



**ARAP TÜRK BANKASI A.Ş.**  
**Unconsolidated Financial Statements**  
**As of and For the Period Ended**  
**30 September 2010**

*(Convenience Translation of Financial Statements and Related  
Disclosures and Footnotes Originally Issued in Turkish)*

**With Independent Auditor's Review Report Thereon**

Akis Bağımsız Denetim ve Serbest  
Muhasebeci Mali Müşavirlik Anonim Şirketi  
22 October 2010

*This report contains 1 page of independent auditor's  
report and 58 pages of financial statements including  
footnotes.*

- I. Independent Auditor's Review Report
- II. Publicly Announced Unconsolidated Financial Report



**Akis Bağımsız Denetim ve Serbest  
Muhasebeci Mali Müşavirlik A.Ş.**  
Yapı Kredi Plaza C Blok Kat 17  
Büyükdere Caddesi  
Levent 34330 İstanbul

Telephone +90 (212) 317 74 00  
Fax +90 (212) 317 73 00  
Internet www.kpmg.com

## INDEPENDENT AUDITORS' REVIEW REPORT

To the Board of Directors of Arap Türk Bankası Anonim Şirketi:

We have reviewed the unconsolidated balance sheet of Arap Türk Bankası A.Ş. ("the Bank") as of 30 September 2010 and the statements of unconsolidated income, changes in unconsolidated shareholders' equity and unconsolidated cash flows for the nine-month 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.

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

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial statements do not present fairly the financial position of Arap Türk Bankası Anonim Şirketi as of September 2010, and of the results of its operations and its cash flows for the nine-month period then ended in accordance with the accounting principles and standards that are based on the current regulations described in Article 37 of the (Turkish) Banking Law No 5411; and other communiqués, disclosures and directives announced by the Banking Regulation and Supervision Agency.

İstanbul,  
22 October 2010

Akis Bağımsız Denetim ve Serbest  
Muhasebeci Mali Müşavirlik Anonim Şirketi

Erdal Tıkmak  
*Engagement Partner*

### **Additional paragraph for convenience translation to English:**

As explained in Section 3.I, the accompanying financial statements are not intended to present the financial position and results of operations in accordance with the accounting principles and practices generally accepted in countries and jurisdictions other than Turkey.

**ARAP TÜRK BANKASI A.Ş. UNCONSOLIDATED INTERIM FINANCIAL REPORT  
AS OF AND FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2010**

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](mailto:webmaster@atbank.com.tr)

The unconsolidated interim financial report as of and for the nine-month period ended 30 September 2010 prepared in accordance with the communiqué of “Financial Statements and Related Disclosures and Notes 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 BANK
- UNCONSOLIDATED INTERIM FINANCIAL STATEMENTS OF THE BANK
- EXPLANATIONS ON ACCOUNTING POLICIES APPLIED IN THE RELATED PERIOD
- INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK
- DISCLOSURES AND FOOTNOTES RELATED TO UNCONSOLIDATED INTERIM FINANCIAL STATEMENTS
- OTHER DISCLOSURES AND FOOTNOTES
- INDEPENDENT AUDITOR'S REVIEW REPORT

The accompanying unconsolidated 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 unconsolidated interim financial statements are presented in thousands of Turkish Lira (TL) and have been subject to limited review.



Atilla Çetiner  
Chairman of the Board  
of Directors

Selim Güray Çelik  
Member of The Board  
of Directors and Head  
of The Audit Committee

Abdulfatah A. Ehaami  
Member of The Board  
of Directors and The  
Audit Committee

Hasan Kimya Bolat  
Member of The Board  
of Directors and The  
Audit Committee

Sadek K.S. Abu Hallala  
General Manager

Salih Hatipoğlu  
Assistant General  
Manager Responsible For  
Financial Reporting

Feyzullah Küpeli  
Manager

Contact information of the personnel for addressing questions regarding this financial report:  
Name / Title: Feyzullah Küpeli / Manager  
Phone No : 0 212 225 05 00  
Fax No : 0 212 225 05 26

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## SECTION ONE GENERAL INFORMATION ABOUT THE BANK

### I. Bank's date of establishment, beginning statute, its history including changes on its statute

Arap Türk Bankası A.Ş. ("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. 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 Bank is a foreign bank status incorporated in Turkey. The main shareholder is Libyan Foreign Bank incorporated in Libya, the other shareholders are Türkiye İş Bankası A.Ş., and T.C. Ziraat Bankası A.Ş. The main shareholder Libyan Foreign Bank has financial investments in various countries.

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

Name	Responsibility	Starting Date of Job	Education	Experience in Banking and Management
Atilla Çetiner	Chairman of Board of Directors	19.09.2002	University	32 years
M.Najib Hmida El-Jamal	Deputy Chairman of Board of Directors	15.02.2010	University	40 years
Abdurauf Ibrahim Shneba	Member of the Board	29.03.2010	University	17 years
Saeid Awad Rashwan Rashwan	Member of the Board	29.03.2010	University	20 years
Abdulaziz Mohamed Ali Mansur	Member of the Board	29.04.2010	University	20 years
Selim Güray Çelik	Member of the Board and Chairman of Audit Committee	29.04.2010	University	16 years
Hasan Kimya Bolat	Member of the Board and Audit Committee	27.04.2010	University	22 years
Abdulfatah A. Enaami	Member of the Board and Audit Committee	09.05.2007	University	16 years
Turgay Atalay	Member of the Board of Directors	21.07.2010	University	30 years
Müslüm Karaman	Auditor	05.08.2010	University	32 years
Volkan Kublay	Auditor	09.08.2010	University	10 years
Sadek K.S. Abu Hallala	General Manager and Member of Board of Directors	23.05.2006	Graduate Degree	26 years
M. Nageb Hassan Mugber	Associate General Manager	15.09.2006	University	36 years
Salih Hatipoğlu	Associate General Manager	01.07.2008	Graduate Degree	12 years
Giuma Masaud Salem Kordi	Associate General Manager	01.07.2008	University	18 years
Özgür Erker	Associate General Manager	02.03.2009	University	13 years

On April 30, 2010 as Chairman of the Board and Chairman of the Audit Committee Mr. Aykut Demiray has been resigned from his duties. Mr. Atilla Çetiner who started to his duty as a member in the Board of Directors at 19 September, 2002 has been appointed to Chairman of the Board of Directors on April 30, 2010.

On February 15, 2010 Mr. M.Najib Hmida El-Jamal was appointed as Deputy Chairman of the Board.

On March 29, 2010 Mr. El Hadi Emgahid T.Abultife has been resigned from his place and Mr. Saeid Awad Rashwan Rashwan has been appointed to his place as Member of the Board. At the same date, Mr. Fekri A.A.Sinan has been resigned and Mr.Abdurauf İbrahim Shneba has been appointed to his place as Member of the Board.

On March 30, 2010 Mr. Omer Celebi and Khaled M.N.M. AL Hajri have been resigned from their Member of the Board duty.

On April 29, 2010 Mr. Abdulaziz Mohamed Ali Mansur, Mr. Selim Guray Celik and on April 27, 2010 Mr. Hasan Kimya Bolat were appointed as Member of the Board.

On July 21, 2010 Mr. M. Turgay Atalay was appointed to his place as Member of the Board of Directors to replace Mr. Aykut Demiray.

On August 5, 2010 Mr. Yusuf Dilaver has been resigned and Mr. Müslüm Karaman was appointed to his place as Auditor.

On August 9, 2010 Mrs. Zeynep Hansu Uçar has been resigned and Mr. Volkan Kublay was appointed to his place as Auditor.

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

#### **IV. Information on people and entities who have qualified share in the 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	-

#### **V. Information about the services and nature of activities of the Bank**

The Bank was incorporated to mediate commercial activities between Turkey and North African countries. The Bank is authorized to gather deposits and operates in corporate banking areas. The Bank has six branches; two 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. Other information**

All the amounts in financial report have been presented as "thousand Turkish Lira".

**SECTION TWO**  
**FINANCIAL STATEMENTS**

- I. Unconsolidated Balance Sheet (Statement of Financial Position)
- II. Statement of Unconsolidated Commitments and Contingencies
- III. Statement of Unconsolidated Income
- IV. Statement of Recognized Income and Expense in  
Unconsolidated Shareholders' Equity
- V. Statement of Changes in Unconsolidated Shareholders' Equity
- VI. Statement of Unconsolidated Cash Flows



**Arap Türk Bankası A.Ş.**  
**Unconsolidated Balance Sheet (Statement of Financial Position)**  
**As of 30 September 2010**  
(Thousands of Turkish Lira)

ASSETS	Footnotes (5-b)	Reviewed			Audited		
		CURRENT PERIOD ( 30/09/2010)			PRIOR PERIOD ( 31/12/2009)		
		TL	FC	TOTAL	TL	FC	TOTAL
I. CASH AND BALANCES WITH THE CENTRAL BANK OF TURKEY	(1)	1.293	58.277	59.570	1.237	44.957	46.194
II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	(2)	96.514	42.099	138.613	147.288	61.531	208.819
2.1 Financial assets held for trading		96.514	42.099	138.613	147.288	61.531	208.819
2.1.1 Public sector debt securities		96.514	22.015	118.529	147.104	61.531	208.635
2.1.2 Securities representing a share in capital		-	-	-	-	-	-
2.1.3 Derivatives held for trading		-	-	-	184	-	184
2.1.4 Other marketable securities		-	20.084	20.084	-	-	-
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)	63	62.952	63.015	64	49.824	49.888
IV. MONEY MARKET PLACEMENTS		-	-	-	-	-	-
4.1 Interbank money market placements		-	-	-	-	-	-
4.2 Istanbul Stock Exchange money market placements		-	-	-	-	-	-
4.3 Receivables from reverse repurchase agreements		-	-	-	-	-	-
V. FINANCIAL ASSETS AVAILABLE FOR SALE (Net)	(4)	161	816	977	154	847	1.001
5.1 Securities representing a share in capital		161	816	977	154	847	1.001
5.2 Public sector debt securities		-	-	-	-	-	-
5.3 Other marketable securities		-	-	-	-	-	-
VI. LOANS	(5)	226.096	252.282	478.378	202.854	146.863	349.717
6.1 Loans		226.096	252.282	478.378	202.854	146.863	349.717
6.1.1 Loans granted to the Bank's risk group		-	3.576	3.576	-	3.287	3.287
6.1.2 Public sector debt securities		-	-	-	-	-	-
6.1.3 Other		226.096	248.706	474.802	202.854	143.576	346.430
6.2 Loans under follow-up		5.892	-	5.892	5.891	-	5.891
6.3 Specific provisions (-)		5.892	-	5.892	5.891	-	5.891
VII. FACTORING RECEIVABLES		-	-	-	-	-	-
VIII. INVESTMENTS HELD TO MATURITY (Net)	(6)	76.080	109.922	186.002	114.880	134.635	249.515
8.1 Public sector debt securities		68.620	67.575	136.195	114.880	67.089	181.969
8.2 Other marketable securities		7.460	42.347	49.807	-	67.546	67.546
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)	35.952	-	35.952	32.753	-	32.753
10.1 Financial subsidiaries		35.952	-	35.952	32.753	-	32.753
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)	-	-	-	-	-	-
12.1 Finance lease receivables		-	-	-	-	-	-
12.2 Operational leasing receivables		-	-	-	-	-	-
12.3 Others		-	-	-	-	-	-
12.4 Unearned Revenue (-)		-	-	-	-	-	-
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)		21.387	-	21.387	22.085	-	22.085
XV. INTANGIBLE ASSETS (Net)		1.943	-	1.943	2.084	-	2.084
15.1 Goodwill		-	-	-	-	-	-
15.2 Other		1.943	-	1.943	2.084	-	2.084
XVI. INVESTMENT PROPERTY (Net)	(12)	-	-	-	-	-	-
XVII. TAX ASSET	(13)	2.563	-	2.563	1.517	-	1.517
17.1 Current tax asset		-	-	-	-	-	-
17.2 Deferred tax asset		2.563	-	2.563	1.517	-	1.517
XVIII. ASSET HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)	(14)	508	-	508	662	-	662
18.1 Held for sale purpose		508	-	508	662	-	662
18.2 Held from discontinued operations		-	-	-	-	-	-
XIX. OTHER ASSETS	(15)	11.264	1.657	12.921	558	1.046	1.604
<b>TOTAL ASSETS</b>		<b>473.824</b>	<b>528.005</b>	<b>1.001.829</b>	<b>526.136</b>	<b>439.703</b>	<b>965.839</b>

AKIS  
BAĞIMSIZ DENETİM ve  
SERBEST MÜHASEBECİ  
KALİ MÜŞAVİRLİK A.Ş.

**Arap Türk Bankası A.Ş.**  
**Unconsolidated Balance Sheet (Statement of Financial Position)**

**As of 30 September 2010**

(Thousands of Turkish Lira)

LIABILITIES AND SHAREHOLDERS' EQUITY	Footnotes	Reviewed			Audited		
		CURRENT PERIOD			PRIOR PERIOD		
		( 30/09/2010 )			( 31/12/2009 )		
	(5-II)	TL	FC	Total	TL	FC	Total
I. DEPOSITS	(1)	15.992	225.374	241.366	12.487	166.646	179.133
1.1 Deposits held by the Bank's risk group		108	5.364	5.472	90	44.458	44.548
1.2 Other		15.884	220.010	235.894	12.397	122.188	134.585
II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING	(2)	-	-	2.616	79	-	79
III. FUNDS BORROWED	(3)	90	400.052	400.142	329	381.276	381.605
IV. INTERBANK MONEY MARKET		18.133	-	18.133	103.954	-	103.954
4.1 Interbank money market payables		-	-	-	-	-	-
4.2 Istanbul Stock Exchange money market payables		-	-	-	-	-	-
4.3 Funds provided under repurchase agreements		18.133	-	18.133	103.954	-	103.954
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		34	2.089	2.123	39	1.209	1.248
VIII. OTHER EXTERNAL RESOURCES	(4)	9.936	11.002	20.938	694	4.133	4.827
IX. FACTORING PAYABLES		-	-	-	-	-	-
X. LEASING TRANSACTIONS PAYABLES	(5)	212	96	308	342	171	513
10.1 Finance leasing payables		280	119	399	485	220	705
10.2 Operational leasing payables		-	-	-	-	-	-
10.3 Other		-	-	-	-	-	-
10.4 Deferred finance leasing expenses ( - )		68	23	91	143	49	192
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		12.150	177	12.327	9.745	185	9.930
12.1 General provisions	(7)	7.417	-	7.417	5.427	-	5.427
12.2 Restructuring reserves		-	-	-	-	-	-
12.3 Reserves for employee benefit		4.244	-	4.244	3.957	-	3.957
12.4 Insurance technical reserves (Net)		-	-	-	-	-	-
12.5 Other provisions		489	177	666	361	185	546
XIII. TAX LIABILITY	(8)	3.105	-	3.105	2.337	-	2.337
13.1 Current tax liability		3.105	-	3.105	2.337	-	2.337
13.2 Deferred tax liability		-	-	-	-	-	-
XIV. OPERATIONS		-	-	-	-	-	-
14.1 Held for sale purpose		-	-	-	-	-	-
14.2 Held from discontinued operations		-	-	-	-	-	-
XV. SUBORDINATED LOANS		-	-	-	-	-	-
XVI. SHAREHOLDERS' EQUITY		300.771	-	300.771	282.213	-	282.213
16.1 Paid-in capital	(9)	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		2.658	-	2.658	1.408	-	1.408
16.3.1 Legal reserves		2.658	-	2.658	1.408	-	1.408
16.3.2 Status reserves		-	-	-	-	-	-
16.3.3 Extraordinary reserves		-	-	-	-	-	-
16.3.4 Other profit reserves		-	-	-	-	-	-
16.4 Profit or loss		49.017	-	49.017	31.709	-	31.709
16.4.1 Prior years income/loss		30.459	-	30.459	6.724	-	6.724
16.4.2 Current year income/loss		18.558	-	18.558	24.985	-	24.985
<b>TOTAL LIABILITIES</b>		<b>363.039</b>	<b>638.790</b>	<b>1.001.829</b>	<b>412.219</b>	<b>550.020</b>	<b>965.839</b>

**Arap Türk Bankası A.Ş.**  
**Unconsolidated Off Balance Sheet Commitments**  
**As of 30 September 2010**

(Thousands of Turkish Lira)

	Footnotes (5-III)	Reviewed			Audited			
		CURRENT PERIOD			PRIOR PERIOD			
		TL	FC	TOTAL	TL	FC	TOTAL	
<b>A.</b>	<b>OFF BALANCE SHEET COMMITMENTS</b>	89.494	1.600.415	1.689.909	94.305	1.308.057	1.402.362	
<b>I.</b>	<b>GUARANTEES AND WARRANTIES</b>	(1), (2)	1.203	1.505.974	1.507.175	1.391	1.168.563	1.169.954
1.1	Letters of guarantee	1.201	1.152.926	1.154.127	1.391	864.972	866.363	
1.1.1	Guarantees subject to State Tender Law	40	83	123	54	86	140	
1.1.2	Guarantees given for foreign trade operations	410	989.281	989.691	429	689.807	690.236	
1.1.3	Other letters of guarantee	751	163.562	164.313	908	175.079	175.987	
1.2	Bank acceptances	-	16.326	16.326	-	16.562	16.562	
1.2.1	Import letter of acceptance	-	-	-	-	-	-	
1.2.2	Other bank acceptances	-	16.326	16.326	-	16.562	16.562	
1.3	Letters of credit	-	336.722	336.722	-	286.489	286.489	
1.3.1	Documentary letters of credit	-	-	-	-	-	-	
1.3.2	Other letters of credit	-	336.722	336.722	-	286.489	286.489	
1.4	Pre-financing 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	-	-	-	-	540	540	
1.9	Other warranties	-	-	-	-	-	-	
<b>II.</b>	<b>COMMITMENTS</b>	(1)	7.070	16.076	23.146	5.584	52.163	57.747
2.1	Irrevocable commitments	7.070	16.076	23.146	5.584	52.163	57.747	
2.1.1	Asset purchase and sales commitments	1.322	16.076	17.398	-	-	-	
2.1.2	Deposit purchase and sales commitments	-	-	-	-	216	216	
2.1.3	Share capital commitment to associates and subsidiaries	-	-	-	-	-	-	
2.1.4	Loan granting commitments	-	-	-	-	29.361	29.361	
2.1.5	Securities issue brokerage commitments	-	-	-	-	-	-	
2.1.6	Commitments for reserve deposit requirements	-	-	-	-	-	-	
2.1.7	Payment commitments for checks	5.748	-	5.748	5.584	-	5.584	
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	-	-	-	-	22.586	22.586	
2.2	Revocable commitments	-	-	-	-	-	-	
2.2.1	Revocable loan granting commitments	-	-	-	-	-	-	
2.2.2	Other revocable commitments	-	-	-	-	-	-	
<b>III.</b>	<b>DERIVATIVE FINANCIAL INSTRUMENTS</b>		81.223	78.365	159.588	87.330	87.331	174.661
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	81.223	78.365	159.588	87.330	87.331	174.661	
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	81.223	78.365	159.588	76.869	76.791	153.660	
3.2.2.1	Foreign currency swap-buy	-	78.365	78.365	-	76.791	76.791	
3.2.2.2	Foreign currency swap-sell	81.223	-	81.223	76.869	-	76.869	
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	-	-	-	10.461	10.540	21.001	
<b>B.</b>	<b>CUSTODY AND PLEDGED SECURITIES (IV+V+VI)</b>		155.808	341.611	497.419	136.746	311.567	448.313
<b>IV.</b>	<b>ITEMS HELD IN CUSTODY</b>		139.773	48.373	188.146	122.831	29.244	152.075
4.1	Assets under management	-	-	-	-	-	-	
4.2	Investment securities held in custody	-	-	-	89	-	89	
4.3	Checks received for collection	125.409	1.809	127.218	120.972	1.760	122.732	
4.4	Commercial notes received for collection	14.364	46.564	60.928	1.770	27.484	29.254	
4.5	Other assets received for collection	-	-	-	-	-	-	
4.6	Assets received for public offering	-	-	-	-	-	-	
4.7	Other items under custody	-	-	-	-	-	-	
4.8	Custodians	-	-	-	-	-	-	
<b>V.</b>	<b>PLEDGED ITEMS</b>		16.035	293.238	309.273	13.915	282.323	296.238
5.1	Marketable securities	-	181.400	181.400	-	188.213	188.213	
5.2	Guarantee notes	250	160	410	250	166	416	
5.3	Commodity	-	-	-	-	-	-	
5.4	Warranty	-	-	-	-	-	-	
5.5	Immovables	15.757	86.216	101.973	13.637	89.994	103.631	
5.6	Other pledged items	28	25.462	25.490	28	3.950	3.978	
5.7	Pledged items-depository	-	-	-	-	-	-	
<b>VI.</b>	<b>ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES</b>		-	-	-	-	-	
	<b>TOTAL OFF BALANCE SHEET COMMITMENTS</b>		245.302	1.942.026	2.187.328	231.051	1.619.624	1.850.675

AKIS

BAĞIMSIZ DENETİM ve  
SERBEST MÜHASEBECİ  
MALİ MÜŞAVİRLİK A.Ş.

**Arap Türk Bankası A.Ş.**

**Unconsolidated Income Statement For The Period Ended 30 September 2010**

(Thousands of Turkish Lira)

INCOME AND EXPENSES	Footnotes (5-IV)	Reviewed		Reviewed	
		CURRENT PERIOD 01/01/2010-30/09/2010	PRIOR PERIOD 01/07/2010-30/09/2010	CURRENT PERIOD 01/01/2009-30/09/2009	PRIOR PERIOD 01/07/2009-30/09/2009
I. INTEREST INCOME	(1)	35.528	12.591	51.246	15.134
I.1 Interest on loans		18.127	6.629	20.586	5.945
I.2 Interest received from reserve deposits		27	9	33	10
I.3 Interest received from banks		516	187	205	27
I.4 Interest received from money market transactions		113	7	57	32
I.5 Interest received from marketable securities portfolio		16.744	5.759	30.361	9.118
I.5.1 Financial assets held for trading		5.474	1.793	19.265	5.006
I.5.2 Financial assets where value change is reflected to income statement		-	-	-	-
I.5.3 Financial assets available for sale		-	-	-	-
I.5.4 Investments held to maturity		11.270	3.966	11.096	4.112
I.6 Finance lease income		-	-	-	-
I.7 Other interest income		1	-	4	2
II. INTEREST EXPENSE	(2)	3.790	1.268	10.364	2.124
2.1 Interest on deposits		888	315	1.113	264
2.2 Interest on funds borrowed		1.991	852	3.348	602
2.3 Interest on money market transactions		815	72	5.777	1.217
2.4 Interest on securities issued		-	-	-	-
2.5 Other interest expense		96	29	126	41
III. NET INTEREST INCOME/EXPENSE (I-II)		31.738	11.323	40.882	13.010
IV. NET FEES AND COMMISSIONS INCOME/EXPENSE		19.643	7.283	16.545	5.988
4.1 Fees and commissions received		20.145	7.487	16.917	6.103
4.1.1 Non-cash loans		9.132	3.164	6.769	2.590
4.1.2 Other		11.013	4.323	10.148	3.513
4.2 Fees and commissions paid		502	204	372	115
4.2.1 Non-cash loans		2	1	2	1
4.2.2 Other		500	203	370	114
V. DIVIDEND INCOME		3.259	6	48	-
VI. NET TRADING INCOME/EXPENSE	(3)	(1.197)	(1.038)	(9.861)	3.175
6.1 Capital markets transactions		25	25	269	165
6.2 Profit/losses on trading account securities		(1.911)	(552)	(1.983)	4.012
6.3 Foreign exchange profit/losses		689	(511)	(8.147)	(1.002)
VII. OTHER OPERATING INCOME	(4)	919	(65)	527	165
VIII. TOTAL OPERATING INCOME/EXPENSE (III+IV+V+VI+VII)		54.362	17.509	48.141	22.338
IX. PROVISION FOR LOAN LOSSES AND OTHER RECEIVABLES (-)	(5)	3.259	895	3.633	1.003
X. OTHER OPERATING EXPENSES (-)	(6)	28.390	9.680	20.474	7.348
XI. NET OPERATING INCOME/LOSS (VIII-IX-X)		22.713	6.934	24.034	13.987
XII. INCOME RESULTED FROM MERGERS		-	-	-	-
XIII. INCOME/LOSS FROM CONTINUING OPERATIONS		-	-	-	-
XIV. NET MONETARY POSITION GAIN/LOSS		-	-	-	-
XV. INCOME/EXPENSE BEFORE TAXES FROM CONTINUING OPERATIONS (XI+...+XIV)	(7)	22.713	6.934	24.034	13.987
XVI. PROVISION FOR TAXES ON INCOME FROM CONTINUING OPERATIONS (4)	(8)	(4.155)	(1.441)	(4.977)	(2.655)
16.1 Current tax provision		(5.201)	(2.164)	(1.517)	(1.033)
16.2 Deferred tax provision		1.046	723	(3.460)	(1.602)
XVII. NET PROFIT/LOSSES FROM CONTINUING OPERATIONS (XV+XVI)	(9)	18.558	5.493	19.057	11.332
XVIII. INCOME FROM DISCONTINUED OPERATIONS		-	-	-	-
18.1 Income from asset 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 Expenses on asset 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 (4)		-	-	-	-
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)	(10)	18.558	5.493	19.057	11.332
Earning/Loss Per Share		0,0008	0,0002	0,0008	0,0005

**Arap Türk Bankası Anonim Şirketi**

**Statement of Recognized Income and Expense In Unconsolidated Shareholders' Equity For The Period Ended 30 September 2010**

(Thousands of Turkish Lira)

INCOME AND EXPENSE ITEMS ACCOUNTED IN SHAREHOLDERS' EQUITY	Reviewed	
	CURRENT PERIOD (01/01/2010-30/09/2010)	PRIOR PERIOD (01/01/2009-30/09/2009)
I. MARKET VALUE GAINS ON AVAILABLE FOR SALE ASSETS ACCOUNTED UNDER "SECURITIES VALUE INCREASE FUND"	-	-
II. REVALUATION SURPLUS ON TANGIBLE ASSETS	-	-
III. REVALUATION SURPLUS ON INTANGIBLE ASSETS	-	-
IV. TRANSLATION DIFFERENCES FOR TRANSACTIONS IN FOREIGN CURRENCIES	-	-
V. GAIN/LOSS ON DERIVATIVE FINANCIAL ASSETS HELD FOR CASH FLOW HEDGES (effective portion)	-	-
VI. GAIN/LOSS ON DERIVATIVE FINANCIAL ASSETS HELD FOR HEDGES OF NET INVESTMENT (effective portion)	-	-
VII. EFFECTS OF CHANGES IN ACCOUNTING POLICIES AND CORRECTIONS	-	-
VIII. OTHER INCOME/EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY AS PER TAS	-	-
IX. DEFERRED TAXES ON VALUE INCREASES/DECREASES	-	-
X. NET INCOME/EXPENSE ITEMS ACCOUNTED DIRECTLY UNDER SHAREHOLDERS' EQUITY (I+II+...+IX)	-	-
XI. CURRENT PROFIT/LOSSES	18.558	19.057
1.1 Net changes in fair value of securities (transferred to income statement)	-	-
1.2 Gains/losses on hedges of cash flow hedges, reclassified and recorded in income statement	-	-
1.3 Gains/losses on hedges of net investment in foreign operations, reclassified and recorded in income statement	-	-
1.4 Other	18.558	19.057
XII. TOTAL PROFIT/LOSS ACCOUNTED FOR THE CURRENT PERIOD (X+XI)	18.558	19.057

**Arap Türk Bankası A.Ş.**  
**Statement of Changes In Unconsolidated Shareholders' Equity**  
**For The Period Ended 30 September 2010**

(Thousands of Turkish Lira)

Footnotes	Paid-in Capital	Capital Reserves from Inflation Adjustments to Paid-in Capital	Share Premium	Share Conciliation Profit	Legal Reserves	Status Reserves	Extraordinary Reserves	Other Reserves	Current Period Net Earnings	Prior Period Net Profit/Loss	Securities Value Increase Fund	Revaluation Surplus on Tangible and Intangible Assets	Donor Share of Equity Participants	Hedging Reserves	Acct. Rev/Stp on Sale and Assets of Banks, Only	Total Shareholders' Equity
<b>PROR PERIOD (30/09/2009)</b>																
I.	240.000	9.096	-	-	1.406	-	-	-	2.710	4.014	-	-	-	-	-	247.226
II.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IV.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVIII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIX.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XX.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XXI.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XXII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XXIII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XXIV.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XXV.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XXVI.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XXVII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XXVIII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XXIX.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XXX.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XXXI.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XXXII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XXXIII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XXXIV.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XXXV.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XXXVI.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XXXVII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XXXVIII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XXXIX.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XL.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XLII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XLIII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XLIV.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XLV.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XLVI.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XLVII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XLVIII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XLIX.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
L.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIV.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LI.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIV.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LI.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIV.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LI.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIV.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LI.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIV.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LI.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIV.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LI.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIV.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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LIII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIV.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LI.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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LIII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIV.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LI.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIV.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LI.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIV.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LI.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIV.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LI.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIV.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LI.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIV.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LI.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIV.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LI.	-	-	-	-												

**Arap Türk Bankası A.Ş**  
**Unconsolidated Statement of Cash Flow**  
**For The Period Ended 30 September 2010**

	Footnotes (5-V4)	Reviewed	
		CURRENT PERIOD ( 30/09/2010 )	PRIOR PERIOD ( 30/09/2009 )
<b>A. CASH FLOWS FROM BANKING OPERATIONS</b>			
1.1 Operating Profit Before Changes in Operating Assets and Liabilities		58.029	14.262
1.1.1 Interests Received		61.062	42.060
1.1.2 Interest Paid		(3.618)	(10.584)
1.1.3 Dividend Received		60	48
1.1.4 Fees and Commissions Received		20.145	16.917
1.1.5 Other Income		919	527
1.1.6 Collections From Previously Written-off Loans and Other Receivables		-	-
1.1.7 Payments to Personnel and Service Suppliers		(26.687)	(16.120)
1.1.8 Taxes Paid		(6.453)	(221)
1.1.9 Others		12.601	(18.365)
1.2 Changes in Operating Assets and Liabilities		(100.514)	20.261
1.2.1 Net Decrease in Financial Assets Held For Trading		44.206	2.331
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		2.108	(667)
1.2.4 Net (Increase) in Loans		(130.874)	10.806
1.2.5 Net Decrease in Other Assets		(29.264)	15.392
1.2.6 Net Increase/(Decrease) in Bank Deposits		17.020	66.825
1.2.7 Net Increase (Decrease) in Other Deposits		45.189	35.035
1.2.8 Net Increase/ (Decrease) in Funds Borrowed		18.547	(97.032)
1.2.9 Net Increase/ (Decrease) in Matured Payables		-	-
1.2.10 Net Increase in Other Liabilities		(67.246)	(12.429)
I. Net Cash Flow From Banking Operations		(42.485)	34.523
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
II. Net Cash Flow From Investing Activities		63.709	(11.445)
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		(886)	(1.677)
2.4 Sales of Tangible Assets		500	-
2.5 Cash Paid For Purchase of Financial Assets Available-For-Sale		-	-
2.6 Cash Obtained From Sale of Financial Assets Available-For-Sale		-	-
2.7 Cash Paid For Purchase of Investments Held-to-Maturity		(114.129)	(29.982)
2.8 Cash Obtained From Sale of Investments Held-to-Maturity		178.224	20.214
2.9 Others		-	-
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
III. Net Cash Flows From Financing Activities		(205)	(159)
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		(205)	(159)
3.6 Others		-	-
IV. Effect of Change in Foreign Exchange Rate On Cash and Cash Equivalents		(4.786)	(691)
V. Net (Decrease)/Increase in Cash and Cash Equivalents		16.233	22.228
VI. Cash and Cash Equivalents at Beginning of Period		66.953	46.502
VII. Cash and Cash Equivalents at the End of Period		83.186	68.730

## SECTION THREE ACCOUNTING POLICIES

### I. Explanations for basis of presentation and footnotes

#### Preparation of financial statements and related information and footnotes in compliance with the Turkish Accounting Standards and The Regulation on Accounting Applications for Banks and Safeguarding of Documents:

The unconsolidated financial statements are prepared in accordance with The Regulation on Accounting Applications for Banks and Safeguarding of Documents ("Regulation") related to Turkish Banking Law No 5411 published on the Official Gazette no.26333 dated 1 November 2006; in accordance with accounting and financial reporting standards described in regulations, communiqués and other explanations published by the Banking Regulation and Supervision Agency (BRSA), Turkish Accounting Standards (TAS), Turkish Financial Reporting Standards (TFRS) and the related statements and guidance (collectively referred to as "Reporting Standards"). The Bank maintains its books of account in Turkish Lira (TL).

Financial statements are prepared in Thousand Turkish Lira based on historical costs excluding financial assets and liabilities that are shown at their fair values.

#### Additional paragraph for convenience translation to English

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

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

The Bank's core business operation is banking activities including retail banking, corporate banking and security transactions (treasury transactions) together with international banking services. The main funding resources are deposits, borrowing and equity and these resources are invested in qualified financial assets. The 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 is recorded in accordance with TAS No: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 Bank's exchange rates prevailing at the balance sheet date and the resulting exchange rate differences are accounted as foreign exchange gains and losses. The Bank's related exchange rates at the balance sheet date are as follows:

	30 September 2010	31 December 2009
US Dollars	TL 1.4512	TL 1.5057
Euro	TL 1.9754	TL 2.1603

### III. Information on Subsidiaries and Associates

The Bank does not have any associate as of 30 September 2010 and 31 December 2009.

Subsidiaries are businesses which are controlled by the Bank. Subsidiaries are reflected in the financial statements with cost amount, less provision for impairment.



**IV. Information on forward transactions, options and derivative instruments**

The Bank's financial derivatives are classified as "Held for Trading" in accordance with TAS 39.

Liabilities and receivables originated from derivative transactions are recorded as off-balance sheet items at their contractual values.

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 remeasurement are accounted in the income statement. The fair value of the derivative financial instruments is calculated using quoted market prices or by using discounted cash flow model.

**V. Information on interest income and expense**

Interest income and expense are recognized in the income statement for all interest bearing instruments on an accrual basis using the effective interest method.

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 income and expenses for various banking services are recorded as income when collected, all other commission income and expense items are accounted on accrual basis.

**VII. Information on financial assets**

The Bank 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.

**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 IV 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.

**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**

Loan and receivables are financial assets originated providing money, commodity and services to debtors. Loans and receivables originated are initially carried at cost and subsequently recognized at the amortized cost method using the internal rate of return. The duties paid, transaction expenditures and other similar expenses on assets received as collateral against such risks are considered as a part of transaction cost and charged to related expense accounts.

Based on the reviews and estimates of the Bank management, loans that are identified as being impaired are reclassified as non-performing loans under follow up accounts. Thereby, specific allowances are made against the carrying amounts of these loans in accordance with the "Regulation on Principles and Procedures Related to the Determination of the Loans and Other Receivables for which Provisions Shall be Set Aside by Banks and to the Provisions to be Set Aside" published in the Official Gazette No: 26333 dated 1 November 2006. Specific provisions are recognized in the year's unconsolidated income statement. If there is a collection made on loans that have already provisioned in the previous years, the recovery amount is accounted under income statement accounts other operating income if the provision was made in the current year otherwise such collections are credited to account provision for loan losses or other receivables. Uncollectible receivables are written off after legal procedures are finalized.

**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 discounting 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 income statement.

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.

**VIII. Information on impairment of Financial Assets**

If the estimated recoverable amount of the financial asset, which is the present value of expected future cash flows of by using the internal rate of return rate method or the fair value if exists, is lower than the carrying value the financial assets then it is concluded that the asset under consideration is impaired. A provision is made for the diminution in the value of the impaired financial asset and the provision is charged to the expense accounts.

**IX. Information on offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to set off 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.

**XI. Information on assets held for sale and discontinued operations**

The Bank does not have any discontinued operations.

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.

**XII. Information on goodwill and other intangible assets**

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

Software classified as other intangible assets acquired before 1 January 2005 are accounted at restated costs for the effects of inflation in TL units until the end of 31 December 2004 and those acquired after 1 January 2005 are measured at cost less accumulated amortization. The useful life of software is determined as 5 years.

**XIII. Information on tangible assets**

Tangible assets acquired before 1 January 2005 are reflected at their restated cost for the effects of inflation in TL units current until the end of 31 December 2004 less accumulated depreciation and impairment losses, if any, and those acquired after 1 January 2005 are measured at cost less accumulated depreciation and the impairment losses, if any.

The depreciation of tangible assets is computed using the straight-line method. The depreciation rates used approximate the rates of the useful lives of the tangible assets are as follows:

	%
Buildings	2
Motor Vehicles	20
Furniture, Fixture and Office Equipment	2 – 20

In case, the cost amount of the related tangible asset is lower than the net realizable value the value of asset is decreased to its net realizable value and the provision for impairment is reflect to the related expense accounts.

Gains and losses resulting from the sale of tangible assets is the difference between the sales amount and net book amount and recorded into the account profit/loss from sale of assets to be accounted under the other operating income/expense in the financial statements.

Expenditures for maintenance and repairs that are routinely made on tangible assets are recognized as expense. Expenditures incurred in order to extend the capacity of the tangible assets or those that extend the useful life and service capacity of the assets are capitalized.

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

There is no purchase commitments related to the tangible fixed assets.

There are no expected changes in the accounting estimates related with tangible assets, which could have a significant impact on the current and future periods.

#### **XIV. Information on leasing activities**

Assets acquired under finance lease agreements are initially recognized at the lower of the fair value of the leased asset or the present value of leasing payments. These leased assets are depreciated according to their useful lives and classified as tangible assets. In cases where leased assets are impaired provisions for impairment are recognized. The obligations under financial leases arising from lease contracts are included in financial lease payables in the balance sheet.

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

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**

Provisions and contingent liabilities are provided for in accordance with the Communiqué No: 37 "Provisions, Contingent Liabilities and Contingent Assets" of Turkish Accounting Standards, 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.

Contingent assets are disclosed where an inflow of economic benefits is probable. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the assets and related income are recognized in the financial statements in which the change occurs.

**XVI. Information on liabilities regarding employee rights**

Obligations related to employment termination and vacation rights are accounted in compliance with the “Turkish Accounting Standard on Employee Benefits” (“TAS 19”), in the accompanying financial statements.

In accordance with existing legislation in Turkey, the Bank has to make certain lump-sum payments to employees whose employment is terminated due to retirement or reasons other than resignation or misconduct. The provision for severance pay is calculated and reflected on the financial statements by the net value of the possible future liability amount as of today considering the situations of retirement in compliance with the Turkish Labor Law, termination of employment after at least one year of service, leaving due to military obligations and mortality.

**XVII. Information on tax applications****Current tax:**

The corporate tax rate is 20%. Corporate tax rate is calculated on the total income of the Bank after adjusting for certain disallowable expenses, exempt income (dividend income etc.) 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.

**Deferred taxes:**

The Bank calculates and accounts deferred tax assets and liabilities in accordance with the “Turkish Accounting Standard 12 (“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 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.

**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 Bank did not issue any stocks convertible into bonds.

The Bank does not have borrowing instruments issued by itself.

**XIX. Information on share issuances**

The Bank 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**

There are no government incentives utilized by the Bank as of 30 September 2010 and 31 December 2009.

**XXII. Information on segment reporting**

Operating segment is the unit that operates in only one product or service of the Bank 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 VI footnote of Fourth Section.

**XXIII. Profit reserves and profit distribution**

Retained earnings as per the statutory 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 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.

**XXIV. Related parties**

In accompanying 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 “Declaration of Related Party Standard” (“TAS 24”).

**XXV. Cash and cash equivalents**

In the cash flow 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 time deposits at banks, and investments in financial securities which has original maturity less than three months.

## **SECTION FOUR INFORMATION ON THE FINANCIAL POSITION OF THE BANK**

### **I. Information on capital adequacy ratio**

The Bank's capital adequacy ratio as at 30 September 2010 is % 28,76 (31 December 2009: 31.61%)

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

The Bank's interest rate risk is calculated and analyzed in consideration with various dimensions within the scope of market risk management of the Risk Management Department.

The interest rate risk and currency risk are measured under the scope of the market risk calculated in accordance with the Standard Methods and is included in the capital adequacy ratio calculation.

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

The effect of changes in risk factors on Bank portfolio is calculated on a daily basis using the VaR (Value at Risk) method. The method is tested with a retrospective testing method.

For the analysis of the effect of interest fluctuations above the estimations on the Bank, stress test analyses are made on a monthly basis.

In addition, to reclass possible fluctuation expectations on risk factors various scenario analyses are performed based on possible interest rate estimations and changing expectations of exchange rates.

The interest rate and exchange rate sensitivity of assets, liabilities and off-balance sheets is measured by sensitivity analysis on the level of maturity gaps on a monthly basis.

The Board of Directors has determined limits in order to restrain interest rate risk by means of the daily VaR and Standard Method results.



**Information on capital adequacy standard ratio:**

	Risk Weights						
	Bank						
	0%	10%	20%	50%	100%	150%	200%
<b>Value at Credit Risk</b>							
<b>Balance Sheet Items (Net)</b>	<b>201.579</b>	<b>--</b>	<b>189.153</b>	<b>31.284</b>	<b>438.024</b>	<b>--</b>	<b>--</b>
Cash	2.414	--	--	--	--	--	--
Matured Marketable Securities	--	--	--	--	--	--	--
The Central Bank of Turkey	17.757	--	--	--	--	--	--
Domestic, Foreign Banks and Foreign Headquarter, subsidiaries	--	--	61.301	--	1.714	--	--
Interbank Money Market Placements	--	--	--	--	--	--	--
Receivables from Reverse Repurchase	--	--	--	--	--	--	--
Reserve Requirements	39.390	--	--	--	--	--	--
Loans	--	--	82.518	31.036	361.472	--	--
Loans under follow-up (Net)	--	--	--	--	--	--	--
Financial lease receivables	--	--	--	--	--	--	--
Securities Available for Sale	--	--	--	--	977	--	--
Investments Held to Maturity	134.517	--	44.485	--	4.991	--	--
Receivables from the disposal of assets	--	--	--	--	--	--	--
Miscellaneous receivables	--	--	--	--	53	--	--
Interest and income accruals	1.767	--	849	248	3.649	--	--
Investments in Associates, Subsidiaries and Joint Ventures (Net)	--	--	--	--	35.952	--	--
Tangible Assets	--	--	--	--	19.273	--	--
Other Assets	5.734	--	--	--	9.943	--	--
<b>Off balance sheet items</b>	<b>1.093</b>	<b>--</b>	<b>613.888</b>	<b>11.964</b>	<b>307.583</b>	<b>--</b>	<b>--</b>
Non cash loans and commitments	1.093	--	612.687	11.964	307.583	--	--
Derivative financial instruments	--	--	1.201	--	--	--	--
Non risk weighted accounts	--	--	--	--	--	--	--
<b>Total risk weighted assets</b>	<b>202.672</b>	<b>--</b>	<b>803.041</b>	<b>43.248</b>	<b>745.607</b>	<b>--</b>	<b>--</b>

**Summary information related to capital adequacy standard ratio:**

	Current Period	Prior Period
Value at Credit Risk (I)	927.839	784.213
Value at Market Risk (II)	47.638	54.650
Value at Operational Risk (III)	74.662	53.325
Shareholders' Equity	301.975	282.029
Shareholders' Equity/(I+II+III)*100	%28,76	%31,61

## Information on Shareholder's Equity

	Current Period	Prior Period
<b>CORE CAPITAL</b>		
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	2.658	1.408
First legal reserve (Turkish Commercial Code 466/1)	2.658	1.408
Second legal reserve (Turkish Commercial Code 466/2)	--	--
Other legal reserve per special legislation	--	--
Status reserves	--	--
Extraordinary reserves	--	--
Reserves allocated by the General Assembly	--	--
Retained earnings	--	--
Accumulated loss	--	--
Exchange rate differences on foreign currency capital	--	--
Reserves from Inflation Adjustments to Legal, Status and Extraordinary Reserves	--	--
Profit	49.017	31.709
Net income for the period	18.558	24.985
Prior period profit	30.459	6.724
Provisions for possible risks up to 25% of Core Capital	--	--
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)	--	--
Minority shares	--	--
Loss excess of Reserves (-)	--	--
Current Period Loss	--	--
Prior Periods Loss	--	--
Leasehold Improvements (-)	2.114	2.495
Prepaid Expenses (-)	1.648	370
Intangible Assets (-)	1.943	2.084
Deferred Tax	--	--
Limit excesses as per the 3rd Paragraph of the Article 56 of the Banking Law (-)	--	--
Consolidation Goodwill (-)	--	--
<b>Total Core Capital</b>	<b>295.066</b>	<b>277.264</b>
<b>SUPPLEMENTARY CAPITAL</b>		
General Provisions	7.417	5.427
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	--	--
45% of Marketable Securities Value Increase Fund	--	--
Associates and Subsidiaries	--	--
Investment Securities Available for Sale	--	--
Adjustment to Capital Reserves, Profit Reserves and prior years' P/L (excluding Legal Reserves, Statutory Reserves and Extraordinary Reserves)	--	--

Minority shares	--	--
Total Supplementary Capital	7.417	5.427
<b>TIER III CAPITAL (including minority shares if any)</b>	--	--
<b>CAPITAL</b>	<b>302.483</b>	<b>282.691</b>
<b>DEDUCTIONS FROM CAPITAL</b>	<b>508</b>	<b>662</b>
Investments in Unconsolidated Entities (domestic/foreign) operating in Banking and Financial Sectors at 10% or more	--	--
Investments in Entities (domestic/foreign) operating in Banking and Financial Sectors at less than 10% exceeding 10% or more of the Total Core and Supplementary Capitals	--	--
Loans to Banks, Financial Institutions (domestic/foreign) or Qualified Shareholders in the form of Secondary Subordinated Debts and Debt Instruments purchased from Such Parties qualified as Primary or Secondary Subordinated Debts	--	--
Loans granted to Customers as contradictory to the Articles 50 and 51 of the Banking Law	--	--
Net Book Values of Immovable's exceeding 50% of the Capital and of Assets Acquired against Overdue Receivables and Held for Sale as per the Article 57 of the Banking Law but Retained more than Five Years	508	662
Other	--	--
<b>TOTAL SHAREHOLDER'S EQUITY</b>	<b>301.975</b>	<b>282.029</b>

## II. Information on Market Risk

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

The Bank'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.).

In addition, the effect of the changes in risk factors on Bank portfolio is calculated using VaR on a daily basis. 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 50% (+ 5% exception) and for limiting daily VAR results, the amount under daily risk / equity rate can be maximum 1% (+1% exception).

### Information related to market risk

	Amount
(I) Capital Obligation against General Market Risk - Standard Method	325
(II) Capital Obligation against Specific Risks - Standard Method	50
(III) Capital Obligation against Currency Risk – Standard Method	3.436
(IV) Capital Obligation against Stocks Risks - Standard Method	--
(V) Capital Obligation against Exchange Risks - Standard Method	--
(VI) Capital Obligation against Market Risks of Options – Standard Method	--
(VII) Capital Obligation against Market Risks of Banks applying Risk Measurement Models	--
<b>(VIII) Total Capital Obligations against Market Risk (I+II+III+IV+V+VI)</b>	<b>3.811</b>
<b>(IX) Value-At-Market Risk ((12.5*VIII) or (12.5*VII))</b>	<b>47.638</b>

**III. Information on Foreign Currency Exchange Rate Risk**

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

The Bank 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.

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

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

**3. 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.

**4. Foreign exchange buying rates of the last five business days before the balance sheet date as publicly announced by the Bank, are as follows:**

USD Foreign Exchange Buying Rate as of balance sheet date	1,4512 TL
EUR Foreign Exchange Buying Rate as of balance sheet date	1,9754 TL

Date	US Dollars	EUR
24 September 2010	1,4809 TL	1,9753 TL
27 September 2010	1,4786 TL	1,9803 TL
28 September 2010	1,4686 TL	1,9778 TL
29 September 2010	1,4669 TL	1,9724 TL
30 September 2010	1,4512 TL	1,9754 TL

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

The basic arithmetical average of the Bank's foreign exchange bid rate for September 2010 is TL 1,4911 for USD and TL 1,9412 for EUR.

**Information on Currency Risk:**

Current Period	Euro	US Dollars	JPY	Other	Total
<b>Assets</b>					
Cash (Cash in Vault, Foreign currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	970	57.258	--	49	58.277
Due from Banks and Other Financial Institutions	2.622	59.989	1	340	62.952
Financial Assets through Profit or Loss	25.687	16.412	--	--	42.099
Interbank Money Market Placements	--	--	--	--	--
Investment Securities Available-for-Sale	--	816	--	--	816
Loans*	80.530	211.949	--	--	292.479
Investments in Subsidiaries and Associates	--	--	--	--	--
Investment Securities Held-to-Maturity	18.057	91.865	--	--	109.922
Financial Derivative held for Hedging (Assets)	--	--	--	--	--
Tangible Assets	--	--	--	--	--
Intangible Assets	--	--	--	--	--
Other Assets	553	622	--	2	1.177
<b>Total Assets</b>	<b>128.419</b>	<b>438.911</b>	<b>1</b>	<b>391</b>	<b>567.722</b>
<b>Liabilities</b>					
Bank Deposits	49.413	54.360	--	1	103.774
Foreign Currency Deposits	38.652	82.579	--	369	121.600
Money Market Borrowings	--	--	--	--	--
Funds Borrowed from Other Financial Institutions	33.601	366.451	--	--	400.052
Marketable Securities Issued	--	--	--	--	--
Miscellaneous Payables	530	1.557	--	2	2.089
Financial Derivatives held for Hedging (Liabilities)	--	--	--	--	--
Other Liabilities	8.682	2.562	--	31	11.275
<b>Total Liabilities</b>	<b>130.878</b>	<b>507.509</b>	<b>--</b>	<b>403</b>	<b>638.790</b>
<b>Net "Balance Sheet Position"</b>	<b>(2.459)</b>	<b>(68.598)</b>	<b>1</b>	<b>(12)</b>	<b>(71.068)</b>
<b>Net "Off Balance Sheet Position"</b>	<b>(99)</b>	<b>78.392</b>	<b>--</b>	<b>--</b>	<b>78.293</b>
Financial Derivatives (Assets)	3.951	82.416	--	--	86.367
Financial Derivatives (Liabilities)	(4.050)	(4.024)	--	--	(8.074)
Non-Cash Loans	709.281	520.364	--	276.329	1.505.974
<b>Prior Period</b>					
Total Assets	86.297	384.797	3	928	472.025
Total Liabilities	85.819	466.641	--	1.160	553.620
Balance Sheet Position, net	478	(81.844)	3	(232)	(81.595)
Off Balance Sheet Position, net	--	66.251	--	--	66.251
Financial Derivatives (Assets)	--	76.791	--	--	76.791
Financial Derivatives (Liabilities)	--	(10.540)	--	--	(10.540)
Non-cash Loans	579.293	372.662	--	216.608	1.168.563

\* Loan balance includes foreign currency indexed loans amounting to TL 40.197 (31 December 2009: TL 32.322) as of 30 September 2010.

\* As of 30 September 2010, foreign currency amount of TL 480 (31 December 2009: none) is added to prepaid expenses.

**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 30 September 2010 and 31 December 2009 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;

	30 September 2010		31 December 2009	
	Income Statement	Shareholders' Equity (*)	Income Statement	Shareholders' Equity (*)
US Dollar	(256)	(256)	(1.559)	(1.559)
Euro	979	979	48	48
Other Currencies	(1)	(1)	(23)	(23)
<b>Total</b>	<b>722</b>	<b>722</b>	<b>(1.534)</b>	<b>(1.534)</b>

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

Assuming %10 appreciation of TL;

	30 September 2010		31 December 2009	
	Income Statement	Shareholders' Equity (*)	Income Statement	Shareholders' Equity (*)
US Dollar	256	256	1.559	1.559
Euro	(979)	(979)	(48)	(48)
Other Currencies	1	1	23	23
<b>Total</b>	<b>(722)</b>	<b>(722)</b>	<b>1.534</b>	<b>1.534</b>

**IV. Information on interest rate risk****1. 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 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 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.

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

The Board of Directors has determined limits for the amount exposed to market risk/ shareholder's equity, to be maximum 50% (+5% exception) to follow interest rate risk, exchange rate risk and equity price risk.

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

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

The table below shows the effects of changes in interest rates on the financial statements of the Bank. The sensitivity of the income statement is the effect of possible changes in the interest rates on the net interest income of floating rate financial assets and liabilities and the financial assets at fair value through profit or loss. The other variables, especially exchanges rates, are assumed to be fixed in this analysis.

30 September 2010	Profit / Loss		Shareholders' Equity	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Financial assets at fair value through profit loss	(1,149)	1,146	(1,149)	1,146
Investment securities available for sale	--	--	--	--
Financial assets with floating interest rates	22	(22)	22	(22)
Financial liabilities with floating interest rate	--	--	--	--
<b>Total, net</b>	<b>(1,127)</b>	<b>1,124</b>	<b>(1,127)</b>	<b>1,124</b>

31 December 2009	Profit / Loss		Shareholders' Equity	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Financial assets at fair value through profit loss	(392)	389	(392)	389
Investment securities available for sale	--	--	--	--
Financial assets with floating interest rates	132	(134)	132	(134)
Financial liabilities with floating interest rate	--	--	--	--
<b>Total, net</b>	<b>(260)</b>	<b>255</b>	<b>(260)</b>	<b>255</b>

The effect on shareholders' equity also includes the effect of 100 bps increase or decrease in interest rates on the profit/loss of available for sale portfolio.

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

Current Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-Interest Bearing	Total
<b>Assets</b>							
Cash (cash in vault, foreign currencies, cash in transit, cheques purchased) and balances with the Central Bank of Turkey	57.156	--	--	--	--	2.414	59.570
Banks	63.002	--	--	13	--	--	63.015
Financial assets at fair value through Profit or Loss	22.016	58.841	57.756	--	--	--	138.613
Interbank Money Market Placements	--	--	--	--	--	--	--
Financial assets available-for-sale	--	--	--	--	--	977	977
Loans	224.012	135.229	96.845	22.292	--	--	478.378
Investment securities held-to-maturity	4.345	62.248	45.294	16.761	57.354	--	186.002
Other assets (*)	1.144	--	--	--	--	74.130	75.274
<b>Total assets</b>	<b>371.675</b>	<b>256.318</b>	<b>199.895</b>	<b>39.066</b>	<b>57.354</b>	<b>77.521</b>	<b>1.001.829</b>
<b>Liabilities</b>							
Bank deposits	41.586	62.189	--	--	--	--	103.775
Other deposits	19.026	6.399	2.330	12	--	109.824	137.591
Money market borrowings	18.133	--	--	--	--	--	18.133
Miscellaneous payables	--	--	--	--	--	2.123	2.123
Marketable securities issued	--	--	--	--	--	--	--
Funds Borrowed From Other Fin. Ins.	107.589	287.610	4.943	--	--	--	400.142
Other liabilities (**)	2.891	44	224	17	--	336.889	340.065
<b>Total liabilities</b>	<b>189.225</b>	<b>356.242</b>	<b>7.497</b>	<b>29</b>	<b>--</b>	<b>448.836</b>	<b>1.001.829</b>
Long Position in the Balance Sheet	182.450	--	192.398	39.037	57.354	--	471.239
Short Position in the Balance Sheet	--	(99.924)	--	--	--	(371.315)	(471.239)
Long Position in the Off-balance Sheet	57.343	29.024	--	--	--	--	86.367
Short Position in the Off-balance Sheet	(58.269)	(31.029)	--	--	--	--	(89.298)
<b>Total Position</b>	<b>181.524</b>	<b>(101.929)</b>	<b>192.398</b>	<b>39.037</b>	<b>57.354</b>	<b>(371.315)</b>	<b>(2.931)</b>

(\*) Other Assets: The amount of TL 74.130 in the Non-Interest Bearing column is composed of Subsidiaries amounting to TL 35.952, Tangible Assets amounting to TL 21.387, Intangible Assets amounting to TL 1.943, Deferred Tax Assets amounting to TL 2.563, Assets Held for Sale amounting to TL 508, Miscellaneous Receivables amounting to TL 54, and Other Assets amounting to TL 11.725.

(\*\*) Other Liabilities: The amount of TL 336.889 in the Non-Interest Bearing Column is composed of Shareholders' Equity amounting to TL 300.771, Provisions amounting to TL 12.327, Tax, Duty and Premium Payable amounting to TL 3.105 and Other Foreign Resources amounting to TL 20.686.



**ARAP TÜRK BANKASI A.Ş.**Unconsolidated Financial Report as of 30 September 2010  
(Currency: Thousands of Turkish Lira ("TL") unless otherwise stated)*Convenience Translation of Unconsolidated Financial  
Report Originally Issued in Turkish  
See Note on I. in Section Three*

Prior Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Year and Over	Non- Interest Bearing	Total
<b>Assets</b>							
Cash (cash in vault, foreign currencies, cash in transit, cheques purchased) and Balances with the Central Bank of Turkey	44.778	--	--	--	--	1.416	46.194
Banks	49.875	--	--	13	--	--	49.888
Financial assets at fair value through profit or loss	65.837	59.321	83.661	--	--	--	208.819
Inter bank money market placements	--	--	--	--	--	--	--
Investment securities available-for-sale	--	--	--	--	--	1.001	1.001
Loans	149.142	139.056	53.785	7.734	--	--	349.717
Investment securities held-to-maturity	20.777	104.490	60.931	17.547	45.770	--	249.515
Other assets (*)	1.009	--	--	--	--	59.696	60.705
<b>Total assets</b>	<b>331.418</b>	<b>302.867</b>	<b>198.377</b>	<b>25.294</b>	<b>45.770</b>	<b>62.113</b>	<b>965.839</b>
<b>Liabilities</b>							
Bank deposits	86.689	--	--	--	--	--	86.689
Other deposits	20.978	8.358	2.789	21	--	60.298	92.444
Money market borrowings	103.954	--	--	--	--	--	103.954
Miscellaneous payables	--	--	--	--	--	1.248	1.248
Marketable securities issued	--	--	--	--	--	--	--
Funds Borrowed From Other Fin. Ins.	105.646	260.619	15.340	--	--	--	381.605
Other liabilities (**)	378	42	203	248	--	299.028	299.899
<b>Total Liabilities</b>	<b>317.645</b>	<b>269.019</b>	<b>18.332</b>	<b>269</b>	<b>--</b>	<b>360.574</b>	<b>965.839</b>
Balance Sheet Long Position	13.773	33.848	180.045	25.025	45.770	--	298.461
Balance Sheet Short Position	--	--	--	--	--	(298.461)	(298.461)
Off Balance Sheet Long Position	87.252	--	--	--	--	--	87.252
Off Balance Sheet Short Position	(87.409)	--	--	--	--	--	(87.409)
<b>Total Position</b>	<b>13.616</b>	<b>33.848</b>	<b>180.045</b>	<b>25.025</b>	<b>45.770</b>	<b>(298.461)</b>	<b>(157)</b>

(\*) Other Assets: The amount of TL 59.696 in the Non-Interest Bearing column is composed of Subsidiaries amounting to TL 32.753, Tangible Assets amounting to TL 22.085, Intangible Assets amounting to TL 2.084, Tax Assets amounting to TL 1.517, Assets Held for Sale amounting to TL 662, Miscellaneous Receivables amounting to TL 53, and Other Assets amounting to TL 542.

(\*\*) Other Liabilities: The amount of TL 299.028 in the Non-Interest Bearing Column is composed of Shareholders' Equity amounting to TL 282.213, Provisions amounting to TL 9.930, Tax, Duty and Premium Payable amounting to TL 2.337 and Other Foreign Resources amounting to TL 4.548.

## 4. Average interest rates applied to monetary financial instruments: %

	EUR	USD	JPY	TL
<b>Current Period</b>				
<b>Assets</b>				
Cash (cash in vault, effectives, money in transit, cheques purchased) and balances with the Central Bank of Turkey.	--	--	--	5,00
Banks	--	0,25	--	--
Financial assets at fair value through profit or loss	1,48	6,12	--	7,81
Money market placement	--	--	--	--
Financial assets available-for-sale	--	--	--	--
Loans	3,98	4,26	--	8,50
Investment securities held-to-maturity	5,21	5,79	--	7,84
<b>Liabilities</b>				
Interbank deposits	0,76	0,58	--	--
Other deposits	1,04	1,68	--	7,01
Money market borrowings	--	--	--	7,36
Miscellaneous payables	--	--	--	--
Marketable securities issued	--	--	--	--
Funds borrowed from other financial institutions	1,06	0,79	--	8,37

	EUR	USD	JPY	TL
<b>Prior Period</b>				
<b>Assets</b>				
Cash (cash in vault, , effectives, money in transit, cheques purchased) and balances with the Central Bank of Turkey,	--	--	--	5,20
Banks	0,12	--	--	--
Financial Assets at Fair Value Through Profit or Loss	4,15	6,03	--	22,48
Money market placements	--	--	--	--
Financial assets available-for-sale	--	--	--	--
Loans	6,47	5,23	--	8,53
Investment securities held-to-maturity	6,04	6,44	--	8,85
<b>Liabilities</b>				
Interbank deposits	0,49	0,29	--	6,80
Other deposits	1,88	1,76	--	8,44
Money market borrowings	--	--	--	6,71
Miscellaneous payables	--	--	--	--
Marketable securities issued	--	--	--	--
Funds borrowed from other financial institutions	5,07	0,56	--	10,24

**V. Information on Liquidity Risk****1. Source of 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 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.

**2. 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. 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 Bank has not been encountered with liquidity problems and there is no expectation of possible liquidity risk for the future for the Bank.

**3. 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 Bank is also capable of funding itself through domestic money markets and funding resources provided by its main shareholder.

As per the BRSA Communiqué published on the Official Gazette no.26333 dated 1 November 2006 and became effective starting from 1 September 2007, "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 30.09.2010 are as follows:

Current Period	Primary Maturity Split (Weekly)		Secondary Maturity Split (Monthly)	
	FC	FC+TL	FC	FC+TL
Average	195	278	106	183
Highest (%)	278	378	167	249
Lowest (%)	122	160	83	134

**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	Unallocated	Total
<b>Assets</b>								
Cash (cash in vault, effectives, money in transit, cheques purchased) and Central Bank balances	3.184	56.386	--	--	--	--	--	59.570
Due from banks and other financial institutions	4.519	58.483	--	--	13	--	--	63.015
Financial Assets at Fair Value through Profit or Loss	--	22.016	58.841	57.756	--	--	--	138.613
Money Market Placements	--	--	--	--	--	--	--	--
Financial assets available-for-sale	--	--	--	--	--	--	977	977
Loans	--	196.659	117.329	111.436	52.954	--	--	478.378
Investment securities held-to-maturity	--	4.345	34.514	38.167	38.003	70.973	--	186.002
Other assets (*)	--	1.144	-	--	--	-	74.130	75.274
<b>Total Assets</b>	<b>7.703</b>	<b>339.033</b>	<b>210.684</b>	<b>207.359</b>	<b>90.970</b>	<b>70.973</b>	<b>75.107</b>	<b>1.001.829</b>
<b>Liabilities</b>								
Interbank Deposits	41.586	62.189	--	--	--	--	--	103.775
Other Deposits	109.824	19.026	6.399	2.330	12	--	--	137.591
Funds provided from other financial institutions	--	107.589	287.610	4.943	--	-	--	400.142
Money market borrowings	--	18.133	-	--	-	-	--	18.133
Marketable securities issued	--	--	-	--	-	-	--	--
Miscellaneous payables	--	--	-	--	-	-	2.123	2.123
Other liabilities (**)	--	13.540	1.843	224	17	--	324.441	340.065
<b>Total Liabilities</b>	<b>151.410</b>	<b>220.477</b>	<b>295.852</b>	<b>7.497</b>	<b>29</b>	<b>--</b>	<b>326.564</b>	<b>1.001.829</b>
<b>Liquidity Gap</b>	<b>(143.707)</b>	<b>118.556</b>	<b>(85.168)</b>	<b>199.862</b>	<b>90.941</b>	<b>70.973</b>	<b>(251.457)</b>	<b>--</b>
<b>Prior Period</b>								
Total Assets	5.106	293.659	151.657	286.389	108.527	59.804	60.697	965.839
Total Liabilities	98.727	284.940	269.019	18.332	269	--	294.552	965.839
<b>Net Liquidity Gap</b>	<b>(93.621)</b>	<b>8.719</b>	<b>(117.362)</b>	<b>268.057</b>	<b>108.258</b>	<b>59.804</b>	<b>(233.855)</b>	<b>--</b>

(\*) Other assets amounting TL 74.130 at the unallocated part consists of Subsidiaries amounting TL 35.952, Tangible Assets amounting TL 21.387, Intangible Assets amounting TL 1.943, Deferred Tax Asset amounting TL 2.563, Asset Held For Sale amounting TL 508, Miscellaneous Receivables amounting TL 52 and Other Assets amounting to TL 11.725.

(\*\*) Other liabilities amounting TL 324.441 at the unallocated part consists of Shareholders Equity amounting TL 300.771, Provisions amounting TL 12.327 and TL 11.343 Other Liabilities.

## VI. Information on Business Segments:

Informations on operational segments on 30 September 2010 and 31 December 2009 are presented in the table below:

Current Period	Retail Banking	Corporate and Commercial Banking	Treasury	Other	Total Operations
Interest Income	38	16.968	18.522	--	35.528
Unallocated Income/Expenses (Net)	--	--	--	(16.014)	(16.014)
Operating Income	38	16.968	18.522	(16.014)	19.514
Income from Subsidiaries	--	--	--	--	3.199
Income before tax	--	--	--	--	22.713
Tax Provision	--	--	--	--	(4.155)
Net Profit for the year	--	--	--	--	18.558
Current Period	Retail Banking	Corporate and Commercial Banking	Treasury	Other	Total Operations
Segment Assets	290	406.466	462.143	--	868.899
Associates and Subsidiaries	--	--	--	35.952	35.952
Unallocated assets	--	--	--	96.978	96.978
<b>Total Assets</b>	<b>290</b>	<b>406.466</b>	<b>462.143</b>	<b>132.930</b>	<b>1.001.829</b>
Segment Liabilities	26.120	109.806	525.253	--	661.179
Unallocated Liabilities	--	--	--	39.879	39.879
Equity	--	--	--	300.771	300.771
<b>Total Liabilities</b>	<b>26.120</b>	<b>109.806</b>	<b>525.253</b>	<b>340.650</b>	<b>1.001.829</b>

Prior Period	Retail Banking	Corporate and Commercial Banking	Treasury	Other	Total Operations
Interest Income	36	51.210	--	--	51.246
Unallocated Income/Expenses (Net)	--	--	--	(27.212)	(27.212)
Operating Income	36	51.210	--	(27.212)	24.034
Income from Subsidiaries	--	--	--	--	--
Income before tax	--	--	--	--	24.034
Tax Provision	--	--	--	--	(4.977)
Net Profit for the year	--	--	--	--	19.057
Prior Period (*)	Retail Banking	Corporate and Commercial Banking	Treasury	Other	Total Operations
Segment Assets	306	349.411	531.060	--	880.777
Associates and Subsidiaries	--	--	--	32.753	32.753
Unallocated assets	--	--	--	52.309	52.309
<b>Total Assets</b>	<b>306</b>	<b>349.411</b>	<b>531.060</b>	<b>85.062</b>	<b>965.839</b>
Segment Liabilities	18.516	73.928	572.327	--	664.771
Unallocated Liabilities	--	--	--	18.855	18.855
Equity	--	--	--	282.213	282.213
<b>Total Liabilities</b>	<b>18.516</b>	<b>73.928</b>	<b>572.327</b>	<b>301.068</b>	<b>965.839</b>

(\*) Information is related to 31.12.2009 period.

**SECTION FIVE**  
**INFORMATION ON DISCLOSURES AND FOOTNOTES OF**  
**UNCONSOLIDATED FINANCIAL STATEMENTS**

**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	514	1.900	320	1.096
Central Bank of Turkey	779	56.377	917	43.861
Other	--	--	--	--
<b>Total</b>	<b>1.293</b>	<b>58.277</b>	<b>1.237</b>	<b>44.957</b>

**Information related to the account of Central Bank of Turkey:**

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted Demand Deposits	779	--	917	--
Unrestricted Time Deposits	--	16.987	--	14.739
Restricted Time Deposits	--	--	--	--
Reserve Deposits	--	39.390	--	29.122
<b>Total</b>	<b>779</b>	<b>56.377</b>	<b>917</b>	<b>43.861</b>

**Information on Reserve Deposits:**

The banks operating in Turkey keep reserve deposits for Turkish currency and foreign currency liabilities in TL and USD or EUR at the rates of 5% and 10%, respectively as per the Communiqué no.2005/1 "Reserve Deposits" of the Central Bank of Turkey. As of 30 September 2010 the interest rate applied for reserve requirements by the Central Bank of Turkey is 5% for TL deposits.

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

a) Among financial assets at fair value through profit or loss as of 30 September 2010; marketable securities subjected to repurchase transactions is amounted TL 18.663. (31 December 2009: TL 112.903), and there is no amount provided as collateral /blocked. (31 December 2009: TL 72.212)

**b) Positive differences on derivative financial assets held for trading:**

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	--	--	--	--
Swap Transactions	--	--	184	--
Futures	--	--	--	--
Options	--	--	--	--
Diğer	--	--	--	--
<b>Total</b>	<b>--</b>	<b>--</b>	<b>184</b>	<b>--</b>

## 3. a) Information on banks and other financial institutions:

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
Domestic banks	63	58.498	64	47.111
Foreign banks	--	4.454	--	2.713
Foreign head offices and branches	--	--	--	--
<b>Total</b>	<b>63</b>	<b>62.952</b>	<b>64</b>	<b>49.824</b>

## 4. Information on available for sale financial assets:

## 4.1 Major types of available for sale financial assets

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

## 4.2 Information on available for sale financial assets

	Current period	Prior period
<b>Debt Securities</b>	--	--
Quoted in stock exchange	--	--
Not quoted in stock exchange	--	--
<b>Share Certificates</b>	<b>977</b>	<b>1.001</b>
Quoted in stock Exchange	--	--
Not quoted in stock Exchange	977	1.001
<b>Impairment provision (-)</b>	<b>--</b>	<b>--</b>
<b>Total</b>	<b>977</b>	<b>1.001</b>

## 5. Information on Loans:

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

	Current period		Prior period	
	Cash	Non- Cash	Cash	Non- Cash
<b>Direct Loans Granted to Shareholders</b>	--	34.655	--	13.238
Corporate Shareholders	--	34.655	--	13.238
Individual Shareholders	--	--	--	--
<b>Indirect Loans Granted to Shareholders</b>	--	--	--	--
<b>Loans Granted to the Bank's personnel</b>	<b>268</b>	<b>7</b>	<b>296</b>	<b>7</b>
<b>Total</b>	<b>268</b>	<b>34.662</b>	<b>296</b>	<b>13.245</b>

## 5.2 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	Restructured or Rescheduled	Loans and Other Receivables	Restructured or Rescheduled
<b>Cash Loans</b>				
<b>Non-specialized loans</b>	477.749	--	--	629
Discount Notes	489	--	--	--
Export loans	93.746	--	--	--
Import loans	--	--	--	--
Loans given to financial sector	194.664	--	--	--
International loans	51.707	--	--	581
Consumer loans	290	--	--	--
Credit cards	--	--	--	--
Precious metals loans	--	--	--	--
Other	136.853	--	--	48
<b>Specialized loans</b>	--	--	--	--
<b>Other receivables</b>	--	--	--	--
<b>Total</b>	<b>477.749</b>	<b>--</b>	<b>--</b>	<b>629</b>



## 5.3 Information on Consumer Loans, Credit Cards and Loans given to employees:

	Short Term	Medium and Long Term	Total
<b>Consumer Loans-TL</b>	15	7	22
Real estate loans	--	--	--
Automotive loans	--	--	--
Consumer loans	--	--	--
Other	15	7	22
<b>Consumer Loans-Indexed to FC</b>	--	--	--
Real estate loans	--	--	--
Automotive loans	--	--	--
Consumer loans	--	--	--
Other	--	--	--
<b>Consumer Loans-Indexed to FC</b>	--	--	--
Real estate loans	--	--	--
Automotive loans	--	--	--
Consumer loans	--	--	--
Other	--	--	--
<b>Individual Credit Cards-TL</b>	--	--	--
Installment	--	--	--
Non-Installment	--	--	--
<b>Individual Credit Cards-FC</b>	--	--	--
Installment	--	--	--
Non-Installment	--	--	--
<b>Personnel Loans- TL</b>	--	268	268
Real estate loans	--	--	--
Automotive loans	--	--	--
Consumer loans	--	--	--
Other	--	268	268
<b>Personnel Loans- Indexed to FC</b>	--	--	--
Real estate loans	--	--	--
Automotive loans	--	--	--
Consumer loans	--	--	--
Other	--	--	--
<b>Personnel Loans-FC</b>	--	--	--
Real estate loans	--	--	--
Automotive loans	--	--	--
Consumer loans	--	--	--
Other	--	--	--
<b>Personnel Credit Cards-TL</b>	--	--	--
Installment	--	--	--
Non-Installment	--	--	--
<b>Personnel Credit Cards-FC</b>	--	--	--
Installment	--	--	--
Non-Installment	--	--	--
<b>Deposits with Credit Limit-TL (Individual)</b>	--	--	--
<b>Deposits with Credit Limit-FC (Individual)</b>	--	--	--
<b>Total</b>	15	275	290

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

None.

**5.5 Allocation of domestic and foreign loans**

	Current Period	Prior Period
Domestic loans	426.090	319.083
Foreign loans	52.288	30.634
<b>Total</b>	<b>478.378</b>	<b>349.717</b>

**5.6 Loans granted to subsidiaries and associates**

In the current period there are no loans granted to subsidiaries and investments.

**5.7 Specific provisions for loans**

Specific provisions	Current Period	Prior Period
Loans and receivables with limited collectibles	--	--
Loans and receivables with doubtful collectibles	--	--
Uncollectible loans and receivables	5.892	5.891
<b>Total</b>	<b>5.892</b>	<b>5.891</b>

**5.8 Information on non-performing loans (Net)****5.8.1 Information related to 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
Current Period: 30.09.2010			
(Gross Amounts before Specific Provisions)	--	--	2.030
Restructured Loans and Other Receivables	--	--	2.030
Redemptions and Other Receivables	--	--	--
Previous Period: 31.12.2009			
(Gross Amounts before Specific Provisions)	--	--	2.029
Restructured Loans and Other Receivables	--	--	2.029
Redemptions and Other Receivables	--	--	--

Specific provision for the Redemptions and Restructured Loans amounting to TL 2.030 under the non-performing loans account has been fully provided.

## 5.8.2 Information on movement of total non-performing loans

	III. Group	IV. Group	V. Group
	Loans and receivables with limited collectibles	Loans and receivables with doubtful collectibles	Uncollectible loans and receivables
<b>Balances at Beginning of Period</b>	--	--	5.891
Additions (+)	--	--	1
Transfers from other categories of non performing loans (+)	--	--	--
Transfers to other categories of non performing loans (-)	--	--	--
Collections (-)	--	--	--
Write-offs (-)	--	--	--
Institutional and commercial credits	--	--	--
Individual credits	--	--	--
Credit cards	--	--	--
Others	--	--	--
<b>Balances at End of the Period</b>	--	--	5.892
Specific provisions (-)	--	--	5.892
<b>Net Balance on Balance Sheet</b>	--	--	--

## 5.8.3 Information on foreign currency non-performing loans

There are non-performing loan receivables in foreign currency amounting TL 2.030 which is followed in TL accounts.

*5.8.4 Main points of liquidation policy for uncollectible loans and receivables*

Uncollectible loans and other receivables are managed to be collected through the legal follow up and converting collaterals into cash.

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

	III. Group: Loans and receivables with limited collectibility	IV. Group: Loans and receivables with doubtful	V. Group Non-performing loans and receivables
<b>Current Period (Net)</b>	--	--	--
Loans granted to real persons and legal entities (Gross)	--	--	5.792
Specific provisions (-)	--	--	5.792
Loans granted to real persons and legal entities (Net)	--	--	--
Banks (Gross)*	--	--	100
Specific provisions (-)	--	--	100
Banks (Net)	--	--	--
Other Loans and receivables (Gross)	--	--	--
Specific provisions (-)	--	--	--
Other Loans and receivables (Net)	--	--	--
<b>Prior Period (Net)</b>	--	--	--
Loans granted to real persons and legal entities (Gross)	--	--	5.791
Specific provisions (-)	--	--	5.791
Loans granted to real persons and legal entities (Net)	--	--	--
Banks (Gross) *	--	--	100
Specific provisions (-)	--	--	100
Banks (Net)	--	--	--
Other Loans and receivables (Gross)	--	--	--
Specific provisions (-)	--	--	--
Other Loans and receivables (Net)	--	--	--

\* Foreign bank

*5.8.5 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 guarantees to cash.

*5.8.6 Information on deleting in assets 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, deleting in asset procedure is implemented. This deleting 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.

**6. Information on held to maturity financial assets:**

**6.1** As of 30 September 2010, the Bank does not have any marketable securities subjected to repurchase transactions. As of 30 September 2010, TL 12.727 amounted security is held on collateral/blocked for guarantee. (At 31 December 2009: TL 14.634)

6.2 **Information on government held to maturity financial assets**

	Current Period	Prior Period
Government bonds	66.563	79.730
Treasury Bonds	2.057	30.185
Other Public Bonds	67.575	72.054
<b>Toplam</b>	<b>136.195</b>	<b>181.969</b>

6.3 **Information of investments held to maturity**

	Current Period	Prior Period
<b>Debt Instruments</b>	<b>187.002</b>	<b>254.464</b>
Quoted at stock exchange	68.620	110.401
Not-quoted at stock exchange	118.382	144.063
Impairment loss provision (-)	(1.000)	(4.949)
<b>Total</b>	<b>186.002</b>	<b>249.515</b>

6.4 **Movement of investments held-to-maturity**

	Current Period	Prior Period
Balances at the Beginning of the Period	249.515	152.779
Foreign Currency Gains / Losses on Monetary assets	1.323	1.484
Purchases during the Period	114.129	129.785
Disposals through sales and redemptions (*)	(178.224)	(32.670)
Impairment loss provision (**)	(741)	(1.863)
<b>Period end balance</b>	<b>186.002</b>	<b>249.515</b>

(\*) In the current period amounting to TL 178.224 redemption has been realized. In the prior period redemption amounting to TL 32.670 has been realized from the portfolio.

(\*\*) Represents provisions allocated for impairment in the current year.

7. **Information on Associates**

The Bank does not have an associate.

8. **Information on subsidiaries (Net):**

8.1 **Information on subsidiaries**

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

Information on financial statements of the subsidiaries:

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income from marketable securities portfolio	Current Period Profit / Loss	Prior Period Profit / Loss	Fair value (*)
1	86.842	42.857	106	5.671	-	1.887	2.920	35.952

(\*) As fair value; the amounts that are reflected on the unconsolidated financial statements that is calculated by the deduction of impairment (if any) from the cost.

**8.2 Movement related to subsidiaries:**

	Current Period	Prior Period
Balance at the Beginning of the Period	32.753	27.954
Movements during the Period	3.199	4.799
Purchases	--	--
Bonus Shares Received	3.199	4.799
Dividends from Current Year Profit	--	--
Sales	--	--
Revaluation Increase, Effect of Inflation and F/X Difference	--	--
Impairment Provision (+)	--	--
Balance at the End of the Period	35.952	32.753
Capital Commitments	--	--
Share Percentage at the end of Period (%)	99,98	99,98

**8.2.1 Valuation methods of investments in subsidiaries**

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

**8.2.2 Sectoral Information on the subsidiaries and amounts related to these**

Subsidiaries	Current Period	Prior Period
Banks	--	--
Insurance Companies	--	--
Factoring Companies	--	--
Leasing Companies	35.952	32.753
Finance Companies	--	--
Other Affiliates	--	--

**8.2.3 Quoted Subsidiaries**

The Bank does not have a subsidiary that is quoted.

**8.2.4 Subsidiaries sold in the current year**

None.

**8.2.5 Subsidiaries acquired in the current year**

None.

**9. Information on jointly ventures:**

The Bank does not have joint ventures.

**10. Information on Financial Lease Receivables (Net):**

The Bank does not have any financial lease receivables.

**11. Information on financial derivatives for hedging:**

The Bank does not have any financial derivatives for hedging.

**12. Information on investment property :**

The bank does not have any investment property.

**13. Information on tax assets:**

As of 30 September 2010, there is no tax receivable under current tax asset after the deduction of tax liability.

The Group has calculated TL 2.618 deferred tax asset and TL 55 deferred tax liability over taxable temporary differences as of 30 September 2010 (31 December 2009: TL 1.747 deferred tax asset and TL 230 deferred tax liability).

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

	30 September 2010		31 December 2009	
	Accumulated temporary differences	Deferred tax asset/ (liability)	Accumulated temporary differences	Deferred tax asset/ (liability)
Provisions for employee rights	4.244	849	3.957	791
Interest accruals	3.181	636	3.150	630
Unearned Income	2.503	501	1.311	262
Derivatives held for trading	2.616	523	--	--
Other	548	110	320	64
<b>Deferred tax asset</b>	<b>13,092</b>	<b>2,618</b>	<b>8.737</b>	<b>1.747</b>
Depreciation difference for tangible and intangible assets	215	43	955	191
Derivatives held for trading	-	-	105	21
Other	62	12	92	18
<b>Deferred tax liability</b>	<b>277</b>	<b>55</b>	<b>1.152</b>	<b>230</b>
<b>Deferred tax asset / (liability), net</b>	<b>12.815</b>	<b>2.563</b>	<b>7.585</b>	<b>1.517</b>

**14. Information about fixed assets held for sale:**

	Current Period 30 September 2010	Prior Period 31 December 2009
Cost	791	1.118
Provision Amount (-)	(38)	
Accumulated Depreciation (-)	(91)	(57)
<b>Net Book Value</b>	<b>662</b>	<b>1.061</b>
Opening Balance	662	1.061
Additions	--	--
Disposals (-).net	(131)	(327)
Provision Expenses (-)	(9)	(38)
Depreciation Expenses (-)	(14)	(34)
<b>Closing Net Book Value</b>	<b>508</b>	<b>662</b>

**15. Information on other assets:**

As of 30 September 2010 other assets is amounting to TL 12.921 (31 December 2009: TL 1.604) and does not exceed 10% of total assets of balance sheet except off balance sheet commitments.

## II. INFORMATION AND DISCLOSURES RELATED TO LIABILITIES

## 1. Information on maturity profile of deposits:

	Demand	7 Days Notice	Up to 1 Months	1-3 Months	3-6 Months	6Months- 1 Year	1 Year and over	Accumulating Deposit Accounts	Total
Saving Deposits	1.031	--	1.020	4.533	260	20	126	--	6.990
Foreign Currency Deposits	105.375	--	362	9.551	3.958	835	1.516	--	121.597
Residents in Turkey	78.622	--	362	3.208	2.509	162	115	--	84.978
Residents Abroad	26.753	--	--	6.343	1.449	673	1.401	--	36.619
Public Sector Deposits	--	--	--	--	--	--	--	--	--
Commercial Deposits	1.005	--	5.416	91	79	--	--	--	6.591
Other Ins. Deposits	2.413	--	--	--	--	--	--	--	2.413
Precious Metal Deposits	--	--	--	--	--	--	--	--	--
Bank Deposits	41.586	--	62.189	--	--	--	--	--	103.775
Central Bank	--	--	--	--	--	--	--	--	--
Domestic Banks	1.800	--	19.048	--	--	--	--	--	20.848
Foreign Banks	39.786	--	43.141	--	--	--	--	--	82.927
Special Financial Inst.	--	--	--	--	--	--	--	--	--
Other	--	--	--	--	--	--	--	--	--
<b>Total</b>	<b>151.410</b>	<b>--</b>	<b>68.987</b>	<b>14.175</b>	<b>4.297</b>	<b>855</b>	<b>1.642</b>	<b>--</b>	<b>241.366</b>



## Prior Period

	Demand	7 Days Notice	Up to 1 month	1-3 Months	3-6 Months	6 Month- 1 Year	1 Year and Over	Accumulating Deposit Accounts	Total
Saving Deposits	536	--	518	3.730	182	19	119	--	5.104
Foreign Currency Deposits	54.988	--	2.528	18.859	3.676	877	1.529	--	82.457
Residents in Turkey	24.483	--	2.528	11.958	2.160	168	148	--	41.445
Residents Abroad	30.505	--	--	6.901	1.516	709	1.381	--	41.012
Public Sector Deposits	--	--	--	--	--	--	--	--	--
Commercial Deposits	1.228	--	9	--	100	--	--	--	1.337
Other Ins. Deposits	3.546	--	--	--	--	--	--	--	3.546
Precious Metal Deposits	--	--	--	--	--	--	--	--	--
Bank Deposits	38.429	--	48.260	--	--	--	--	--	86.689
Central Bank	--	--	--	--	--	--	--	--	--
Domestic Banks	--	--	48.260	--	--	--	--	--	48.260
Foreign Banks	38.429	--	--	--	--	--	--	--	38.429
Special Financial Institutions	--	--	--	--	--	--	--	--	--
Other	--	--	--	--	--	--	--	--	--
<b>Total</b>	<b>98.727</b>	<b>--</b>	<b>51.315</b>	<b>22.589</b>	<b>3.958</b>	<b>896</b>	<b>1.648</b>	<b>--</b>	<b>179.133</b>

## 1.1 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	3.679	2.889	3.311	2.215
Foreign Currency Saving Deposits	8.507	8.590	10.608	12.359
Other Saving Deposits	--	--	--	--
Foreign Branches' Deposits Under Foreign Insurance Coverage	--	--	--	--
Off-Shore Deposits Under Foreign Insurance Coverage	--	--	--	--
<b>Total</b>	<b>12.186</b>	<b>11.479</b>	<b>13.919</b>	<b>14.574</b>

**1.2 Saving deposits not covered by deposit insurance**1.2.1 *The Bank does not have off-shore and foreign branches.*1.2.2 *The Bank does not have special current and participation deposits of individuals that are not covered under the guarantee of deposit insurance fund.**Amounts not covered by insurance:**Saving deposits not covered by insurance limits:*

	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	769	451
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	--	--

**2. Information on financial derivatives through profit or loss:**

Financial Derivatives through profit or loss	Current Period		Prior Period	
	TL	FC	TL	FC
Forward transactions	--	--	--	--
Swap transactions	2.616	--	--	--
Futures transactions	--	--	--	--
Options	--	--	--	--
Other	--	--	79	--
<b>Total</b>	<b>2.616</b>	<b>--</b>	<b>79</b>	<b>--</b>

**3. Information on Funds Borrowed:****3.1 Information on banks and other financial institutions:**

	Current Period		Prior Period	
	TL	FC	TL	FC
Borrowing from Central Bank	--	--	--	--
From Domestic Banks and Institutions	90	363	329	162
From Foreign Banks, Institutions and Funds	--	399.689	--	381.114
<b>Total</b>	<b>90</b>	<b>400.052</b>	<b>329</b>	<b>381.276</b>

**3.2 Presentation of funds borrowed based on maturity profile:**

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	51	395.564	329	376.759
Long-Term	39	4.488	--	4.517
<b>Total</b>	<b>90</b>	<b>400.052</b>	<b>329</b>	<b>381.276</b>

**4. Information on other foreign resources:**

The other external resources is amounting to TL 20.938 (31 December 2009: TL 4.827); 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 Bank as a result of the lease agreements.

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

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

**7. Information on provisions:****7.1 Information on general provisions**

	Current Period	Prior Period
Provisions for Loans and Receivables in Group I	4.582	3.166
Provisions for Loans and Receivables in Group II	9	28
Provisions for Non-Cash Loans	2.826	2.233
Other	--	--
<b>Total</b>	<b>7.417</b>	<b>5.427</b>

**7.2 Provisions for currency exchange gain/loss on foreign currency indexed loans:**

	Current Period	Prior Period
Foreign Exchange Provisions for Foreign Currency Indexed Loans(*)	1.524	1.103

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

**7.3 Information on other provisions**

The Bank has allocated a provision amounting to TL 249 (31 December 2009: TL 116) for the on-going law suits as at balance sheet date and TL 417 (31 December 2009: TL 430) for the non-cash loans.

**8. Information on tax payables:****8.1 Information on corporate tax liability:**

As of 30 September 2010, corporate tax payable after deducting the prepaid tax is TL 2.163 (31 December 2009: TL 1.361).

**8.1.1 Information on tax payables**

	Current Period	Prior Period
Corporate Tax	2.163	1.361
Banking Insurance Transaction Tax (BITT)	117	127
Taxation of Securities	13	19
Value added taxes payable	8	107
Corporate tax payable-limited	1	30
Foreign Exchange Legislation Tax	--	--
Property tax	6	9
Other	439	391
<b>Total</b>	<b>2.747</b>	<b>2.044</b>

**8.1.2 Information on premiums**

	Current Period	Prior Period
Social Security Premiums- Employee	136	111
Social Security Premiums- Employer	193	158
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	10	8
Unemployment Insurance- Employer share	19	16
Other	--	--
<b>Total</b>	<b>358</b>	<b>293</b>

**8.2 Information on deferred tax liability:**

The net value 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 2.563. Detailed information on net deferred tax is presented in footnote I-13 in Section Five.

**9. Information on Shareholder's Equity:****9.1 Presentation of Paid-in Capital:**

	Current Period	Prior Period
Common Stock	240.000	240.000
Preferred Stock	--	--

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

Registered share capital system is not implemented in the Bank.

**9.3 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.

**9.4 Information on share capital increases from capital reserves**

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

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

The Bank does not have any capital commitments in the current year.

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

None.

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

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 favorable 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 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.

**9.8 Information on marketable securities value increase fund:**

The Bank does not have marketable securities value increase fund.

**9.9 Information on legal reserves :**

In the current period, amount of TL 1.250 have been transferred to legal reserves from profits of previous years. (31 December 2009: None)

**III. INFORMATION AND DISCLOSURES RELATED TO OFF-BALANCE SHEETS****1. Information on contingent liabilities in the off-balance sheets:****1.1 Type and amount of irrevocable commitments**

The Bank has TL 23.146 (31 December 2009: TL 57.747) as irrevocable commitments.

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

As of 30 September 2010, the Bank has allocated the provision amounting TL 417 over total non-cash loans (31 December 2009: TL 430).

**1.2.1 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 353.048 (31 December 2009: TL 303.591).

**1.2.2 Final guarantees, temporary guarantees, commitments and similar transactions**

The total amount of the Bank's guarantee letters is TL 1.154.127 (31 December 2009: TL 866.363).

**2. Total amount of Non-cash loans:**

	Current Period	Prior Period
Non-Cash Loans granted for Cash Loan Assurance	7.256	11.744
Less Than or Equal to One Year with Original Maturity	--	--
More Than One Year with Original Maturity	7.256	11.744
Other Non-Cash Loans	1.499.919	1.158.210
<b>Total</b>	<b>1.507.175</b>	<b>1.169.954</b>

**3. Other Events:**

The accounts "Commitments for reserve deposit requirements" Turkish Lira and Foreign Currency which are followed in the off balance sheet are deducted from Uniform Chart of Accounts. This deduction is made in accordance with "Communiqué Amending the Communiqué on Uniform Chart of Accounts and Definitions" announced in the Official Gazette numbered 27429 dated 11 December 2009. According to this Communiqué, Banks shall be in conformity with the provisions of the communiqué until 30.06.2010. In this context, in the current period related accounts usage are terminated and previous period amounts in the off balance sheet are regulated with the aim to make them comparable.

## IV. INFORMATION AND FOOTNOTES RELATED TO STATEMENT OF INCOME

## 1. Information on interest income:

## 1.1 Information on interest income received from loans

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest Received from Loans*				
Short- Term Loans	9.736	2.769	12.038	5.216
Medium and Long- Term Loans	1.381	4.241	1.075	2.238
Interest Received From Non Performing Loans	--	--	19	--
Premiums Received From Resource Utilization Support Fund	--	--	--	--
<b>Total</b>	<b>11.117</b>	<b>7.010</b>	<b>13.132</b>	<b>7.454</b>

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

## 1.2 Information on interest income received from banks

	Current Period		Prior Period	
	TL	FC	TL	FC
From Central Bank	--	--	--	--
From Domestic Banks	424	18	18	14
From Foreign Banks	40	34	--	173
From Foreign Headquarter and Branches	--	--	--	--
<b>Total</b>	<b>464</b>	<b>52</b>	<b>18</b>	<b>187</b>

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

None.

## 2. Interest Expense:

## 2.1 Information on interest paid for funds borrowed

	Current Period		Prior Period	
	TL	FC	TL	FC
<b>Banks</b>	<b>15</b>	<b>1.976</b>	<b>122</b>	<b>3.226</b>
Central Bank	--	--	--	--
Domestic Banks	15	18	122	4
Foreign Banks	--	1.958	--	3.222
Foreign Headquarter and Branches	--	--	--	--
Other Institutions	--	--	--	--
<b>Total</b>	<b>15</b>	<b>1.976</b>	<b>122</b>	<b>3.226</b>

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

	Current Period	Prior Period
Interest Paid to Affiliates and subsidiaries	96	126

## 3. Information on trading income/expense:

	Current Period	Prior Period
<b>Gain</b>	<b>276.848</b>	<b>445.232</b>
Gain from money market transactions	26	269
Gain from financial derivative transactions	10.646	16.873
Gain from exchange transactions	266.176	428.090
<b>Loss (-)</b>	<b>278.045</b>	<b>(455.093)</b>
Loss from money market transactions	1	--
Loss from financial derivative transactions	12.557	(18.856)
Loss from exchange transactions	265.487	(436.237)
<b>Net Trading Gain/Loss</b>	<b>(1.197)</b>	<b>(9.861)</b>

## 4. Information on income from other operations:

There is no extraordinary income from other operations.

## 5. Information on impairment in loans and other receivables:

	Current Period	Prior Period
Specific Provisions on Loans and Other Receivables	2	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>	2	1
<i>Doubtful Receivables</i>	--	--
General Provision Expenses	1.990	978
Provision for Possible Losses	--	--
Foreign Exchange Losses on Foreign Currency Indexed Loans	--	--
Impairment Losses on Securities	362	388
<i>Financial Assets through Profit or Loss</i>	362	388
<i>Investment Securities Available-for-Sale</i>	--	--
Other Impairment Losses	741	2.266
<i>Associates</i>	--	--
<i>Subsidiaries</i>	--	--
<i>Joint Ventures</i>	--	--
<i>Investment Securities Held-to-Maturity</i>	741	2.266
Other	164	--
<b>Total</b>	<b>3.259</b>	<b>3.633</b>



**6. Information on other operating expense:**

	Current Period	Prior Period
Personnel Expenses	19.326	13.121
Employee Termination Benefits Expense	703	691
Tangible Fixed Asset Impairment Expense	--	--
Amortization Expenses of Tangible Assets	1.319	796
Intangible Fixed Asset Impairment Expense	--	--
Goodwill Impairment Expense	--	--
Amortization Expenses of Intangible Assets	368	135
Shareholders Equity Procedure Applied Equity Interest Impairment Expense	--	--
Disposable Fixed Asset Impairment Expense	--	--
Amortization Expense of Assets Held for Resale	14	29
Impairment Expense related to Fixed Assets held for sale and discontinued operations	--	--
Other Operating Expenses	4.492	4.282
<i>Operating Lease Expenses</i>	549	372
<i>Maintenance Expenses</i>	170	144
<i>Advertisement Expenses</i>	664	1.272
<i>Other Expenses</i>	3.109	2.494
Losses from sales of Assets	--	--
Other	2.169	1.420
<b>Total</b>	<b>28.390</b>	<b>20.474</b>

**7. Information on profit/loss before taxes including profit/loss from discontinued operations**

The profit before tax amount from continued operations is TL 22.713 (30 September 2009: TL 24.034 profit).

**8. Information on tax provision related to continued operations and discontinued operations****8.1 Current period taxation benefit or charge and deferred tax benefit or charge:**

For the year ended 30 September 2010, taxation charge is 5.201 TL (30 September 2009: TL 1.517) and deferred tax income is TL 1.046 (30 September 2009: TL 3.460 as deferred tax expense).

**8.2 Deferred tax charge arising from origination or reversal of temporary differences**

The Bank has TL 1.046 as deferred tax income arising from origination of temporary differences (30 September 2009: TL 3.460 deferred tax expense).

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

The Bank has TL 1.046 as deferred tax income represented in the income statement computed over temporary difference and tax deductions and exemptions (30 September 2009: TL 3.460 deferred tax expense).

**9. 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 18.558 (30 September 2009: TL 19.057 profit).

**10. Information on net profit or loss of the period****10.1 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 period performance:**

None.

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

There is not any change in accounting estimation related to financial statements.

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

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

**V. INFORMATION AND DISCLOSURES RELATED TO STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

It is not included to interim financial table disclosures.

**VI. INFORMATION AND FOOTNOTES RELATED TO CASH FLOW STATEMENT**

It is not included to interim financial table disclosures.

## VII. INFORMATION ON THE BANK'S RISK GROUP

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

## 1.1 Information on the loans of the Bank'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
<b>Loans and Other Receivables</b>						
Balance at the beginning of the period	--	505	--	13.238	3.287	70.797
Balance at the end of the period	--	505	--	34.655	3.576	113.441
<b>Interest and Commission Income received</b>	--	2	--	--	14	--

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

Loans given to the Bank'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
<b>Loans and Other Receivables</b>						
Balance at the beginning of the period	--	505	52	15.582	9.284	97.967
Balance at the end of the period	--	505	--	13.238	3.287	70.797
<b>Interest and Commission Income received</b>	--	2	--	--	--	--

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

## 1.2 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
<b>Deposits</b>						
Balance at the beginning of the period	215	186	33.789	2.049	10.544	17.733
Balance at the end of the period	102	215	81	33.789	5.289	10.544
Interest expense on deposits	--	--	20	59	29	66

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

**1.3. Information on forward transactions, options and other contracts related to Bank's risk group:**

Bank's Risk Group (*)	Associates and related parties		Bank's Direct and Indirect Associates		Individuals and Corporations included in the Bank's risk group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
	Transactions with fair value difference reflected on profit/ loss statement					
Period-opening	--	--	--	--	--	--
Period-end	--	--	--	--	--	--
Total profit/loss	--	--	--	173	--	--
Hedging purpose transactions						
Period-opening	--	--	--	--	--	--
Period-end	--	--	--	--	--	--
Total profit/loss	--	--	--	--	--	--

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

**1.4. Information on benefits provided for top level management:**

For the period ended 30 September 2010, TL 1.472 (30 September 2009: TL 1.347) has been paid to the top level management of the Bank as a fringe benefit.

**SECTION SIX  
OTHER DISCLOSURES AND FOOTNOTES**

**I. OTHER INFORMATION ON BANK'S OPERATIONS**

None.

**II. INFORMATION ON EVENTS AFTER THE BALANCE SHEET DATE**

According to the Official Gazette numbered 27708 dated 23 September 2010 reserve deposit requirement rates for Turkish Lira and Foreign Currency rates are has been increased from 5% to 5.5% for Turkish Lira and from 10% to 11% for foreign currencies and interest on TL reserve deposit has been decreased to 0%. This new regulation will be valid as of 1 October 2010.

**SECTION SEVEN  
INDEPENDENT AUDITOR'S REVIEW REPORT**

**I. INFORMATION ON INDEPENDENT AUDITOR'S REVIEW REPORT**

The unconsolidated financial statements as of and for the interim period ended 30 September 2010 has been reviewed by Akis Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş (the Turkish member firm of KPMG International Cooperative, a Swiss entity) and the independent auditor's review report dated 22 October 2010 is presented in the introduction of this report.

**II. INFORMATION AND FOOTNOTES PREPARED BY INDEPENDENT AUDITOR**

None.