

ARAP TÜRK BANKASI A.Ş.
and
Its Subsidiary
Consolidated Financial Statements
As of and For the Year Ended
31 December 2008

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

With Independent Auditors' Report Thereon

Akis Bağımsız Denetim ve Serbest
Muhasebeci Mali Müşavirlik Anonim Şirketi
30 January 2009

*This report contains 1 page of independent auditors'
report and 77 pages of financial statements including
footnotes.*

- I. Independent Auditors' Report
- II. Publicly Announced Consolidated Financial Report

INDEPENDENT AUDITORS' REPORT

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

We have audited the consolidated balance sheet of Arap Türk Bankası A.Ş. ("the Bank") and its subsidiary ("the Group") as of 31 December 2008 and the related consolidated statement of income, consolidated changes in shareholders' equity and consolidated cash flow for the year then ended together with the summary of significant accounting policies and other explanatory notes to the financial statements.

Disclosure for the responsibility of the Bank's Board of Directors:

The Bank's Board of Directors is responsible for establishment of internal control systems relevant to the preparation and presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies in accordance with the Regulation on Accounting Applications for Banks and Safeguarding of Documents published on the Official Gazette no.26333 dated 1 November 2006, Turkish Accounting Standards, Turkish Financial Reporting Standards and the statements and guidance issued by the Banking Regulation and Supervision Agency (BRSA) on accounting and financial reporting principles.

Disclosure for the Responsibility of the Authorized Audit Firm:

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the "Regulation on the Assignment and Activities of the Banks' Independent Audit Firms" published on the Official Gazette no.26333 dated 1 November 2006 and international standards on auditing. We planned and conducted our audit to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement. Our audit includes using the audit techniques for the purpose of obtaining evidence supporting the amounts and disclosures in the consolidated financial statements. The selection of the audit techniques made in accordance with our professional judgment by taking the effectiveness of the controls over financial reporting into and assessing the appropriateness of the applied accounting policies. It has been obtained the reasonable and appropriate audit evidence which is basis for independent auditors' opinion explained below.

Independent Auditors' Opinion:

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Arap Türk Bankası AŞ and its subsidiary as of 31 December 2008 and the result of its operations and cash flows for the year then ended in accordance with the accounting principles and standards as per the existing regulations described in Article 37 and 38 of (Turkish) Banking Law No 5411 and the statements and guidance published by the BRSA on accounting and financial reporting principles.

İstanbul,
30 January 2009

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 consolidated 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.

ARAPTÜRK BANKASI A.Ş
CONSOLIDATED FINANCIAL REPORT AS OF 31 DECEMBER 2007

Address of the Bank's Headquarters
Valikonağı Caddesi No:10
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The consolidated financial report as of and for the year ended 31 December 2007 prepared in accordance with the communiqué of “Financial Statements and Related Disclosures and Footnotes to be Announced to Public” by Banks as regulated by Banking Regulation and Supervision Agency, is comprised of the following sections:

- **Section One** GENERAL INFORMATION ABOUT THE PARENT BANK
- **Section Two** CONSOLIDATED FINANCIAL STATEMENTS OF THE PARENT BANK
- **Section Three** EXPLANATIONS ON ACCOUNTING POLICIES APPLIED IN THE RELATED PERIOD
- **Section Four** INFORMATION RELATED TO FINANCIAL POSITION OF THE CONSOLIDATED GROUP
- **Section Five** DISCLOSURES AND FOOTNOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS
- **Section Six** OTHER DISCLOSURES AND FOOTNOTES
- **Section Seven** INDEPENDENT AUDITOR'S REPORT

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

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

The consolidated financial statements and related disclosures and footnotes that were subject to independent audit, are prepared in accordance with the "Regulation on Accounting 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 consolidated financial statements are presented in New Turkish Lira (YTL) thousands as of 31 December 2008 and independently audited and enclosed.

30 January 2009

A. Aykut Demiray Chairman of The Board of Directors and Head of The Audit Committee	Ömer Çelebi Member of The Board of Directors and Audit Committee	Fekri A.A. Sinan Member of The Board of Directors and Audit Committee	Sadek K.S. Abu Hallala General Manager	Salih Hatipoğlu Assistant General Manager Responsible for Financial Reporting	Feyzullah Küpeli Manager
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Notes to the Consolidated Financial Statements as of and for the period ended 31 December 2008
(Currency: Thousands of Turkish Lira (“TL”) unless otherwise stated)

SECTION ONE GENERAL INFORMATION ABOUT THE BANK

I. Parent 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 parent Bank is administrated 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 and assigned by the Board.

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

The Bank is a foreign bank status incorporated in Turkey. The main shareholder is Libyan Foreign Bank incorporated in Libya, the other shareholders is 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 Parent 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
A. Aykut Demiray	Chairman of Board of Directors	06.11.2002	University	28 years
Khalifa Said Gana	Deputy Chairman of Board	18.01.2008	University	32 years
Ömer Çelebi	Member of the Board	14.04.2005	University	25 years
Atilla Çetiner	Member of the Board	19.09.2002	University	30 years
Khaled M.N. M Al Hajri	Member of the Board	03.05.2001	University	22 years
Fekri A.A.Sinan	Member of the Board	13.04.2007	University	24 years
El Hadi Emgahid T.Abultife	Member of the Board	13.04.2007	University	19 years
Abdulfatah A.Enaami	Member of the Board	13.04.2007	University	14 years
Yusuf Dilaver	Auditor	30.03.2007	University	18 years
Zeynep Hansu Uçar	Auditor	25.03.2008	Üniversite	15 years
Sadek K.S. Abu Hallala	General Manager-Member of Board of Directors	23.05.2006	University	25 years
M. Nageb Hassan Mugber	Associate General Manager	15.09.2006	University	35 years
İsmail Kazanç	Associate General Manager	01.07.2008	University	14 years
Salih Hatipoğlu	Associate General Manager	01.07.2008	University	10 years
Giuma Masaud Salem Kordi	Associate General Manager	01.07.2008	University	16 years

As of 18 January 2008 Khalifa Said Gana has been appointed as Deputy Chairman of Board instead of Al-Amin Ashour Shallouf.

As of 30 June 2008, Associate General Managers M. Oğuz Teoman and Nuri Güzveli left their occupations and as of 1 July 2008 İsmail Kazanç, Salih Hatipoğlu and Giuma Masaud Salem Kordi has been appointed as Associate General Managers.

As of 25 March 2008 Zeynep Hansu Uçar was assigned as auditor instead of Mehmet Karakılıç.

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

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Notes to the Consolidated Financial Statements as of and for the period ended 31 December 2008

(Currency: Thousands of Turkish Lira (“TL”) unless otherwise stated)

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

Name Surname/Entity Title	Share Amount	Share Percentage %	Paid-in Capital	Unpaid Capital
Libyan Foreign Bank	149.687	62.37	149.687	-
T. İş Bankası A.Ş.	49.382	20.58	49.382	-
T.C. Ziraat Bankası A.Ş.	37.036	15.43	37.036	-

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

The parent Bank was incorporated to mediate commercial activities between Turkey and North African countries. Bank is authorized to gather deposits and operates in corporate banking areas. The parent Bank has three branches; two in Istanbul and one in Ankara. The parent Bank has share participations in a subsidiary operating in financial leasing business.

VI. Information about subsidiary of the parent Bank

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

Company carries out its leasing activities mostly in one country (Turkey).

SECTION TWO
CONSOLIDATED FINANCIAL STATEMENTS

- I. Consolidated Balance Sheet
- II. Consolidated Statement of Commitments and Contingencies
- III. Consolidated Statement of Income
- IV. Consolidated Recognized Income and Expense In Shareholders' Equity
- V. Consolidated Statement of Changes in Shareholders' Equity
- VI. Consolidated Statement of Cash Flows
- VII. Statement of Profit Distribution

Arap Türk Bankası A.Ş.
Consolidated Balance Sheet
As of 31 December 2008

(Thousands of New Turkish Lira)

ASSETS	Footnotes (5-1)	Audited			Audited		
		CURRENT PERIOD (31/12/2008)			PRIOR PERIOD (31/12/2007)		
		YTL	FC	Total	YTL	FC	Total
I. CASH AND BALANCES WITH THE CENTRAL BANK OF TURKEY	(1)	580	41.104	41.684	444	27.559	28.003
II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	(2)	111.934	61.784	173.718	9.754	77.381	87.135
2.1 Financial assets held for trading		111.934	60.840	172.774	9.754	59.626	69.380
2.1.1 Public sector debt securities		111.934	60.840	172.774	9.754	54.730	64.484
2.1.2 Securities representing a share in capital		-	-	-	-	-	-
2.1.3 Other marketable securities		-	-	-	-	4.896	4.896
2.2 Financial assets designated at fair value through profit or loss		-	-	-	-	17.755	17.755
2.2.1 Public sector debt securities		-	-	-	-	-	-
2.2.2 Equity securities		-	-	-	-	-	-
2.2.3 Other marketable securities		-	-	-	-	17.755	17.755
2.3 Derivative financial assets held for trading		-	944	944	-	-	-
III. BANKS	(3)	41.423	13.900	55.323	19.362	5.760	25.122
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)	154	833	987	147	655	802
5.1 Securities representing a share in capital		154	833	987	147	655	802
5.2 Public sector debt securities		-	-	-	-	-	-
5.3 Other marketable securities		-	-	-	-	-	-
VI. LOANS	(5)	140.258	185.263	325.521	75.448	52.911	128.359
6.1 Loans		140.258	185.263	325.521	75.448	52.911	128.359
6.1.1 Loans granted to the Bank's risk group		-	9.336	9.336	-	12.593	12.593
6.1.2 Other		140.258	175.927	316.185	75.448	40.318	115.766
6.2 Loans under follow-up		5.906	-	5.906	5.984	-	5.984
6.3 Specific provisions (-)		5.906	-	5.906	5.984	-	5.984
VII. FACTORING RECEIVABLES		-	-	-	-	-	-
VIII. INVESTMENTS HELD TO MATURITY (Net)	(6)	35.297	117.482	152.779	17.596	41.294	58.890
8.1 Public sector debt securities		35.297	77.238	112.535	17.596	21.561	39.157
8.2 Other marketable securities		-	40.244	40.244	-	19.733	19.733
IX. INVESTMENTS IN ASSOCIATES (Net)	(7)	-	-	-	-	-	-
9.1 Associates consolidated under equity		-	-	-	-	-	-
9.2 Unconsolidated associates		-	-	-	-	-	-
9.2.1 Financial investments in associates		-	-	-	-	-	-
9.2.2 Non-financial investments in associates		-	-	-	-	-	-
X. INVESTMENTS IN SUBSIDIARIES (Net)	(8)	-	-	-	-	-	-
10.1 Financial subsidiaries		-	-	-	-	-	-
10.2 Non-financial subsidiaries		-	-	-	-	-	-
XI. INVESTMENTS IN JOINT- VENTURES (Net)	(9)	-	-	-	-	-	-
11.1 Consolidated under 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)	9.160	61.136	70.296	10.293	46.290	56.583
12.1 Finance lease receivables		11.533	67.966	79.499	14.038	51.918	65.956
12.2 Operational leasing receivables		-	-	-	-	-	-
12.3 Others		-	-	-	-	-	-
12.4 Unearned income (-)		2.373	6.830	9.203	3.745	5.628	9.373
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)	(12)	19.733	-	19.733	19.699	-	19.699
XV. INTANGIBLE ASSETS (Net)	(13)	275	-	275	256	-	256
15.1 Goodwill		-	-	-	-	-	-
15.2 Other		275	-	275	256	-	256
XVI. INVESTMENT PROPERTY (Net)	(14)	-	-	-	-	-	-
XVII. TAX ASSET		17.427	-	17.427	3.036	-	3.036
17.1 Current tax asset	(15)	12.168	-	12.168	71	-	71
17.2 Deferred tax asset	(15)	5.259	-	5.259	2.965	-	2.965
XVIII. (Net)	(16)	1.061	-	1.061	1.118	-	1.118
18.1 Held for sale purpose		1.061	-	1.061	1.118	-	1.118
18.2 Held from discontinued operations		-	-	-	-	-	-
XIX. OTHER ASSETS	(17)	4.357	693	5.050	2.632	835	3.467
TOTAL ASSETS		381.659	482.195	863.854	159.785	252.685	412.470

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

Arap Türk Bankası A.Ş.
Consolidated Balance Sheet
As of 31 December 2008

(Thousands of New Turkish Lira)

LIABILITIES and SHAREHOLDERS' EQUITY	Footnotes (5-II)	Audited CURRENT PERIOD (31/12/2008)			Audited PRIOR PERIOD (31/12/2007)		
		YTL	FC	TOTAL	YTL	FC	TOTAL
		I. DEPOSITS	(1)	3.192	94.622	97.814	12.459
1.1 Deposits held by the Bank's risk group		7	19.775	19.782	2.301	5.575	7.876
1.2 Other		3.185	74.847	78.032	10.158	67.343	77.501
II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING	(2)	-	18.156	18.156	-	-	-
III. FUNDS BORROWED	(3)	1.765	415.441	417.206	883	202.019	202.902
IV. INTERBANK MONEY MARKET		52.343	-	52.343	4.109	-	4.109
4.1 Interbank money market payables		-	-	-	-	-	-
4.2 Istanbul Stock Exchange money market payables		-	-	-	3.063	-	3.063
4.3 Funds provided under repurchase agreements		52.343	-	52.343	1.046	-	1.046
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		999	3.612	4.611	76	3.101	3.177
VIII. OTHER EXTERNAL RESOURCES	(4)	1.441	4.279	5.720	784	1.695	2.479
IX. FACTORING PAYABLES		-	-	-	-	-	-
X. LEASE PAYABLES (Net)	(5)	-	-	-	-	-	-
10.1 Finance leasing payables		-	-	-	-	-	-
10.2 Operational leasing payables		-	-	-	-	-	-
10.3 Other		-	-	-	-	-	-
10.4 Deferred finance leasing expenses (-)		-	-	-	-	-	-
XI. DERIVATIVE FINANCIAL LIABILITIES HELD FOR HEDGING	(6)	-	-	-	-	-	-
11.1 Fair value hedges		-	-	-	-	-	-
11.2 Cash flow hedges		-	-	-	-	-	-
11.3 Hedges for investments made in foreign countries		-	-	-	-	-	-
XII. PROVISIONS	(7)	7.846	179	8.025	4.901	142	5.043
12.1 General provisions		4.060	-	4.060	1.259	-	1.259
12.2 Restructuring reserves		-	-	-	-	-	-
12.3 Reserves for employee benefit		3.423	-	3.423	3.266	-	3.266
12.4 Insurance technical reserves (Net)		-	-	-	-	-	-
12.5 Other provisions		363	179	542	376	142	518
XIII. TAX LIABILITY	(8)	1.269	-	1.269	746	-	746
13.1 Current tax liability		1.199	-	1.199	746	-	746
13.2 Deferred tax liability		70	-	70	-	-	-
LIABILITIES FOR ASSETS HELD FOR RESALE AND ASSETS OF DISCONTINUED OPERATIONS	(9)	-	-	-	-	-	-
14.1 Held for sale purpose		-	-	-	-	-	-
14.2 Held from discontinued operations		-	-	-	-	-	-
XV. SUBORDINATED LOANS	(10)	-	-	-	-	13.979	13.979
XVI. SHAREHOLDERS' EQUITY	(11)	258.710	-	258.710	94.658	-	94.658
16.1 Paid-in capital		240.000	-	240.000	41.000	-	41.000
16.2 Supplementary capital		9.096	-	9.096	33.004	-	33.004
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	33.004	-	33.004
16.3 Profit reserves		2.519	-	2.519	2.303	-	2.303
16.3.1 Legal reserves		2.372	-	2.372	2.156	-	2.156
16.3.2 Status reserves		-	-	-	-	-	-
16.3.3 Extraordinary reserves		147	-	147	147	-	147
16.3.4 Other profit reserves		-	-	-	-	-	-
16.4 Profit or loss		7.095	-	7.095	18.351	-	18.351
16.4.1 Prior year income/loss		8.168	-	8.168	15.576	-	15.576
16.4.2 Current year income/loss		(1.073)	-	(1.073)	2.775	-	2.775
16.5 Minority Interest		-	-	-	-	-	-
TOTAL LIABILITIES		327.565	536.289	863.854	118.616	293.854	412.470

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

Arap Türk Bankası A.Ş.
Consolidated Off Balance Sheet
As of 31 December 2008

(Thousands of New Turkish Lira)

	Footnotes (5-III)	Audited			Audited		
		CURRENT PERIOD			PRIOR PERIOD		
		YTL	FC	TOTAL	YTL	FC	TOTAL
A. OFF BALANCE SHEET COMMITMENTS		306.647	1.165.536	1.472.183	7.266	290.783	298.049
I. GUARANTEES AND WARRANTIES	(1), (2),(3)	914	722.024	722.938	1.147	287.844	288.991
1.1 Letters of guarantee		914	534.941	535.855	1.147	178.347	179.494
1.1.1 Guarantees subject to State Tender Law		58	84	142	58	67	125
1.1.2 Guarantees given for foreign trade operations		457	385.565	386.022	457	137.240	137.697
1.1.3 Other letters of guarantee		399	149.292	149.691	632	41.040	41.672
1.2 Bank acceptances		-	-	-	-	-	-
1.2.1 Import letter of acceptance		-	-	-	-	-	-
1.2.2 Other bank acceptances		-	-	-	-	-	-
1.3 Letters of credit		-	173.296	173.296	-	109.497	109.497
1.3.1 Documentary letters of credit		-	-	-	-	47	47
1.3.2 Other letters of credit		-	173.296	173.296	-	109.450	109.450
1.4 Prefinancing given as guarantee		-	-	-	-	-	-
1.5 Endorsements		-	-	-	-	-	-
1.5.1 Endorsements to the Central Bank of Turkey		-	-	-	-	-	-
1.5.2 Other endorsements		-	-	-	-	-	-
1.6 Securities issue purchase guarantees		-	-	-	-	-	-
1.7 Factoring guarantees		-	-	-	-	-	-
1.8 Other guarantees		-	13.787	13.787	-	-	-
1.9 Other warranties		-	-	-	-	-	-
II. COMMITMENTS	(1)	6.093	34.469	40.562	6.119	2.939	9.058
2.1 Irrevocable commitments		4.301	32.848	37.149	4.348	-	4.348
2.1.1 Asset purchase and sales commitments		-	-	-	-	-	-
2.1.2 Deposit purchase and sales commitments		-	-	-	-	-	-
2.1.3 Share capital commitment to associates and subsidiaries		-	-	-	-	-	-
2.1.4 Loan granting commitments		-	32.848	32.848	-	-	-
2.1.5 Securities issue brokerage commitments		-	-	-	-	-	-
2.1.6 Commitments for reserve deposit requirements		-	-	-	-	-	-
2.1.7 Payment commitments for checks		4.301	-	4.301	4.348	-	4.348
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		-	-	-	-	-	-
2.2 Revocable commitments		1.792	1.621	3.413	1.771	2.939	4.710
2.2.1 Revocable loan granting commitments		-	-	-	-	-	-
2.2.2 Other revocable commitments		1.792	1.621	3.413	1.771	2.939	4.710
III. DERIVATIVE FINANCIAL INSTRUMENTS	(5)	299.640	409.043	708.683	-	-	-
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		299.640	409.043	708.683	-	-	-
3.2.1 Forward foreign currency buy/sell transactions		21.390	22.940	44.330	-	-	-
3.2.1.1 Forward foreign currency transactions-buy		21.390	-	21.390	-	-	-
3.2.1.2 Forward foreign currency transactions-sell		-	22.940	22.940	-	-	-
3.2.2 Swap transactions related to foreign currency and interest rates		-	104.903	104.903	-	-	-
3.2.2.1 Foreign currency swap-buy		-	52.587	52.587	-	-	-
3.2.2.2 Foreign currency swap-sell		-	52.316	52.316	-	-	-
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		278.250	281.200	559.450	-	-	-
3.2.3.1 Foreign currency options-buy		161.450	118.400	279.850	-	-	-
3.2.3.2 Foreign currency options-sell		116.800	162.800	279.600	-	-	-
3.2.3.3 Interest rate options-buy		-	-	-	-	-	-
3.2.3.4 Interest rate options-sell		-	-	-	-	-	-
3.2.3.5 Securities options-buy		-	-	-	-	-	-
3.2.3.6 Securities options-sell		-	-	-	-	-	-
3.2.4 Foreign currency futures		-	-	-	-	-	-
3.2.4.1 Foreign currency futures-buy		-	-	-	-	-	-
3.2.4.2 Foreign currency futures-sell		-	-	-	-	-	-
3.2.5 Interest rate futures		-	-	-	-	-	-
3.2.5.1 Interest rate futures-buy		-	-	-	-	-	-
3.2.5.2 Interest rate futures-sell		-	-	-	-	-	-
3.2.6 Other		-	-	-	-	-	-
B. CUSTODY AND PLEDGED SECURITIES (IV+V+VI)		12.646	213.356	226.002	11.364	164.099	175.463
IV. ITEMS HELD IN CUSTODY		10.598	603	11.201	9.316	745	10.061
4.1 Assets under management		-	-	-	-	-	-
4.2 Investment securities held in custody		3.256	-	3.256	2.330	-	2.330
4.3 Checks received for collection		7.004	100	7.104	6.578	82	6.660
4.4 Commercial notes received for collection		338	503	841	408	663	1.071
4.5 Other assets received for collection		-	-	-	-	-	-
4.6 Assets received for public offering		-	-	-	-	-	-
4.7 Other items under custody		-	-	-	-	-	-
4.8 Custodians		-	-	-	-	-	-
V. PLEDGED ITEMS		2.048	212.753	214.801	2.048	163.354	165.402
5.1 Marketable securities		-	185.000	185.000	-	145.588	145.588
5.2 Guarantee notes		2.020	26.116	28.136	2.020	16.467	18.487
5.3 Commodity		-	-	-	-	-	-
5.4 Warranty		-	-	-	-	-	-
5.5 Immovables		-	-	-	-	-	-
5.6 Other pledged items		28	1.637	1.665	28	1.299	1.327
5.7 Pledged items-depository		-	-	-	-	-	-
VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES		-	-	-	-	-	-
TOTAL OFF BALANCE SHEET COMMITMENTS		319.293	1.378.892	1.698.185	18.630	454.882	473.512

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

Arap Türk Bankası A.Ş.

Consolidated Income Statement For The Period Ended 31 December 2008

(Thousands of New Turkish Lira)

			Audited	Audited
INCOME and EXPENSES			CURRENT PERIOD	PRIOR PERIOD
		Footnotes	(31/12/2008)	(31/12/2007)
		(5-IV)		
I.	INTEREST INCOME	(1)	69.537	37.026
1.1	Interest on loans		23.909	10.820
1.2	Interest received from reserve deposits		273	433
1.3	Interest received from banks		6.965	4.139
1.4	Interest received from money market transactions		345	15
1.5	Interest received from marketable securities portfolio		30.802	15.290
1.5.1	Financial assets held for trading		18.588	7.243
1.5.2	Financial assets valued at fair value through profit or loss		788	406
1.5.3	Financial assets available for sale		-	-
1.5.4	Investments held to maturity		11.426	7.641
1.6	Finance lease income		6.765	6.219
1.7	Other interest income		478	110
II.	INTEREST EXPENSE	(2)	19.578	16.693
2.1	Interest on deposits		2.117	2.866
2.2	Interest on funds borrowed		12.581	10.613
2.3	Interest on money market transactions		4.880	3.033
2.4	Interest on securities issued		-	-
2.5	Other interest expense		-	181
III.	NET INTEREST INCOME/EXPENSE (I - II)		49.959	20.333
IV.	NET FEES AND COMMISSIONS INCOME/EXPENSE		9.215	6.570
4.1	Fees and commissions received		9.584	6.874
4.1.1	Non-cash loans		2.961	2.491
4.1.2	Other		6.623	4.383
4.2	Fees and commissions paid		369	304
4.2.1	Non-cash loans		11	51
4.2.2	Other		358	253
V.	DIVIDEND INCOME	(3)	105	137
VI.	NET TRADING INCOME/EXPENSE	(4)	(44.258)	1.201
6.1	Profit/losses on trading account securities		(48.326)	287
6.2	Foreign exchange profit/losses		4.068	914
VII.	OTHER OPERATING INCOME	(5)	18.234	1.565
VIII.	TOTAL OPERATING INCOME/EXPENSE (III+IV+V+VI+VII)		33.255	29.806
IX.	PROVISION FOR LOAN LOSSES and OTHER RECEIVABLES (-)	(6)	7.469	1.445
X.	OTHER OPERATING EXPENSES (-)	(7)	29.083	23.384
XI.	NET OPERATING INCOME/LOSS (VIII-IX-X)		(3.297)	4.977
XII.	INCOME RESULTED FROM MERGERS		-	-
XIII.	INCOME/LOSS FROM INVESTMENTS UNDER EQUITY ACCOUNTING		-	-
XIV.	GAIN/LOSS ON NET MONETARY POSITION		-	-
XV.	INCOME/LOSS FROM CONTINUING OPERATIONS BEFORE TAXES (XI+...+XIV)	(8)	(3.297)	4.977
XVI.	PROVISION FOR TAXES FOR CONTINUING OPERATIONS (±)	(9)	2.224	(2.202)
16.1.	Current tax provision		-	-
16.2.	Deferred tax provision		2.224	(2.202)
XVII.	NET PROFIT/LOSSES FROM CONTINUING OPERATIONS (XV±XVI)		(1.073)	2.775
XVIII.	INCOME FROM DISCONTINUED OPERATIONS	(10)	-	-
18.1.	Income from assets held for sale		-	-
18.2.	Income from sale of associates, subsidiaries and joint-ventures		-	-
18.3.	Other income from discontinued operations		-	-
XIX.	EXPENSES FROM DISCONTINUED OPERATIONS (-)		-	-
19.1.	Expense on assets held for sale		-	-
19.2.	Expenses on sale of associates, subsidiaries and joint-ventures		-	-
19.3.	Other expense from discontinued operations		-	-
XX.	INCOME/EXPENSE BEFORE TAXES FROM DISCONTINUED OPERATIONS (XVIII-XIX)		-	-
XXI.	PROVISION FOR TAXES ON INCOME FROM DISCONTINUED OPERATIONS (±)		-	-
21.1.	Current tax provision		-	-
21.2.	Deferred tax provision		-	-
XXII.	NET PROFIT/LOSSES FROM DISCONTINUED OPERATIONS (XX±XXI)		-	-
XXIII.	NET PROFIT/LOSSES (XVII+XXII)		-	-
XXII.	Earnings/Losses per share		-	-
XXIII.	NET PROFIT/LOSSES (XVII+XXII)	(11)	(1.073)	2.775
23.1	23.1.Group's profit/loss		(1.073)	2.775
23.2	23.2.Minority shares		-	-
	Earnings/Losses per share		(0.00004)	0.00068

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

Arap Türk Bankası A.Ş.**Statement of Recognized Income and Expense In Shareholders' Equity For the Year Ended 31 December 2008**

(Thousands of New Turkish Lira)

STATEMENT OF INCOME AND EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY	Audited	
	CURRENT PERIOD (31/12/2008)	PRIOR PERIOD (31/12/2007)
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	-	(40)
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)	-	(40)
XI. CURRENT PERIOD PROFIT/LOSSES	(1.073)	2.775
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	(1.073)	2.775
XII. TOTAL PROFIT/LOSS ACCOUNTED FOR THE CURRENT PERIOD (X+XI)	(1.073)	2.735

Arap Türk Bankası A.Ş.

Consolidated Statement of Changes In Shareholders' Equity

For the Period Ended 31 December 2008

(Thousands of New Turkish Lira)

	Paid-in Capital	Capital Reserves from Inflation Adjustments To Paid-in Capital	Share Premium	Share Cancellation Profits	Legal Reserves	Status Reserves	Extraordinary Reserves	Other Reserves	Current Period Net Profit/(Loss)	Prior Period Net Profit/(Loss)	Securities Value Increase Fund	Revaluation Surplus on Tangible and Intangible Assets	Bonus Shares of Equity Participations	Hedging Reserves	Accumulated Revaluation Surplus on Assets Held for sale and Assets of Discontinued Operations	Total Shareholders' Equity Except Minority Interest	Minority interest	Total Shareholders' Equity
PRIOR PERIOD (31/12/2007)																		
I. Balances at the beginning of the period	41.000	33.004	-	-	1.833	-	967	-	1.785	13.334	-	-	-	-	-	91.923	-	91.923
II. Corrections made as per TAS 8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Effects of corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effects of changes in accounting policies	41.000	33.004	-	-	1.833	-	967	-	1.785	13.334	-	-	-	-	-	91.923	-	91.923
III. Adjusted balances at the beginning of the period (I+II)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes during the period																		
IV. Mergers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V. Securities Value Increase Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Hedges for Risk Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.1 Net Cash Flow Hedges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.2 Net Foreign Investment Hedges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Revaluation surplus on tangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Revaluation surplus on intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Bonus shares of associates, subsidiaries and joint ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Foreign exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. Changes resulted from disposal of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII. Changes resulted from reclassification of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII. Effect of change in equities of associates on Bank's Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV. Capital increase	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.1 Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.2 Internal sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV. Share issuance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI. Share cancellation profits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII. Capital Reserves From Inflation Adjustments To Paid-in Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVIII. Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIX. Current Period Net Profit	-	-	-	-	-	-	-	-	2.775	-	-	-	-	-	-	2.775	-	2.775
XX. Profit distribution	-	-	-	-	323	-	(820)	-	(1.785)	2.242	-	-	-	-	-	(40)	-	(40)
20.1 Dividends distributed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20.2 Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20.3 Others	-	-	-	-	323	-	(820)	-	(1.785)	2.242	-	-	-	-	-	(40)	-	(40)
XXI. OTHERS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances at end of period (III+IV+.....+XIV+XV+XVI)	41.000	33.004	-	-	2.156	-	147	-	2.775	15.576	-	-	-	-	-	94.658	-	94.658
CURRENT PERIOD (31/12/2008)																		
I. Balances at end of prior period	41.000	33.004	-	-	2.156	-	147	-	2.775	15.576	-	-	-	-	-	94.658	-	94.658
Changes within the period																		
II. Mergers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Securities Value Increase Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IV. Hedges for Risk Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1 Net Cash Flow Hedges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2 Net Foreign Investment Hedges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V. Revaluation surplus on tangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Revaluation surplus on intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Bonus shares of associates, subsidiaries and joint ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Foreign exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Changes resulted from disposal of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Changes resulted from reclassification of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. Effect of change in equities of associates on Bank's Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII. Capital increase	199.000	(23.908)	-	-	-	-	-	-	(2.775)	(7.192)	-	-	-	-	-	165.125	-	165.125
12.1 Cash	165.125	-	-	-	-	-	-	-	-	-	-	-	-	-	-	165.125	-	165.125
12.2 Internal sources	33.875	(23.908)	-	-	-	-	-	-	(2.775)	(7.192)	-	-	-	-	-	-	-	-
XIII. Share issuance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV. Share cancellation profits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV. Capital Reserves From Inflation Adjustments To Paid-in Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI. Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII. Current Period Net Profit	-	-	-	-	-	-	-	-	(1.073)	-	-	-	-	-	-	(1.073)	-	(1.073)
XVIII. Profit distribution	-	-	-	-	216	-	-	-	-	(216)	-	-	-	-	-	-	-	-
18.1 Dividends distributed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18.2 Transfers to legal reserves	-	-	-	-	216	-	-	-	-	(216)	-	-	-	-	-	-	-	-
18.3 Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing balances (I+II+III+.....+XVI+XVII+XVIII)	240.000	9.096	-	-	2.372	-	147	-	(1.073)	8.168	-	-	-	-	-	258.710	-	258.710

Arap Türk Bankası A.Ş.

Consolidated Statement of Cash Flow
For The Period Ended At 31 December 2008

(Thousands of New Turkish Lira)

	Footnotes (5-VI)	Audited	
		CURRENT PERIOD (31/12/2008)	PRIOR PERIOD (31/12/2007)
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating Profit Before Changes in Operating Assets and Liabilities		(433)	4.456
1.1.1 Interests Received		52.174	37.622
1.1.2 Interest Paid		(19.161)	(16.503)
1.1.3 Dividend Received		105	138
1.1.4 Fees and Commissions Received		9.584	6.874
1.1.5 Other Income		18.106	2.204
1.1.6 Collections From Previously Written-off Loans and Other Receivables		105	325
1.1.7 Payments to Personnel and Service Suppliers		(18.769)	(16.381)
1.1.8 Taxes Paid		(2.249)	(824)
1.1.9 Others	(2)	(40.328)	(8.999)
1.2 Changes in Operating Assets and Liabilities		(69.529)	(26.689)
1.2.1 Net Decrease in Financial Assets Held For Trading		(94.500)	24.041
1.2.2 Net (Increase) Decrease in Financial Assets Valued at Fair Value Through Profit or Loss		-	(17.348)
1.2.3 Net Decrease in Due From Banks and Other Financial Institutions		13.725	149
1.2.4 Net (Increase) in Loans		(191.161)	(21.701)
1.2.5 Net Decrease in Other Assets	(3)	(66.628)	11.763
1.2.6 Net Increase /(Decrease) in Bank Deposits		54.673	(54.348)
1.2.7 Net Increase (Decrease) in Other Deposits		6.032	11.249
1.2.8 Net Increase/ (Decrease) in Funds Borrowed		200.140	23.709
1.2.9 Net Increase/ (Decrease) in Matured Payables		-	-
1.2.10 Net Increase in Other Liabilities	(3)	8.190	(4.203)
I. Net Cash Flow From Banking Operations		(69.962)	(22.233)
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II. Net Cash Flow From Investing Activities		(59.116)	11.972
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		(1.288)	(169)
2.4 Sales of Tangible Assets		248	612
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		(76.134)	-
2.8 Cash Obtained From Sale of Investments Held-to-Maturity		18.059	11.529
2.9 Others		-	-
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net Cash Flows From Financing Activities		165.125	-
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		165.125	-
3.4 Dividends Paid		-	-
3.5 Payments For Financial Leases		-	-
3.6 Others		-	-
IV. Effect of Change in Foreign Exchange Rate On Cash and Cash Equivalents		1.321	(702)
V. Net (Decrease)/Increase in Cash and Cash Equivalents		37.368	(10.963)
VI. Cash and Cash Equivalents at Beginning of Period	(1)	33.292	44.255
VII. Cash and Cash Equivalents at the End of Period	(1)	70.660	33.292

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

Arap Türk Bankası A.Ş
Statement of Profit Distribution
For The Period Ended 31 December 2008

(Thousands of New Turkish Lira)

	Audited	
	CURRENT PERIOD (31/12/2008)	PRIOR PERIOD (31/12/2007)
I. DISTRIBUTION OF CURRENT YEAR INCOME		
1.1 CURRENT YEAR INCOME	(1,352)	2,953
1.2 TAXES AND DUTIES PAYABLE	4,062	(208)
1.2.1 Corporate Tax (Income tax)		
1.2.2 Income withholding tax		
1.2.3 Other taxes and duties	4,062	(208)
A. NET INCOME FOR THE YEAR (1.1-1.2)	2,710	2,745
1.3 PRIOR YEARS LOSSES (-)	-	137
1.4 FIRST LEGAL RESERVES (-)	-	-
1.5 OTHER STATUTORY RESERVES (-)	-	-
B. NET INCOME AVAILABLE FOR DISTRIBUTION [(A-(1.3+1.4+1.5))]	2,710	2,608
1.6 FIRST DIVIDEND TO SHAREHOLDERS (-)	-	-
1.6.1 To owners of ordinary shares	-	-
1.6.2 To owners of preferred shares	-	-
1.6.3 To owners of preferred shares (preemptive rights)	-	-
1.6.4 To profit sharing bonds	-	-
1.6.5 To holders of profit and loss sharing certificates	-	-
1.7 DIVIDENDS TO PERSONNEL (-)	-	-
1.8 DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
1.9 SECOND DIVIDEND TO SHAREHOLDERS (-)	-	-
1.9.1 To owners of ordinary shares	-	-
1.9.2 To owners of preferred shares	-	-
1.9.3 To owners of preferred shares (preemptive rights)	-	-
1.9.4 To profit sharing bonds	-	-
1.9.5 To holders of profit and loss sharing certificates	-	-
1.10 SECOND LEGAL RESERVES (-)	-	-
1.11 STATUTORY RESERVES (-)	-	-
1.12 GENERAL RESERVES	-	-
1.13 OTHER RESERVES	-	-
1.14 SPECIAL FUNDS	-	-
II. DISTRIBUTION OF RESERVES		
2.1 APPROPRIATED RESERVES	-	-
2.2 SECOND LEGAL RESERVES (-)	-	-
2.3 DIVIDENDS TO SHAREHOLDERS (-)	-	-
2.3.1 To owners of ordinary shares	-	-
2.3.2 To owners of preferred shares	-	-
2.3.3 To owners of preferred shares (preemptive rights)	-	-
2.3.4 To profit sharing bonds	-	-
2.3.5 To holders of profit and loss sharing certificates	-	-
2.4 DIVIDENDS TO PERSONNEL (-)	-	-
2.5 DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
III. EARNINGS PER SHARE		
3.1 TO OWNERS OF ORDINARY SHARES	(0,00004)	0,00068
3.2 TO OWNERS OF ORDINARY SHARES (%)	(0,004)	0,068
3.3 TO OWNERS OF PRIVILEGED SHARES	-	-
3.4 TO OWNERS OF PRIVILEGED SHARES (%)	-	-
IV. DIVIDEND PER SHARE		
4.1 TO OWNERS OF ORDINARY SHARES	-	-
4.2 TO OWNERS OF ORDINARY SHARES (%)	-	-
4.3 TO OWNERS OF PRIVILEGED SHARES	-	-
4.4 TO OWNERS OF PRIVILEGED SHARES (%)	-	-

Note: Profit distribution is based on Parent Bank's unconsolidated financial statements.

SECTION THREE ACCOUNTING POLICIES

I. Explanations for basis of presentation and footnotes

Preparation of consolidated 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 consolidated 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 parent Bank maintains their books of account in New Turkish Lira (YTL).

Consolidated financial statements are prepared in Thousand New 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 consolidated financial statements. Accordingly, the accompanying consolidated 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 parent 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 Parent Bank follows the utilization of resources and the risk and return for the investments in various financial assets through an effective asset and liability management strategy.

The activities done with 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 ended as of 31 December 2008 and 31 December 2007 are translated into YTL 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 YTL over the Bank’s exchange rates prevailing as of the period end and the resulting exchange rate differences are accounted as foreign exchange gains and losses. The parent Bank’s related exchange rates as of the period end are as follows:

	31 December 2008	31 December 2007
US Dollars	YTL 1,4800	YTL 1,1647
Euro	YTL 2,0950	YTL 1,7102

III. Information on consolidated associates and subsidiaries

The parent Bank does not have any associate as of 31 December 2008 and 31 December 2007.

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

The parent Bank directly owns the shares of A&T Finansal Kiralama A.Ş. and this subsidiary is consolidated accordingly.

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

1. With respect to subsidiaries

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

The major principles applied in the consolidation of Subsidiaries

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

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

The financial statements which have been used in the consolidation are prepared as of 31 December 2008 and appropriate adjustments are made to financial statements to use uniform accounting policies for similar transactions and events in similar circumstances.

IV. Information on forward transactions, options and derivative instruments

The Group’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 remeasured 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 under “trading income/loss” in the income statement. The fair values of the derivative financial instruments are 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 of accounting.

VII. Information on financial assets

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

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 remeasured 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. Credit Linked Notes which were classified as financial assets at fair value through profit or loss as of 31 December 2007, are reclassified under financial assets held to maturity on 3 October 2008 with their fair value on that date, due to the change in TAS 39.

b. Financial Assets Available-for-Sale:

Financial assets available for sale is 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 remeasured 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 by the Group providing money, commodity and services to debtors. Loans and receivables originated by the Bank 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 Group 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 consolidated 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 “Effective interest (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 date 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 consolidated 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 effective interest 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.

The parent Bank does not have any financial asset that is subject to lending.

XI. Information on assets held for sale and discontinued operations

The parent 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 consolidated 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 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
Leasehold Improvements	Leasing Period (2 to 5 years)

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 property and equipment, 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 Parent Bank does not provide financial leasing services as a “Lessor”.

The gross amount of the lease payments including interest and capital payments of the financial leases done by the “leaser” A&T Finansal Kiralama that is included in the consolidation is recorded in the financial lease receivables account.

The difference between the total lease payments and the cost of the related tangibles is recorded in the “unearned income” account. The interest income is accounted by computing a constant period income rate over the net investment amount of the leaser on the leased asset.

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

XV. Information on provisions, contingent liabilities and contingent assets

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 Group 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 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 consolidated 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 Group 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 consolidated 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 Group is subject to tax laws and legislation effective in Turkey.

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 (gains from associates and investment incentives) and other allowances. No further tax is payable unless the profit is distributed.

The current tax rate for the Bank’s subsidiary A&T Finansal Kiralama A.Ş is 30 %.

Dividends paid to the resident institutions and the institutions working through local offices or representatives are not subject to withholding tax. As per the decision no.2006/10731 of the Council of Ministers published in the Official Gazette no.26237 dated 23 July 2006, certain duty rates included in the articles no.15 and 30 of the new Corporate Tax Law no.5520 are revised. Accordingly, 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, increased to 15% from 10%.

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 Group 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.

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 Group did not issue any stocks convertible into bonds.

The Group Bank does not have borrowing instruments issued by itself.

XIX. Information on share issuances

Since the transaction costs which occurred during the capital increase are immaterial, these costs are booked as expense.

XX. Information on bills of exchanges and acceptances

Acceptances are realized simultaneously with the payment dates of the customers 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 parent Bank as of 31 December 2008 and 2007. The parent Bank’s subsidiary A& T Finansal Kiralama A.Ş had investment incentives that could be expired as of 2008 in accordance with the current Corporate Tax Law.

ARAP TÜRK BANKASI A.Ş. AND ITS SUBSIDIARY

Consolidated Financial Report as of and for the year ended 31 December 2008
(Currency: Thousands of New Turkish Lira (“YTL”) unless otherwise stated)

*Convenience Translation of consolidated
Financial Report Originally Issued in Turkish
See note on I .in section three*

XXII. 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.

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 other purposes unless they exceed 50% of paid-in capital.

XXIII. Related parties

For the purpose of 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”).

XXIV. Cash and cash equivalents

Subject to the preparation of 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

IV. Information on consolidated capital adequacy ratio

The parent Bank’s capital adequacy ratio is 32.16 % as of 31 December 2008 (31 December 2007: 25.01%).

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

Parent 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 parent 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, 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 done on a monthly basis.

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

ARAP TÜRK BANKASI A.Ş. AND ITS SUBSIDIARY

Consolidated Financial Report as of and for the year ended 31 December 2008

(Currency: Thousands of New Turkish Lira ("YTL") unless otherwise stated)

*Convenience Translation of consolidated
Financial Report Originally Issued in Turkish*
See note on I. in section three
Information on consolidated and unconsolidated capital adequacy standard ratio:

Current Period	Weighted Risk													
	Parent Bank							Consolidated						
	0%	10%	20%	50%	100%	150%	200%	0%	10%	20%	50%	100%	150%	200%
Value at Credit Risk														
Balance Sheet items (Net)	171.713	--	138.175	29.934	284.295	--	--	174.075	--	162.395	29.934	322.193	--	--
Cash	1.730	--	--	--	--	--	--	1.730	--	--	--	--	--	--
Matured Marketable Securities	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Central Bank of Turkey	13.677	--	--	--	--	--	--	13.677	--	--	--	--	--	--
Domestic, Foreign Banks and Foreign Headquarter,	--	--	96.444	--	4.722	--	--	--	--	120.416	--	4.722	--	--
Interbank Money Market	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Receivables from Reverse Repurchase	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Reserve Requirements	26.234	--	--	--	--	--	--	26.234	--	--	--	--	--	--
Loans	--	--	12.667	29.509	206.417	--	--	--	--	12.667	29.509	206.417	--	--
Loans under Follow-up (Net)	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Lease Receivables	--	--	--	--	--	--	--	--	--	--	--	69.234	--	--
Financial Assets Available for Sale	--	--	--	--	987	--	--	--	--	--	--	987	--	--
Investments Held to Maturity	109.035	--	28.408	--	11.733	--	--	109.035	--	28.408	--	11.733	--	--
Receivables from Term Sale of Assets	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Miscellaneous receivables	7.818	--	--	--	212	--	--	7.818	--	--	--	212	--	--
Interest and income accruals	3.542	--	656	425	11.014	--	--	3.542	--	904	425	7.276	--	--
Investments in Associates, Subsidiaries and Joint Ventures (Net)	--	--	--	--	27.954	--	--	--	--	--	--	--	--	--
Tangible Assets	--	--	--	--	19.769	--	--	--	--	--	--	19.902	--	--
Other Assets	9.677	--	--	--	1.487	--	--	12.039	--	--	--	1.710	--	--
Off balance sheet items	8.349	--	253.199	5.183	203.215	--	--	8.349	--	253.199	5.183	204.670	--	--
Non Cash Loans and Commitments	8.349	--	253.199	5.183	203.215	--	--	8.349	--	253.199	5.183	204.670	--	--
Derivative Financial	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Non risk weighted accounts	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Total risk weighted assets	180.062	--	391.374	35.117	487.510	--	--	182.424	--	415.594	35.117	526.863	--	--

Summary information on consolidated and non-consolidated capital adequacy standard ratio:

	Parent Bank		Consolidated	
	Current Period	Prior Period	Current Period	Prior Period
Value at Credit Risk (I)	583.343	249.102	627.540	286.826
Value at Market Risk (II)	126.675	25.825	125.413	26.250
Value at Operational Risk (III)	52.428	56.758	59.390	64.841
Shareholders' Equity	259.924	89.455	261.231	94.508
Shareholders' Equity/(I+II+III)*100	34.09%	26.97%	32.16%	25.01%

Information on Consolidated Shareholders’ Equity:

	Current Period	Prior Period (*)
CORE CAPITAL		
Paid-in Capital	240.000	41.000
Nominal capital	240.000	41.000
Capital Commitments (-)	--	--
Adjustment to paid-in capital	9.096	33.004
Share Premium	--	--
Share Cancellation profit	--	--
Legal reserves	2.372	2.156
First legal reserve (Turkish Commercial Code 466/1)	2.372	2.156
Second legal reserve (Turkish Commercial Code 466/2)	--	--
Other legal reserve per special legislation	--	--
Status reserves	--	--
Extraordinary reserves	147	147
Reserves allocated by the General Assembly	147	147
Retained earnings	--	--
Accumulated loss	--	--
Exchange rate differences on foreign currency capital	--	--
Reserves from Inflation Adjustments to Legal, Status and Extraordinary Reserves	--	--
Profit	7.095	18.351
Current period profit/(loss)	(1.073)	2.775
Prior period profit	8.168	15.576
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)	--	--
Loss excess of Reserves (-)	--	--
Current Period Loss	--	--
Prior Periods Loss	--	--
Leasehold Improvements (-)	--	24
Prepaid Expenses (-)	372	364
Intangible Assets (-)	275	256
Deferred Tax Asset excess of 10% of Core Capital (-)	--	--
Limit excesses as per the 3rd Paragraph of the Article 56 of the Banking Law (-)	--	--
Total Core Capital	258.710	94.658

SUPPLEMENTARY CAPITAL		
General Provisions	4.060	1.259
45% of Revaluation Surplus on Movables	--	--
45% of Revaluation Surplus on Immovables	--	--
Bonus shares of Associates, Subsidiaries and Joint-Ventures	--	--
Primary Subordinated Debt excluding the Portion included in Core Capital	--	--
Secondary Subordinated Debt	--	--
45% of 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)	--	--
Supplementary Capital Total	4.060	1.259
TIER III CAPITAL	--	--
CAPITAL	262.770	95.917

ARAP TÜRK BANKASI A.Ş. AND ITS SUBSIDIARY

Consolidated Financial Report as of and for the year ended 31 December 2008
(Currency: Thousands of New Turkish Lira (“YTL”) unless otherwise stated)

*Convenience Translation of consolidated
Financial Report Originally Issued in Turkish*

See note on I. in section three

DEDUCTIONS FROM CAPITAL	1.539	1.409
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 against the Articles 50 and 51 of the Banking Law	--	--
Net Book Values of Immovables 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	892	765
Other	--	--
TOTAL SHAREHOLDERS' EQUITY	261.231	94.508

II. Information on consolidated credit risk

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

For credit risk analysis, cash and non-cash loans granted to a debtor or debtors’ group is subject to a risk classification in proportion to the parent Bank’s shareholders’ equity. In addition the geographical regions and sectoral distribution is investigated periodically and distributions are revised according to the market conditions. The general and other periodical limits of a firm are renewed every year and the extending of loans throughout the day is made with the mentioned limits.

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

Limit assignments, controls over loan granting process, marketing strategies, matters related to the daily operations and pay-back process are determined in the parent Bank’s credit procedures. Issues related to the daily based transactions (especially extending of cash loans) are managed in coordination by credit and treasury departments.

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

Loans and other receivables are being followed periodically as per the “Regulation On The Principals 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”.

Financial statements of the debtors are examined as per the regulation, loan limits are being updated in parallel to the economic conditions under the authorization of the Credit Evaluation Committee and the Top Management. The parent Bank obtains sufficient guarantees for the loans and the other receivables. Firms that the parent Bank works with credit is composed of the top level firms of Turkey, therefore most of the collaterals taken are “firm signature or guarantee”. Beside from this third party guarantees, furthermore mortgage, other bank guarantees, cash blockage, customer or personal checks are also obtained. The guarantees obtained are in parallel with the market conditions and other banks collateral conditions

For the management of credit risk the Bank’s Credit Evaluation Committee performs the following:

- Determination of the credit risk management policies in coordination with other related departments,
- Determination and review of concentrations on geographical and credit type basis,
- Contributing for development of rating and scoring systems,
- Submission of various analysis reports to the Board of Directors and top management in addition to the Credit Risk Management reports which comprises of the distribution of credit portfolio (debtors, sector, geographic region basis), credit quality (problematic loans, credit risk ratings) and concentrations

The parent Bank Management has generated an internal rating system for the determination of firms’ ratings and credit assessments. “Credit Rating” process is the analysis of client creditworthiness in accordance with the predetermined various “qualitative” (such as the position of the firm in its sector, the firm’s competitiveness, customer and supplier portfolio, the certificates and documents issued by the independent institutions, organizational structure, relationship with the other financial institutions) and “quantitative” (such as current ratio, liquidity ratio, profitability and indebtedness) factors. Upon the conclusion of credit evaluation process the firms and loans are categorized as “Very good firm” (risk rating between 100%-85%), “Good firm” (risk rating between 84%-65%), “Average firm” (risk rating between 64%-50%), “Weak firm” (risk rating between 49%-25%) and “Very Weak firm” (risk rating between 24%-0%).

The distribution the loans according to credit ratings are as follows:

Cash Loans	31 December 2008	31 December 2007
Very good firm	40.84%	35.24%
Good firm	56.60%	62.42%
Average firm	2.51%	2.22%
Weak firm	0.05%	0.12%
Very weak firm	--	--
Total loans	100%	100%

The rating distribution above does not include retail loans and loans granted to banks.

The rating distribution of financial instruments is as follows:

Financial assets at fair value through Profit or Loss	Rating Agency	Government Bonds	Private sector bonds	Total
AAA	--	--	--	--
Between AA- AA+	--	--	--	--
Between A - A+	--	--	--	--
Ba3	Moody's	172.774	--	172.774
BB-	--	--	--	--
A- and less	--	--	--	--
Not rated	--	--	--	--
Total		172.774	--	172.774

Investments held to maturity	Rating Agency	Government Bonds	Private sector bonds	Total
AAA	--	--	--	--
Between AA- AA+	--	--	--	--
Between A - A+	--	--	--	--
Baa2	Moody's	--	11.733	11.733
Ba3	Moody's	112.535	--	112.535
BB-	--	--	--	--
A- and less	--	--	--	--
Not rated	--	--	28.511	28.511
Total		112.535	40.244	152.779

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

The Bank evaluates and manages credit risks that are generated from forward transactions, options and similar contracts together with potential risks in the market.

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

The parent bank tries to mitigate the total risk if it's exposed to huge amount of risk over the forward transactions and options.

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

Indemnified non-cash loans are evaluated as having the same risk weight with cash loans which are collected upon maturity. These loans are classified according to their commitments and are recorded under the follow-up accounts.

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

The parent Bank does not have any structured or rescheduled loan. Loans that are structured and rescheduled are included in a new rating group as determined by bank’s risk management system, other than the follow-up plan defined in the banking regulations. The parent Bank’s risk management accepts long term commitments as having more risk than short term commitments which results in a diversification of risk and periodical follow-up for these loans are performed.

5 Evaluation of the significance of country specific risk if the parent Bank has foreign operations and credit transactions in a few countries or these operations are coordinated with a few financial entities:

The parent Bank has no banking activities abroad on the branch level. However in the loan giving processes to the foreign based firms the economic conditions of the country and the financial structure of the company in question is taken into consideration during evaluation of loans.

Evaluation of the parent Bank’s competitive credit risk being an active participant of the international banking transactions market

The parent Bank is not an active participant in the International Banking Transactions Market and do not possess an important risk concentration.

6 Group’s

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

The share of the top 100 cash loan customers comprise 99.95% of the total cash loans portfolio of the Bank.

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

The share of the top 100 non-cash loan customers comprise 99.97% of the total non-cash loans portfolio of the bank.

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

The Bank’s total cash and non-cash loans from its top 100 loan customers comprise 41.33% of the total assets and off-balance sheet items.

7 The general provision amount provided by the parent Bank for credit risk

The general provision amount provided by parent Bank for the credit risk is YTL 4.060 (31 December 2007: YTL 1.259).

Customer and Regional Concentration of Credit Risk is as follows :

	Loans and Advances to customers		Loans and Advances to Banks and Other Financial Institutions		Marketable Securities*		Other Receivables**	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Customer Concentration	325.521	128.359	55.323	25.122	327.484	146.827	1.544.752	358.189
Private Sector	239.512	122.248	--	--	11.733	24.629	291.574	135.322
Public Sector	--	--	--	--	285.309	103.641	1.791	1.770
Banks	85.613	5.852	55.323	25.122	29.455	17.755	1.251.343	220.838
Individual Customers	396	259	--	--	--	--	44	259
Securities representing a share in Capital	--	--	--	--	987	802	--	--
Regional Concentration	325.521	128.359	55.323	25.122	327.484	146.827	1.544.752	358.189
Domestic	304.912	108.259	53.078	1.812	285.463	116.349	558.911	220.654
European Union countries	--	--	1.268	12.850	29.455	17.755	717.520	7.853
OECD Countries***	--	--	78	23	--	--	147	317
Off-shore regions	--	--	--	--	11.733	12.068	--	--
USA, Canada	--	--	328	601	--	--	968	--
Other Countries	20.609	20.100	571	9.836	833	655	267.136	129.365

* Includes financial assets at fair value through profit or loss, financial assets available-for-sale and investments held-to-maturity

** Includes transactions defined as receivables as per the Article 48 of the Turkish Banking Law No 5411 and not covered in the first three columns above

*** OECD countries other than EU countries, USA and Canada

Geographical concentration:

Current Period	Assets	Liabilities	Non-Cash Loans	Capital Investments	Net Profit
Domestic	775.348	130.301	505.727	--	(1.073)
European Union Countries	29.779	58.037	8.184	--	--
OECD Countries*	78	4	147	--	--
Off-Shore Banking Regions	11.733	--	--	--	--
USA, Canada	328	1.393	--	--	--
Other Countries	46.588	415.409	208.880	--	--
Associates, subsidiaries and joint-ventures	--	--	--	--	--
Unallocated Assets/Liabilities**	--	--	--	--	--
Total	863.854	605.144	722.938	--	(1.073)

Prior Period	Assets	Liabilities	Non-Cash Loans	Capital Investments	Net Profit
Domestic	338.582	64.939	154.395	--	2.775
European Union Countries	30.605	8.823	7.411	--	--
OECD Countries*	23	15	317	--	--
Off-Shore Banking Regions	12.068	--	--	--	--
USA, Canada	601	29.587	--	--	--
Other Countries	30.591	213.847	126.868	--	--
Associates, subsidiaries and joint-ventures	--	--	--	--	--
Unallocated Assets/Liabilities**	--	601	--	--	--
Total	412.470	317.812	288.991	--	2.775

* OECD Countries excluding European countries, USA and Canada

** Assets and liabilities that can not be allocated in a consistent manner

Sectoral concentrations for cash loans:

	Current Period				Prior Period			
	YTL	(%)	FC	(%)	YTL	(%)	FC	(%)
Agricultural	--	0.00	--	0.00	--	0.00	--	0.00
Farming and Raising Livestock	--	0.00	--	0.00	--	0.00	--	0.00
Forestry	--	0.00	--	0.00	--	0.00	--	0.00
Fishing	--	0.00	--	0.00	--	0.00	--	0.00
Manufacturing	--	0.00	5.921	3.20	--	0.00	4.663	8.81
Mining	--	0.00	5.921	3.20	--	0.00	4.663	8.81
Production	--	0.00	--	0.00	--	0.00	--	0.00
Electric, gas and water	--	0.00	--	0.00	--	0.00	--	0.00
Construction	17.178	12.25	34.167	18.44	5.116	6.78	2.327	4.40
Services	122.674	87.46	145.175	78.36	70.073	92.88	45.921	86.79
Wholesale and retail trade	19.459	13.87	58.080	31.35	12.899	17.10	23.763	44.91
Hotel, food and beverage Services	--	0.00	--	0.00	--	0.00	--	0.00
Transportation and Telecommunication	--	0.00	--	0.00	--	0.00	--	0.00
Financial institutions	103.215	73.59	87.095	47.01	57.174	75.78	22.158	41.88
Real estate and renting Services	--	0.00	--	0.00	--	0.00	--	0.00
“Self-employment” type services	--	0.00	--	0.00	--	0.00	--	0.00
Education services	--	0.00	--	0.00	--	0.00	--	0.00
Health and social services	--	0.00	--	0.00	--	0.00	--	0.00
Other	406	0.29	--	0.00	259	0.34	--	0.00
Total	140.258	100.00	185.263	100.00	75.448	100.00	52.911	100.00

The distribution of Standard Cash Loans and Non-cash Loans of parent Bank according to their collateral structure:

Cash Loans	31 December 2008	31 December 2007
Secured loans	319.526	129.583
Secured by cash collateral	--	--
Guaranties issued by financial institutions	--	--
Secured by Customer Cheque&act	56.418	49.576
Personal guarantees	218.356	58.511
Secured by mortgages	29.792	7.525
Secured by export LC	14.960	13.971
Secured loans	319.526	129.583
FX differences on the principals of FX indexed loans	(862)	(2.194)
Accrued interest	6.857	970
Total Cash Loans	325.521	128.359
Non-Cash Loans	31 December 2008	31 December 2007
Secured loans	535.854	179.494
Secured by cash collateral	4.173	5.463
Guaranties issued by financial institutions	355.476	111.388
Secured by Customer Cheque&act	62	217
Personal guarantees	166.329	56.459
Secured by mortgages	9.814	5.779
Secured by export LC	--	188
Non-secured Non-cash Loans	187.084	109.497
Total Non-cash Loans	722.938	288.991

III. Information on Market Risk

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

The parent Bank’s 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 parent 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 100% (+ 10% exception) and for limiting daily VAR results, the amount under daily risk / equity rate can be maximum 3% (+1% exception).

a) Information related to consolidated market risk

	Amount
(I) Capital Obligation against General Market Risk - Standard Method	2.281
(II) Capital Obligation against Specific Risks - Standard Method	
(III) Capital Obligation against Currency Risk - Standard Method	7.729
(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	23
(VII) Capital Obligation against Market Risks of Banks applying Risk Measurement Models	--
(VIII) Total Capital Obligations against Market Risk (I+II+III+IV+V+VI)	10.033
(IX) Value-At-Market Risk ((12.5*VIII) or (12.5*VII))	125.413

b) Information related to market risk calculated by the month ends of the current period

	Current Period			Prior Period		
	Average	Highest	Lowest	Average	Highest	Lowest
Interest Rate Risk	25.856	32.300	13.975	6.791	12.063	3.788
Common Share Risk	--	--	--	--	--	--
Currency Risk	66.394	142.325	8.713	10.488	14.188	8.750
Commodity Risk	--	--	--	--	--	--
Exchange Risk	--	--	--	--	--	--
Options Risk	394	1.000	--	--	--	--
Total Value at Risk	92.644	175.625	22.688	17.279	26.251	12.538

IV. Information related to value at operational risk

“Basic Indicator Method” is used to calculate Group’s operational risk. Amount subject to operational risk is calculated according to “Regulation Regarding Measurement and Assessment of Capital Adequacy Ratio of Banks” that published at 1 November 2006 official gazette numbered 26333 and according to the 4th section “Computation of the Value at Operational Risk” which became valid at 1 June 2007 using the Bank’s the last three years; 2006, 2005 and 2004 year end gross revenues.

	31 December 2007	31 December 2006	31 December 2005
1. Net Interest Incomes	20.333	20.585	22.486
2. Net Fee and Commissions Income	6.570	6.293	7.258
3. Dividend Income	137	51	40
4. Trading Gain/ Loss (Net)	1.201	2.799	2.377
5. Other operating income	1.565	3.347	748
6. Gain/(Loss) on Securities Available-for-Sale and Held-to-Maturity	11	--	--
7. Extraordinary Incomes (Gain on sale of immovables and Gain on Sale Associate Subsidiary shares included also)	351	275	129
8. Insurance Claim Collections	--	--	--
9. Basic Indicator-Gross Income (1+2+3+4+5-6-7-8)	29.444	32.800	32.780
10. Basic Indicator – Capital Obligation (9 x 15%)	4.417	4.920	4.917
11. Basic Indicator- Average Cap. Risk Lib.	4.751		
12. Basic Indicator -Amount subject to Operational Risk (11*12,5)	59.390		

V. Information on consolidated foreign currency exchange rate risk

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

The Group complies with net general position-shareholder’s equity limits. The Group 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 parent 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. Using the VaR method, the effect of the changes in risk factors is calculated on a daily basis. The method is tested in a retrospective manner. To test the effect of the exchange 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 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 Group 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. Manageable 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 parent Bank are as follows:

USD Foreign Exchange Buying Rate as of balance sheet date	YTL 1.4800
EUR Foreign Exchange Buying Rate as of balance sheet date	YTL 2.0951

Date	US Dollars	EUR
25 December 2008	YTL 1.4900	YTL 2.0854
26 December 2008	YTL 1.4900	YTL 2.0875
29 December 2008	YTL 1.4800	YTL 2.0830
30 December 2008	YTL 1.4800	YTL 2.1139
31 December 2008	YTL 1.4800	YTL 2.0951

5. The basic arithmetical average of the parent Bank’s foreign exchange bid rate for the last thirty days:

The basic arithmetical average of the Bank’s foreign exchange bid rate for December 2008 is YTL 1,5338 for USD and YTL 2,0283 for EUR.

Information on Group’s Currency Risk:

Current Period	EUR	US Dollars	JPY	Other	Total
Assets					
Cash (Cash in Vault, Foreign currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	858	40.174	--	72	41.104
Banks	11.131	2.488	2	279	13.900
Financial Assets at Fair Value through Profit or Loss	5.956	55.828	--	--	61.784
Interbank Money Market Placements	--	--	--	--	--
Investment Securities Available-for-Sale	--	833	--	--	833
Loans (*)	54.397	166.019	--	--	220.416
Investments in Subsidiaries and Associates	--	--	--	--	--
Investment Securities Held-to-Maturity	4.283	113.199	--	--	117.482
Financial Derivatives (Assets)	--	--	--	--	--
Tangible Assets	--	--	--	--	--
Intangible Assets	--	--	--	--	--
Other Assets	50.288	11.561	--	--	61.849
Total Assets	126.913	390.102	2	351	517.368
Liabilities					
Bank Deposits	24.790	22.096	--	16	46.902
Foreign Currency Deposits	28.292	19.110	--	318	47.720
Money Market Borrowings	--	--	--	--	--
Funds Borrowed from Other Financial Institutions	114.208	301.233	--	--	415.441
Marketable Securities Issued	--	--	--	--	--
Miscellaneous Payables	1.466	2.144	--	2	3.612
Financial Derivatives (Liabilities)	--	--	--	--	--
Other Liabilities	3.992	18.486	--	136	22.614
Total Liabilities	172.748	363.069	--	472	536.289
On Balance Sheet Position, net	(45.835)	27.033	2	(121)	(18.921)
Off-Balance Sheet Position, net	52.587	(30.856)	--	--	21.731
Financial Derivatives (Assets)	52.587	162.800	--	--	215.387
Financial Derivatives (Liabilities)	--	193.656	--	--	193.656
Non-Cash Loans	468.154	174.972	--	78,898	722.024
Prior Period					
Total Assets	85.405	193.300	141	748	279.594
Total Liabilities	86.187	206.816	--	851	293.854
Balance Sheet Position, net	(782)	(13.516)	141	(103)	(14.260)
Off-Balance Sheet Position, net	--	--	--	--	--
Financial Derivatives (Assets)	--	--	--	--	--
Financial Derivatives (Liabilities)	--	--	--	--	--
Non-cash Loans	136.524	141.977	--	9.343	287.844

(*) Loan balance includes foreign currency indexed loans amounting to YTL 35.153 (31 December 2007: YTL 26.909) as of 31 December 2008.

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 YTL against currencies mentioned below as of 31 December 2008 and 2007 are presented in the below table. The other variables, especially the interest rates, are assumed to be fixed in this analysis.

Assuming 10% devaluation;

	31 December 2008		31 December 2007	
	Income Statement	Shareholders’ Equity (*)	Income Statement	Shareholders’ Equity (*)
US Dollar	2.480	2.480	(1.249)	(1.249)
Euro	(4.425)	(4.425)	(76)	(76)
Other Currencies	(12)	(12)	4	4
Total	(1.957)	(1.957)	(1.321)	(1.321)

(*) The effect on shareholders’ equity also includes profit/loss effects.

Assuming 10% appreciation;

	31 December 2008		31 December 2007	
	Income Statement	Shareholders’ Equity (*)	Income Statement	Shareholders’ Equity (*)
US Dollar	(2.480)	(2.480)	1.249	1.249
Euro	4.425	4.425	76	76
Other Currencies	12	12	(4)	(4)
Total	1.957	1.957	1.321	1.321

VI. Information on consolidated 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 parent Bank monthly based stress test analysis are done.

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

In addition, scenario analyses are performed based on possible interest rate estimations obtained by changing expectations of risk factors. The sensitivity of assets, liabilities and off-balance sheets is measured by sensitivity analysis by using the maturity ladder prepared on a monthly basis.

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

The Board of Directors has determined limits for the amount exposed to market risk/ shareholder’s equity, to be maximum 100% (+10 % exception) to follow interest rate risk, exchange rate risk and equity price risk.

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

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

The table below shows the effects of changes in interest rates on the financial statements of the Group. 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.

31 December 2008	Profit / Loss		Shareholders’ Equity Effect (*)	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Financial assets at fair value through profit loss	(1.494)	1.539	(1.494)	1.539
Investment securities available for sale	--	--	--	--
Financial assets with floating interest rates	945	(738)	945	(738)
Financial liabilities with floating interest rate	--	--	--	--
Total, net	(549)	801	(549)	801

31 December 2007	Profit / Loss		Shareholders’ Equity Effect (*)	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Financial assets at fair value through profit loss	(131)	13	(131)	13
Investment securities available for sale	--	--	--	--
Financial assets with floating interest rates	104	16	104	16
Financial liabilities with floating interest rate	(73)	48	(73)	48
Total, net	100	77	100	77

(*) The effect on shareholders’ equity also includes the effect of 100 bps increase or decrease in interest rates on the profit/loss.

**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 Year and Over	Non- Interest Bearing(*)	Total
Assets							
Cash (cash in vault, foreign currencies, cash in transit, cheques purchased) and balances with the Central Bank of Turkey	39.954	--	--	--	--	1.730	41.684
Banks	42.951	12.161	--	--	12	199	55.323
Financial assets at fair value through Profit or Loss	2.661	41.205	22.744	14.932	92.176	--	173.718
Interbank Money Market Placements	--	--	--	--	--	--	--
Financial assets available-for-sale	--	--	--	--	--	987	987
Loans	140.346	139.452	45.533	190	--	--	325.521
Investment securities held-to-maturity	315	50.878	32.531	14.317	54.738	--	152.779
Other assets(*)	5.510	4.830	21.469	36.764	--	45.269	113.842
Total assets	231.737	248.526	122.277	66.203	146.926	48,185	863.854
Liabilities							
Bank deposits	46.902	--	--	--	--	--	46.902
Other deposits	6.571	4.525	2.360	--	--	37.456	50.912
Money market Borrowings	52.343	--	--	--	--	--	52.343
Miscellaneous payables	--	--	--	--	--	4.611	4.611
Marketable securities issued	--	--	--	--	--	--	--
Funds Borrowed From Other Financial Institutions	145.801	251.714	19.691	--	--	--	417.206
Other liabilities(**)	2.469	3,065	12.937	--	--	273.409	291.880
Total liabilities	254.086	259.304	34.988	--	--	315.476	863.854
Long Position in the Balance Sheet	--	--	87.289	66.203	146.926	--	300,418
Short Position in the Balance Sheet	(22.349)	(10.778)	--	--	--	(267.291)	(300.418)
Long Position in the Off-balance Sheet	--	--	600	--	--	--	600
Short Position in the Off-balance Sheet	(728)	(1.400)	--	--	--	--	(2.128)
Total Position	(23.077)	(12.178)	87.889	66.203	146.926	(267.291)	(1.528)

(*) Other Assets : Non-Interest Bearing column YTL 45.269 is composed of miscellaneous receivables amounting to YTL 211, tangible assets amounting to YTL 19.733, intangible assets amounting to YTL 275, Current tax and deferred tax assets amounting to YTL 17.427, assets held for resale amounting to YTL 1.061 and Other Assets amounting to YTL 6.562.

(**)Other Liabilities: Non-Interest Bearing Column YTL 273.409 is composed of Shareholders’ Equity amounting to YTL 258.710, Provisions amounting to YTL 8.025, Tax, Duty and Premium Payable amounting to YTL 1.269 and Other Foreign Resources amounting to YTL 5.405.

Prior Period	Up to 1 Month	1-3 Months	3 – 12 Months	1-5 Years	5 Year and Over	Non- Interest Bearing	Total
Assets							
Cash (cash in vault, foreign currencies, cash in transit, cheques purchased) and balances with the Central Bank of Turkey	27.002	--	--	--	--	1.001	28.003
Banks	24.689	--	--	10	--	423	25.122
Financial assets at fair value through Profit or Loss	2.225	45.607	34.407	4.896	--	--	87.135
Interbank Money Market Placements	--	--	--	--	--	--	--
Financial assets available-for-sale	--	--	--	--	--	802	802
Loans	65.208	54.367	8.232	552	--	--	128.359
Investment securities held-to-maturity	--	29.712	--	25.739	3.439	--	58.890
Other assets(*)	4.532	4.211	18.742	29.769	--	26.905	84.159
Total assets	123.656	133.897	61.381	60.966	3.439	29.131	412.470
Liabilities							
Bank deposits	40.614	--	--	--	--	--	40.614
Other deposits	15.139	4.892	2.469	--	--	22.263	44.763
Money market Borrowings	4.109	--	--	--	--	--	4.109
Miscellaneous payables	--	--	--	--	--	3.177	3.177
Marketable securities issued	--	--	--	--	--	--	--
Funds Borrowed From Other Financial Institutions	41.010	158.664	16.913	294	--	--	216.881
Other liabilities(**)	333	--	--	--	--	102.593	102.926
Total Liabilities	101.205	163.556	19.382	294	--	128.033	412.470
Balance Sheet Long Position	22.451	--	41.999	60.672	3.439	--	128.561
Balance Sheet Short Position	--	(29.659)	--	--	--	(98.902)	(128.561)
Off Balance Sheet Long Position	--	--	--	--	--	--	--
Off Balance Sheet Short Position	--	--	--	--	--	--	--
Total Position	22.451	(29.659)	41.999	60.672	3.439	(98.902)	--

(*) Other Assets : Non-Interest Bearing YTL 26.905 column is composed of Miscellaneous Receivables amounting to YTL 168, Tangible Assets amounting to YTL 19.699, Intangible Assets amounting to YTL 256, Deferred Tax Assets amounting to YTL 3.036, Assets Held for Resale amounting to YTL 1.118 and Other Assets amounting to YTL 2.628.

(**)Other Liabilities: Non-Interest Bearing Column YTL 102.593 is composed of Shareholders' Equity amounting to YTL 94.658, Provisions amounting to YTL 5.043, Tax, Duty and Premium Payable amounting to YTL 746 and Other Foreign Resources amounting to YTL 2.146.

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

	EUR	USD	JPY	YTL
Current Period				
Assets				
Cash (cash in vault, effectives, money in transit, cheques purchased) and balances with the Central Bank of Turkey	--	--	--	12.00
Banks	1.26	2.04	--	18.38
Financial assets at fair value through profit or loss	7.24	5.08	--	21.60
Money market placements	--	--	--	--
Investment securities available-for-sale	--	--	--	--
Loans	6.30	5.50	--	21.67
Investment securities held-to-maturity	5.50	7.14	--	20.36
Financial Lease Receivables	8.24	8.39	--	21.49
Liabilities				
Interbank deposits	1.00	0.15	--	--
Other deposits	2.11	2.21	--	15.59
Money market Borrowings	--	--	--	--
Miscellaneous payables	--	--	--	--
Marketable securities issued	--	--	--	--
Funds Borrowed From Other Financial Institutions	4.66	2.11	--	17.14

	EUR	USD	JPY	YTL
Prior Period				
Assets				
Cash (cash in vault, effectives, money in transit, cheques purchased) and balances with the Central Bank of Turkey,	--	1.95	--	11.81
Banks	2.82	4.50	--	17.97
Financial Assets at Fair Value through Profit or Loss	6.52	7.24	--	18.27
Money market placements	--	--	--	--
Investment securities available-for-sale	--	--	--	--
Loans	6.27	6.33	--	17.68
Investment securities held-to-maturity	5.50	9.84	--	20.78
Financial Lease Receivables	8.27	10.23	--	22.25
Liabilities				
Interbank deposits	4.50	--	--	16.88
Other deposits	2.05	2.18	--	15.64
Money market Borrowings	--	--	--	16.20
Miscellaneous payables	--	--	--	--
Marketable securities issued	--	--	--	--
Funds Borrowed From Other Financial Institutions	5.50	5.20	--	15.05

VII. Information on consolidated liquidity risk

1. Restrictions on fund sources established by the board of directors for the purpose of meeting urgent liquidity demand and making payments for matured debts

Parent Bank’s liquidity risk has been analyzed within the context of risk management operations. Within this context Parent 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. Parent Bank has strong fund sources besides there is no restriction on fund sources for the purpose of meeting urgent liquidity demand and making payments for matured debts. As a result of this, the parent Bank has not been encountered with liquidity problems and there is no expectation of possible liquidity risk for the future for the parent Bank.

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 parent 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 June 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 of parent Bank in 2007 are as follows:

Current Period	Primary Maturity Split (Weekly)		Secondary Maturity Split (Monthly)	
	FC	FC+YTL	FC	FC+YTL
Average	234	234	100	138
Highest (%)	664	488	141	216
Lowest (%)	108	115	72	102

31 December 2008	Book Value	Gross nominal Outflow	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Year and Over
Other Deposits	50.912	50.967	37.456	6.598	4.543	2.370	--	--
Due from other financial institutions	417.206	418.023	--	137.461	225.299	24.449	30.814	--
Money Market Borrowings	52.343	52.364	--	52.364	--	--	--	--
Securities issued	--	--	--	--	--	--	--	--
Total	567.363	568.257	82.459	198.323	229.842	26.819	30.814	

31 December 2007	Book Value	Gross nominal Outflow	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Year and Over
Other Deposits	44.763	44.984	22.263	15.317	4.904	2.500	--	--
Due from other financial institutions	216.881	224.555	--	41.605	130.008	15.567	37.375	--
Money Market Borrowings	4.109	4.128	--	4.128	--	--	--	--
Securities issued	--	--	--	--	--	--	--	--
Total	306.367	314.284	56.153	67.777	134.912	18.067	37.375	

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
Assets								
Cash (cash in vault, effectives, money in transit, cheques purchased) and Central Bank balances	2.153	39.531	--	--	--	--	--	41.684
Banks	2.482	40.668	12.161	--	--	12	--	55.323
Financial Assets at Fair Value through Profit or Loss	--	472	927	313	14.932	157.074	--	173.718
Money Market Placements	--	--	--	--	--	--	--	--
Investment securities available-for-sale	--	--	--	--	--	--	987	987
Loans	--	102.635	58.070	143.792	21.024	--	--	325.521
Investment securities held-to- maturity	--	315	1.246	25.309	57.287	68.622	--	152.779
Other assets(*)	2.276	5.510	4.830	25.819	36.764	--	38.643	113.842
Total Assets	6.911	189.131	77.234	195.233	130.007	225.708	39.630	863.854
Liabilities								
Interbank Deposits	45.003	1.899	--	--	--	--	--	46.902
Other Deposits	37.456	6.571	4.525	2.360	--	--	--	50.912
Funds provided from other financial institutions	--	137.145	224.802	24.445	30.814	--	--	417.206
Money Market Borrowings	--	52.343	--	--	--	--	--	52.343
Marketable securities issued	--	--	--	--	--	--	--	--
Miscellaneous payables	--	313	--	--	--	--	4.298	4.611
Other liabilities(**)	--	7.845	3.065	12.937	--	--	268.033	291.880
Total Liabilities	82.459	206.116	232.392	39.742	30.814	--	272.331	863.854
Liquidity Gap	(75.548)	(16.985)	(155.158)	155.491	99.193	225.708	(232.701)	--
Prior Period								
Total Assets	4.686	114.216	26.089	57.089	167.994	14.964	27.432	412.470
Total Liabilities	58.808	67.479	134.556	11.301	37.375	--	102.951	412.470
Net Liquidity Gap	(54.122)	46.737	(108.467)	45.788	130.619	14.964	(75.519)	--

(*)Other assets amount YTL 38.643 at the unallocated part consists of Tangible Assets amounting YTL 19.733, Intangible Assets amounting to YTL 275, Office Supply Inventory amounting to YTL 68, Deferred Tax Asset amounting to YTL 13.077, Asset Held For Resale amounting to YTL 1.061, miscellaneous receivables of YTL 211 and Other assets amounting to YTL 4.218.

(**)Other liabilities amount YTL 268.033 at the unallocated part consists of Shareholders' Equity amounting to YTL 258.710, Provisions amounting to YTL 8.025, Transitory liability account amounting to YTL 3, transitory asset account amounting to YTL 1.225 and deferred tax liability amounting to YTL 70.

VIII. Information on fair values of financial assets and liabilities

The fair value of the held to maturity financial assets; in case of situations where market price or fair value can not be determined; is calculated over the quoted market prices of other investment securities that are of the same interest, maturity and similar in other clauses.

The estimated fair value of the demand deposit represents the amount to be paid at the moment of demand. Placements of changing rates and the fair value of the overnight deposit equal to their book values. The fair value of the fixed yield deposit is calculated over the cash flow discounted using the market interest rates applied on similar borrowing and other payables.

The estimated fair value of the loans and financial lease receivables is calculated over the cash flow discounted using the market interest rates applied on the constant interest loans. The carrying values of floating-rate loans are deemed a reasonable proxy for their fair values.

In the table below; fair values and book values of some of the financial assets and liabilities are presented. The book value of the assets and liabilities is the total of the cost and accumulated interest accruals.

	Carrying Value		Fair Value	
	Current Period	Prior Period	Current Period	Prior Period
Financial Assets	602.855	269.756	600.985	270.075
Banks	55.323	25.122	55.323	25.122
Financial assets available-for-sale	987	802	987	802
Investment securities held-to-maturity	152.779	58.890	151.153	60.091
Loans	325.521	128.359	325.484	128.262
Leasing receivables	68.245	56.583	68.038	55.798
Financial Liabilities	517.974	309.544	517.974	309.544
Interbank deposits	46.902	40.614	46.902	40.614
Other Deposits	50.912	44.763	50.912	44.763
Funds provided from other financial institutions	417.206	216.881	417.206	216.881
Money market borrowings	52.343	4.109	52.343	4.109
Marketable securities issued	--	--	--	--
Miscellaneous Payables	4.611	3.177	4.611	3.177

IX. Activities carried out on behalf of and account of third parties, activities based on assurance

1. Information on whether bank carries out trading, custody, consulting, management services for third parties:

The Bank carries out trading of government bonds and treasury bills and repurchase agreements on others' behalf and account. Apart from such services; the Bank does not carry out any other trading, custody, management and consulting services on behalf and account of others.

2. Information on fiduciary transactions with other financial institutions or direct financial services given within the context of fiduciary transactions to other financial institutions and possible affects of such transactions on bank's financial situation:

The Bank does not have transactions based on assurance.

IX. Information on Business Segments:

Information on operational segments on 31 December 2008 are presented in the table below

	Retail Banking	Corporate and Commercial Banking	Treasury	Private Banking	International Banking	Other	Total Operations
31 December 2008							
Operational Incomes	--	51.631	(26.510)	--	--	8.134	33.255
Other	--	--	--	--	--	--	--
Operational Income	--	51.631	(26.510)	--	--	8.134	33.255
Net Gain of the Division	--	--	--	--	--	--	--
Unallocated costs	--	--	--	--	--	--	--
Operational Profit/(Loss)	--	35.808	(43.565)	--	--	4.355	(3.402)
Income from Affiliates	--	--	--	--	--	105	105
Income before tax	--	35.808	(43.565)	--	--	4.460	(3.297)
Tax	--	--	--	--	--	2.224	2.224
Income after tax	--	35.808	(43.565)	--	--	6.684	(1.073)
Minority rights	--	--	--	--	--	--	--
Net Profit for the term	--	35.808	(43.565)	--	--	6.684	(1.073)
Division assets	--	337.552	427.970	--	--	98.332	863.854
Affiliates and Partnerships	--	--	--	--	--	--	--
Unallocated assets	--	--	--	--	--	--	--
Total assets	--	337.552	427.970	--	--	98.332	863.854
Division Liabilities	--	113.024	427.970	--	--	64.150	605.144
Unallocated Liabilities	--	--	--	--	--	258.710	258.710
Total Liabilities	--	371.229	427.970	--	--	98.332	863.854
							--

	Retail Banking	Corporate and Commercial Banking	Treasury	Private Banking	International Banking	Other	Total Operations
31 December 2007							
Operational Incomes	--	20.696	1.797	--	--	7.313	29.806
Other	--	--	--	--	--	--	--
Operational Income	--	20.696	1.797	--	--	7.313	29.806
Net Gain of the Division	--	--	--	--	--	--	--
Unallocated costs	--	--	--	--	--	--	--
Operational Profit/(Loss)	--	(1.103)	1.919	--	--	4.024	4.840
Income from Affiliates	--	137	--	--	--	--	137
Income before tax	--	(966)	1.919	--	--	4.024	4.977
Tax	--	208	--	--	--	1.994	2.202
Income after tax	--	(1.174)	1.919	--	--	2.030	2.775
Minority rights	--	--	--	--	--	--	--
Net Profit for the term	--	(1.174)	1.919	--	--	2.030	2.775
Division assets	--	114.861	215.374	--	--	82.235	412.470
Affiliates and Partnerships	--	--	--	--	--	--	--
Unallocated assets	--	--	--	--	--	--	--
Total assets	--	114.861	215.374	--	--	82.235	412.470
Division Liabilities	--	46.657	215.374	--	--	55.781	317.812
Unallocated Liabilities	--	--	--	--	--	94.658	94.658
Total Liabilities	--	141.315	215.374	--	--	55.781	412.470
							--

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

I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED ASSETS

1. Information on cash equivalents and Central Bank of Turkey:

Information on cash equivalents:

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Cash/Effective	143	1.587	171	830
Central Bank of Turkey	437	39.517	273	26.729
Other	--	--	--	--
Total	580	41.104	444	27.559

Information related to the account of Central Bank of Turkey

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Unrestricted Demand Deposits	437	--	273	--
Unrestricted Time Deposits	--	13.254	--	7.058
Restricted Time Deposits	--	--	--	--
Reserve Deposits	--	26.263	--	19.671
Total	437	39.517	273	26.729

Information on Reserve Deposits:

The banks operating in Turkey keep reserve deposits for Turkish currency and foreign currency liabilities in YTL and USD or EUR at the rates of 6% and 9%, respectively as per the Communiqué no.2005/1 “Reserve Deposits” of the Central Bank of Turkey. Central Bank of Turkey has made quarterly interest payments on YTL and FC reserve deposit at the determined rates as of December 11, 2008. However, with the article 2008/7 dated December 5, 2008 on Reserve Deposits published on the official gazette numbered 27075, interest payments will be made for only YTL reserve deposits. As of 31 December 2008 interest rates applied for reserve requirements by the Central Bank of Turkey are 12,00% for YTL deposits .

Subordinated loan amounting USD 12 Million, which was provided from Bank’s shareholders at 30 December 2002, was included in capital computation upon the approval of BRSA with the clause that the loan amount would be added to the paid in share capital at maturity. In the audit report prepared by Sworn in Bank Auditors dated 18 August 2006 it was pointed out that the shareholder’s equity miscalculated due to fact that the subordinated loan amount included in the tier 2 capital should have been taken into account by decreasing the principal amount 60% and 80% in 2005 and 2006 respectively. Upon the above mentioned issues Central Bank on 8 August 2007 has obligated the Bank to keep reserve deposits amounting the three times of the reserve deposit amount not kept over subordinated loan starting from 31 December 2002 up to 31 December 2006 . In order to fulfill its’ obligation the bank has kept the required reserve deposit amount at Central Bank of Turkey until 8 August 2008 with which the liability of the bank has been eliminated and the obligation is fulfilled.

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

a) Among financial assets at fair value through profit or loss as of 31 December 2008; YTL 59.438 is subjected to repurchase transactions (31 December 2007: YTL 1.062), and YTL 60.858 is provided as collateral /blocked. (31 December 2007: YTL 47.918)

b) Positive differences on trading derivative instruments

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Forward Transactions	--	--	--	--
Swap Transactions	--	276	--	--
Futures	--	--	--	--
Options	--	668	--	--
Other	--	--	--	--
Total	--	944	--	--

3. Information on banks and other financial institutions:

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Banks				
Domestic banks	20,470	9.703	71	1.741
Foreign banks	--	2,245	--	2.779
Foreign head offices and branches	20,953	1.952	19.291	1.240
Total	41,423	13,900	19,362	5,760

3.1 Information on foreign bank accounts:

	Free Amount		Restricted Amount	
	Current period	Prior period	Current period	Prior period
European Union Countries	1.268	1.439	--	--
USA, Canada	316	599	2	2
OECD Countries (*)	78	23	--	--
Off-Shore Banking Regions	--	--	--	--
Other	571	708	10	8
Total	2.233	2.769	12	10

* OECD countries except EU Countries, Canada and USA

4. Information on available for sale financial assets:

4.1 Major types of available for sale financial assets

Available for sale financial assets are comprised of shares that are not active in the stock market.

4.2 Information on available for sale financial assets

	Current period	Prior period
Debt Securities	--	--
Quoted in stock exchange	--	--
Not quoted in stock exchange	--	--
Share Certificates	987	802
Quoted in stock Exchange	--	--
Not quoted in stock Exchange	987	802
Impairment provision (-)	--	--
Total	987	802

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
Direct Loans Granted to Shareholders	52	15.582	--	1.161
Corporate Shareholders	52	15.582	--	1.161
Individual Shareholders	--	--	--	--
Indirect Loans Granted to Shareholders	9.284	98.472	12.593	80.246
Loans Granted to the Group’s Personnel	393	7	276	7
Total (*)	9.729	114.061	12.869	81.414

*Financial lease receivables included

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	
	<i>Loans and Other Receivables</i>	<i>Restructured or Rescheduled</i>	<i>Loans and Other Receivables</i>	<i>Restructured or Rescheduled</i>
Cash Loans				
Non-specialized loans	325.521	--	--	--
Discount Notes	14.960	--	--	--
Export loans	55.919	--	--	--
Import loans	--	--	--	--
Loans given to financial sector	169.701	--	--	--
International loans	5.649	--	--	--
Consumer loans	396	--	--	--
Credit cards	--	--	--	--
Precious metals loans	--	--	--	--
Other	78.896	--	--	--
Specialized loans	--	--	--	--
Other receivables	--	--	--	--
Total	325.521	--	--	--

5.3 Cash loans according to their maturity structure

	Standard Loans and Other Receivables		Loans and Other Receivables Under Close Monitoring	
	<i>Loans and Other Receivables</i>	<i>Restructured or rescheduled</i>	<i>Loans and Other Receivables</i>	<i>Restructured or rescheduled</i>
Short Term Loans and Other Receivables	275.277	--	--	--
Non-specialized loans	275.277	--	--	--
Specialized loans	--	--	--	--
Other receivables	--	--	--	--
Medium and long-term loans and Other Receivables	50.244	--	--	--
Non-specialized loans	50.244	--	--	--
Specialized loans	--	--	--	--
Other receivables	--	--	--	--
Total	325.521	--	--	--

5.4 Information on consumer loans, credit cards and loans given to employees:

	Short Term	Medium and Long Term	Total
Consumer Loans-YTL	--	4	4
Real estate loans	--	--	--
Automotive loans	--	--	--
Consumer loans	--	4	4
Other	--	--	--
Consumer Loans-Indexed to FC	--	--	--
Real estate loans	--	--	--
Automotive loans	--	--	--
Consumer loans	--	--	--
Other	--	--	--
Consumer Loans-Indexed to FC	--	--	--
Real estate loans	--	--	--
Automotive loans	--	--	--
Consumer loans	--	--	--
Other	--	--	--
Individual Credit Cards-YTL	--	--	--
Installment	--	--	--
Non-Installment	--	--	--
Individual Credit Cards-FC	--	--	--
Installment	--	--	--
Non-Installment	--	--	--
Personnel Loans- YTL	88	304	392
Real estate loans	--	--	--
Automotive loans	--	--	--
Consumer loans	--	--	--
Other	88	304	392
Personnel Loans- Indexed to FC	--	--	--
Real estate loans	--	--	--
Automotive loans	--	--	--
Consumer loans	--	--	--
Other	--	--	--
Personnel Loans-FC	--	--	--
Real estate loans	--	--	--
Automotive loans	--	--	--
Consumer loans	--	--	--
Other	--	--	--
Personnel Credit Cards-YTL	--	--	--
Installment	--	--	--
Non-Installment	--	--	--
Personnel Credit Cards-YP	--	--	--
Installment	--	--	--
Non-Installment	--	--	--
Deposits with Credit Limit-YTL (Individual)	--	--	--
Deposits with Credit Limit-FC (Individual)	--	--	--
Total	88	308	396

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	Short Term	Medium and Long Term	Total
Corporate Loans with installment-YTL	10	--	10
Workplace Loans	--	--	--
Automotive Loans	10	--	10
Consumer Loans	--	--	--
Other	--	--	--
Corporate Loans with installment – indexed to FC	--	--	--
Workplace Loans	--	--	--
Automotive Loans	--	--	--
Consumer Loans	--	--	--
Other	--	--	--
Corporate Loans with installment – indexed to FC	--	--	--
Workplace Loans	--	--	--
Automotive Loans	--	--	--
Consumer Loans	--	--	--
Other	--	--	--
Corporate Credit Cards – YTL	--	--	--
Installment	--	--	--
Non-Installment	--	--	--
Corporate Credit Cards – FC	--	--	--
Installment	--	--	--
Non-Installment	--	--	--
Deposits with Credit Limit-YTL (Individual)	--	--	--
Deposits with Credit Limit-FC (Individual)	--	--	--
Total	10	--	10

5.6 Allocation of loans by customers

	Current Period	Prior Period
Public	--	--
Private	325.521	128.359
Total	325.521	128.359

5.7 Allocation of domestic and foreign loans

	Current Period	Prior Period
Domestic loans	304.912	108.259
Foreign loans	20.609	20.100
Total	325.521	128.359

5.8 Loans granted to subsidiaries and associates

In the current period there is no loan granted to subsidiaries and investments.

5.9 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	5.906	5.984
Total	5.906	5.984

5.10 Information on non-performing loans (Net)

5.10.1 In the current period there are no non-performing loans and receivables restructured or rescheduled.

5.10.2 Information on movement of total non-performing loans

	III. Group	IV. Group	V. Group
	<i>Loans and receivables with limited collectibility</i>	<i>Loans and receivables with doubtful collectibility</i>	<i>Uncollectible loans and receivables</i>
Balances at Beginning of Period	--	--	5.984
Additions (+)	10	--	17
Transfers from other categories of non performing loans (+)	--	--	--
Transfers to other categories of non performing loans (-)	--	--	--
Collections (-)	(10)	--	(95)
Write-offs (-)	--	--	--
Corporate and commercial loans	--	--	--
Retail loans	--	--	--
Credit cards	--	--	--
Others	--	--	--
Balances at End of the Period	--	--	5.906
Specific provisions (-)	--	--	(5.906)
Net Balance on Balance Sheet	--	--	--

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5.10.3 Information on foreign currency non-performing loans

There is YTL 2.030 of non-performing loan receivables in foreign currency which is followed in YTL accounts.

5.11 Main points of liquidation policy for uncollectible loans and receivables

Uncollectible loans and other receivables are collected through the legal following 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 collectibility	V. Group Non-performing loans and receivables
Current Year (Net)	--	--	--
Loans granted to real persons and legal entities (Gross)	--	--	5.806
Specific provisions (-)	--	--	5.806
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)	--	--	--
Prior Period (Net)	--	--	--
Loans granted to real persons and legal entities (Gross)	--	--	5.884
Specific provisions (-)	--	--	5.884
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

6. Information on held to maturity financial assets:**6.1 Information on repurchase transaction related to investment securities and provided as collateral/blocked for guarantee held to maturity (net):**

There is no repurchase transaction related to investment securities held to maturity. As of 31 December 2008 YTL 35.297 is provided as collateral/blocked for guarantee (At 31 December 2007: YTL 17.596).

6.2 Government securities held-to-maturity

	Current Period	Prior Period
Government bonds	35.297	17.596
Treasury Bonds	--	--
Other Public Bonds	77.238	21.561
Total	112.535	39.157

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6.3 Investments held-to-maturity

	Current Period	Prior Period
Debt Instruments	158.329	62.102
Quoted at stock exchange	35.297	17.596
Not-quoted at stock exchange	123.032	44.506
Impairment loss provision (-)	(5.550)	(3.212)
Total	152.779	58.890

6.4 Movement of investments held-to-maturity

	Current Period	Prior Period
Balances at the Beginning of the Period	58.890	81.634
Foreign Currency Gains / Losses on Monetary assets	17.834	(10.987)
Purchases during the Period(***)	97.362	--
Disposals through sales and redemptions (*)	(18.059)	(11.529)
Impairment loss provision (-) (**)	3.248	228
Period end balance	152.779	58.890

(*) In the current period sales and redemption transactions amounting to YTL 18.059 has been realized from the portfolio. In the current period the bond amounting YTL 9.745 with the maturity 22 October 2007 has been redeemed. In the current period the bonds amounting YTL 1.784 has been sold.

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

(***)At 3 October 2008, the Group reclassified certain security investments, previously classified in its securities trading portfolio (Credit Linked Note) which have maturities 2012, 2013 and 2017 in its financial statements, with total face values of YTL 29.600 and USD 20.000 to its securities held-to-maturity portfolio according to the change in TAS 39. Such securities are included in the securities held-to-maturity portfolio at their fair values of YTL 28.524 (USD 19.280) as of their reclassification date and presented in the above movement table of investments held-to-maturity under the “purchases during the period” line.

7. Information on Associates

The Group does not have an associate as of 31 December 2008 and 2007.

8. Information on subsidiaries (Net):**8.1 Information on consolidated subsidiaries**

8.1.1 The parent Bank does not have a subsidiary that is not included in consolidation.

8.1.2 Summary information on consolidated 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

Important financial statements of the subsidiary:

	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	98.332	34.242	143	11.106	-	2.517	2.654	27.954

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

8.2 Movement related to subsidiaries:

	Current Period	Prior Period
Balance at the Beginning of the Period	26.454	24.455
Movements during the Period	1.500	1.999
Purchases	--	--
Bonus Shares Received	1.500	1.999
Dividends from Current Year Profit	--	--
Sales	--	--
Revaluation Increase, Effect of Inflation and F/X Difference	--	--
Impairment Provision (+)	--	--
Balance at the End of the Period	27.954	26.454
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

Affiliates	Current Period	Prior Period
Banks		
Insurance Companies	--	--
Factoring Companies	--	--
Leasing Companies	27.954	26.454
Finance Companies	--	--
Other Affiliates	--	--

8.2.3 Quoted Subsidiaries

The parent Bank does not have any 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 controlled subsidiaries

The parent Bank does not have a joint venture.

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10. Information on financial lease receivables (Net):**10.1 Maturity analysis of financial lease receivables**

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	36.934	31.997	32.037	26.814
Between 1-4 years	42.565	38.299	33.919	29.769
Over 4 years	--	--	--	--
Total	79.499	70.296	65.956	56.583

10.2 Information on net financial lease investments

	Current Period	Prior Period
Gross Financial Lease Investment	79.499	65.956
Unearned Financial Lease income (-)	(9.203)	(9.373)
Cancelled Leasing Amounts	--	--
Net Investment on Leases	70.296	56.583

There is a provision amount of YTL 834 for doubtful financial lease receivables in net financial lease investment.

The movement in doubtful receivables is as follows::

	Current Period	Prior Period
Opening balance	747	62
Provisions	87	685
Collections	--	--
Ending balance	834	747

11. Information on financial derivatives for hedging:

The Group does not have any financial derivatives for hedging.

12. Information on tangible assets:

Current Period

	Real Estates	Leased Tangible Assets	Vehicles	Other Tangible Assets	Total
Balance at the End of the Prior Period: 31 December 2007					
<i>Cost</i>	27.303	3.933	1.033	2.903	35.142
<i>Accumulated Depreciation (-)</i>	8.406	3.802	865	2.400	15.473
Net Book Value	18.897	131	168	503	19.699
Balance at the End of the Current Period: 31 December 2008					
<i>Net Book Value at the Beginning of the Current Period</i>	27.303	3.933	1.033	2.903	35.172
<i>Additions</i>	--	761	47	300	1.108
<i>Disposals (-)</i>	--	--	192	48	240
<i>Impairment(-)</i>	--	--	--	--	--
Cost at the End of the Current Period	27.303	4.694	888	3.155	36.040
<i>Depreciation expense and depreciation expense of disposal (-)</i>	650	106	63	255	1.074
Accumulated Depreciation at the End of the Current Period (-)	9.056	3.908	736	2.607	16.307
Net Book Value at the End of the Current Period: 31 December 2008	18.247	786	152	548	19.733

Prior Period

	Real Estates	Leased Tangible Assets	Vehicles	Other Tangible Assets	Total
Balance at the End of the Prior Period: 31 December 2006					
<i>Cost</i>	27.303	3.933	981	2.812	35.029
<i>Accumulated Depreciation (-)</i>	7.756	3.660	770	2.146	14.332
Net Book Value	19.547	273	211	666	20.697
Balance at the End of the Period: 31 December 2007					
<i>Net Book Value at the Beginning of the Current Period</i>	27.303	3.933	981	2.812	35.029
<i>Additions</i>	--	--	77	93	170
<i>Disposals (-)</i>	--	--	25	2	27
<i>Impairment(-)</i>	--	--	--	--	--
Cost at the End of the Period	27.303	3.933	1.033	2.903	35.172
<i>Depreciation expense and depreciation expense of disposal(-)</i>	650	142	95	254	1.141
Accumulated Depreciation at the End of the Period (-)	8.406	3.802	865	2.400	15.473
Net Book Value at the End of the Period: 31 December 2007	18.897	131	168	503	19.699

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13. Information on intangible assets:**Current Period**

	Other	Total
Balance at the End of the Prior Period: 31 December 2007		
<i>Cost</i>	2.636	2.636
<i>Accumulated Depreciation (-)</i>	(2.380)	(2.380)
Net Book Value	256	256
Balance at the End of the Current Period 31 December 2008		
<i>Net Book Value at the Beginning of the Current Period</i>	2.636	2.636
<i>Additions</i>	160	160
<i>Disposals (-)</i>	11	11
<i>Impairment(-)</i>	-	--
Cost at the End of the Current Period	2.785	2.785
<i>Depreciation expense and depreciation expense of disposal(-)</i>	(130)	(130)
Accumulated Depreciation at the End of the Current Period (-)	(2.510)	(2.510)
Net Book Value at the End of the Current Period: 31 December 2008	275	275

Prior Period

	Other	Lease hold Improvement	Total
Balance at the End of the Prior Period: 31 December 2006			
<i>Cost</i>	2.539	531	3.070
<i>Accumulated Depreciation (-)</i>	(2.182)	(516)	(2.698)
Net Book Value	357	15	372
Balance at the End of the Current Period: 31 December 2007			
<i>Net Book Value at the Beginning of the Current Period</i>	2.539	531	3.070
<i>Additions</i>	5	17	22
<i>Disposals (-)</i>	--	--	--
<i>Impairment(-)</i>	-	--	--
Cost at the End of the Current Period	2.544	548	3.092
<i>Depreciation expense and depreciation expense of disposals(-)</i>	(130)	8	(138)
Accumulated Depreciation at the End of the Current Period (-)	(2.312)	(524)	(2.836)
Net Book Value at the End of the Current Period: 31 December 2007	232	24	256

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14. Information on investment property :

The Group does not have any investment property.

15. Information on tax asset:

The parent Bank has reconciled with the Tax Administration for the ongoing legal lawsuits filed relating to the corporate tax returns between 2001-2005 with respect to the law regarding ‘Regarding the collection of receivables of public institutions on a reconciliation basis’ published on 27 February 2008 in the official gazette numbered 26800 with the 5736 code number. Therefore, as a result of the corrections made on the corporate tax returns for the years 2001–2005, tax refund from the tax administration is finalized as YTL 17,395. Related amount is recorded under ‘Other Operating Income’ in the current period. As of 31 December 2008 tax receivable taking place under current tax asset after the deduction of taxable amounts is YTL 12.168.

The group has calculated YTL 5.259 deferred tax asset as of 31 December 2008 (31 December 2007: YTL 2.965), The aforementioned amount resulted from the temporary differences that are subject to tax as of the balance sheet date..

As of 31 December 2008 deferred tax asset calculated over financial loss and/or tax deduction and exceptions is YTL 381 (31 December 2007: YTL 279)

As of 31 December 2008 and 2007 the presentation of tax deductible or temporary differences subject to tax and the related deferred tax asset or liability as follows:

	Current Period 31 December 2008		Prior Period 31 December 2007	
	Accumulated temporary differences	Deferred tax asset/(liability)	Accumulated temporary differences	Deferred tax asset/(liability)
Tax advantage over unused investment incentives	--	--	3.147	944
Financial leasing	--	--	2.676	803
Provisions regarding employee rights	3.154	631	2.905	591
Tax losses	1.903	381	1.396	279
Marketable Securities Valuation difference	2.274	455	289	58
Depreciation difference of tangible and intangible assets with the tax base	169	34	171	34
Other Provisions	118	24	1.164	301
Other	1.541	308	841	168
Financial Derivatives	17.213	3.441	--	--
Deferred Tax asset	26.372	5.274	12.589	3.178
Other	(78)	(15)	(709)	(213)
Deferred tax liability	(78)	(15)	(709)	(213)
Net Deferred tax asset	26.294	5.259	11.880	2.965

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16. Information on tangibles held for resale:

	Current Period 31 December 2008	Prior Period 31 December 2007
Cost	1.195	1.551
Accumulated Depreciation	(77)	(76)
Net Book Value	1.118	1.475
Opening Balance	1.118	1.475
Acquired	--	--
Disposals (-), net	--	(333)
Depreciation Expense (-)	(57)	(24)
Closing Net Book Value	1.061	1.118

17. Information on other assets:

As of 31 December 2008 other assets account of consolidated balance sheet is YTL 5.050 (31 December 2007: YTL 3.467) and does not exceed 10% of total assets of consolidated balance sheet excluding consolidated off balance sheet commitments.

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	Demand	7 Days Notice	Up to 1 month	1-3 Months	3-6 Months	6 Month- 1 Year	1 Year and Over	Cumulative Demand	Total
Saving Deposits	288	--	821	651	17	28	--	--	1.805
Foreign Currency									
Deposits	35.936	--	2.024	5.503	1.196	3.079	--	--	47.738
Residents in									
Turkey	13.625	--	1.429	4.039	466	512	--	--	20.071
Residents Abroad	22.311	--	595	1.464	730	2.567	--	--	27.667
Public Sector									
Deposits	--	--	--	--	--	--	--	--	--
Commercial									
Deposits	437	--	44	93	--	--	--	--	574
Other Ins. Deposits	795	--	--	-	--	--	--	--	795
Precious Metal									
Deposits	--	--	--	--	--	--	--	--	--
Bank Deposits	45.003	--	1.899	--	--	--	--	--	46.902
Central Bank	--	--	--	--	--	--	--	--	--
Domestic Banks	--	--	1.899	--	--	--	--	--	1.899
Foreign Banks	45.003	--	--	--	--	--	--	--	45.003
Special Financial									
Institutions	--	--	--	--	--	--	--	--	--
Other	--	--	--	--	--	--	--	--	--
Total	82.459	--	4.788	6.247	1.213	3.107	--	--	97.814

Prior Period

	Demand	7 Days Notice	Up to 1 month	1-3 Months	3-6 Months	6 Month- 1 Year	1 Year and Over	Cumulative Demand	Total
Saving Deposits	99	--	4.951	1.220	15	24	--	--	6.309
Foreign Currency									
Deposits	21.068	--	4.055	5.700	2.011	2.772	--	--	35.606
Residents in									
Turkey	8.847	--	2.555	4.484	1.408	509	--	--	17.803
Residents Abroad	12.221	--	1.500	1.216	603	2.263	--	--	17.803
Public Sector									
Deposits	--	--	--	--	--	--	--	--	--
Commercial									
Deposits	605	--	1.816	83	--	--	--	--	2.504
Other Ins. Deposits	344	--	--	--	--	--	--	--	344
Precious Metal									
Deposits	--	--	--	--	--	--	--	--	--
Bank Deposits	33.890	--	6.724	--	--	--	--	--	40.614
Central Bank	--	--	--	--	--	--	--	--	--
Domestic Banks	--	--	6.724	--	--	--	--	--	6.724
Foreign Banks	33.890	--	--	--	--	--	--	--	33.890
Special Financial									
Institutions	--	--	--	--	--	--	--	--	--
Other	--	--	--	--	--	--	--	--	--
Total	56.006	--	17.546	7.003	2.026	2.796	--	--	85.377

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	1.501	3.094	304	3.217
Foreign Currency Saving Deposits	7.572	7.190	9.912	5.032
Other Saving Deposits	--	--	--	--
Foreign Branches' Deposits Under Foreign Insurance Coverage	--	--	--	--
Off-Shore Deposits Under Foreign Insurance Coverage	--	--	--	--
Total	9.073	10.284	10.216	8.249

1.2 Saving deposits not covered by deposit insurance

1.2.1 The parent Bank does not have off-shore and foreign branches.

1.2.2 The parent Bank does not have special current and participation deposits of individuals that are not covered under the guarantee of deposit insurance fund.

Amounts out of Insurance:

Deposits of Natural Person out of Insurance:

	Current Period	Prior Period
Deposits and Other Accounts held at Foreign Branches	--	--
Deposits and Other Accounts held by Shareholders and their Relatives	--	--
Deposits and Other Accounts of the Chairman and Members of Board of Directors, Chief Executive Officer, Senior Executive Officers and their Relatives	251	170
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 Depository 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	
	YTL	FC	YTL	FC
Forward transactions	--	--	--	--
Swap transactions	--	--	--	--
Futures transactions	--	--	--	--
Options	--	18.156	--	--
Other	--	--	--	--
Total	--	18.156	--	--

3. Information on funds borrowed:

3.1 Information on banks and other financial institutions:

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Central Bank	--	--	--	--
From Domestic Banks and Institutions	1.765	15.092	883	13.849
From Foreign Banks, Institutions and Funds	--	400.349	--	188.170
Total	1.765	415.441	883	202.019

3.2 Presentation of funds borrowed based on maturity profile:

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Short-Term	1.765	382.647	883	164.070
Medium and Long-Term	--	32.794	--	37.949
Total	1.765	415.441	883	202.019

3.3 Additional information on concentration of the Group’s liabilities

As of 31 December 2008, 11.32% (31 December 2007: 20.69%) and 48.29 % (31 December 2007: 52.58 of the Group’s liabilities comprised of deposits and funds borrowed respectively.

4. Information on other foreign resources:

The other foreign resources account of the consolidated balance sheet is YTL 5.720 (31 December 2007: YTL 2.479); and this amount does not exceed 10% of the total consolidated 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 Group as a result of the lease agreements.

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

The Group 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	2.709	902
Provisions for Loans and Receivables in Group II	--	--
Provisions for Non-Cash Loans	1.351	357
Other	--	--
Total	4.060	1.259

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	Current Period	Prior Period
Foreign Exchange Provisions for Foreign Currency Indexed Loans	862	2.297

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

7.3 Information on other provisions

The Bank has allocated YTL 118 for the on-going law suits as of the balance sheet date and (31 December 2007: YTL 117) YTL 424 for the non cash loans (31 December 2007: YTL 401).

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

As of 31 December 2008, there is no corporate tax payable after the prepaid tax (31 December 2007: YTL 401).

8.1.1 Information on tax payables

	Current Period	Prior Period
Banking Insurance Transaction Tax (BITT)	331	61
Taxation of Securities	34	49
Value Added Taxes Payable	71	24
Corporate Taxes Payable	12	10
Foreign Exchange Legislation Tax	--	15
Property tax	1	1
Other	520	371
Total	969	531

8.1.2 Information on premiums

	Current Period	Prior Period
Social Security Premiums- Employee	89	82
Social Security Premiums- Employer	123	116
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	6	6
Unemployment Insurance- Employer share	12	11
Other	--	--
Total	230	215

8.2 Information on deferred tax liability

The consolidated subsidiary of the parent Bank, A&T Leasing A.Ş has deferred tax liability of 70, within the context of temporary difference, and is represented on balance sheet.

9. Information on liabilities for assets held for resale:

None.

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10. Information on Subordinated Loans:

At 30 December 2002, the Bank has used a subordinated loan amounting to USD 12.000.000 from Libyan Foreign Bank with five years and one month maturity, with an interest rate of Libor+2. After the participation of T. İş Bankası and TC Ziraat Bankası to this subordinated loan; Libyan Foreign Bank takes part with USD 7.800.000, T. İş Bank takes part with USD 2.400.000 and TC. Ziraat Bank takes part with USD 1.800.000. Total amount of the subordinated loan has been added to the share capital as of 30 January 2008. The bank does not have any subordinated loans as of 31 December 2008.

11. Information on Shareholders’ Equity:**11.1 Presentation of Paid-in Capital:**

	Current Period	Prior Period
Common Stock	240.000	41.000
Preferred Stock	--	--

11.2 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 parent Bank.

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

With respect to the Extraordinary General Assembly meeting dated 3 December 2007, it has been decided that the Bank’s paid-in capital have been increased from YTL 41.000 to YTL 89.000. The increase of YTL 48.000 in paid-in capital was sourced from the subordinated loan, retained earnings and other capital reserves at amounts of YTL 14.125, YTL 9.967, YTL 23.908, respectively.

In accordance with the decision of Ordinary General Assembly which was held on 25 March 2008, it has been decided that the Bank’s paid-in capital will be increased from YTL 89.000 to YTL 240.000 and was decided to be paid in cash by the Bank’s shareholders amounting to YTL 151.000 and the increase in share capital has been realized on 16 June 2008. As a result of the Bank’s paid-in capital increases in the current period consisting of YTL 165.125 of cash, YTL 9.967 of retained earnings and YTL 23.908 of other capital reserves and the bank’s paid-in capital has been increased to YTL 240.000 from YTL 41.000 with the increase in total with an amount of YTL 199,000.

11.4 Information on share increases from capital reserves

In the current period YTL 23.908 capital increase from capital reserves has been added.

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

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

11.6 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.

11.7 Information on the privileges given to stocks representing the capital

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

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

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

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

11.8 Information on marketable securities value increase fund:

The Group does not have marketable securities value increase fund in the current period.

11.9 Information on legal reserves:

In the current period YTL 216 has been transferred to legal reserves from retained earnings (31 December 2007: YTL 323)

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

The parent Bank has the payment orders for cheques amounting to YTL 37.149 (31 December 2007: YTL 4.348) as irrevocable commitments.

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

As of 31 December 2008, the Group has allocated the provision amounting YTL 424 over total non-cash loans of YTL 848 (31 December 2007: provision 401 over non-cash loans of 802)

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 YTL 187.083 (31 December 2007: YTL 109.497).

1.2.2 Final guarantees, temporary guarantees, commitments and similar transactions

The total amounts of the Bank’s guarantee letters are YTL 535.855 (31 December 2007: YTL 179.494).

2. Total amount of Non-cash loans:

	Current Period	Prior Period
Non-Cash Loans granted for Cash Loan Assurance	8.584	3.261
Less Than or Equal to One Year with Original Maturity	--	3.261
More Than One Year with Original Maturity	8.584	--
Other Non-Cash Loans	714.354	285.730
Total	722.938	288.991

3. Information on Sectoral risk concentrations of non-cash loans:

	Current Period				Prior Period			
	YTL	%	FC	%	YTL	%	FC	%
Agricultural	--	0.00	--	0.00	--	0.00	--	0.00
Farming and Raising livestock	--	0.00	--	0.00	--	0.00	--	0.00
Forestry	--	0.00	--	0.00	--	0.00	--	0.00
Fishing	--	0.00	--	0.00	--	0.00	--	0.00
Manufacturing	--	0.00	--	0.00	--	0.00	--	0.00
Mining	--	0.00	--	0.00	--	0.00	--	0.00
Production	--	0.00	--	0.00	--	0.00	--	0.00
Electric, gas and water	--	0.00	--	0.00	--	0.00	--	0.00
Construction	57	6.24	143.907	19.93	91	7.93	45.514	15.81
Services	807	88.29	578.117	80.07	1.003	87.45	242.330	84.19
Wholesale and Retail Trade	655	71.66	35.709	4.95	697	60.77	21.797	7.57
Hotel, Food and Beverage Services	--	0.00	--	0.00	--	0.00	--	0.00
Transportation and Telecommunication	--	0.00	--	0.00	--	0.00	--	0.00
Financial Institutions	152	16.63	542.408	75.12	306	26.68	220.533	76.62
Real Estate and Renting Services	--	0.00	--	0.00	--	0.00	--	0.00
Self-Employment Services	--	0.00	--	0.00	--	0.00	--	0.00
Education Services	--	0.00	--	0.00	--	0.00	--	0.00
Health and Social Services	--	0.00	--	0.00	--	0.00	--	0.00
Other	50	5.47	--	0.00	53	4.62	--	0.00
Total	914	100.00	722.024	100.00	1.147	100.00	287.844	100.00

4. Information on non-cash loans classified as I and II group loans:

	Group I		Group II	
	YTL	FC	YTL	FC
Letters of guarantee	929	534.583	490	358
Bank acceptances	--	--	--	--
Letters of credit	--	173.296	--	--
Endorsements	--	--	--	--
Underwriting commitments	--	--	--	--
Factoring commitments	--	--	--	--
Other commitments and contingencies	--	13.787	--	--
Non-Cash Loans	929	721.666	490	358

5. Information on derivative transactions:

	Current Period 31 December 2008	Prior Period 31 December 2007
Trading Derivatives		
Foreign Currency Related Derivative Transactions (I)	708.683	--
Currency Forward	44.330	--
Currency Swaps	104.903	--
Currency Futures		--
Currency Option	559.450	--
Interest Rate Related Derivative Transactions (II)	--	--
Interest Rate Forwards	--	--
Interest Rate Swaps	--	--
Interest Rate Options	--	--
Interest Rate Futures	--	--
Other Trading Derivatives (III)	--	--
A.Total Trading Derivatives (I+II+III)	--	--
Hedging Derivatives		
Fair Value Hedges	--	--
Cash Flow Hedges	--	--
Hedges for Foreign Currency Investments	--	--
B.Total Hedging Derivatives	--	--
Total Derivative Transactions (A+B)	708.683	--

6. Contingent assets and liabilities:

The bank does not have any contingent assets or liabilities.

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	Current Period		Prior Period	
	YTL	FC	YTL	FC
Short- Term Loans	18.120	3.794	7.772	1.271
Medium and Long- Term Loans	54	1.831	427	1.058
Interest Received From Non Performing Loans	110	--	290	2
Premiums Received From Resource Utilization Support Fund	--	--		--
Total	18.284	5.625	8.489	2.331

1.2 Information on interest income received from banks

	Current Period		Prior Period	
	YTL	FC	YTL	FC
From Central Bank	--	83	--	152
From Domestic Banks	2.054	57	2.042	108
From Foreign Banks	42	919	--	437
From Foreign Headquarter and Branches	3.741	69	1.356	44
Total	5.837	1.128	3.398	741

1.3 Information on interest income from securities

	Current Period		Prior Period	
	YTL	FC	YTL	FC
From Trading Financial Assets	15.317	3.271	3.550	3.693
From Financial Assets Through Profit or Loss	--	788	--	406
From Investments Available for Sale	--	--	--	--
From Investments Held to Maturity	5.484	5.942	3.120	4.521
Total	20.801	10.001	6.670	8.620

1.4 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	
	YTL	FC	YTL	FC
Banks	116	12.465	132	10.481
Central Bank	--	--	--	--
Domestic Banks	116	27	132	377
Foreign Banks	--	11.652	--	9.647
Foreign Headquarter and Branches	--	786	--	457
Other Institutions	--	--	--	--
Total	116	12.465	132	10.481

2.2 Information on interest expense paid to associates and subsidiaries

None.

2.3 Information on interest expenses paid to issued stocks

None.

2.4 Maturity structure of the interest expense on deposits

Account Name	Time Deposits						Cumulative Deposits	Total
	Demand Deposits	Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	1 year and over		
YTL								
Bank Deposits	--	1.430	--	--	--	--	--	1.430
Saving Deposits	--	236	112	3	3	--	--	354
Public Sector Deposits	--	--	--	--	--	--	--	--
Commercial Deposits	--	43	14	--	--	--	--	57
Other Deposits “7 Days Notice Deposits”	--	--	--	--	--	--	--	--
Total YTL	--	1.709	126	3	3	--	--	1.841
FC								
FC Deposits	--	60	97	38	81	--	--	276
Bank Deposits “7 Days Notice Deposits”	--	--	--	--	--	--	--	--
Precious Metal Deposits	--	--	--	--	--	--	--	--
Total FC	--	60	97	38	81	--	--	276
Total	--	1.769	223	41	84	--	--	2.117

3. Information on dividend income:

	Current Period	Prior Period
Trading Financial Assets	--	--
Financial Assets through profit or loss	--	--
Financial Assets available for sale	105	137
Other	--	--
Total	105	137

4. Information on trading gain/loss:

	Current Period	Prior Period
Gain	924.624	304.356
Gain from money market transactions	60.943	287
Derivative and financial transactions	60.219	--
Other	724	287
Gain from exchange transactions	863.681	304.069
Loss (-)	(968.882)	(303.155)
Loss from money market transactions	(109.269)	--
Derivative and financial transactions	(109.269)	--
Other	--	--
Loss from exchange transactions	(859.613)	(303.155)
Net Trading Gain/Loss	(44.258)	1.201

5. Information on income from other operations:

	Current Period	Prior Period
From Sale of Assets	139	241
From Reversal of Provisions of Prior Year	128	562
From Communication Income	352	524
Other	17.615	238
Total	18.234	1.565

* YTL 17.395 of the other balance in the current period consists of tax income attained with the reconciliation from the tax administration.

6. Information on impairment of loans and other receivables:

	Current Period	Prior Period
Specific Provisions on Loans and Other Receivables	17	--
<i>Loans and Receivables in Group III</i>	--	--
<i>Loans and Receivables in Group IV</i>	--	--
<i>Loans and Receivables in Group V</i>	17	--
<i>Doubtful Receivables</i>	--	--
General Provision Expenses	2.801	217
Provision for Possible Losses	--	--
Foreign Exchange Losses on Foreign Currency Indexed Loans	--	--
Impairment Losses on Securities	1.254	125
<i>Financial Assets through Profit or Loss</i>	1.254	125
<i>Investment Securities Available-for-Sale</i>	--	--
Other Impairment Losses	3.248	228
<i>Subsidiaries</i>	--	--
<i>Subsidiaries</i>	--	--
<i>Joint Ventures</i>	--	--
<i>Investment Securities Held-to-Maturity</i>	3.248	228
Other	149	875
Total	7.469	1.445

7. Information on loss from other operations:

	Current Period	Prior Period
Personnel Expenses	18.184	16.381
Employee Termination Benefits Expense	619	587
Amortization Expenses of Tangible Assets	1.074	1.141
Amortization Expenses of Intangible Assets	130	138
Amortization Expense of Assets Held for Resale	57	24
Other Operating Expenses	4.089	3.731
<i>Operating Lease Expenses</i>	200	454
<i>Maintenance Expenses</i>	145	170
<i>Advertisement Expenses</i>	166	47
<i>Other Expenses</i>	3.578	3.060
Loss on Sales of Assets	--	--
Other	4.930	1.382
Total	29.083	23.384

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

The loss before taxes from continuing operations for the year 2008 is YTL 3.297 (31 December 2007: YTL 4.977 Profit)

9. Information on provision for taxes including taxes from continued and discontinued operations
9.1 Current period taxation benefit or charge and deferred tax benefit or charge:

As of 31 December 2008 there is no taxation charge due to the tax loss and deferred tax income is YTL 2.224 (31 December 2007: YTL 2.202 deferred tax expense).

9.2 Deferred tax charge arising from origination or reversal of temporary differences

The Group has YTL 2.200 (31 December 2007: YTL 2.481 deferred tax expense) as deferred tax income arising from origination.

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

The Bank has YTL 2.224 as deferred tax income represented in the income statement within the context of temporary difference, financial loss and tax deductions and exemptions (31 December 2007: YTL 2.202 as a deferred tax expense).

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

Current period loss from continued operations is YTL 1.073 (31 December 2007: YTL 2.775 income from continued operations)

11. Information on net profit or loss of the period:**11.1 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 year performance:**

Reconciling with the tax administration the Bank has recorded income amounting YTL 17.395. Also, net interest income and net commission income of the Bank is YTL 42.248 and YTL 9.203, respectively. Despite the gains from interest and commission income, due to the trading loss and other operational expenses which is 48.326, the Group has total operational loss of YTL 3.297 for the period.

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

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

11.3 Profit/loss regarding minority rights:

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

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

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

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V. INFORMATION AND DISCLOSURES RELATED TO STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS’ EQUITY**1. Changes due to revaluation of financial assets available-for-sale:**

None.

2. Confirmation on exchange rate differences between period beginning and ending

None.

3. Increases due to cash flow hedges:

None.

4. Information on dividend:**4.1 Dividend amounts declared subsequent to the balance sheet date but before the issuance of the financial statement**

None.

4.2 Net profit per share proposed to be distributed after the balance sheet date

None.

5. Amounts transferred to retained earnings:

In the current year YTL 216 has been transferred to the legal reserves.

6. Information on issuance of common stock:**6.1 Rights, priorities and restrictions for all classes of capital shares, including dividend distribution and recall of capital**

None.

7. Information on other capital increment accounts at the equity movement table:**Information on inflation restatement differences of shareholders equity accounts:**

In BRSA’s Circular on 28 April 2005 and in accordance with the decision dated 21 April 2005 and numbered 1623, it was stated that as of January 2005, the majority of the criteria’s confirming the existence of a hyperinflationary economy are not valid anymore. Accordingly, the inflation accounting had been ceased beginning from 1 January 2005.

Inflation restatement of paid in capital amounting YTL 9.096 (31 December 2007: YTL 33.004) which was recorded in the account of “Paid in capital Inflation Restatement” account until 31 December 2005 is transferred to “Other Capital Reserves” account

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Financial Report Originally Issued in Turkish**See note on I. in section three***VI. INFORMATION AND FOOTNOTES RELATED TO CONSOLIDATED CASH FLOW STATEMENT****1. Information on cash and cash equivalent assets:****1.1 Balances that form the cash and cash equivalent assets, and the accounting policy used in the formation of these balances**

Subject to the preparation of 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 of original maturity less than three months and time deposits at banks, and investments in financial securities.

1.1.1. Information on cash and cash equivalents at the beginning of the period:

	Current Period 31 December 2007	Prior Period 31 December 2006
Cash	1.001	981
Interbank Money Market Placements	--	--
Financial Assets through Profit or Loss (net)	--	--
Banks and other financial institutions	32.291	43.274
Cash equivalents	33.292	44.255

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

	Current Period 31 December 2008	Prior Period 31 December 2007
Cash	1.730	1.001
Interbank Money Market Placements	--	--
Financial Assets through Profit or Loss (net)	--	--
Banks and other financial institutions	68.930	32.291
Cash equivalents	70.660	33.292

2. Information on unrestricted cash and cash equivalents that is in the possession of the Bank however not in the restricted usage due to legal limitations and other reasons:

The bank does not have unrestricted cash and cash equivalents that is in the possession of the Bank due to legal limitations and other reasons

3. Information on the effect on cash and cash equivalent assets due to changes in other accounts in the cash flow statement and exchange rates:

The YTL (-) 40.328 (31 December 2007: YTL (-) 8.999) in the "Other" account that is under the "Operational Profit Before Operations of Banking on Assets and Liabilities" account is comprised of other operating income excluding collections from non performing loans, other operating expense excluding personnel expenses, exchange gain/loss.

The "Net increase/decrease in other assets" account under the "Changes in assets and liabilities subject to banking activities" amounting to (-) YTL 66.628 (31 December 2007: YTL 11.763) is composed of changes in tax assets and other assets.

The "Net increase/decrease in other debts" account under the "Changes in assets and liabilities subject to banking activities" amounting to YTL 8.190 (31 December 2007: (-) YTL 4.203) is composed of changes in miscellaneous debts, other foreign resources and tax, duty, fees and premiums payable.

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*Convenience Translation of consolidated
Financial Report Originally Issued in Turkish**See note on I. in section three***VII. INFORMATION ON THE GROUP’S RISK GROUP****1. Information on the volume of transactions with the parent 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 Group’s risk group****Current Period:**

Bank’s Risk Group (*)	Associates, Subsidiaries and Joint Ventures		Bank’s Direct and Indirect Shareholders		Other Components in Risk Group	
	Cash	Non-cash	Cash	Non-Cash	Cash	Non-cash
Loans and Other Receivables						
Balance at the beginning of the period	--	--	12.593	81.407	--	--
Balance at the end of the period	--	--	9.336	113.549	--	--
Interest and Commission Income received						
	--	--		--	--	--

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

Loans given to Parent 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
Loans and Other Receivables						
Balance at the beginning of the period	--	--	9.599	66.456	--	--
Balance at the end of the period	--	--	12.593	81.407	--	--
Interest and Commission Income received						
	--	--	61	--	--	--

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

1.2 Information on deposits of the Group’s risk group

Bank’s Risk Group (*)	Associates, Subsidiaries and Joint Ventures		Bank’s Direct and Indirect Shareholders		Other Components in Risk Group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Deposits						
Balance at the beginning of the period	--	--	7.748	3.779	128	523
Balance at the end of the period	--	--	19.589	7.748	193	128
Interest expense of deposits						
	--	--	414	244	--	6

(*) 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 Group’s risk group:

Bank’s Risk Group (*)	Associates and related parties		Bank’s Direct and Indirect Shareholders		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	-	-	2.131	-	-	-
Risk-avoiding 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 31 December 2008, YTL 2.521 (31 December 2007: YTL 2.113) has been paid to the top level management of the Group as a fringe benefit.

VIII. DOMESTIC, FOREIGN AND OFF SHORE BRANCHES or INVESTMENTS AND FOREIGN REPRESENTATIVE OFFICES

	Number of branches	Number of employees			
Domestic Branch	3	170			
			Country		
Foreign representative office	--	--	--		
			--		
Foreign branch	--	--	--	Total assets	Legal capital
	--	--	--	--	--
	--	--	--	--	--
Off shore branches	--	--	--	--	--

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SECTION SIX

OTHER INFORMATION ON GROUP'S OPERATIONS

I. OTHER INFORMATION ON BANK'S OPERATIONS

None

II. INFORMATION ON EVENTS AFTER THE BALANCE SHEET DATE

According to the decree of the Council of Ministers numbered 2007/11963 and dated 4 April 2007, for the currency unit of the Republic of Turkey, the term "New" in the name of the national currency was removed on 1 January 2009.

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**SECTION SEVEN
INFORMATION ON INDEPENDENT AUDITOR’S REPORT**

I. INFORMATION ON INDEPENDENT AUDITOR’S REPORT

The consolidated financial statements as of and the period ended 31 December 2008 has been audited by Akis Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş (a member firm of KPMG International) and the independent auditor’s report dated 30 January 2009 is presented in the first section of this report.

II. INFORMATION AND FOOTNOTES PREPARED BY INDEPENDENT AUDITOR

None.