the related contracts.

Transactions regarding operational leases are accounted on an accrual basis in accordance with the term of the related contracts.

XV. Information on provisions and contingent liabilities and contingent assets

Provisions and contingent liabilities are provided for in accordance with the TAS 37 - Provisions, Contingent Liabilities and Contingent Assets, except for the general and specific provisions set aside for the loans and other receivables.

Provisions are recognized when the Bank has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made.

A provision for contingent liabilities arising from past events should be recognized in the same period of occurrence if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate the amount of the obligation can be made.

XVI. Information on liabilities regarding employee benefits

Reserve for employee termination benefits

In accordance with existing Turkish Labour Law, the Group is required to make lump-sum termination indemnities to each employee who has completed one year of service with the Bank and whose employment is terminated due to retirement or for reasons other than resignation or misconduct. The computation of the liability is based upon the retirement pay ceiling announced. The applicable ceiling amount as at 31 March 2013 is TL 3,129 (full TL) (31 December 2012: TL 3,034 (full TL)).

The Group reserved for employee severance indemnities in the accompanying unconsolidated financial statements using actuarial method in compliance with the updated TAS 19 – Employee Benefits. Accumulated all actuarial gains and losses in equity are recognized in retained earnings.

As at 31 March 2013 and 31 December 2012, the major actuarial assumptions used in the calculation of the total liability are as follows:

The Parent Bank	Current Period	Prior Period
Discount Rate	%2.86	%2.86
Expected Rate of Salary/Limit Increase	%5.00	%5.00
Estimated Employee Turnover Rate	%5.42	%5.42
Subsidiary	Current Period	Prior Period
Discount Rate	2.38%	4.66%
Expected Rate of Salary/Limit Increase	5.00%	5.10%
Estimated Employee Turnover Rate	0.00%	0.00%

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Other benefits to employees

The Group has provided provision for undiscounted short-term employee benefits earned during the financial period as per services rendered in compliance with the updated TAS 19–Employee Benefits in the accompanying unconsolidated financial statements.

XVII. Information on tax applications

Corporate tax

The corporate tax rate is 20%. Corporate tax rate is calculated on the total income of the Group after adjusting for certain disallowable expenses, exempt income and other allowances. No further tax is payable unless the profit is distributed.

Dividends paid to the resident institutions and the institutions working through local offices or representatives are not subject to withholding tax. The withholding tax rate on the dividend payments other than the ones paid to the non-resident institutions generating income in Turkey through their operations or permanent representatives and the resident institutions is 15%.

In applying the withholding tax rates on dividend payments to the non-resident institutions and the individuals, the withholding tax rates covered in the related Double Tax Treaty Agreements are taken into account. Appropriation of the retained earnings to capital is not considered as profit distribution and therefore is not subject to withholding tax.

The prepaid taxes are calculated and paid at the rates valid for the earnings of the related years. The payments can be deducted from the annual corporate tax calculated for the whole year earnings.

Tax losses can be carried forward for a maximum period of five years following the year in which the losses were incurred. Tax losses cannot be carried back.

In Turkey, there is no procedure for a final and definite agreement on tax assessments. Companies file their tax returns with their tax offices by the end of 25th of the fourth month following the close of the accounting period to which they relate. Tax declarations and related accounting entries can be investigated by tax authorities for five years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

Investment incentive

Investment incentive certificates which are obtained prior to April 24, 2003, can deduct 19.8% investment allowance tax withholding. After this date, encouraging, undocumented activities directly related to the investment expenses of companies can deduct 40%. There is no withholding tax for The investments without investment incentive certificates.

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As per “Law regarding amendments to the Income Tax Law and Some Other Certain Laws and Decree Laws” accepted on 23 July 2010 at the Grand National Assembly of Turkey, the expression of “can be deducted from the earnings again in the context of this legislation (including the legislation regarding the tax rate) valid at this date” has been amended as “can be deducted from the earnings again in the context of this legislation (including the legislation regarding the tax rate as explained in the second clause of the temporary article no 61 of the Law) valid at this date” and the following expression of “ Investment incentive amount used in determination of the tax base shall not exceed 25% of the associated taxable income. Tax is computed on the remaining income per the enacted tax rate” has been added. This Law has been published in the Official Gazette on 1 August 2010.

The clause “The amount which to be deducted as investment incentive to estimate tax base can not exceed 25% of related income” which has been added to first clause of the temporary 69th article of Law No: 193 with the 5th article of Law No: 6009 on Amendments to Income Tax Law and Some Other Laws and Decree Laws has been abrogated with the 9 February 2012 dated decisions no: E.2010/93 and K.2012/20. Accordingly, the Group’s subsidiary operating in finance lease sector have taken these effects into account while arranging corporate tax declaration for the year 2011.

Deferred taxes

The Group calculates and accounts deferred tax assets and liabilities in accordance with the TAS 12 – Income Taxes; deferred tax assets and liabilities are recognized on all taxable temporary differences arising between the carrying values of assets and liabilities in the consolidated financial statements and their corresponding balances used for taxation purposes except for the differences not deductible for tax purposes and initial recognition of assets and liabilities which affect neither accounting nor taxable profit.

If transactions and events are recorded in the statement of income, then the related tax effects are also recognized in the statement of income. However, if transactions and events are recorded directly in the shareholders’ equity, the related tax effects are also recognized directly in the shareholders’ equity.

The net amount of deferred tax receivables and deferred tax payables is shown on the financial tables.

Transfer Pricing

In Turkey, the transfer pricing provisions has been stated under the Article 13 of Corporate Tax Law with the heading of “disguised profit distribution via transfer pricing”. The General Communiqué on disguised profit distribution via Transfer Pricing, dated 18 November 2007 sets details about implementation.

If the companies enter into transactions concerning to the sale or the purchase of the goods or services with the related parties by setting the prices or amounts which are not in line with the arm’s length principle, related profits will be treated as having been wholly or partially distributed in a disguised way via transfer pricing. This kind of disguised profit distribution via transfer pricing cannot be deducted from tax base in accordance with corporate tax.

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XVIII. Additional information on borrowings

Except for financial liabilities that are classified as held for trading derivatives which carried at fair values, all other financial liabilities are initially recognized at cost including transaction costs and re-measured at amortized cost using the effective interest rate method.

The Group did not issue any stocks convertible into bonds.

The Group does not have borrowing instruments issued by itself.

XIX. Information on share issuances

The Group has not issued any share in the year.

XX. Information on bills of exchanges and acceptances

Acceptances are realized simultaneously with the payment dates of the clients and they are presented as commitments in off-balance sheet accounts.

There are no acceptances presented as liabilities against any assets.

XXI. Information on government incentives

As of 31 March 2013, A&T Finansal Kiralama A.Ş has TL 9,739 (31 December 2012: TL 13,517) of unutilized investment incentive.

XXII. Information on segment reporting

Operating segment is the unit that operates in only one product or service of the Group or the group of products or services which are related each other and differs from other units from the point of risk and profit. Operating segments are presented in the footnote VI of Fourth Section.

XXIII. Other disclosures

Profit reserves and profit distribution

Retained earnings as per the statutory consolidated financial statements other than legal reserves are available for distribution, subject to legal reserve requirement referred to below.

The legal reserves are comprised of first and second reserves, in accordance with the Turkish Commercial Code (“TCC”). The first legal reserve is appropriated out of the profits at the rate of 5% until the total reserve reaches a maximum of 20% of the Parent Bank’s paid in capital. The second legal reserve is appropriated at the rate of 10% of all distributions in excess of the 5% of the Company’s share capital; however holding companies are not subject to this application. First and second legal reserves can only be used to compensate accumulated losses and cannot be used for profit distribution unless they exceed 50% of paid-in capital.

Related parties

In accompanying consolidated financial statements, shareholders, key management personnel and board members together with their families and companies controlled by or affiliated by them associated and jointly controlled entities are considered as Related Parties in compliance with TAS 24 - Related Party Disclosures Standard.

Cash and cash equivalents

In the cash flows statements “Cash” refers to cash in vault, cash in transit, bank cheques purchased and demand deposits in banks including Central Bank of Turkey; “Cash equivalent” refers to money market placements and time deposits at banks which has original maturity less than three months.

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SECTION FOUR

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP

I. Information on consolidated capital adequacy ratio

The capital adequacy ratio calculations are applied in accordance with the "Regulation on Measurement and Evaluation of Capital Adequacy of Banks" published in Official Journal No 28337 of 28 June 2012 from 1 July 2012. The consolidated basis capital adequacy ratio of the Bank is 18.42% as of 31 March 2013. The Bank did not recalculate the capital adequacy ratio related to prior periods, according to "Publicly Announced Communiqué on Financial Statements and Related Disclosures and Footnotes" which is published in Official Gazette dated 28 June 2012 and numbered 28337.

The risk measurement methods used in the determination of the capital adequacy ratio:

In the calculation process of capital adequacy ratio, the data which are compatible with current regulations are used. In this case, the market and credit risk are also taken into account as "Trading Accounts" and "Banking Accounts."

The items which are deducted from trading accounts and shareholders' equity are not considered in the calculation of the credit risk. Depleted and amortized assets are taken into consideration by net amounts which are calculated by the deduction of depreciation cost and provisions.

The amount subject to credit risk for non cash loans and commitments are converted credit by using the conversion rates which are defined in the 5th article of "Regulation on Measurement and Evaluation of Capital Adequacy of Banks". Besides, the provisions which are defined in "Regulation on Procedures and Principles for Determination of Qualifications of Loans and Other Receivables by Banks and Provisions to Be Set Aside" and taken place at the liability side of the balance sheet are also taken into consideration. And classified to the relevant risk class by regarding the "Regulation on credit risk mitigation techniques" and the risk is weighted in accordance with the same regulations Annex-1.

Value at operational risk (VOR) is calculated in accordance with the "Basic Indicator Method" and is included in the capital adequacy ratio calculation.

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Information on Parent Bank and consolidated capital adequacy standard ratio

Current Period	The Parent Bank								Consolidated							
	%0	%10	%20	%50	%75	%100	%150	%200	%0	%10	%20	%50	%75	%100	%150	%200
The amount subject to credit risk	470,402	-	178,888	1,857,333	-	891,532	141,160	-	470,403	-	190,313	1,833,766	-	960,055	141,160	-
<i>Risk Types</i>																
Contingent and Non-Contingent Receivables from Sovereign Governments and Central Banks	310,707	-	-	83,174	-	-	-	-	310,707	-	-	83,174	-	-	-	-
Contingent and Non-Contingent Receivables from Regional Governments and Local Authorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contingent and Non-Contingent Receivables from Administrative Units and Non-commercial Enterprises	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contingent and Non-Contingent Receivables from Multilateral Development Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contingent and Non-Contingent Receivables from International Organizations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contingent and Non-Contingent Receivables from Banks and Financial Intermediaries	153,089	-	178,888	1,743,861	-	14,929	-	-	153,089	-	190,312	1,720,294	-	14,929	-	-
Contingent and Non-Contingent Corporate Receivables	-	-	-	-	-	787,476	-	-	-	-	-	-	-	886,875	-	-
Contingent and Non-Contingent Retail Receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contingent and Non-Contingent Receivables Secured by Property	-	-	-	30,298	-	13,983	-	-	-	-	-	30,298	-	13,983	-	-
Past Due Loans	-	-	-	-	-	289	-	-	-	-	-	-	-	289	-	-
Higher-Risk Receivables Defined by BRSA	-	-	-	-	-	-	141,160	-	-	-	-	-	-	-	141,160	-
Marketable Securities Collateralized Mortgages	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Securitization Exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short-Term Receivables from Banks and Corporate Undertakings for Collective Investments in Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Receivables	6,606	-	-	-	-	74,855	-	-	6,607	-	1	-	-	43,979	-	-

Information on unconsolidated an consolidated capital adequacy ratio

		Current Period		Prior Period	
		Bank	Consolidated	Bank	Konsolide
A	Required Capital for Credit Risk (Amount Based to Credit Risk*0.08) (RCFCR)	165,417	170,139	130,223	135,151
B	Required Capital for Market Risk (RCFMR)	7,607	7,589	7,016	7,032
C	Required Capital for Operational Risk (RCFOR) ^(*)	15,319	16,469	12,119	13,185
Shareholders' Equity		438,125	447,258	425,105	433,882
Shareholders' Equity/((RCFCR+RCFMR+RCFOR) *12.5*100)		18.61	18.42	22.77	22.34

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Information on consolidated shareholder's equity

	Current Period	Prior Period
CORE CAPITAL		
Paid-in Capital	240,000	240,000
Nominal capital	240,000	240,000
Capital Commitments (-)	-	-
Inflation adjustment to paid-in capital	9,096	9,096
Share Premium	-	-
Share Cancellation profit	-	-
Legal reserves	11,162	8,088
Inflation adjustment to legal reserves	-	-
Profit	176,121	164,291
Net income for the period	15,044	59,860
Prior period profit	161,077	104,431
Provisions for possible risks up to 25% of Core Capital	-	5,000
Income on Sale of Equity Shares and Real Estates to be used up for Capital Increase	-	-
Primary Subordinated Debt (up to 15% of Core Capital)	-	-
Loss excess of Reserves (-)	-	-
Current Period Loss	-	-
Prior Periods Loss	-	-
Leasehold Improvements (-)	1,864	2,061
Prepaid Expenses (-)	2,157	2,055
Intangible Assets (-)	-	-
Deferred Tax	-	-
Total Core Capital	432,358	422,359
SUPPLEMENTARY CAPITAL		
General Provisions	15,182	11,811
45% of Revaluation Surplus on Movables	-	-
45% of Revaluation Surplus on Immovable's	-	-
Bonus shares of Associates, Subsidiaries and Joint-Ventures	-	-
Primary Subordinated Debt excluding the Portion included in Core Capital	-	-
Secondary Subordinated Debt	-	-
Marketable Securities and Investment Securities Value Increase Fund	-	-
Adjustment to paid-in capital, profit reserves and previous years losses(except	-	-
Total Supplementary Capital	15,182	11,811
CAPITAL	447,540	434,170
DEDUCTIONS FROM CAPITAL	282	288
Partnership share on banks and financial institutions (domestic and abroad) that are not consolidated, with a shareholding of 10% and above	-	-
The sum of partnership share on banks and financial institutions (domestic and abroad), with shareholding of less than 10%, but exceeding 10% and more of the sum of core and supplementary capital of the bank	-	-
Loans extended to banks, financial institutions (domestic and abroad) and qualified shareholders, like secondary subordinated loan and debt instruments purchased from these institutions issued, like primary and secondary subordinated loan	-	-
Loans extended being noncompliant with articles 50 and 51 of the Law	-	-
Net book values of properties owned, exceeding 50% of banks' equity and properties, and trade goods overtaken in exchange for loans and receivables that should be disposed within five years in accordance with article 57 of the Law, but not yet disposed	282	288
Securitization positions preferred to deduct from equity	-	-
Other	-	-
TOTAL SHAREHOLDER'S EQUITY	447,258	433,882

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II. Information on Consolidated Market Risk

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

The Parent Bank's operations about risk management are carried out complying with "Regulation on Bank's regulation about internal systems" and "Regulation on Measurement and Evaluation of Capital Adequacy of Banks".

To be in compliance with governances, Bank has regulated its operations about market risk management within the scope of "Regulation on Measurement and Evaluation of Capital Adequacy of Banks" published in Official Journal No 28337 of 28 June 2012 from 1 July 2012.

To implement methods of risk managements' policy, strategy, implementations that approved by board of directors; to report bank's potential important risks to board of directors on time and accurately, internal control about units, to evaluate risk and internal auditing reports and to correct risks, faults, inadequacies occurred in those units or to take necessary measures and to be incorporate into process of determining risk limits are in charge of senior management.

Board of directors is reviewing efficiency of risk management systems through the agency of auditing committee, other relevant committees, senior management and also in consideration of various risk reports and evaluations made by auditing committee.

Risk policies and methods of implementations which are determined for market risk that the parent bank is exposed to, is approved by board of directors and being reviewed regularly. Market risk is managed by the way of measuring, limiting risks in compliance with international standards and putting capital aside according to those results.

Risk Management Department is analyzing and calculating bank interest rate in consideration of various dimensions within the scope of market risk management operations.

Interest rate and currency risk is being measured within the scope of market risk that calculated according to standard method and included to calculation of capital requirement standard ratio.

Besides of standard method, value at risk method (VRM) is used for calculating changes in risk factors and its' effects on bank portfolio. Subjected method is tested by retrospective test method.

Stress tests are made to analyze the possible effects of Interest and rate fluctuations on bank on a monthly basis.

Moreover, scenario analyses are made to classify expectations of possible changes at risk factors based on various interest rate and exchange rate level expectations.

Board of directors determined limits to evaluate the results of standard methods and daily value at risk method results. Also limits are determined for credit risk and capital requirements ratio by board of directors.

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The Parent Bank's market risk is calculated on a monthly basis using the "Standard Method". Interest rate risks and exchange rate risks, factors of the market risks, are periodically analyzed using different methods (ratio analysis, duration, gap, sensitivity, etc.).

With stress testing methods, the effect of extraordinary fluctuations of risk factors on the Bank is measured on a monthly basis and in case the necessity arises. Different scenarios based on changes in risk factors are measured with scenario analysis. All the analysis mentioned above are tested in a retrospective manner to ensure the reliability of the tests.

The Board of Directors has determined limits at the level of risk factors in order to restrain the market risk. The ratio of the Market Risk / Equity rate can be maximum 55% and for limiting daily VAR results, the amount under daily risk / equity rate can be maximum 2%.

Information related to market risk

	Current Period	Prior Period
(I) Capital requirement to be employed for general market risk - Standard	1,716	2,210
(II) Capital requirement to be employed for specific risk - Standard method	1,449	1,403
(III) Standard method for specific risk of necessary capital requirement on securitization positions	-	-
(IV) Capital requirement to be employed for currency risk - Standard method	4,411	3,384
(V) Capital requirement to be employed for commodity risk - Standard method	-	-
(VI) Capital requirement to be employed for settlement risk - Standard method	-	-
(VII) Total capital requirement to be employed for market risk resulting from options-Standard method	-	-
(VIII) Counterparty credit risk capital requirement - Standard method	13	35
(IX) Total capital requirement to be employed for market risk in banks using risk measurement model	-	-
(X) Total capital requirement to be employed for market risk (I+II+III+IV+V+VI+VII+VIII)	7,589	7,032
(XI) Market Value at Risk (12.5 x IX) or (12.5 x X)	94,863	87,900

III. Information on Consolidated Foreign Currency Exchange Rate Risk

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

The Group complies with net general position-shareholder's equity limits. The Bank has the possibility to borrow a significant amount of foreign currency. Within the context of the market risk management work of the Risk Management Department, the Bank's Exchange rate risk is calculated and analyzed taking different dimensions of the issue in consideration. The Exchange rate risk is measured according to market risk calculated using the Standard Method and is included in the capital adequacy ratio. For testing effects of the unexpected exchange rate fluctuations on the Bank monthly basis stress test analysis are done. In addition, by classifying the changes in risk factors different scenario analysis are done based on different exchange rate expectations. The sensitivity of assets, liabilities and off-balance sheets against exchange rate are measured by an analysis on a monthly basis.

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

The Group does not have any financial derivatives used for hedging.

Foreign exchange risk management policy

Transactions are being hedged according to the Central Bank of Turkey's basket of currencies instantly. Managable and measurable risks are taken in the scope of the regulatory limits.

Foreign exchange buying rates of the last five business days before the balance sheet date as publicly announced by the Parent Bank are as follows

USD Foreign Exchange Buying Rate as of balance sheet date	TL 1.8137
EUR Foreign Exchange Buying Rate as of balance sheet date	TL 2.3206

Date	US Dollars	EUR
25 March 2013	TL 1.8174	TL 2.3510
26 March 2013	TL 1.8140	TL 2.3551
27 March 2013	TL 1.8168	TL 2.3379
28 March 2013	TL 1.8176	TL 2.3257
29 March 2013	TL 1.8137	TL 2.3206

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

The basic arithmetical average of the Bank's foreign exchange bid rate for March 2013 is TL 1.8111 for USD and TL 2.3473 for EUR.

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Information on currency risk of the Group

Current Period	Euro	US Dollars	Other	Total
Assets				
Cash (Cash in Vault, Foreign currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	105,418	192,737	72	298,227
Banks	603,055	525,946	395	1,129,396
Financial Assets through Profit or Loss	-	73,918	-	73,918
Interbank Money Market Placements	-	-	-	-
Investment Securities Available-for-Sale	-	733	-	733
Loans ¹	80,483	574,554	-	655,037
Investments in Subsidiaries and Associates	-	-	-	-
Investment Securities Held-to-Maturity	21,500	79,168	-	100,668
Financial Derivative held for Hedging (Assets)	-	-	-	-
Tangible Assets	-	-	-	-
Intangible Assets	-	-	-	-
Other Assets	53,108	23,908	-	77,016
Total Assets	863,564	1,470,964	467	2,334,995
Liabilities				
Bank Deposits	150,636	220,509	5	371,150
Foreign Currency Deposits	74,096	77,578	284	151,958
Money Market Borrowings	-	-	-	-
Funds Borrowed from Other Financial Institutions	631,642	1,230,496	-	1,862,138
Marketable Securities Issued	-	-	-	-
Miscellaneous Payables	1,087	1,961	3	3,051
Financial Derivatives held for Hedging (Liabilities)	-	-	-	-
Other Liabilities	1,119	4,207	199	5,525
Total Liabilities	858,580	1,534,751	491	2,393,822
Net "Balance Sheet Position"	4,984	(63,787)	(24)	(58,827)
Net "Off Balance Sheet Position"	(10,725)	71,898	-	61,173
Financial Derivatives (Assets)	20,885	96,924	-	117,809
Financial Derivatives (Liabilities)	(31,610)	(25,026)	-	(56,636)
Non-Cash Loans	604,247	713,528	240,198	1,557,973
Prior Period				
Total Assets	462,014	1,180,639	483	1,643,136
Total Liabilities	461,472	1,314,816	467	1,776,755
Balance Sheet Position, net	542	(134,177)	16	(133,619)
Off Balance Sheet Position, net	-	134,222	-	134,222
Financial Derivatives (Assets)	-	134,222	-	134,222
Financial Derivatives (Liabilities)	-	-	-	-
Non-cash Loans	598,245	612,562	234,980	1,445,787

¹ As of 31 March 2013 loan balance includes foreign currency indexed loans amounting to TL 41,857 (31 December 2012: TL 59,924).

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Exposed currency risk

The possible increases or decreases in the shareholders' equity and the profit/loss as per an assumption of devaluation/appreciation by 10% of TL against currencies mentioned below as of 31 March 2013 and 31 December 2012 are presented in the below table. The other variables, especially the interest rates, are assumed to be fixed in this analysis.

Assuming 10% devaluation of TL;

	31 March 2013		31 December 2012	
	Income Statement	Shareholders' Equity (*)	Income Statement	Shareholders' Equity (*)
US Dollar	811	811	5	5
Euro	(594)	(594)	54	54
Other Currencies	(2)	(2)	2	2
Total	215	215	61	61

(*) The effect on shareholders' equity also includes the effect on the profit/loss.

Assuming 10% appreciation of TL;

	31 March 2013		31 December 2012	
	Income Statement	Shareholders' Equity (*)	Income Statement	Shareholders' Equity (*)
US Dollar	(811)	(811)	(5)	(5)
Euro	594	594	(54)	(54)
Other Currencies	2	2	(2)	(2)
Total	(215)	(215)	(61)	(61)

(*) The effect on shareholders' equity also includes the effect on the profit/loss

IV. Information on consolidated interest rate risk

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

Within the context of the market risk management of the Risk Management Department, the Parent Bank's interest rate risk is calculated and analyzed taking different dimensions of the issue in consideration. The interest rate risk is measured according to market risk calculated using the standard method and is included in the capital adequacy ratio. To test the effect of the interest rate fluctuations on the Parent Bank monthly based stress test analysis are done.

In addition, by classifying the changes in risk factors different scenario analysis are done based on different interest rate expectations. The sensitivity of assets, liabilities and off-balance sheets against interest rate are measured by an analysis on a monthly basis.

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

The Board of Directors has determined limits for the amount exposed to market risk/ shareholder's equity, to be maximum 55% to follow interest rate risk, exchange rate risk and equity price risk.

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

Although the increase in interest rates has a limited negative effect on the Parent Bank's financial position, the Parent Bank's Equity structure is able to confront the negative effects of possible fluctuations in the interest rates.

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Information related to interest rate sensitivity of assets, liabilities and off-balance sheet items (based on re-pricing dates)

Current Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non- Interest Bearing	Total
Assets							
Cash (cash in vault, foreign currencies, cash in transit, cheques purchased) and balances with the Central Bank of Turkey	-	-	-	-	-	301,162	301,162
Banks	488,464	470,112	211,951	-	-	392	1,170,919
Financial assets at fair value through Profit or Loss	3,421	62,404	742	69,947	-	-	136,514
Interbank Money Market Placements	153,089	-	-	-	-	-	153,089
Financial assets available-for-sale	-	-	-	-	-	908	908
Loans	227,545	164,135	256,305	214,967	-	289	863,241
Investment securities held-to-maturity	666	40,578	15,049	19,177	53,236	-	128,706
Other assets ¹	12,754	5,836	29,378	52,774	-	43,607	144,349
Total assets	885,939	743,065	513,425	356,865	53,236	346,358	2,898,888
Liabilities							
Bank deposits	324,714	47,938	-	-	-	-	372,652
Other deposits	13,757	3,153	9,157	-	-	144,427	170,494
Money market borrowings	-	11,797	-	-	-	-	11,797
Miscellaneous payables	-	-	-	-	-	4,163	4,163
Marketable securities issued	-	-	-	-	-	-	-
Funds Borrowed From Other Fin. Ins.	502,865	815,847	537,224	10,054	-	-	1,865,990
Other liabilities ²	356	1,305	-	-	-	472,131	473,792
Total liabilities	841,692	880,040	546,381	10,054	-	620,721	2,898,888
Long Position in the Balance Sheet	44,247	-	-	346,811	53,236	-	444,294
Short Position in the Balance Sheet	-	(136,975)	(32,956)	-	-	(274,363)	(444,294)
Long Position in the Off-balance Sheet	-	-	-	-	-	-	-
Short Position in the Off-balance Sheet	(297)	(1,113)	-	-	-	-	(1,410)
Total Position	43,950	(138,088)	(32,956)	346,811	53,236	(274,363)	(1,410)

¹ Other Assets: The amount of TL 43,607 in the Non-Interest Bearing column; Tangible Assets amounting TL 26,506, Intangible Assets amounting to TL 2,157, Deferred Tax Assets amounting to TL 3,948, Assets Held for Sale amounting to TL 282, Other Assets amounting to TL 10,714.

² Other Liabilities: The amount of TL 472,131 in the Non-Interest Bearing Column; Shareholders Equity amounting to TL 436,379, Provisions amounting to TL 24,676, Tax, Duty and Premium Payable amounting to TL 3,929 and Other Foreign Resources amounting to TL 7,147.

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Prior Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Year and Over	Non- Interest Bearing	Total
Assets							
Cash (cash in vault, foreign currencies, cash in transit, cheques purchased) and Balances with the Central Bank of Turkey	166,448	-	-	-	-	41,027	207,475
Banks	283,850	437,860	90,260	-	-	656	812,626
Financial assets at fair value through profit or loss	512	59,319	63,943	66,119	2,627	-	192,520
Interbank money market placements	596,126	-	-	-	-	-	596,126
Investment securities available-for-sale	-	-	-	-	-	897	897
Loans	232,708	192,433	195,751	89,552	-	295	710,739
Investment securities held-to-maturity	2,001	36,489	15,101	28,641	52,917	-	135,149
Other assets ¹	9,831	6,740	28,391	56,120	-	52,622	153,704
Total Asset	1,291,476	732,841	393,446	240,432	55,544	95,497	2,809,236
Liabilities							
Bank deposits	821,852	11,757	11,762	-	-	-	845,371
Other deposits	18,968	3,724	1,811	-	-	159,766	184,269
Money market borrowings	-	-	-	-	-	-	-
Miscellaneous payables	-	-	-	-	-	2,661	2,661
Marketable securities issued	-	-	-	-	-	-	-
Funds Borrowed From Other Fin.							
Ins.	278,777	657,426	363,483	7,281	-	-	1,306,967
Other liabilities ²	396	5,394	1,255	-	-	462,923	469,968
Total Liabilities	1,119,993	678,301	378,311	7,281	-	625,350	2,809,236
Balance Sheet Long Position	-	54,540	15,135	233,151	55,544	-	358,370
Balance Sheet Short Position	171,783	-	-	-	-	(529,853)	(358,370)
Off Balance Sheet Long Position	5,527	56,991	71,704	-	-	-	134,222
Off Balance Sheet Short Position	(5,793)	(59,484)	(74,367)	-	-	-	(139,644)
Total Position	171,217	52,047	12,472	233,151	55,544	(529,853)	(5,422)

¹ Other Assets: The amount of TL 52,622 in the Non-Interest Bearing column; Tangible Assets amounting to TL 27,267, Intangible Assets amounting to TL 2,055, Tax Assets amounting to TL 4,546, Assets Held for Sale amounting to TL 288, Miscellaneous Receivables amounting to TL 3,436, and Other Assets amounting to TL 15,030.

² Other Liabilities: The amount of TL 462,923 in the Non-Interest Bearing Column; Shareholder Equity amounting to 421,475, Provisions amounting to TL 25,721, Tax, Duty and Premium Payable amounting to TL 3,222 and Other Foreign Resources amounting to TL 12,505.

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Average interest rates applied to monetary financial instruments%

	EUR	USD	JPY	TL
Current Period				
Assets				
Cash (cash in vault, effectives, money in transit, cheques purchased) and balances with the Central Bank of Turkey.	-	-	-	-
Banks	1.18	2.68	-	6.71
Financial assets at fair value through profit or loss	-	5.37	-	6.76
Money market placement	-	-	-	7.05
Financial assets available-for-sale	-	-	-	-
Loans	4.36	4.37	-	7.69
Investment securities held-to-maturity	5.21	6.65	-	4.96
Financial Lease Receivables	5.50	5.50	-	11.50
Liabilities				
Interbank deposits	0.88	0.78	-	4.82
Other deposits	0.48	1.06	-	7.72
Money market borrowings	-	-	-	5.50
Miscellaneous payables	-	-	-	-
Marketable securities issued	-	-	-	-
Funds borrowed from other financial institutions	0.69	1.35	-	7.29

	EUR	USD	JPY	TL
Prior Period				
Assets				
Cash (cash in vault, effectives, money in transit, cheques purchased) and balances with the Central Bank of Turkey.	-	-	-	-
Banks	2.04	3.14	-	6.02
Financial assets at fair value through profit or loss	-	5.37	-	7.27
Money market placement	-	-	-	6.23
Financial assets available-for-sale	-	-	-	-
Loans	5.02	4.91	-	8.54
Investment securities held-to-maturity	5.21	7.25	-	5.51
Financial Lease Receivables	7.41	7.86	-	14.32
Liabilities				
Interbank deposits	0.75	-	-	4.88
Other deposits	0.52	1.13	-	6.28
Money market borrowings	-	-	-	-
Miscellaneous payables	-	-	-	-
Marketable securities issued	-	-	-	-
Funds borrowed from other financial institutions	1.27	1.13	-	8.26

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The interest rate risk of the banking book items

The nature of interest rate risk which banking books and early repayment of loans and measurement frequency of interest rate risk with significant assumptions including related to the movement deposits except time deposit

The interest rate sensitivity of assets, liabilities and off-balance sheet items are considered taking into account the developments in the market by Asset-Liability Committee every two weeks.

The interest rate risk of the banking book items measurement is included The Parent Bank's interest rate positions which is defined as banking accounts created and performed relevant re-pricing and maturity data take into account.

The interest rate sensitivity of assets and liabilities cash flows calculated present values using yield curves which generated using market interest rates.

The interest rate risk of the banking book items is measured legally in accordance with the "Regulation on Measurement and Assessment of Standard Shock Method on the interest rate risk arising from banking accounts", published in the Official Gazette numbered 28034 and dated 23 August 2011, and this legal limit is monitored and reported monthly, based on this measurement. The Bank maintains its capital proportionally with the interest rate risk arising from banking accounts.

The interest rate risks of financial instruments on trading portfolio are considered within the scope of the market risk.

The economic value differences that will be occurred due to fluctuations on interest rates with the Regulation on Standard Shock Method on the interest rate risk arising from banking accounts

Current Period:

Currency	Applied Shock (+/- x basis point)	Revenue/ Loss	Revenue/Shareholders' Equity Loss/ Shareholders' Equity
1 TRY	500 (400)	(12,426) 24,834	%(2.84) %5.67
2 EUR	200 (200)	(1,964) 9,734	%(0.45) %2.22
3 USD	200 (200)	13,454 (86,051)	%3.07 %(19.64)
Total (For negative shocks)		(51,483)	%(11.75)
Total (For positive shocks)		(936)	%(0.21)

Prior Period:

Currency	Applied Shock (+/- x basis point)	Revenue/ Loss	Revenue/Shareholders' Equity Loss/ Shareholders' Equity
1 TRY	500 (400)	(12,926) 27,261	%(3.04) %6.41
2 EUR	200 (200)	(6,979) 59,037	%(1.64) %13.89
3 USD	200 (200)	18,858 (136,609)	%4.44 %(32.14)
Total (For negative shocks)		(50,311)	%(11.84)
Total (For positive shocks)		(1,047)	%(0.25)

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Equity investment risk due from banking book

The Bank does not have equity investment risk due to subsidiary and securities issued capital which classified banking accounts are not traded on the stock exchange.

Information on booking value, fair value and market value of equity investments

None.

Information on equity investments realized gains or losses, revaluation increases and unrealized gains or losses and these amounts including capital contribution.

None.

V. Information on Consolidated Liquidity Risk

Source of the Parent Bank's current liquidity risk and whether the related precautions are taken to eliminate the risk. Restrictions on fund sources established by the board of directors for the purpose of meeting urgent liquidity demand and making payments for matured debts

The Parent Bank's liquidity risk has been analyzed within the context of risk management operations. Within this context Bank's liquidity risk has been analyzed by common ratio analysis and liquidity position analysis based on payment terms. The periodic reporting requirement to BRSA is being performed in accordance with the regulation regarding liquidity adequacy measurement.

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

The main reason of liquidity risk is the existence of long term assets versus short term funds borrowed from abroad. On the other hand, these short term funds have the capability of being renewed. The Parent Bank has strong fund sources besides there is no restriction on fund sources for the purpose of meeting urgent liquidity demand and making payments for matured debts. As a result of this, the Parent Bank has not been encountered with liquidity problems and there is no expectation of possible liquidity risk for the future for the Parent Bank.

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

Shareholder's Equity has an important portion in the funding resources. The Parent Bank is also capable of funding itself through domestic money markets and funding resources provided by its main shareholder.

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As per the BRSA Communiqué published on the Official Gazette dated 1 November 2006 and became effective starting, “Measurement and Assessment of the Adequacy of Banks’ Liquidity”, the weekly and monthly liquidity ratios on a bank-only basis for foreign currency assets/liabilities and total assets/liabilities should be minimum 80% and 100%, respectively. The liquidity ratios as of 31 March 2013 are as follows;

Current Period	Primary Maturity Split (Weekly)		Secondary Maturity Split (Monthly)	
	FC	FC+TL	FC	FC+TL
Average	144	248	108	156
Highest (%)	221	349	128	213
Lowest (%)	97	157	91	129
Prior Period	Primary Maturity Split (Weekly)		Secondary Maturity Split (Monthly)	
	FC	FC+TL	FC	FC+TL
Average	157	235	112	148
Highest (%)	275	402	187	265
Lowest (%)	89	107	81	105

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Presentation of assets and liabilities based on their outstanding maturities								
Current Period	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Year and Over	Unallo- cated	Total
Assets								
Cash (cash in vault, effectives, money in transit, cheques purchased) and Central Bank balances	230,171	70,991	-	-	-	-	-	301,162
Banks	11,817	477,039	470,112	211,951	-	-	-	1,170,919
Financial Assets at Fair Value through Profit or Loss	-	3,421	62,404	742	69,947	-	-	136,514
Money Market Placements	-	153,089	-	-	-	-	-	153,089
Financial assets available-for-sale	-	-	-	-	-	-	908	908
Loans	-	227,545	110,638	309,802	214,967	-	289	863,241
Investment securities held-to-maturity	-	666	19,550	13,049	42,205	53,236	-	128,706
Other assets ¹	578	12,754	5,836	29,378	52,774	-	43,029	144,349
Total Assets	242,566	945,505	668,540	564,922	379,893	53,236	44,226	2,898,888
Liabilities								
Interbank Deposits	279,418	45,291	47,943	-	-	-	-	372,652
Other Deposits	144,427	13,757	3,153	9,157	-	-	-	170,494
Funds provided from other financial institutions	-	490,466	810,233	542,711	22,580	-	-	1,865,990
Money market borrowings	-	11,797	-	-	-	-	-	11,797
Marketable securities issued	-	-	-	-	-	-	-	-
Miscellaneous payables	-	-	-	-	-	-	4,163	4,163
Other liabilities ²	-	4,879	3,854	-	-	-	465,059	473,792
Total Liabilities	423,845	566,190	865,183	551,868	22,580	-	469,222	2,898,888
Liquidity Gap	(181,279)	379,315	(196,643)	13,054	357,313	53,236	(424,996)	-
Prior Period								
Total Assets	48,351	1,311,765	638,957	425,837	275,981	55,544	52,801	2,809,236
Total Liabilities	445,519	821,982	652,931	388,940	38,776	-	461,088	2,809,236
Net Liquidity Gap	(397,168)	489,783	(13,974)	36,897	237,205	55,544	(408,287)	-

¹ Other assets amounting TL 43,029 at the undistributed part; Tangible Assets amounting TL 26,506 , Intangible Assets amounting TL 2,157, Deferred Tax Asset amounting TL 3,948, Asset Held For Sale amounting TL 292 and Other Assets amounting to TL 10,126.

² Other liabilities amounting TL 465,059 at the undistributed part consists of Shareholders Equity amounting TL 436,379, Provisions amounting TL 24,676, and Other Foreign Resources TL 4,004.

Explanations on securitization positions

None.

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Information on Credit risk mitigation techniques

The Parent Bank applies the Regulation on Credit risk mitigation techniques' 34rd article that the standard volatility adjustments are taken into account regarding to portfolios in which comprehensive approach is used.

Cash collateral is used for credit risk mitigation.

Volatility adjustments on receivables, guarantees and collateral currency mismatches applied with the standard volatility adjustment approach with the Article 37 of the regulation.

In the case of the maturity mismatch that occurred because of the maturity of the collateral is less than the remaining maturity of the receivable, the collateral value considered as adjusted volatility.

Collaterals which are grouped according to asset type:

Risk Types-Current Period	Amount (*)	Financial Collaterals	Other/ Physical Collaterals	Guarantees and credit derivatives
Contingent and Non-Contingent Receivables from Central Governments and Central Banks	41,587	-	-	-
Contingent and Non-Contingent Receivables from Regional Governments and Local Authorities	-	-	-	-
Contingent and Non-Contingent Receivables from Administrative Units and Non-commercial Enterprises	-	-	-	-
Contingent and Non-Contingent Receivables from Multilateral Development Banks	-	-	-	-
Contingent and Non-Contingent Receivables from International Organizations	-	-	-	-
Contingent and Non-Contingent Receivables from Banks and Financial Intermediaries	913,216	312	-	-
Contingent and Non-Contingent Corporate Receivables	894,242	14,257	-	-
Contingent and Non-Contingent Retail Receivables	-	-	-	-
Contingent and Non-Contingent Receivables Secured by Residential Property (*)	29,131	-	-	-
Past Due Loans	289	-	-	-
Higher-Risk Receivables Defined by BRSA	606,504	280,800	-	-
Marketable Securities Collateralized Mortgages	-	-	-	-
Securitization Exposures	-	-	-	-
Short-Term Receivables from Banks and Corporate Undertakings for Collective Investments in Transferable Securities	-	-	-	-
Other Receivables	43,979	-	-	-
Total	2,528,948	295,369	-	-

(*) The mortgages used in order to define the risk group with regard to Communiqué on Measurement and Evaluation of Capital Adequacy of Banks Article 6 are not considered.

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Risk Types-Prior Period	Amount (*)	Financial Collaterals	Other/Physical Collaterals	Guarantees and credit derivatives
Contingent and Non-Contingent Receivables from Central Governments and Central Banks	323,864	-	-	-
Contingent and Non-Contingent Receivables from Regional Governments and Local Authorities	-	-	-	-
Contingent and Non-Contingent Receivables from Administrative Units and Non-commercial Enterprises	-	-	-	-
Contingent and Non-Contingent Receivables from Multilateral Development Banks	-	-	-	-
Contingent and Non-Contingent Receivables from International Organizations	-	-	-	-
Contingent and Non-Contingent Receivables from Banks and Financial Intermediaries	2,110,655	312	-	-
Contingent and Non-Contingent Corporate Receivables	800,237	3,390	-	-
Contingent and Non-Contingent Retail Receivables	-	-	-	-
Contingent and Non-Contingent Receivables Secured by Residential Property (*)	34,734	12	-	-
Past Due Loans	295	-	-	-
Higher-Risk Receivables Defined by BRSA	259,219	230,495	-	-
Marketable Securities Collateralized Mortgages	-	-	-	-
Securitization Exposures	-	-	-	-
Short-Term Receivables from Banks and Corporate Undertakings for Collective Investments in Transferable Securities	-	-	-	-
Other Receivables	50,967	-	-	-
Total	3,579,971	234,209	-	-

(*) The mortgages used in order to define the risk group with regard to Communiqué on Measurement and Evaluation of Capital Adequacy of Banks Article 6 are not considered.

Risk management target and policies

The Parent Bank's risk strategy, policy, and procedures are approved by board of directors in order to make policies that are determined, to be approved, to evaluate and manage the risk that bank is exposed to, and to make it in compliance with changing circumstances, necessary conditions are determined.

The Parent Bank's risk management principles are summarized below:

- Being selective about taken risks.
- Identifying risks effectively, measuring, analyzing and managing,
- Ensuring the risk-return balance,
- Taking robust guarantees level to meet the existing and potential risks and monitoring closely the adequacy of collateral,
- Having enough capital structure to provide present and future potential risks.
- Ensuring risks that are kept within defined limits,
- Controlling all activities compliance with approved policies and procedures,
- Provide activities in accordance with laws and regulations,
- Establish corporate risk culture within the Bank,
- Providing effective reporting channels which will help to inform management level to prevent delay about every type of inconsistencies.
- In order to follow and to manage risks, Bank and market data reviewed regularly. Within the scope of classifying risks besides of legal limits also bank internal limits are provided

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VI. Information on Consolidated Business Segments

Information on operational segments on 31 March 2013 and 31 December 2012 are presented in the table below:

Current Period	Retail Banking	Corporate and Commercial Banking	Treasury	Financial Lease	Other	Total Operations
Interest Income	13	10,737	14,457	2,606	-	27,813
Unallocated						
Income/Expenses (Net)	-	-	-	-	(9,254)	(9,254)
Operating Income	13	10,737	14,457	2,606	(9,254)	18,559
<i>Income from Subsidiaries</i>	-	-	-	-	-	-
Income before tax	-	-	-	-	-	18,559
<i>Tax Provision</i>	-	-	-	-	-	(3,515)
Net Profit for the year						15,044

Current Period	Retail Banking	Corporate and Commercial Banking	Treasury	Financial Lease	Other	Total Operations
Segment Assets	467	862,657	1,658,433	122,506	-	2,644,063
Unallocated assets	-	-	-	-	254,825	254,825
Total Assets	467	862,657	1,658,433	122,506	254,825	2,898,888
Segment Liabilities	42,661	130,989	2,177,816	72,687	-	2,424,153
Unallocated Liabilities	-	-	-	-	47,714	47,714
<i>Equity</i>	-	-	-	-	427,021	427,021
Total Liabilities	42,661	130,989	2,177,816	72,687	474,735	2,898,888

Prior Period	Retail Banking	Corporate and Commercial Banking	Treasury	Financial Lease	Other	Total Operations
Interest Income	6	15,155	18,089	2,309	-	35,559
Unallocated						
Income/Expenses (Net)	-	-	-	-	(6,507)	(6,507)
Operating Income	6	15,155	18,089	2,309	(6,507)	29,052
<i>Income from Subsidiaries</i>	-	-	-	-	-	-
Income before tax	-	-	-	-	-	29,052
<i>Tax Provision</i>	-	-	-	-	-	(5,911)
Net Profit for the year						23,141

Prior Period	Retail Banking	Corporate and Commercial Banking	Treasury	Financial Lease	Other	Total Operations
Segment Assets	526	710,115	1,768,531	127,078	-	2,606,250
Unallocated assets	-	-	-	-	202,986	202,986
Total Assets	526	710,115	1,768,531	127,078	202,986	2,809,236
Segment Liabilities	34,483	148,508	2,077,940	77,819	-	2,338,750
Unallocated Liabilities	-	-	-	-	57,809	57,809
<i>Equity</i>	-	-	-	-	412,677	412,677
Total Liabilities	34,483	148,508	2,077,940	77,819	470,486	2,809,236

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SECTION FIVE

**INFORMATION ON DISCLOSURES AND FOOTNOTES OF
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I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS

1. Information on cash equivalents and Central Bank of Turkey

Information on cash equivalents

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash/Effective	893	5,714	1,117	4,729
Central Bank of Turkey	2,042	292,513	35,183	166,446
Other	-	-	-	-
Total	2,935	298,227	36,300	171,175

Information related to the account of Central Bank of Turkey

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted Demand Deposits	2,042	-	35,183	-
Unrestricted Time Deposits	-	70,991	-	36,142
Restricted Time Deposits	-	-	-	-
Reserve Deposits	-	221,522	-	130,304
Total	2,042	292,513	35,183	166,446

Information on Reserve Deposits

The banks operating in Turkey keep reserve deposits for Turkish currency and foreign currency at the rates of between 5% and 11.5% (31 December 2012: between 5% and 11%), and for USD or EUR at the rates of 6% and 12.5% respectively according to their maturities as per the Communiqué no.2005/1 "Reserve Deposits" of the Central Bank of Turkey (31 December 2012: between 6% and 11%). Interest rates are not applied for reserve requirements by the Central Bank of Turkey.

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

Among financial assets at fair value through profit or loss as of 31 March 2013; there is marketable securities subjected to repurchase transaction is amounting to TL 12,179. (31 December 2012: none.) and there is 24,815 TL amount provided as collateral /blocked financial assets at fair value through profit or loss in the current period (31 December 2012: TL 24,205).

Positive differences on derivative financial assets held for trading showed as below:

Derivative Financial Assets Held for Trading	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	-	-	-	-
Swap Transactions	81	-	17	-
Futures	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Total	81	-	17	-

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3. Information on banks and other financial institutions

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
Domestic banks	41,523	1,118,218	73,574	733,992
Foreign banks	-	11,178	-	5,060
Foreign head offices and branches	-	-	-	-
Total	41,523	1,129,396	73,574	739,052

4. Information on available for sale financial assets

Major types of available for sale financial assets

Available for sale financial assets are composed shares that are not quoted in the stock market.

Information on available for sale financial assets

	Current period	Prior period
Debt Securities	-	-
Quoted in stock exchange	-	-
Not quoted in stock exchange	-	-
Share Certificates	908	897
Quoted in stock Exchange	-	-
Not quoted in stock Exchange	908	897
Impairment provision (-)	-	-
Total	908	897

5. Information on Loans

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	1,147	29,762	-	14,852
Corporate Shareholders	1,147	29,762	-	14,852
Individual Shareholders	-	-	-	-
Indirect Loans Granted to Shareholders	-	-	-	-
Loans Granted to the Bank's personnel	466	4	524	3
Total	1,613	29,766	524	14,855

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Information about the first and second group loans and other receivables including loans that have been restructured or rescheduled

	Standard loans and other receivables			Loans and other receivables under close monitoring		
	Loans and other receivables (Total)	Amendments on Conditions of Contract		Loans and other receivables (Total)	Amendments on Conditions of Contract	
		Amendments related to the extension of the payment plan	Other		Amendments related to the extension of the payment plan	Other
Cash Loans						
Non-specialized loans	861,932	-	-	1,020	-	-
Corporation loans	-	-	-	-	-	-
Export loans	183,959	-	-	-	-	-
Import loans	-	-	-	-	-	-
Loans given to financial sector	168,380	-	-	-	-	-
Consumer loans	467	-	-	-	-	-
Credit cards	-	-	-	-	-	-
Other	509,126	-	-	1,020	-	-
Specialized loans	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-
Total	861,932	-	-	1,020	-	-

Number of amendments related to the plan extension of the payment plan

None.

The time extended via the amendment on payment plan

None.

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Information on Consumer Loans, Credit Cards and Loans given to employees

	Short Term	Medium and Long Term	Total
Consumer Loans-TL	-	1	1
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	1	1
Consumer Loans-Indexed to FC	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Consumer Loans-Indexed to FC	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Individual Credit Cards-TL	-	-	-
Installment	-	-	-
Non-Installment	-	-	-
Individual Credit Cards-FC	-	-	-
Installment	-	-	-
Non-Installment	-	-	-
Personnel Loans- TL	11	455	466
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	11	455	466
Personnel Loans- Indexed to FC	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	-	-	-
Installment	-	-	-
Non-Installment	-	-	-
Personnel Credit Cards-FC	-	-	-
Installment	-	-	-
Non-Installment	-	-	-
Deposits with Credit Limit-TL (Individual)	-	-	-
Deposits with Credit Limit-FC (Individual)	-	-	-
Total	11	456	467

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Information on installment commercial loans and commercial credit cards

None.

Allocation of domestic and foreign loans

	Current Period	Prior Period
Domestic loans	860,126	655,351
Foreign loans	2,826	55,093
Total	862,952	710,444

Loans granted to subsidiaries and associates

None.

Specific provisions for loans

Specific provisions	Current Period	Prior Period
Loans and receivables with limited collectibles	72	74
Loans and receivables with doubtful collectibles	-	-
Uncollectible loans and receivables	8,150	8,154
Total	8,222	8,228

Information related to non-performing loans

Information on restructured loans of non-performing loans

None.

Information on movement of total non-performing loans

	III. Group Loans and receivables with limited collectibles	IV. Group Loans and receivables with doubtful collectibles	V. Group Uncollectible loans and receivables
Balances at Beginning of Period	369	-	8,154
Additions (+)	-	-	-
Transfers from other categories of nonperforming loans (+)	-	-	-
Transfers to other categories of nonperforming loans (-)	-	-	-
Collections (-)	8	-	4
Write-offs (-)	-	-	-
Institutional and commercial credits	-	-	-
Individual credits	-	-	-
Credit cards	-	-	-
Others	-	-	-
Balances at End of the Period	361	-	8,150
Specific provisions (-)	72	-	8,150
Net Balance on Balance Sheet	289	-	-

Information on foreign currency non-performing loans

There are non-performing loan receivables in foreign currency amounting TL 2,032 which is followed in TL accounts.

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Information on gross and net loans under follow-up according to the borrowers

	III. Group Loans and receivables with limited	IV. Group Loans and receivables with doubtful	V. Group Non-performing loans and receivables
Current Period (Net)			
Loans granted to real persons and legal entities (Gross)	361	-	8,050
Specific provisions (-)	72	-	8,050
Loans granted to real persons and legal entities (Net)	289	-	-
Banks (Gross) ¹	-	-	100
Specific provisions (-)	-	-	100
Banks (Net)	-	-	-
Other Loans and receivables (Gross)	-	-	-
Specific provisions (-)	-	-	-
Other Loans and receivables (Net)	-	-	-
Prior Period (Net)			
Loans granted to real persons and legal entities (Gross)	369	-	8,054
Specific provisions (-)	74	-	8,054
Loans granted to real persons and legal entities (Net)	295	-	-
Banks (Gross) ¹	-	-	100
Specific provisions (-)	-	-	100
Banks (Net)	-	-	-
Other Loans and receivables (Gross)	-	-	-
Specific provisions (-)	-	-	-
Other Loans and receivables (Net)	-	-	-

¹ Foreign bank

Collection policy on loans determined as loss and other receivables

Loans determined as loans and other receivables are collected via legal follow-up and conversion of guarentees to cash.

Information onwrite-off policy

Loans under legal follow-up are classified and are made provision according to “Regulation on Procedures and Principles Concerning Loans and Other Receivable’s Nature Definition and Provisions”. These loans are collected in collaboration with Department of Loan Trace and Follow, Department of Law Services and Consultancy and other related departments. However if mentioned loans could not be collected in any way, write-off procedure is implemented. This procedure is implemented by getting the opinion of Department of Law Services and Consultancy and by obtaining approvals from Loan Trace and Follow Department and the Board of Directors.

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6. Information on held to maturity financial assets

Information on transaction of repo and collateral/blocked financial assets (Net)

None.

Information on government held to maturity financial assets

	Current Period		Prior Period	
	TL	FC	TL	FC
Government bonds	14,395	-	19,918	-
Treasury Bonds	-	-	-	-
Other Public Bonds	-	83,174	-	82,882
Total	14,395	83,174	19,918	82,882

Information of investments held to maturity

	Current Period	Prior Period
Debt Instruments	129,795	135,611
Quoted at stock exchange	112,436	103,262
Not-quoted at stock exchange	17,359	32,349
Impairment loss provision (-)	(1,089)	(462)
Total	128,706	135,149

Movement of investments held-to-maturity

	Current Period	Prior Period
Balances at the Beginning of the Period	135,149	199,870
Foreign Currency Gains / Losses on Monetary assets	1,038	(3,337)
Purchases during the Period	9,962	83,489
Disposals through sales and redemptions ¹	(16,816)	(144,735)
Impairment loss provision ²	(627)	(138)
Period end balance	128,706	135,149

¹ In the current period amounting to TL 16,816 redemption has been realized. In the prior period redemption amounting to (31 December 2012: TL 144,735) has been realized from the portfolio.

² Represents provisions allocated for impairment in the current year.

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7. Information on Associates

As of 31 March 2013 and 31 December 2012, The Group does not have an associate.

8. Information on consolidated subsidiaries (Net)

Information on consolidated subsidiaries

The Parent Bank does not have an unconsolidated subsidiary.

Information on subsidiaries

Information on shareholder's equity for A&T Finansal Kiralama A.Ş.

	31 March 2013
CORE CAPITAL	
Paid in Capital	34,500
Effect of Inflation Adjustment on Paid in Capital	5,961
Legal Reserves – First Legal Reserve Turkish Commercial Code 466/1	1,885
Extraordinary Reserves – Legal Reserve per General Legislation	147
Profit / Loss	7,326
<i>Net Profit</i>	569
<i>Prior Period Profit/Loss</i>	6,757
Intangible Assets (-)	225
Total Core Capital	49,594
SUPPLEMENTARY CAPITAL	None
CAPITAL	49,594
DEDUCTION FROM CAPITAL	None
NET AVAILABLE CAPITAL¹	49,594

1 There is no restriction on shareholders' equity of subsidiary. After deduction from the capital, the total net available equity is TL 49,594.

There is no internal capital adequacy assessment approach for the subsidiary. There is no additional requirements in terms of the capital of the subsidiary.

	Description	Address (City/Country)	Bank's share percentage-If different voting percentage (%)	Bank's risk group share percentage (%)
1	A&T Finansal Kiralama A.Ş.	İstanbul	99.98	99.98

Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income from marketable securities portfolio	Current Period Profit / Loss	Prior Period Profit / Loss	Fair value (*)
122,506	49,819	4,455	2,606	-	569	666	-

(*) The related subsidiary has no fair value as of 31 March 2013

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Movement related to consolidated subsidiaries

	Current Period	Prior Period
Balance at the Beginning of the Period	40,452	38,452
Movements during the Period	-	2,000
Purchases	-	-
Bonus Shares Received	-	2,000
Dividends from Current Year Profit	-	-
Sales	-	-
Revaluation Increase, Effect of Inflation and F/X Difference	-	-
Impairment Provision (+)	-	-
Balance at the End of the Period	40,452	40,452
Capital Commitments	-	-
Share Percentage at the end of Period (%)	99,98	99,98

Valuation methods of investments in subsidiaries

The method used in the accounting of subsidiaries is explained in Section Three

Sectoral Information on the subsidiaries

Subsidiaries	Current Period	Prior Period
Banks	-	-
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	40,452	40,452
Finance Companies	-	-
Other Affiliates	-	-

Quoted Subsidiaries

The Parent Bank does not have a subsidiary that is quoted.

Subsidiaries sold in the current year

None.

Subsidiaries acquired in the current year

None.

9. Information on jointly ventures of the Parent Bank

The Parent Bank does not have joint ventures.

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10. Information on Financial Lease Receivables (Net)

Maturity analysis of financial lease receivables

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	53,238	46,626	51,037	44,016
Between 1-4 years	60,098	52,774	63,686	56,119
Over 4 years	-	-	-	-
Total	113,336	99,400	114,723	100,135

Information on net financial lease investments

	Current Period	Prior Period
Gross Financial Lease Investment	113,336	114,723
Earned Financial Lease Income (-)	13,936	14,588
Cancelled Leasing Amounts	-	-
Net Investment on Leases	99,400	100,135

There is a provision amounting to TL 823 for doubtful financial lease receivables in net financial lease investment.

The movement of doubtful receivables is as follows

	Current Period	Prior Period
Opening Balance	769	830
Provisions	54	-
Collections	-	61
Ending Balance	823	769

11. Information on financial derivatives for hedging

The Group does not have any financial derivatives for hedging .

12. Information on investment property

The Group does not have any investment property.

13. Information on tax assets

As of 31 March 2013, there is no tax receivable under current tax asset after the deduction of tax liability (31 December 2012: None).

The Group has calculated TL 4,706 deferred tax asset and TL 758 deferred tax liability over taxable temporary differences as of 31 March 2013 and recorded the net amount of asset and liability to the financial statement (31 December 2012: TL 5,132 deferred tax asset and TL 586 deferred tax liability).

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The detail of deferred tax asset and liability is as follows:

	31 March 2013		31 December 2012	
	Accumulated temporary differences	Deferred tax asset/ (liability)	Accumulated temporary differences	Deferred tax asset/ (liability)
Investment allowance	9,100	1,820	9,691	1,938
Provisions regarding employee rights	8,752	1,750	8,139	1,628
Interest accruals	-	-	-	-
Unearned Income	2,814	563	2,397	479
Depreciation difference for tangible and intangible assets	216	43	357	71
Derivative financial instruments	938	188	3,537	707
Other	1,710	342	1,544	309
Deferred tax asset		4,706		5,132
Depreciation difference for t	2,580	516	457	91
Interest accruals	1,018	204	2,312	462
Other	192	38	166	33
Deferred tax liability		758		586
Deferred tax asset /		3,948		4,546

Investment incentive was abolished being effective from January 1, 2006. In case that, entities do not have sufficient taxable income, deduction of the unused investment incentive as of December 31, 2005 from 2006, 2007 and 2008 income was allowed however it was not permitted to defer this investment incentive to subsequent periods after 2008. The Constitutional Court abolished this regulation on October 15, 2009 and the time constraint related to investment incentive has been removed. The resolution has been published in the Official Gazette on January 8, 2010. The Group will use the investment incentive amounting TL 9,739 by deducting from future profits. The Group recognized deferred tax asset amounting to TL 1,820 in the financial statements assuming that it will take advantage of the unused investment incentive in the subsequent periods

14. Information about fixed assets held for sale

	Current Period 31 March 2013	Prior Period 31 December 2012
Cost	412	416
Impairment (-)	5	4
Accumulated Depreciation (-)	119	104
Net Book Value	288	308
Opening Balance	412	416
Additions	-	-
Disposals (-).net	1	4
Accumulated Impairment (-)	5	4
Impairment (-)	1	1
Accumulated Depreciation (-)	119	104
Depreciation Expenses (-)	4	15
Closing Net Book Value	282	288

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15. Information on other assets

As of 31 March 2013 other assets is amounting to TL 12,056 (31 December 2012: TL 19,413) and does not exceed 10% of total assets of balance sheet except off balance sheet commitments.

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II. INFORMATION AND DISCLOSURES RELATED TO LIABILITIES

1. Information on maturity profile of deposits

Current Period									
	Demand	7 Days Notice	Up to 1 Month	1-3 Months	3-6 Months	6 Month s-1 Year	1 Year and over	Accumu- lating Deposit Accounts	Total
Saving Deposits	1,667	-	567	1,098	1,561	8	-	-	4,901
Foreign Currency Deposits	136,637	-	49	9,627	3,346	603	1,696	-	151,958
Residents in Turkey	70,927	-	44	1,051	546	82	79	-	72,729
Residents Abroad	65,710	-	5	8,576	2,800	521	1,617	-	79,229
Public Sector Deposits	-	-	-	-	-	-	-	-	-
Commercial Deposits	5,159	-	17	120	91	110	7,163	-	12,660
Other Ins. Deposits	964	-	-	11	-	-	-	-	975
Precious Metal Deposits	-	-	-	-	-	-	-	-	-
Bank Deposits	279,418	-	45,292	36,310	-	11,632	-	-	372,652
Central Bank	-	-	-	-	-	-	-	-	-
Domestic Banks	-	-	8,162	-	-	-	-	-	8,162
Foreign Banks	279,418	-	37,130	36,310	-	11,632	-	-	364,490
Special Financial Inst.	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	423,845	-	45,925	47,166	4,998	12,353	8,859	-	543,146
Prior Period									
	Demand	7 Days Notice	Up to 1 Months	1-3 Months	3-6 Months	6 Month s-1 Year	1 Year and over	Accumu- lating Deposit Accounts	Total
Saving Deposits	926	-	217	859	1,534	41	27	-	3,604
Foreign Currency Deposits	145,351	-	94	9,167	1,972	1,203	1,392	-	159,179
Residents in Turkey	103,922	-	-	1,012	676	113	89	-	105,812
Residents Abroad	41,429	-	94	8,155	1,296	1,090	1,303	-	53,367
Public Sector Deposits	-	-	-	-	-	-	-	-	-
Commercial Deposits	6,336	-	7,671	119	90	107	-	-	14,323
Other Ins. Deposits	7,153	-	-	10	-	-	-	-	7,163
Precious Metal Deposits	-	-	-	-	-	-	-	-	-
Bank Deposits	285,753	-	536,095	11,761	-	11,762	-	-	845,371
Central Bank	-	-	-	-	-	-	-	-	-
Domestic Banks	-	-	-	-	-	-	-	-	-
Foreign Banks	285,753	-	536,095	11,761	-	11,762	-	-	845,371
Special Financial Institutions	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	445,519	-	544,077	21,916	3,596	13,113	1,419	-	1,029,640

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Information on savings deposits insured by Saving Deposit Insurance Fund and the total amount of the deposits exceeding the insurance coverage limit

	Covered by Deposit Insurance Fund		Not covered by Deposit Insurance Fund	
	Current Period	Prior Period	Current Period	Prior Period
Saving Deposits	2,927	1,981	1,974	1,623
Foreign Currency Saving Deposits	14,885	9,721	22,824	21,205
Other Saving Deposits	-	-	-	-
Foreign Branches' Deposits Under Foreign Insurance Coverage	-	-	-	-
Off-Shore Deposits Under Foreign Insurance Coverage	-	-	-	-
Total	17,812	11,702	24,798	22,828

The deposits that are covered in foreign branches of the Bank's that headquarters located in abroad

The parent Bank's headquarter is located in Turkey.

The real persons who are out of scope of Savings and Deposits Insurance Fund have not any current or participation account.

Saving deposits not covered by deposit insurance

Individual deposits not covered by deposit insurance

	Current Period	Prior Period
Deposits and Other Accounts held at Foreign Branches	-	-
Deposits and Other Accounts held by Shareholders and their Relatives	-	-
Deposits and Other Accounts of the Chairman and Members of Board of Directors, Chief Executive Officer, Senior Executive Officers and their Relatives	1,110	486
Deposits and Other Accounts held as Assets subject to the Crime defined in the Article 282 of the Turkish Criminal Code no. 5237 dated 26 September 2004	-	-
Deposits at Depositary Banks established for Off-Shore Banking Activities in Turkey	-	-
Total	1,110	486

2. Information on financial derivatives through profit or loss

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward transactions	-	-	-	-
Swap transactions	1,022	-	3,554	-
Futures transactions	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Total	1,022	-	3,554	-

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3. Information on Funds Borrowed

Information on banks and other financial institutions

	Current Period		Prior Period	
	TL	FC	TL	FC
Borrowing from Central Bank	-	-	-	-
From Domestic Banks and Institutions	3,852	1,262	2,815	1,276
From Foreign Banks, Institutions and Funds	-	1,860,876	-	1,302,876
Total	3,852	1,862,138	2,815	1,304,152

Presentation of funds borrowed based on maturity profile

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	2,810	1,501,043	2,546	933,725
Long-Term	1,042	361,095	269	370,427
Total	3,852	1,862,138	2,815	1,304,152

4. Information on other foreign resources

The other external resources is amounting to TL 7,786 (31 December 2012: TL 15,996); and this amount does not exceed 10% of the total balance sheet.

5. Information on financial lease obligations

In the financial lease contracts the installments are determined by considering the market interest rates, cost of the leasing asset and maturity of the financing. There are no significant obligations imposed on the Parent Bank as a result of the lease agreements.

6. Information on liabilities arised from financial derivative transactions for hedging purposes

The Group does not have financial derivative instruments for hedging purposes.

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7. Information on provisions

Information on general provisions

	Current Period	Prior Period
Provisions for Loans and Receivables in Group I	11,568	8,741
Additional provisions for the loans with extended payment plan	-	-
Provisions for Loans and Receivables in Group II	23	12
Additional provisions for the loans with extended payment plan	-	-
Provisions for Non-Cash Loans	3,591	3,058
Other	-	-
Total	15,182	11,811

Provisions for currency exchange gain/loss on foreign currency indexed loans

	Current Period	Prior Period
Foreign Exchange Provisions for Foreign Currency Indexed Loans (*)	33	509

(*) Foreign exchange differences of foreign currency indexed loans are netted off with loans.

Information on other provisions

The provisions for probable risks are below:

	Current Period	Prior Period
The provisions for probable risks	-	5,000

The free provision amounting to TL 5.000 thousands as of 31 December 2012 have been reversed by the cancelation during the current period .

8. Information on tax payables

Information on corporate tax liability

As of 31 March 2013, corporate tax payable after deducting the prepaid tax is TL 2,549 (31 December 2012: TL 911)

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Information on tax payables

	Current Period	Prior Period
Corporate Tax	2,549	911
Banking Insurance Transaction Tax (BITT)	13	344
Taxation of Securities	14	663
Value added taxes payable	276	48
Corporate tax payable-limited	4	-
Foreign Exchange Legislation Tax	-	-
Property tax	29	14
Other	492	759
Total	3,377	2,739

Information on premiums

	Current Period	Prior Period
Social Security Premiums – Employee	212	185
Social Security Premiums – Employer	296	259
Bank Social Aid Pension Fund Premium – Employee	-	-
Bank Social Aid Pension Fund Premium – Employer	-	-
Pension Fund Membership Fees and Provisions – Employee	-	-
Pension Fund Membership Fees and Provisions – Employer	-	-
Unemployment Insurance – Employee share	15	13
Unemployment Insurance – Employer share	29	26
Other	-	-
Total	552	483

Information on deferred tax liability

The net amount of assets and liabilities that is calculated over the temporary differences between the applied accounting policies and tax regulation is recorded as net deferred tax asset with an amount of TL 3,948. Detailed information on net deferred tax is presented in footnote I-13 in Section Five.

9. Information on liabilities for assets held for sale and discontinued operation

The Parent Bank has not any liability for assets held for sale and discontinued operation.

10. Explanations on the number of subordinated loans the Bank used, maturity, interest rate, institution that loan was borrowed from, and conversation option, if any

The Parent Bank has no subordinated loans.

11. Information on Shareholder’s Equity

Presentation of Paid-in Capital

	Current Period	Prior Period
Common Stock	240,000	240,000
Preferred Stock	-	-

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

Registered share capital system is not implemented in the Parent Bank.

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

No capital increase has been made during the current period.

Information on share capital increases from capital reserves

No transfer from capital reserves has been made to share capital in the current period.

Capital commitments for current financial year and following period, general purpose of these commitments and estimated resources necessary for these commitments

No capital commitments have been made to current financial year and following period.

The impacts of the foresights, which are prophesied according to Group's prior periods income, profitability, and liquidity indicators and uncertainty, to shareholders' equity

None.

Information on the privileges given to stocks representing the capital

According to the master agreement, the registered capital can be increased or decreased once or several times. Such an increase may be accomplished through the transfer from reserves into the capital account and the issuance of "bonus" shares in consequence thereof.

Each shareholder shall have the right to subscribe for a proportion of new shares corresponding to the number of shares held and such right may be exercised within a period of 30 days from the date of receipt by each shareholder of an invitation to the shareholders.

These preferential rights may only be assigned by approval of the Board of Directors upon the favourable vote of 4/5 of the members present or represented.

New shares may not be issued at a price less than the nominal value of the original shares issued.

Fractional shares will be allocated by the Board of Directors.

The Parent Bank may not, directly or indirectly, finance the acquisition of its own shares.

Arabian shareholders are treated under the same legislation with Turkish citizens. This includes the transfer of distributed other revenues, guarantees, shares, dividends. And in a similar manner Arabian shareholders are benefited and protected by law No.6224, Foreign Capital Incentive Law.

Information on marketable securities value increase fund

The Parent Bank does not have marketable securities value increase fund.

Information on legal reserve

In the current period there is TL 3,074 transferred to legal reserves from retained earnings. (31 December 2012: TL 2,504).

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III. INFORMATION AND DISCLOSURES RELATED TO OFF-BALANCE SHEETS

1. Information on contingent liabilities in the off-balance sheets

Type and amount of irrevocable commitments

The Group has TL 119,091 (31 December 2012: TL 6,132) as irrevocable commitments.

Type and amount of possible losses from off-balance sheet items

As of 31 March 2013, the Group has allocated the provision amounting TL 4,163 over total non-cash loans (31 December 2012: TL 3,058).

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

The total amount of non-cash loans including guarantees, bills of exchange and acceptances and sureties on letters of credits and other guarantees is TL 411,939 (31 December 2012: TL 325,191).

Final guarantees, temporary guarantees, commitments and similar transactions

The total amount of the Group's guarantee letters is TL 1,313,696 (31 December 2012: TL 1,247,340).

2. Total amount of Non-cash loans

	Current Period	Prior Period
Non-Cash Loans granted for Cash Loan Assurance	68,678	26,341
Less Than or Equal to One Year with Original Maturity	42,800	315
More Than One Year with Original Maturity	25,878	26,026
Other Non-Cash Loans	1,656,957	1,546,190
Total	1,725,635	1,572,531

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IV. INFORMATION AND FOOTNOTES RELATED TO STATEMENT OF INCOME

1. Information on interest income

Information on interest income received from loans

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest Received from Loans ^(*)				
Short- Term Loans	4,843	1,835	10,405	1,864
Medium and Long- Term Loans	342	3,781	249	2,640
Interest Received From Non Performing Loans	-	-	-	-
Premiums Received From Resource Utilization Support Fund	-	-	-	-
Total	5,185	5,616	10,654	4,504

(*) It contains fee and commission income related to cash loans

Information on interest income received from banks

	Current Period		Prior Period	
	TL	FC	TL	FC
From Central Bank	-	-	-	-
From Foreign Headquarters and Branches	-	1	-	57
From Domestic Banks	460	6,355	2,130	3,730
From Foreign Banks	-	-	-	-
Total	460	6,356	2,130	3,787

Information on interest income received from associates and subsidiaries

None.

2. Interest Expense

Information on interest paid for funds borrowed

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks	65	4,203	37	1,525
Central Bank	-	-	-	-
Domestic Banks	65	138	37	272
Foreign Banks	-	4,065	-	1,253
From Foreign Headquarter and Branches	-	-	-	-
Other Institutions	-	-	-	-
Total	65	4,203	37	1,525

Information on interest expense paid to subsidiaries and associates

None.

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Information on interest expense given on securities issued

None.

Maturity structure of the interest expense on deposits

Current Period	Time Deposit						Cumulative Deposit	Total
	Demand Deposit	Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	More than 1 Year		
Turkish Lira								
Interbank deposits	-	456	-	-	-	-	-	456
Saving deposits	-	7	12	28	-	-	-	47
Public sector deposits	-	-	-	-	-	-	-	-
Commercial deposits	-	5	2	1	2	100	-	110
Other deposits	-	-	-	-	-	-	-	-
Deposits with 7 days notification	-	-	-	-	-	-	-	-
Total	-	468	14	29	2	100	-	613
Foreign Currency								
Foreign currency deposits	-	4	9	8	3	4	-	28
Interbank deposits	-	130	126	-	40	-	-	296
Deposits with 7 days notification	-	-	-	-	-	-	-	-
Precious metal deposits	-	-	-	-	-	-	-	-
Total	-	134	135	8	43	4	-	324
Grand Total	-	602	149	37	45	104	-	937

3. Information on trading gain/loss

	Current Period	Prior Period
Gain	464,452	456,314
Gain from money market transactions	-	9
Gain from financial derivative transactions	7,569	942
Gain from exchange transactions	456,883	455,363
Loss (-)	(465,635)	(454,904)
Loss from money market transactions	-	-
Loss from financial derivative transactions	(8,926)	(634)
Loss from exchange transactions	(456,709)	(454,270)
Net Trading Gain/Loss	(1,183)	1,410

4. Information on income from other operations

	Current Period	Prior Period
From Reversal of Provisions of Prior Year	5,038	227
From Communication Income	279	13
Gain on sales of assets	199	1,500
Other Income	100	382
Total	5,616	2,122

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5. Information on impairment in loans and other receivables

	Current Period	Prior Period
Specific Provisions on Loans and Other Receivables	1	-
<i>Loans and Receivables in Group III</i>	-	-
<i>Loans and Receivables in Group IV</i>	-	-
<i>Loans and Receivables in Group V</i>	1	-
<i>Doubtful Receivables</i>	-	-
General Provision Expenses	3,371	1,404
Provision for Possible Losses	-	-
Foreign Exchange Losses on Foreign Currency Indexed Loans	-	-
Impairment Losses on Securities	-	-
<i>Financial Assets through Profit or Loss</i>	-	-
<i>Investment Securities Available-for-Sale</i>	-	-
Other Impairment Losses	627	572
<i>Associates</i>	-	-
<i>Subsidiaries</i>	-	-
<i>Joint Ventures</i>	-	-
<i>Investment Securities Held-to-Maturity</i>	627	572
Other		1
Total	3,999	1,977

6. Information on other operating expense

	Current Period	Prior Period
Personnel Expenses	8,478	8,163
Employee Termination Benefits Expense	436	563
Tangible Fixed Asset Impairment Expense	-	-
Intangible Fixed Asset Impairment Expense	-	-
Amortization Expenses of Tangible Assets	706	632
Goodwill Impairment Expense	-	-
Amortization Expenses of Intangible Assets	211	173
Shareholders Equity Procedure Applied Equity Interest Impairment Expense	-	-
Disposable Fixed Asset Impairment Expense	1	1
Amortization Expense of Assets Held for Resale	4	4
Impairment Expense related to Fixed Assets held for sale and discontinued operations	-	-
Assets Impairment Expense	-	-
Other Operating Expenses	2,360	2,163
<i>Operating Lease Expenses</i>	309	285
<i>Maintenance Expenses</i>	34	92
<i>Advertisement Expenses</i>	77	107
<i>Other Expenses</i>	1,940	1,679
Losses from sales of Assets	-	-
Other	873	1,547
Total	13,069	13,246

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7. Information on tax provision related to continued operations and discontinued operations

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

As of 31 March 2013, taxation charge is TL 2,884 (31 March 2012: TL 5,783) and deferred tax expense is TL 631 (31 March 2012: TL 120 as deferred tax income).

Deferred tax charge arising from origination or reversal of temporary differences

The Group has TL 480 as deferred tax income arising from origination of temporary differences (31 March 2012: TL 1 deferred tax income).

Deferred tax charge/income represented in the income statement within the context of temporary difference, financial loss and tax reduction.

The Group has TL 631 as deferred tax income reflected in the income statement computed over temporary difference and tax deductions and exemptions (31 March 2012: TL 120 deferred tax income).

8. Information on net profit or loss of the period including profit/loss from continued and discontinued operations:

Current period profit from continued operations is TL 15,044 (31 March 2012: TL 23,109 profit).

9. Information on net profit or loss of the period

Information on nature, dimension and frequency rate of income and expense accounts resulting from ordinary banking transactions if they are necessary for explaining the Bank's current year performance

None.

Information on the profit or loss affect of a change in an estimation related to financial statements and future period affect of the change in this estimation

There is no change in accounting estimation related to consolidated financial statements.

Profit/loss regarding minority rights

There is no profit/loss regarding minority rights in the accompanying consolidated financial statements since the Parent Bank owns 99.98% of the consolidated subsidiary.

10. Information on 20% of other accounts in income statement, if other accounts exceed 10% of total income statement.

There is no other accounts which exceed the 10% of the income statement other than other operating income and other operating loss that are explained above

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V. INFORMATION ON THE GROUP'S RISK GROUP

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

Information on the loans of the Group's risk group

Current Period

Bank's Risk Group ^(*)	Associates, Subsidiaries and Joint Ventures		Bank's Direct and Indirect Shareholders		Other Components in Risk Group	
	Cash	Non-cash	Cash	Non-Cash	Cash	Non-cash
Loans and Other Receivables						
Balance at the beginning of the period	-	-	-	14,852	10,522	116,416
Balance at the end of the period	-	-	1,147	29,762	13,170	109,449
Interest and Commission Income received	-	-	-	-	2	-

^(*) Stated at the 2nd clause of the 49 nth article of the Law No. 5411 of Bank's Act.

Loans given to the Group's direct and indirect shareholders are composed of forfeiting and letter of credit transactions which the interest and commission income are obtained not from the risk group but from the exporting firms.

Prior Period

Bank's Risk Group ^(*)	Associates, Subsidiaries and Joint Ventures		Bank's Direct and Indirect Shareholders		Other Components in Risk Group	
	Cash	Non-cash	Cash	Non-Cash	Cash	Non-cash
Loans and Other Receivables						
Balance at the beginning of the period	-	-	180,004	18,396	19,102	149,230
Balance at the end of the period	-	-	-	14,852	10,522	116,416
Interest and Commission Income received	-	-	-	-	-	-

^(*) Stated at the 2nd clause of the 49 nth article of the Law No. 5411 of Bank's Act.

Information on deposits of the Bank's risk group

Bank's Risk Group ^(*)	Associates, Subsidiaries and Joint Ventures		Bank's Direct and Indirect Shareholders		Other Components in Risk Group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Deposits						
Balance at the beginning of the period	-	-	637,403	78	26,355	26,951
Balance at the end of the period	-	-	67,162	637,403	6,666	26,355
Interest expense on deposits	-	-	1,059	4,406	-	3

^(*) Stated at the 2nd clause of the 49 nth article of the Law No. 5411 of Bank's Act.

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Information on forward transactions, options and other contracts related to Group’s risk group

None.

Information on forward transactions, options and other contracts related to the Parent Bank’s risk group

None.

Information on benefits provided for top level management:

For the period then ended 31 March 2013, TL 742 (31 March 2012: TL 666) has been paid to the top level management of the Bank as salaries and fringe benefit.

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SECTION SIX

OTHER DISCLOSURES AND FOOTNOTES

I. OTHER INFORMATION ON GROUP’S OPERATIONS

None.

II. INFORMATION ON EVENTS AFTER THE BALANCE SHEET DATE

None.

SECTION SEVEN

REVIEW INDEPENDENT AUDITOR’S REPORT

I. INFORMATION ON REVIEW INDEPENDENT AUDITOR’S REPORT

As of 31 March 2013, consolidated financial statements and explanatory notes of the Bank disclosed herein were reviewed by Başaran Nas Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (a member of PricewaterhouseCoopers) and Review Independent Auditor’s Review Report dated 10 May 2013 is presented preceding the financial statements

II. INFORMATION AND FOOTNOTES PREPARED BY INDEPENDENT AUDITOR

None.