

**CONVENIENCE TRANSLATION  
OF PUBLICLY ANNOUNCED  
CONSOLIDATED FINANCIAL STATEMENTS  
AND REVIEW REPORT**

**AT 30 SEPTEMBER 2013,  
SEE NOTE I OF SECTION THREE**

**ARAP TURK BANK A.Ş.**

**PUBLICLY ANNOUNCED  
CONSOLIDATED FINANCIAL STATEMENTS  
TOGETHER WITH REVIEW REPORT  
AT 30 SEPTEMBER 2013**



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

To the Board of Directors of Arap Turk Bank A.Ş.:

We have reviewed the accompanying consolidated balance sheet of Arap Turk Bank A.Ş. ("the Bank") at 30 September 2013 and the related consolidated statements of income, cash flows and changes in shareholders' equity for the period then ended. These financial statements are the responsibility of the Bank's management. Our responsibility, as reviewed independent auditors is to issue a report on these financial statements based on our review. As of 31 December 2012, the consolidated financial statements of the bank have been audited by another independent audit company and qualified opinion has been expressed the audit report dated 7 February 2013 due to free provision.

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

As it is explained in the footnote II.7 of section No.5 "Explanations and Notes related to Consolidated Financial Statements", TL 5,000 amount free provision which kept in December 31,2012 has been canceled and recognised as income as of 30 September 2013 by the bank management.



Based on our review, nothing has come to our attention that causes us to believe that the accompanying Consolidated financial statements do not give a true and fair view of the financial position of Arap Türk Bank A.Ş. at 30 September 2013 and the results of its operations and its cash flows for the period then ended in accordance with accounting principles and standards set out by regulations in conformity with Article 37 Banking Law No. 5411 and other regulations, interpretations and circulars published by the Banking Regulation and Supervision Agency on accounting and financial reporting principles.

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

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

Zeynep Uras, SMMM  
Partner

İstanbul, 13 November 2013

**ARAP TÜRK BANKASI A.Ş. CONSOLIDATED INTERIM FINANCIAL REPORT  
AS OF AND FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2013**

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


The consolidated interim financial report as of and for the nine month period ended 30 September 2013 prepared in accordance with the communiqué of "Financial Statements and Related Disclosures and Footnotes to be Announced to Public" by Banks as regulated by Banking Regulation and Supervision Agency, is comprised of the following sections:


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


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


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


The consolidated interim financial statements and related disclosures and footnotes that were subject to limited review, are prepared in accordance with the "Regulation on Accounting Applications for Banks and Safeguarding of Documents", Turkish Accounting Standards, Turkish Financial Reporting Standards related appendices and interpretations on these. Unless stated otherwise, the accompanying interim consolidated financial statements are presented in thousands of Turkish Lira (TL) as of 30 September 2013 and have been subject to limited review.


  
**Osman Arslan**  
*Chairman of the Board of Directors*


  
**Abdurauuf Ibrahim Shneba**  
*Member of The Board of Directors and Head of The Audit Committee*

  
**Ömer Muzafer Baktır**  
*Member of The Board of Directors and The Audit Committee*

  
**Hüseyin Emre Yılmaz**  
*Member of The Board of Directors and The Audit Committee*

  
**Sadek K.S. Abuhallala**  
*General Manager*

  
**Salih Hatipoğlu**  
*Assistant General Manager Responsible For Financial Reporting*

  
**Feyzullah Küpeli**  
*Manager*

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

Name / Title: Feyzullah Küpeli / Manager

Phone No : 0 212 225 05 00

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CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED  
IN TURKISH, SEE NOTE I OF SECTION THREE**

**ARAP TURK BANK A.Ş.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 30 SEPTEMBER 2013**

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

**SECTION ONE**

**GENERAL INFORMATION ABOUT THE PARENT BANK**

**I. PARENT BANK’S DATE OF ESTABLISHMENT, BEGINNING STATUTE, ITS HISTORY INCLUDING CHANGES ON ITS STATUTE**

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

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

**II. PARENT BANK’S SHARE CAPITAL STRUCTURE, SHAREHOLDERS DIRECTLY OR INDIRECTLY, ALONE OR TOGETHER HOLDING THE MANAGEMENT AND CONTROL OF THE BANK, RELATED CHANGES WITHIN THE YEAR AND INFORMATION ABOUT BANK’S GROUP**

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

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

As of 30 September 2013, the Parent Bank’s share capital at the balance sheet date as follows:

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

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

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**ARAP TURK BANK A.Ş.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 30 SEPTEMBER 2013**

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

**III. INFORMATION ABOUT THE PARENT BANK'S CHAIRMAN AND MEMBERS OF BOARD OF DIRECTORS, MEMBERS OF AUDIT COMMITTEE, GENERAL MANAGER AND ASSISTANT GENERAL MANAGERS AND THEIR QUALIFICATIONS, RELATED CHANGES WITHIN THE YEAR AND THEIR SHARES AT THE BANK**

**Chairmen of the Board of Directors and Board Members**

<b>Name</b>	<b>Job Title – Description</b>
Osman Arslan	Chairman of the Board of Directors
Ben Issa A. Hudanah	Deputy Chairman of the Board of Directors
Sadek K.S. Abuhallala	Member of the Board of Directors and General Manager
Abdurauf İbrahim Shneba	Member of the Board of Directors and Head of Audit Committee
Hüseyin Emre Yılmaz	Member of the Board of Directors and Audit Committee
Ömer Muzaffer Baktır	Member of the Board of Directors and Audit Committee
Abdulfatah A. Enaami	Member of the Board of Directors
Bahattin Özarslantürk	Member of the Board of Directors
Esam Mustafa I. Elrayas	Member of the Board of Directors

**General Manager and Deputies**

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

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

**IV. INFORMATION ON PEOPLE AND ENTITIES WHO HAVE QUALIFIED SHARE IN THE PARENT BANK**

<b>Name Surname/Entity Title</b>	<b>Share Amount</b>	<b>Share Percentage %</b>	<b>Paid-in Capital</b>	<b>Unpaid Capital</b>
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	-

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED  
IN TURKISH, SEE NOTE I OF SECTION THREE**

**ARAP TURK BANK A.Ş.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 30 SEPTEMBER 2013**

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

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**V. INFORMATION ABOUT THE SERVICES AND NATURE OF ACTIVITIES OF THE PARENT BANK**

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

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

**VI. DIFFERENCES BETWEEN THE COMMUNIQUE ON PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS OF BANKS AND TURKISH ACCOUNTING STANDARDS AND SHORT EXPLANATION ABOUT THE INSTITUTIONS SUBJECT TO FULL OR PROPORTIONAL CONSOLIDATION AND INSTITUTIONS WHICH ARE DEDUCTED FROM EQUITY OR NOT INCLUDED IN THESE THREE METHODS**

The Parent Bank's subsidiary A&T Finansal Kiralama Anonim Şirketi is included in the scope of full consolidation method.

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

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

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

**VII. THE EXISTING OR POTENTIAL, ACTUAL OR LEGAL OBSTACLES ON THE TRANSFER OF SHAREHOLDER'S EQUITY BETWEEN THE PARENT BANK AND ITS SUBSIDIARIES OR THE REIMBURSEMENT OF LIABILITIES**

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

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



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**ARAP TURK BANK A.Ş.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 30 SEPTEMBER 2013**

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

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**SECTION TWO**

**CONSOLIDATED FINANCIAL STATEMENTS**

- I. Consolidated Balance Sheet (Statement of Financial Position)**
- II. Statement of Consolidated Off Balance Sheet Items**
- III. Statement of Consolidated Income**
- IV. Statement of Recognised Income and Expense in Consolidated Shareholders' Equity**
- V. Statement of Changes in Consolidated Shareholders' Equity**
- VI. Statement of Consolidated Cash Flows**

**Arap Türk Bankası Anonim Şirketi**  
**Consolidated Balance Sheet (Consolidated Statement of Financial Position)**  
**As of 30 September 2013**

(Thousands of Turkish Lira)

ASSETS		Footnotes (5-I)	Reviewed			Audited		
			CURRENT PERIOD			PRIOR PERIOD		
			(30/09/2013)			(31/12/2012)		
			TL	FC	TOTAL	TL	FC	TOTAL
I.	CASH AND BALANCES WITH THE CENTRAL BANK OF TURKEY	(1)	3,159	351,196	354,355	36,300	171,175	207,475
II.	FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	(2)	-	79,138	79,138	120,943	71,577	192,520
2.1	Financial assets held for trading		-	79,138	79,138	120,943	71,577	192,520
2.1.1	Public sector debt securities		-	-	-	120,926	-	120,926
2.1.2	Securities representing a share in capital		-	-	-	-	-	-
2.1.3	Derivatives held for trading		-	8	8	17	-	17
2.1.4	Other marketable securities		-	79,130	79,130	-	71,577	71,577
2.2	Financial assets designated at fair value through profit or loss		-	-	-	-	-	-
2.2.1	Public sector debt securities		-	-	-	-	-	-
2.2.2	Equity securities		-	-	-	-	-	-
2.2.3	Loans granted		-	-	-	-	-	-
2.2.4	Other marketable securities		-	-	-	-	-	-
III.	BANKS	(3)	20,673	1,171,368	1,192,041	73,574	739,052	812,626
IV.	MONEY MARKET PLACEMENTS		-	-	-	596,126	-	596,126
4.1	Interbank money market placements		-	-	-	-	-	-
4.2	Istanbul Stock Exchange money market placements		-	-	-	-	-	-
4.3	Receivables from reverse repurchase agreements		-	-	-	596,126	-	596,126
V.	FINANCIAL ASSETS AVAILABLE FOR SALE (Net)	(4)	212	826	1,038	175	722	897
5.1	Securities representing a share in capital		212	826	1,038	175	722	897
5.2	Public sector debt securities		-	-	-	-	-	-
5.3	Other marketable securities		-	-	-	-	-	-
VI.	LOANS	(5)	571,888	681,377	1,253,265	297,135	413,604	710,739
6.1	Loans		571,514	681,377	1,252,891	296,840	413,604	710,444
6.1.1	Loans granted to the Bank's risk group		22,705	33,850	56,555	-	10,522	10,522
6.1.2	Public sector debt securities		-	-	-	-	-	-
6.1.3	Other		548,809	647,527	1,196,336	296,840	403,082	699,922
6.2	Loans under follow-up		8,750	-	8,750	8,523	-	8,523
6.3	Specific provisions (-)		8,376	-	8,376	8,228	-	8,228
VII.	FACTORING RECEIVABLES		-	-	-	-	-	-
VIII.	INVESTMENTS HELD TO MATURITY (Net)	(6)	64,169	116,782	180,951	25,974	109,175	135,149
8.1	Public sector debt securities		47,499	94,257	141,756	19,918	82,882	102,800
8.2	Other marketable securities		16,670	22,525	39,195	6,056	26,293	32,349
IX.	INVESTMENTS IN ASSOCIATES (Net)	(7)	-	-	-	-	-	-
9.1	Consolidated by equity method		-	-	-	-	-	-
9.2	Unconsolidated associates		-	-	-	-	-	-
9.2.1	Financial investments in associates		-	-	-	-	-	-
9.2.2	Non-financial investments in associates		-	-	-	-	-	-
X.	INVESTMENTS IN SUBSIDIARIES (Net)	(8)	-	-	-	-	-	-
10.1	Financial subsidiaries		-	-	-	-	-	-
10.2	Non-financial subsidiaries		-	-	-	-	-	-
XI.	INVESTMENTS IN JOINT- VENTURES (Net)	(9)	-	-	-	-	-	-
11.1	Consolidated by equity method		-	-	-	-	-	-
11.2	Unconsolidated joint ventures		-	-	-	-	-	-
11.2.1	Financial investments in joint ventures		-	-	-	-	-	-
11.2.2	Non-financial investments in joint ventures		-	-	-	-	-	-
XII.	LEASE RECEIVABLES (Net)	(10)	36,563	121,683	158,246	26,804	73,331	100,135
12.1	Finance lease receivables		44,754	132,522	177,276	33,157	81,566	114,723
12.2	Operational leasing receivables		-	-	-	-	-	-
12.3	Others		-	-	-	-	-	-
12.4	Unearned income ( - )		8,191	10,839	19,030	6,353	8,235	14,588
XIII.	DERIVATIVE FINANCIAL ASSETS HELD FOR HEDGING	(11)	-	-	-	-	-	-
13.1	Fair value hedges		-	-	-	-	-	-
13.2	Cash flow hedges		-	-	-	-	-	-
13.3	Hedges for investments made in foreign countries		-	-	-	-	-	-
XIV.	TANGIBLE ASSETS (Net)		25,289	-	25,289	27,267	-	27,267
XV.	INTANGIBLE ASSETS (Net)		2,863	-	2,863	2,055	-	2,055
15.1	Goodwill		-	-	-	-	-	-
15.2	Other		2,863	-	2,863	2,055	-	2,055
XVI.	INVESTMENT PROPERTY (Net)	(12)	-	-	-	-	-	-
XVII.	TAX ASSET	(13)	3,972	-	3,972	4,546	-	4,546
17.1	Current tax asset		-	-	-	-	-	-
17.2	Deferred tax asset		3,972	-	3,972	4,546	-	4,546
XVIII.	ASSET HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS	(14)	11	-	11	288	-	288
18.1	Held for sale purpose		11	-	11	288	-	288
18.2	Held from discontinued operations		-	-	-	-	-	-
XIX.	OTHER ASSETS	(15)	21,363	2,134	23,497	14,837	4,576	19,413
	<b>TOTAL ASSETS</b>		<b>750,162</b>	<b>2,524,504</b>	<b>3,274,666</b>	<b>1,226,024</b>	<b>1,583,212</b>	<b>2,809,236</b>

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

**Arap Türk Bankası Anonim Şirketi**  
**Consolidated Balance Sheet (Consolidated Statement of Financial Position)**  
**As of 30 September 2013**

('Thousands of Turkish Lira')

LIABILITIES and SHAREHOLDERS' EQUITY	Footnotes (5-II)	Reviewed			Audited		
		CURRENT PERIOD			PRIOR PERIOD		
		(30/09/2013)			(31/12/2012)		
		TL	FC	TOTAL	TL	FC	TOTAL
<b>I. DEPOSITS</b>	(1)	25,424	1,823,379	1,848,803	562,176	467,464	1,029,640
1.1 Deposits held by the Bank's risk group		8,252	1,249,037	1,257,289	536,328	127,430	663,758
1.2 Other		17,172	574,342	591,514	25,848	340,034	365,882
<b>II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING</b>	(2)	-	-	-	3,554	-	3,554
<b>III. FUNDS BORROWED</b>	(3)	4,821	860,542	865,363	2,815	1,304,152	1,306,967
<b>IV. INTERBANK MONEY MARKET</b>		37,731	-	37,731	-	-	-
4.1 Interbank money market payables		-	-	-	-	-	-
4.2 Istanbul Stock Exchange money market payables		-	-	-	-	-	-
4.3 Funds provided under repurchase agreements		37,731	-	37,731	-	-	-
<b>V. MARKETABLE SECURITIES ISSUED (Net)</b>		-	-	-	-	-	-
5.1 Bills		-	-	-	-	-	-
5.2 Asset backed securities		-	-	-	-	-	-
5.3 Bonds		-	-	-	-	-	-
<b>VI. FUNDS</b>		-	-	-	-	-	-
6.1 Borrower funds		-	-	-	-	-	-
6.2 Other		-	-	-	-	-	-
<b>VII. MISCELLANEOUS PAYABLES</b>		1,601	7,421	9,022	840	1,821	2,661
<b>VIII. OTHER EXTERNAL RESOURCES</b>	(4)	17,056	8,710	25,766	12,949	3,047	15,996
<b>IX. FACTORING PAYABLES</b>		-	-	-	-	-	-
<b>X. LEASE PAYABLES (Net)</b>	(5)	-	-	-	-	-	-
10.1 Finance leasing payables		-	-	-	-	-	-
10.2 Operational leasing payables		-	-	-	-	-	-
10.3 Other		-	-	-	-	-	-
10.4 Deferred finance leasing expenses ( - )		-	-	-	-	-	-
<b>XI. DERIVATIVE FINANCIAL LIABILITIES HELD FOR HEDGING</b>	(6)	-	-	-	-	-	-
11.1 Fair value hedges		-	-	-	-	-	-
11.2 Cash flow hedges		-	-	-	-	-	-
11.3 Hedges for investments made in foreign countries		-	-	-	-	-	-
<b>XII. PROVISIONS</b>	(7)	30,011	542	30,553	25,450	271	25,721
12.1 General provisions		21,504	-	21,504	11,811	-	11,811
12.2 Restructuring reserves		-	-	-	-	-	-
12.3 Reserves for employee benefit		8,123	234	8,357	8,139	-	8,139
12.4 Insurance technical reserves (Net)		-	-	-	-	-	-
12.5 Other provisions		384	308	692	5,500	271	5,771
<b>XIII. TAX LIABILITY</b>	(8)	5,332	-	5,332	3,222	-	3,222
13.1 Current tax liability		5,332	-	5,332	3,222	-	3,222
13.2 Deferred tax liability		-	-	-	-	-	-
<b>XIV. LIABILITIES FOR ASSETS HELD FOR RESALE AND ASSETS OF DISCONTINUED OPERATIONS</b>	(9)	-	-	-	-	-	-
14.1 Held for sale purpose		-	-	-	-	-	-
14.2 Held from discontinued operations		-	-	-	-	-	-
<b>XV. SUBORDINATED LOANS</b>	(10)	-	-	-	-	-	-
<b>XVI. SHAREHOLDERS' EQUITY</b>	(11)	452,096	-	452,096	421,475	-	421,475
16.1 Paid-in capital		240,000	-	240,000	240,000	-	240,000
16.2 Supplementary capital		9,096	-	9,096	9,096	-	9,096
16.2.1 Share premium		-	-	-	-	-	-
16.2.2 Share cancellation profits		-	-	-	-	-	-
16.2.3 Securities Value Increase Fund		-	-	-	-	-	-
16.2.4 Revaluation surplus on tangible assets		-	-	-	-	-	-
16.2.5 Revaluation surplus on intangible assets		-	-	-	-	-	-
16.2.6 Revaluation surplus on investment property		-	-	-	-	-	-
16.2.7 Bonus shares of associates, subsidiaries and joint-ventures		-	-	-	-	-	-
16.2.8 Hedging reserves (effective portion)		-	-	-	-	-	-
16.2.9 Revaluation surplus on assets held for sale and assets of discontinued operations		-	-	-	-	-	-
16.2.10 Other capital reserves		9,096	-	9,096	9,096	-	9,096
16.3 Profit reserves		10,920	-	10,920	8,088	-	8,088
16.3.1 Legal reserves		10,917	-	10,917	7,941	-	7,941
16.3.2 Status reserves		-	-	-	-	-	-
16.3.3 Extraordinary reserves		3	-	3	147	-	147
16.3.4 Other profit reserves		-	-	-	-	-	-
16.4 Profit or loss		192,080	-	192,080	164,291	-	164,291
16.4.1 Prior years income/loss		161,008	-	161,008	103,423	-	103,423
16.4.2 Current year income/loss		31,072	-	31,072	60,868	-	60,868
16.5 Minority Interest		-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>		574,072	2,700,594	3,274,666	1,032,481	1,776,755	2,809,236

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

**Arap Türk Bankası Anonim Şirketi**  
**Consolidated Off Balance Sheet Commitments**  
**As of 30 September 2013**  
(Thousands of Turkish Lira)

	Footnotes (S-III)	Reviewed CURRENT PERIOD (30/09/2013)			Audited PRIOR PERIOD (31/12/2012)		
		TL	FC	TOTAL	TL	FC	TOTAL
<b>A. OFF BALANCE SHEET COMMITMENTS</b>		<b>177,443</b>	<b>1,943,325</b>	<b>2,120,768</b>	<b>272,163</b>	<b>1,580,366</b>	<b>1,852,529</b>
<b>I. GUARANTEES AND WARRANTIES</b>	(1),(2)	<b>172,082</b>	<b>1,908,506</b>	<b>2,080,588</b>	<b>126,744</b>	<b>1,445,787</b>	<b>1,572,531</b>
1.1 Letters of guarantee		171,534	1,387,993	1,559,527	121,194	1,126,146	1,247,340
1.1.1 Guarantees subject to State Tender Law		21,150	116	21,266	18,569	101	18,670
1.1.2 Guarantees given for foreign trade operations		1,365	1,306,697	1,308,062	7,815	1,100,960	1,108,775
1.1.3 Other letters of guarantee		149,019	81,180	230,199	94,810	25,085	119,895
1.2 Bank acceptances		548	102,086	102,634	5,550	63,485	69,035
1.2.1 Import letter of acceptance		-	-	-	-	-	-
1.2.2 Other bank acceptances		548	102,086	102,634	5,550	63,485	69,035
1.3 Letters of credit		-	418,427	418,427	-	256,156	256,156
1.3.1 Documentary letters of credit		-	-	-	-	-	-
1.3.2 Other letters of credit		-	418,427	418,427	-	256,156	256,156
1.4 Prefinancing given as guarantee		-	-	-	-	-	-
1.5 Endorsements		-	-	-	-	-	-
1.5.1 Endorsements to the Central Bank of Turkey		-	-	-	-	-	-
1.5.2 Other endorsements		-	-	-	-	-	-
1.6 Securities issue purchase guarantees		-	-	-	-	-	-
1.7 Factoring guarantees		-	-	-	-	-	-
1.8 Other guarantees		-	-	-	-	-	-
1.9 Other warranties		-	-	-	-	-	-
<b>II. COMMITMENTS</b>	(1)	<b>5,361</b>	<b>18,337</b>	<b>23,698</b>	<b>5,775</b>	<b>357</b>	<b>6,132</b>
2.1 Irrevocable commitments		5,361	18,337	23,698	5,775	357	6,132
2.1.1 Asset purchase and sales commitments		1,020	6,517	7,537	-	-	-
2.1.2 Deposit purchase and sales commitments		-	-	-	-	-	-
2.1.3 Share capital commitment to associates and subsidiaries		-	-	-	-	-	-
2.1.4 Loan granting commitments		250	-	250	-	-	-
2.1.5 Securities issue brokerage commitments		-	-	-	-	-	-
2.1.6 Commitments for reserve deposit requirements		-	-	-	-	-	-
2.1.7 Payment commitments for checks		4,091	-	4,091	5,775	-	5,775
2.1.8 Tax and fund liabilities from export commitments		-	-	-	-	-	-
2.1.9 Commitments for credit card expenditure limits		-	-	-	-	-	-
2.1.10 Commitments for credit cards and banking services promotions		-	-	-	-	-	-
2.1.11 Receivables from short sale commitments		-	-	-	-	-	-
2.1.12 Payables for short sale commitments		-	-	-	-	-	-
2.1.13 Other irrevocable commitments		-	11,820	11,820	-	357	357
2.2 Revocable commitments		-	-	-	-	-	-
2.2.1 Revocable loan granting commitments		-	-	-	-	-	-
2.2.2 Other revocable commitments		-	-	-	-	-	-
<b>III. DERIVATIVE FINANCIAL INSTRUMENTS</b>		-	<b>16,482</b>	<b>16,482</b>	<b>139,644</b>	<b>134,222</b>	<b>273,866</b>
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		-	16,482	16,482	139,644	134,222	273,866
3.2.1 Forward foreign currency buy/sell transactions		-	-	-	-	-	-
3.2.1.1 Forward foreign currency transactions-buy		-	-	-	-	-	-
3.2.1.2 Forward foreign currency transactions-sell		-	-	-	-	-	-
3.2.2 Swap transactions related to foreign currency and interest rates		-	16,482	16,482	139,644	134,222	273,866
3.2.2.1 Foreign currency swap-buy		-	8,245	8,245	-	134,222	134,222
3.2.2.2 Foreign currency swap-sell		-	8,237	8,237	139,644	-	139,644
3.2.2.3 Interest rate swaps-buy		-	-	-	-	-	-
3.2.2.4 Interest rate swaps-sell		-	-	-	-	-	-
3.2.3 Foreign currency, interest rate and security options		-	-	-	-	-	-
3.2.3.1 Foreign currency options-buy		-	-	-	-	-	-
3.2.3.2 Foreign currency options-sell		-	-	-	-	-	-
3.2.3.3 Interest rate options-buy		-	-	-	-	-	-
3.2.3.4 Interest rate options-sell		-	-	-	-	-	-
3.2.3.5 Securities options-buy		-	-	-	-	-	-
3.2.3.6 Securities options-sell		-	-	-	-	-	-
3.2.4 Foreign currency futures		-	-	-	-	-	-
3.2.4.1 Foreign currency futures-buy		-	-	-	-	-	-
3.2.4.2 Foreign currency futures-sell		-	-	-	-	-	-
3.2.5 Interest rate futures		-	-	-	-	-	-
3.2.5.1 Interest rate futures-buy		-	-	-	-	-	-
3.2.5.2 Interest rate futures-sell		-	-	-	-	-	-
3.2.6 Other		-	-	-	-	-	-
<b>B. CUSTODY AND PLEDGED SECURITIES (IV+V+VI)</b>		<b>263,633</b>	<b>280,976</b>	<b>544,609</b>	<b>243,213</b>	<b>215,532</b>	<b>458,745</b>
<b>IV. ITEMS HELD IN CUSTODY</b>		<b>232,548</b>	<b>153,175</b>	<b>385,723</b>	<b>212,138</b>	<b>116,908</b>	<b>329,046</b>
4.1 Assets under management		-	-	-	-	-	-
4.2 Investment securities held in custody		-	-	-	-	-	-
4.3 Checks received for collection		174,571	17,210	191,781	159,012	10,908	169,920
4.4 Commercial notes received for collection		57,977	135,965	193,942	53,126	106,000	159,126
4.5 Other assets received for collection		-	-	-	-	-	-
4.6 Assets received for public offering		-	-	-	-	-	-
4.7 Other items under custody		-	-	-	-	-	-
4.8 Custodians		-	-	-	-	-	-
<b>V. PLEDGED ITEMS</b>		<b>31,085</b>	<b>127,801</b>	<b>158,886</b>	<b>31,075</b>	<b>98,624</b>	<b>129,699</b>
5.1 Marketable securities		-	-	-	-	-	-
5.2 Guarantee notes		250	224	474	250	196	446
5.3 Commodity		-	-	-	-	-	-
5.4 Warranty		-	-	-	-	-	-
5.5 Immovables		30,807	125,327	156,134	30,797	96,456	127,253
5.6 Other pledged items		28	2,250	2,278	28	1,972	2,000
5.7 Pledged items-depository		-	-	-	-	-	-
<b>VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES</b>		-	-	-	-	-	-
<b>TOTAL OFF BALANCE SHEET COMMITMENTS (A+B)</b>		<b>441,076</b>	<b>2,224,301</b>	<b>2,665,377</b>	<b>515,376</b>	<b>1,795,898</b>	<b>2,311,274</b>

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

**Arap Türk Bankası Anonim Şirketi**  
**Consolidated Income Statement For The Period Ended 30 September 2013**  
(Thousands of Turkish Lira)

INCOME and EXPENSES	Footnotes (3-IV)	Reviewed	Reviewed	Reviewed	Reviewed
		CURRENT PERIOD (01/01/2013-30/09/2013)	CURRENT PERIOD (01/07/2013-30/09/2013)	PRIOR PERIOD (01/01/2012-30/09/2012)	PRIOR PERIOD (01/07/2012-30/09/2012)
<b>I. INTEREST INCOME</b>	(1)	81,746	30,603	98,230	30,256
I.1 Interest on loans		39,215	16,155	39,857	11,149
I.2 Interest received from reserve deposits		-	-	-	-
I.3 Interest received from banks		19,496	6,971	16,651	4,188
I.4 Interest received from money market transactions		3,483	35	15,357	5,454
I.5 Interest received from marketable securities portfolio		10,890	4,297	20,270	7,246
I.5.1 Financial assets held for trading		2,613	505	8,606	2,957
I.5.2 Financial assets valued at fair value through profit or loss		-	-	-	-
I.5.3 Financial assets available for sale		-	-	-	-
I.5.4 Investments held to maturity		8,277	1,792	11,664	4,289
I.6 Finance lease income		7,882	3,053	5,906	2,151
I.7 Other interest income		300	92	189	88
<b>II. INTEREST EXPENSE</b>	(2)	18,485	7,070	23,535	6,616
II.1 Interest on deposits		3,877	2,294	14,404	3,936
II.2 Interest on funds borrowed		14,085	4,414	5,194	1,940
II.3 Interest on money market transactions		443	362	3,637	740
II.4 Interest on securities issued		-	-	-	-
II.5 Other interest expense		-	-	-	-
<b>III. NET INTEREST INCOME/EXPENSE (I - II)</b>		63,261	23,533	74,695	23,640
<b>IV. NET FEES AND COMMISSIONS INCOME/EXPENSE</b>		26,173	8,661	30,851	4,050
IV.1 Fees and commissions received		26,617	8,798	31,717	8,295
IV.1.1 Non-cash loans		10,457	3,556	10,136	3,360
IV.1.2 Other		16,160	5,242	21,581	4,935
IV.2 Fees and commissions paid		444	137	866	245
IV.2.1 Non-cash loans		-	(1)	3	1
IV.2.2 Other		444	138	863	244
<b>V. DIVIDEND INCOME</b>		66	23	61	-
<b>VI. NET TRADING INCOME/EXPENSE</b>	(3)	(1,456)	234	(1,239)	(1,735)
VI.1 Profit/loss on trading account securities		-	-	9	-
VI.2 Loss/Profit on derivative transactions		(1,880)	(23)	(3,675)	(2,317)
VI.3 Foreign exchange profit/losses		424	257	2,427	582
<b>VII. OTHER OPERATING INCOME</b>	(4)	6,487	454	4,224	1,223
<b>VIII. TOTAL OPERATING INCOME/EXPENSE (III+IV+V+VI+VII)</b>		94,611	32,904	108,592	31,178
<b>IX. PROVISION FOR LOAN LOSSES and OTHER RECEIVABLES (-)</b>	(5)	11,501	4,412	2,881	2,035
<b>X. OTHER OPERATING EXPENSES (-)</b>	(6)	43,020	13,972	39,634	12,762
<b>XI. NET OPERATING INCOME/LOSS (VIII-IX-X)</b>		40,090	14,520	66,077	16,381
<b>XII. INCOME RESULTED FROM MERGERS</b>		-	-	-	-
<b>XIII. INCOME/LOSS FROM INVESTMENTS UNDER EQUITY ACCOUNTING</b>		-	-	-	-
<b>XIV. GAIN/LOSS ON NET MONETARY POSITION</b>		-	-	-	-
<b>XV. INCOME/LOSS FROM CONTINUING OPERATIONS BEFORE TAXES (XI+...+ XIV)</b>		40,090	14,520	66,077	16,381
<b>XVI. PROVISION FOR TAXES FOR CONTINUING OPERATIONS (A)</b>	(7)	(9,018)	(3,534)	(13,319)	(3,190)
XVI.1 Current tax provision		(8,333)	(3,571)	(13,064)	(3,681)
XVI.2 Deferred tax provision		(685)	37	(255)	491
<b>XVII. NET PROFIT/LOSSES FROM CONTINUING OPERATIONS (XV+XVI)</b>	(8)	31,072	10,986	52,758	13,191
<b>XVIII. INCOME FROM DISCONTINUED OPERATIONS</b>		-	-	-	-
XVIII.1 Income from assets held for sale		-	-	-	-
XVIII.2 Income from sale of associates, subsidiaries and joint-ventures		-	-	-	-
XVIII.3 Other income from discontinued operations		-	-	-	-
<b>XIX. EXPENSES FROM DISCONTINUED OPERATIONS (-)</b>		-	-	-	-
XIX.1 Expenses on assets held for sale		-	-	-	-
XIX.2 Expenses on sale of associates, subsidiaries and joint-ventures		-	-	-	-
XIX.3 Other expense from discontinued operations		-	-	-	-
<b>XX. INCOME/EXPENSE BEFORE TAXES FROM DISCONTINUED OPERATIONS (XVIII-XIX)</b>		-	-	-	-
<b>XXI. PROVISION FOR TAXES ON INCOME FROM DISCONTINUED OPERATIONS (A)</b>		-	-	-	-
XXI.1 Current tax provision		-	-	-	-
XXI.2 Deferred tax provision		-	-	-	-
<b>XXII. NET PROFIT/LOSSES FROM DISCONTINUED OPERATIONS (XX+XXI)</b>		-	-	-	-
<b>XXIII. NET PROFIT/LOSSES (XVII+XXII)</b>		31,072	10,986	52,758	13,191
XXIII.1 Group's profit/loss		31,072	10,986	52,758	13,191
XXIII.2 Minority shares		-	-	-	-
Earnings/Losses per share		0.0013	0.0458	0.2198	0.0550

**Arap Türk Bankası Anonim Şirketi****Statement of Recognized Income and Expense In Consolidated Shareholders' Equity For the Period Ended 30 September 2013**

(Thousands of Turkish Lira)

STATEMENT OF INCOME AND EXPENSE ITEMS ACCOUNTED IN SHAREHOLDERS' EQUITY		Reviewed	
		CURRENT PERIOD (01/01/2013-30/09/2013)	PRIOR PERIOD (01/01/2012-30/09/2012)
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	(565)	(105)
VIII.	OTHER INCOME/EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY AS PER TAS	-	-
IX.	DEFERRED TAXES ON VALUE INCREASES/DECREASES	114	21
X.	NET INCOME/EXPENSE ITEMS ACCOUNTED DIRECTLY UNDER SHAREHOLDERS' EQUITY (I+II+...+IX)	(451)	(84)
XI.	CURRENT PERIOD PROFIT/LOSSES	31,072	52,758
11.1	Net changes in fair value of securities (transferred to income statement)	-	-
11.2	Gains/losses on hedges of cash flow hedges, reclassified and recorded in income statement	-	-
11.3	Gains/losses on hedges of net investment in foreign operations, reclassified and recorded in income statement	-	-
11.4	Other	31,072	52,758
XII.	TOTAL PROFIT/LOSS ACCOUNTED FOR THE CURRENT PERIOD (X+XI)	30,621	52,674



**Arap Türk Bankası Anonim Şirketi**  
**Consolidated Statement of Cash Flows**  
**For The Period Ended 30 September 2013**

(Thousands of Turkish Lira)

		Reviewed	
		CURRENT PERIOD (30/09/2013)	PRIOR PERIOD (30/09/2012)
<b>A.</b>	<b>CASH FLOWS FROM BANKING OPERATIONS</b>		
1.1	Operating Profit Before Changes in Operating Assets and Liabilities	(59,266)	186,426
1.1.1	Interests Received	64,796	108,870
1.1.2	Interest Paid	(11,023)	(25,542)
1.1.3	Dividend Received	44	-
1.1.4	Fees and Commissions Received	26,617	31,717
1.1.5	Other Income	1,062	4,626
1.1.6	Collections From Previously Written-off Loans and Other Receivables	22	120
1.1.7	Payments to Personnel and Service Suppliers	(35,958)	(32,556)
1.1.8	Taxes Paid	(6,334)	(13,932)
1.1.9	Others	(98,492)	113,123
1.2	Changes in Operating Assets and Liabilities	(101,265)	(635,316)
1.2.1	Net Decrease in Financial Assets Held For Trading	108,733	30,653
1.2.2	Net (Increase) Decrease in Financial Assets Valued at Fair Value Through Profit or Loss	-	-
1.2.3	Net Decrease in Due From Banks and Other Financial Institutions	(51,635)	(49,193)
1.2.4	Net (Increase) in Loans	(581,177)	296,783
1.2.5	Net Decrease in Other Assets	(3,201)	2,057
1.2.6	Net Increase/(Decrease) in Bank Deposits	778,923	(1,030,441)
1.2.7	Net Increase (Decrease) in Other Deposits	38,722	(280,284)
1.2.8	Net Increase/ (Decrease) in Funds Borrowed	(447,441)	593,841
1.2.9	Net Increase/ (Decrease) in Matured Payables	-	-
1.2.10	Net Increase in Other Liabilities	55,811	(198,732)
<b>L</b>	<b>Net Cash Flow From Banking Operations</b>	<b>(160,531)</b>	<b>(448,890)</b>
<b>B.</b>	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>II.</b>	<b>Net Cash Flow From Investing Activities</b>	<b>(31,113)</b>	<b>4,134</b>
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	(186)	(557)
2.4	Sales of Tangible Assets	315	(1)
2.5	Cash Paid For Purchase of Financial Assets Available-For-Sale	-	(53)
2.6	Cash Obtained From Sale of Financial Assets Available-For-Sale	-	334
2.7	Cash Paid For Purchase of Investments Held-to-Maturity	(84,255)	(63,354)
2.8	Cash Obtained From Sale of Investments Held-to-Maturity	54,556	68,141
2.9	Others	(1,543)	(376)
<b>C.</b>	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>III.</b>	<b>Net Cash Flows From Financing Activities</b>	<b>-</b>	<b>-</b>
3.1	Cash Obtained From Funds Borrowed and Securities Issued	-	-
3.2	Cash Used For Repayment of Funds Borrowed and Securities Issued	-	-
3.3	Equity Instruments Issued	-	-
3.4	Dividends Paid	-	-
3.5	Payments For Financial Leases	-	-
3.6	Others	-	-
<b>IV.</b>	<b>Effect of Change in Foreign Exchange Rate On Cash and Cash Equivalents</b>	<b>70,303</b>	<b>(113,472)</b>
<b>V.</b>	<b>Net (Decrease)/Increase in Cash and Cash Equivalents</b>	<b>(121,341)</b>	<b>(558,228)</b>
<b>VI.</b>	<b>Cash and Cash Equivalents at Beginning of Period</b>	<b>1,395,002</b>	<b>1,560,645</b>
<b>VII.</b>	<b>Cash and Cash Equivalents at the End of Period</b>	<b>1,273,661</b>	<b>1,002,417</b>

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



**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED  
IN TURKISH, SEE NOTE I OF SECTION THREE**

**ARAP TURK BANK A.Ş.**

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**SECTION THREE**

**EXPLANATIONS ON ACCOUNTING POLICIES**

**I. EXPLANATIONS FOR BASIS OF PRESENTATION AND NOTES**

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

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

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

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

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

**Explanation for convenience translation into English:**

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

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**II. INFORMATION ON STRATEGY FOR THE USE OF FINANCIAL INSTRUMENTS  
AND FOREIGN CURRENCY TRANSACTIONS**

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

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

At the end of the related periods, foreign currency assets and liability balances outstanding are translated into Turkish Lira over the Group's exchange rates prevailing at the balance sheet date in the Parent Bank financial statements, whereas for other associations over CBRT rates subjected to evaluation.

**III. INFORMATION ON CONSOLIDATED ASSOCIATES AND SUBSIDIARIES**

The accompanying consolidated financial statements are prepared in accordance with "Communiqué on Preparation of Consolidated Financial Statements" which is published in the Official Gazette No. 26340 dated November 8, 2006. The Parent Bank directly owns the shares of A&T Finansal Kiralama A.Ş. and this subsidiary is consolidated accordingly. As at 30 September 2013 and 31 December 2012, the Parent Bank has no associates.

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

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

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

**The major principles applied in the consolidation of subsidiaries**

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

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 30 September 2013 and appropriate adjustments are made to financial statements to use uniform accounting policies for similar transactions and events in similar circumstances.

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**IV. INFORMATION ON FORWARD TRANSACTIONS, OPTIONS AND DERIVATIVE INSTRUMENTS**

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

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

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

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

**V. INFORMATION ON INTEREST INCOME AND EXPENSE**

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

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

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

**VI. INFORMATION ON FEES AND COMMISSION**

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

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**VII. INFORMATION ON FINANCIAL ASSETS**

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

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

**a. Financial Assets at Fair Value through Profit or Loss**

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

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

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

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

**b. Financial Assets Available-for-Sale**

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

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

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

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**VII. INFORMATION ON FINANCIAL ASSETS (Continued)**

**c. Loans and Receivables**

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

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

**d. Financial Assets Held to Maturity**

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

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

**VIII. INFORMATION ON IMPAIRMENT OF FINANCIAL ASSETS**

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

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

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

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

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

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**IX. INFORMATION ON OFFSETTING FINANCIAL INSTRUMENTS**

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

**X. INFORMATION ON SALE AND REPURCHASE AGREEMENTS AND LENDING OF FINANCIAL ASSETS**

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

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

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

**XI. INFORMATION ON ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS**

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

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

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

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**XII. INFORMATION ON GOODWILL AND OTHER INTANGIBLE ASSETS**

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

The Group's intangible assets consist of software.

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

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

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

**XIII. INFORMATION ON TANGIBLE ASSETS**

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

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

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

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

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

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

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

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**XIV. INFORMATION ON LEASING ACTIVITIES**

*Finance leasing activities as the lessee*

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

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

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

*Finance leasing activities as the lessor*

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

*Operational leases*

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

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

**XV. INFORMATION ON PROVISIONS AND CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

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

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

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



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**XVI. INFORMATION ON LIABILITIES REGARDING EMPLOYEE BENEFITS**

*Reserve for employee termination benefits*

In accordance with existing Turkish Labour Law, the Group is required to make lump-sum termination indemnities to each employee who has completed one year of service with the Bank and whose employment is terminated due to retirement or for reasons other than resignation or misconduct. The computation of the liability is based upon the retirement pay ceiling announced. The applicable ceiling amount as at 30 September 2013 is TL 3,254 (full TL) (31 December 2012: TL 3,034 (full TL)).

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

As at 30 September 2013 and 31 December 2012, the major actuarial assumptions used in the calculation of the total liability are as follows:

<b>The Parent Bank</b>	<b>Current Period</b>	<b>Prior Period</b>
Discount Rate	%2.38	%2.86
Expected Rate of Salary/Limit Increase	%5.00	%5.00
Estimated Employee Turnover Rate	%5.42	%5.42

<b>Subsidiary</b>	<b>Current Period</b>	<b>Prior Period</b>
Discount Rate	2.38%	4.66%
Expected Rate of Salary/Limit Increase	5.00%	5.10%
Estimated Employee Turnover Rate	0.00%	0.00%

*Other benefits to employees*

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

**XVII. INFORMATION ON TAX APPLICATIONS**

**Corporate tax**

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

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

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**XVII. INFORMATION ON TAX APPLICATIONS (Continued)**

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

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

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

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

**Investment incentive**

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

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

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

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**XVII. INFORMATION ON TAX APPLICATIONS (Continued)**

**Deferred taxes**

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

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

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

**Transfer Pricing**

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

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

**XVIII. ADDITIONAL INFORMATION ON BORROWINGS**

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

The Group did not issue any stocks convertible into bonds.

The Group does not have borrowing instruments issued by itself.

**XIX. INFORMATION ON SHARE ISSUANCES**

The Group has not issued any share in the year.

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**XX. INFORMATION ON BILLS OF EXCHANGES AND ACCEPTANCES**

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

There are no acceptances presented as liabilities against any assets.

**XXI. INFORMATION ON GOVERNMENT INCENTIVES**

As of 30 September 2013, A&T Finansal Kiralama A.Ş has TL 10,120 (31 December 2012: TL 13,517) of unutilized investment incentive.

**XXII. INFORMATION ON SEGMENT REPORTING**

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

**XXIII. OTHER DISCLOSURES**

**Profit reserves and profit distribution**

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

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

**Related parties**

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

**Cash and cash equivalents**

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

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**SECTION FOUR**

**INFORMATION ON THE FINANCIAL POSITION OF THE GROUP**

**I. INFORMATION ON CONSOLIDATED CAPITAL ADEQUACY RATIO**

The capital adequacy ratio calculations are applied in accordance with the “Regulation on Measurement and Evaluation of Capital Adequacy of Banks” published in Official Journal No 28337 of 28 June 2012 from 1 July 2012. The consolidated basis capital adequacy ratio of the Bank in accordance with the “Regulation on Measurement and Evaluation of Capital Adequacy of Banks” is 15.71% as of 30 September 2013 (31 December 2012: 22.34%).

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

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

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

The amount subject to credit risk for non cash loans and commitments are converted credit by using the conversion rates which are defined in the 5th article of “Regulation on Measurement and Evaluation of Capital Adequacy of Banks”. Besides, the provisions which are defined in “Regulation on Procedures and Principles for Determination of Qualifications of Loans and Other Receivables by Banks and Provisions to Be Set Aside” and taken place at the liability side of the balance sheet are also taken into consideration. And classified to the relevant risk class by regarding the 6th article of “Regulation on credit risk mitigation techniques” and the risk is weighted in accordance with the same regulations Annex-1.

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

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**I. INFORMATION ON CONSOLIDATED CAPITAL ADEQUACY RATIO (Continued)**

**Information on Parent Bank and consolidated capital adequacy standard ratio**

Current Period	The Parent Bank								Consolidated							
	%0	%10	%20	%50	%75	%100	%150	%200	%0	%10	%20	%50	%75	%100	%150	%200
<b>The amount subject to credit risk</b>	<b>420,193</b>	<b>-</b>	<b>231,979</b>	<b>2,109,753</b>	<b>-</b>	<b>1,266,810</b>	<b>133,662</b>	<b>-</b>	<b>422,113</b>	<b>-</b>	<b>252,527</b>	<b>2,088,086</b>	<b>-</b>	<b>1,367,837</b>	<b>133,662</b>	<b>-</b>
<i>Risk Types</i>																
Contingent and Non-Contingent Receivables from Sovereign Governments and Central Banks	412,874	-	-	94,257	-	-	-	-	414,793	-	-	94,257	-	-	-	-
Contingent and Non-Contingent Receivables from Regional Governments and Local Authorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contingent and Non-Contingent Receivables from Administrative Units and Non-commercial Enterprises	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contingent and Non-Contingent Receivables from Multilateral Development Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contingent and Non-Contingent Receivables from International Organizations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contingent and Non-Contingent Receivables from Banks and Financial Intermediaries	-	-	231,979	1,976,671	-	7,361	-	-	-	-	252,527	1,955,004	-	7,361	-	-
Contingent and Non-Contingent Corporate Receivables	-	-	-	-	-	1,151,604	-	-	-	-	-	-	-	1,309,850	-	-
Contingent and Non-Contingent Retail Receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contingent and Non-Contingent Receivables Secured by Property	-	-	-	38,825	-	21,805	-	-	-	-	-	38,825	-	21,805	-	-
Past Due Loans	-	-	-	-	-	374	-	-	-	-	-	-	-	374	-	-
Higher-Risk Receivables Defined by BRSA	-	-	-	-	-	-	133,662	-	-	-	-	-	-	-	133,662	-
Marketable Securities Collateralized Mortgages	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Securitization Exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short-Term Receivables from Banks and Corporate Undertakings for Collective Investments in Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Receivables	7,319	-	-	-	-	85,666	-	-	7,320	-	-	-	-	28,447	-	-

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**I. INFORMATION ON CONSOLIDATED CAPITAL ADEQUACY RATIO (Continued)**

**Information on unconsolidated an consolidated capital adequacy ratio**

	<b>Current Period</b>		<b>Prior Period</b>	
	<b>Bank</b>	<b>Consolidated</b>	<b>Bank</b>	<b>Konsolide</b>
<b>A</b> Required Capital for Credit Risk (Amount Based to Credit Risk*0.08) (RCFCR)	205,486	213,030	130,223	135,151
<b>B</b> Required Capital for Market Risk (RCFMR)	9,441	9,470	7,016	7,032
<b>C</b> Required Capital for Operational Risk (RCFOR) <sup>(*)</sup>	15,319	16,468	12,119	13,185
Shareholders' Equity	462,851	469,256	425,105	433,882
<b>Shareholders' Equity/((RCFCR+RCFMR+RCFOR) *12.5*100)</b>	<b>16.08</b>	<b>15.71</b>	<b>22.77</b>	<b>22.34</b>

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**I. INFORMATION ON CONSOLIDATED CAPITAL ADEQUACY RATIO (Continued)**

**Information on consolidated shareholder's equity**

	<b>Current Period</b>	<b>Prior Period</b>
<b>CORE CAPITAL</b>		
Paid-in Capital	240,000	240,000
Nominal capital	240,000	240,000
Capital Commitments (-)	-	-
Inflation adjustment to paid-in capital	9,096	9,096
Share Premium	-	-
Share Cancellation profit	-	-
Legal reserves	10,920	8,088
Inflation adjustment to legal reserves	-	-
Profit	192,080	164,291
Net income for the period	31,072	60,868
Prior period profit	161,008	103,423
Provisions for possible risks up to 25% of Core Capital	-	5,000
Income on Sale of Equity Shares and Real Estates to be used up for Capital Increase	-	-
Primary Subordinated Debt (up to 15% of Core Capital)	-	-
Loss excess of Reserves (-)	-	-
Current Period Loss	-	-
Prior Periods Loss	-	-
Leasehold Improvements (-)	1,470	2,061
Prepaid Expenses (-)	2,863	2,055
Intangible Assets (-)	-	-
Deferred Tax	-	-
<b>Total Core Capital</b>	<b>447,763</b>	<b>422,359</b>
<b>SUPPLEMENTARY CAPITAL</b>		
General Provisions	21,504	11,811
45% of Revaluation Surplus on Movables	-	-
45% of Revaluation Surplus on Immovable's	-	-
Bonus shares of Associates, Subsidiaries and Joint-Ventures	-	-
Primary Subordinated Debt excluding the Portion included in Core Capital	-	-
Secondary Subordinated Debt	-	-
Marketable Securities and Investment Securities Value Increase Fund	-	-
Adjustment to paid-in capital, profit reserves and previous years losses(except adjustment to legal, status and extraordinary reserves)	-	-
Minority Shares	-	-
<b>Total Supplementary Capital</b>	<b>21,504</b>	<b>11,811</b>
<b>CAPITAL</b>	<b>469,267</b>	<b>434,170</b>
<b>DEDUCTIONS FROM CAPITAL</b>	<b>11</b>	<b>288</b>
Partnership share on banks and financial institutions (domestic and abroad) that are not consolidated, with a shareholding of 10% and above	-	-
The sum of partnership share on banks and financial institutions (domestic and abroad), with shareholding of less than 10%, but exceeding 10% and more of the sum of core and supplementary capital of the bank	-	-
Loans extended to banks, financial institutions (domestic and abroad) and qualified shareholders, like secondary subordinated loan and debt instruments purchased from these institutions issued, like primary and secondary subordinated loan	-	-
Loans extended being noncompliant with articles 50 and 51 of the Law	-	-
Net book values of properties owned, exceeding 50% of banks' equity and properties, and trade goods overtaken in exchange for loans and receivables that should be disposed within five years in accordance with article 57 of the Law, but not yet disposed	11	288
Securitization positions preferred to deduct from equity	-	-
Other	-	-
<b>TOTAL SHAREHOLDER'S EQUITY</b>	<b>469,256</b>	<b>433,882</b>



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**II. INFORMATION ON CONSOLIDATED MARKET RISK**

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

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

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

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

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

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

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

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

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

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

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

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

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**II. INFORMATION ON CONSOLIDATED MARKET RISK (Continued)**

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

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

The Board of Directors has determined the early warning limit of Amount Exposed to Market Risk / Equity ratio as maximum %45, limit max. %50, limit exception max. %55 in order to limit market risk is calculated with Standard method. In order to limit daily VaR results, the early warning limit of daily VaR / Equity ratio is determined as max. %0.5, limit max. %1, and limit exception %2.

**Information related to market risk**

	<b>Current Period</b>	<b>Prior Period</b>
(I) Capital requirement to be employed for general market risk - Standard	1,610	2,210
(II) Capital requirement to be employed for specific risk - Standard	1,539	1,403
(III) Standard method for specific risk of necessary capital requirement on securitization positions	-	-
(IV) Capital requirement to be employed for currency risk - Standard	6,320	3,384
(V) Capital requirement to be employed for commodity risk - Standard	-	-
(VI) Capital requirement to be employed for settlement risk - Standard	-	-
(VII) Total capital requirement to be employed for market risk resulting from options-Standard method	-	-
(VIII) Counterparty credit risk capital requirement - Standard method	1	35
<b>(IX) Total capital requirement to be employed for market risk in banks using risk measurement model</b>	-	-
<b>(X) Total capital requirement to be employed for market risk (I+II+III+IV+V+VI+VII+VIII)</b>	9,470	7,032
<b>(XI) Market Value at Risk (12.5 x IX) or (12.5 x X)</b>	<b>118,375</b>	<b>87,900</b>

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**III. INFORMATION ON CONSOLIDATED FOREIGN CURRENCY EXCHANGE  
RATE RISK**

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

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

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

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

**Foreign exchange risk management policy**

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

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

<b>Date</b>	<b>US Dollars</b>	<b>EUR</b>
23 September 2013	TL 1.9720	TL 2.6689
24 September 2013	TL 1.9856	TL 2.6835
25 September 2013	TL 1.9946	TL 2.6910
26 September 2013	TL 2.0034	TL 2.7049
27 September 2013	TL 2.0123	TL 2.7171
30 September 2013	TL 2.0342	TL 2.7484

**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 September 2013 is TL 2.0174 for USD and TL 2.6929 for EUR.

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**III. INFORMATION ON CONSOLIDATED FOREIGN CURRENCY EXCHANGE  
RATE RISK (Continued)**

**Information on currency risk of the Group**

<b>Current Period</b>	<b>Euro</b>	<b>US Dollars</b>	<b>Other</b>	<b>Total</b>
<b>Assets</b>				
Cash (Cash in Vault, Foreign currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	85,302	265,811	83	351,196
Banks	463,195	704,740	3,433	1,171,368
Financial Assets through Profit or Loss	-	79,138	-	79,138
Interbank Money Market Placements	-	-	-	-
Investment Securities Available-for-Sale	63	763	-	826
Loans <sup>1</sup>	80,037	781,562	-	861,599
Investments in Subsidiaries and Associates	-	-	-	-
Investment Securities Held-to-Maturity	25,131	91,651	-	116,782
Financial Derivative held for Hedging (Assets)	-	-	-	-
Tangible Assets	-	-	-	-
Intangible Assets	-	-	-	-
Other Assets	93,936	29,881	-	123,817
<b>Total Assets</b>	<b>747,664</b>	<b>1,953,546</b>	<b>3,516</b>	<b>2,704,726</b>
<b>Liabilities</b>				
Bank Deposits	584,481	1,034,327	2,774	1,621,582
Foreign Currency Deposits	83,941	117,203	653	201,797
Money Market Borrowings	-	-	-	-
Funds Borrowed from Other Financial Institutions	73,174	787,368	-	860,542
Marketable Securities Issued	-	-	-	-
Miscellaneous Payables	6,044	1,373	4	7,421
Financial Derivatives held for Hedging (Liabilities)	-	-	-	-
Other Liabilities	3,935	5,238	79	9,252
<b>Total Liabilities</b>	<b>751,575</b>	<b>1,945,509</b>	<b>3,510</b>	<b>2,700,594</b>
<b>Net "Balance Sheet Position"</b>	<b>(3,911)</b>	<b>8,037</b>	<b>6</b>	<b>4,132</b>
<b>Net "Off Balance Sheet Position"</b>	<b>8,245</b>	<b>(8,234)</b>	<b>-</b>	<b>11</b>
Financial Derivatives (Assets)	9,619	1,886	-	11,505
Financial Derivatives (Liabilities)	(1,374)	(10,120)	-	(11,494)
<b>Non-Cash Loans</b>	<b>727,491</b>	<b>906,389</b>	<b>274,626</b>	<b>1,908,506</b>
<b>Prior Period</b>				
Total Assets	462,014	1,180,639	483	1,643,136
Total Liabilities	461,472	1,314,816	467	1,776,755
Balance Sheet Position, net	542	(134,177)	16	(133,619)
Off Balance Sheet Position, net	-	134,222	-	134,222
Financial Derivatives (Assets)	-	134,222	-	134,222
Financial Derivatives (Liabilities)	-	-	-	-
Non-cash Loans	598,245	612,562	234,980	1,445,787

<sup>1</sup> As of 30 September 2013 loan balance includes foreign currency indexed loans amounting to TL 180,222 (31 December 2012: TL 59,924).

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**III. INFORMATION ON CONSOLIDATED FOREIGN CURRENCY EXCHANGE  
RATE RISK (Continued)**

**Exposed currency risk**

The possible increases or decreases in the shareholders' equity and the profit/loss as per an assumption of devaluation/appreciation by 10% of TL against currencies mentioned below as of 30 September 2013 and 31 December 2012 are presented in the below table. The other variables, especially the interest rates, are assumed to be fixed in this analysis.

Assuming 10% devaluation of TL;

	30 September 2013		31 December 2012	
	Income Statement	Shareholders' Equity (*)	Income Statement	Shareholders' Equity (*)
US Dollar	20	20	5	5
Euro	(433)	(433)	54	54
Other Currencies	(1)	(1)	2	2
<b>Total</b>	<b>(414)</b>	<b>(414)</b>	<b>61</b>	<b>61</b>

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

Assuming 10% appreciation of TL;

	30 September 2013		31 December 2012	
	Income Statement	Shareholders' Equity (*)	Income Statement	Shareholders' Equity (*)
US Dollar	(20)	(20)	(5)	(5)
Euro	433	433	(54)	(54)
Other Currencies	1	1	(2)	(2)
<b>Total</b>	<b>414</b>	<b>414</b>	<b>(61)</b>	<b>(61)</b>

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

**IV. INFORMATION ON CONSOLIDATED INTEREST RATE RISK**

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

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

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

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

The Board of Directors has determined limits for the amount exposed to market risk/ shareholder's equity, to be maximum %45 for the early warning limit, %50 for limit maximum, and maximum %55 for limit exception in order to follow interest rate risk, exchange rate risk and equity price risk.

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**IV. INFORMATION ON CONSOLIDATED INTEREST RATE RISK (Continued)**

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

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

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

<b>Current Period</b>	<b>Up to 1 Month</b>	<b>1-3 Months</b>	<b>3-12 Months</b>	<b>1-5 Years</b>	<b>5 Years and Over</b>	<b>Non- Interest Bearing</b>	<b>Total</b>
<b>Assets</b>							
Cash (cash in vault, foreign currencies, cash in transit, cheques purchased) and balances with the Central Bank of Turkey	-	-	-	-	-	354,355	354,355
Banks	657,404	533,998	-	-	-	639	1,192,041
Financial assets at fair value through Profit or Loss	452	5,107	387	73,192	-	-	79,138
Interbank Money Market Placements	-	-	-	-	-	-	-
Financial assets available-for-sale	-	-	-	-	-	1,038	1,038
Loans	299,391	298,271	495,608	159,621	-	374	1,253,265
Investment securities held-to-maturity	21,316	4,249	72,113	44,229	39,044	-	180,951
Other assets <sup>1</sup>	33,573	11,883	31,813	82,302	-	54,307	213,878
<b>Total assets</b>	<b>1,012,136</b>	<b>853,508</b>	<b>599,921</b>	<b>359,344</b>	<b>39,044</b>	<b>410,713</b>	<b>3,274,666</b>
<b>Liabilities</b>							
Bank deposits	864,486	185,362	574,446	-	-	-	1,624,294
Other deposits	16,732	2,813	20,429	-	-	184,535	224,509
Money market borrowings	-	37,731	-	-	-	-	37,731
Miscellaneous payables	-	-	-	-	-	9,022	9,022
Marketable securities issued	-	-	-	-	-	-	-
Funds Borrowed From Other Fin. Ins.	188,182	518,112	153,488	5,581	-	-	865,363
Other liabilities <sup>2</sup>	132	937	-	-	-	512,678	513,747
<b>Total liabilities</b>	<b>1,069,532</b>	<b>744,955</b>	<b>748,363</b>	<b>5,581</b>	<b>-</b>	<b>706,235</b>	<b>3,274,666</b>
Long Position in the Balance Sheet	-	108,553	-	353,763	39,044	-	501,360
Short Position in the Balance Sheet	(57,396)	-	(148,442)	-	-	(295,522)	(501,360)
Long Position in the Off-balance Sheet	8	-	-	-	-	-	8
Short Position in the Off-balance Sheet	-	-	-	-	-	-	-
<b>Total Position</b>	<b>(57,388)</b>	<b>108,553</b>	<b>(148,442)</b>	<b>353,763</b>	<b>39,044</b>	<b>(295,522)</b>	<b>8</b>

<sup>1</sup> Other Assets: The amount of TL 54,307 in the Non-Interest Bearing column; Tangible Assets amounting TL 25,289, Intangible Assets amounting to TL 2,863, Deferred Tax Assets amounting to TL 3,972, Assets Held for Sale amounting to TL 11, Other Assets amounting to TL 22,172.

<sup>2</sup> Other Liabilities: The amount of TL 512,678 in the Non-Interest Bearing Column; Shareholders Equity amounting to TL 452,096, Provisions amounting to TL 30,553, Tax, Duty and Premium Payable amounting to TL 5,332 and Other Foreign Resources amounting to TL 24,697.

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**IV. INFORMATION ON CONSOLIDATED INTEREST RATE RISK (Continued)**

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

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

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

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**IV. INFORMATION ON CONSOLIDATED INTEREST RATE RISK (Continued)**

**Average interest rates applied to monetary financial instruments%**

	EUR	USD	JPY	TL
<b>Current Period</b>				
<b>Assets</b>				
Cash (cash in vault, effectives, money in transit, cheques purchased) and balances with the Central Bank of Turkey.	-	-	-	-
Banks	2.02	3.05	-	9.15
Financial assets at fair value through profit or loss	-	5.03	-	-
Money market placement	-	-	-	-
Financial assets available-for-sale	-	-	-	-
Loans	3.37	3.91	-	9.20
Investment securities held-to-maturity	5.21	6.60	-	7.10
Financial Lease Receivables	6.37	7.30	-	12.97
<b>Liabilities</b>				
Interbank deposits	0.64	0.99	-	7.57
Other deposits	0.45	1.65	-	7.74
Money market borrowings	-	-	-	4.50
Miscellaneous payables	-	-	-	-
Marketable securities issued	-	-	-	-
Funds borrowed from other financial institutions	2.66	1.53	-	5.98

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



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**IV. INFORMATION ON CONSOLIDATED INTEREST RATE RISK (Continued)**

**The interest rate risk of the banking book items**

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

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

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

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

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

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

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

**Current Period:**

Currency <sup>(1)</sup>	Applied Shock (+/- x basis point)	Revenue/ Loss	Revenue/Shareholders' Equity Loss/ Shareholders' Equity
1 TRY	500	(13,858)	%(2.99)
	(400)	22,269	%4.81
2 EUR	200	10,098	%2.18
	(200)	(37,492)	%(8.10)
3 USD	200	9,807	%2.12
	(200)	3,918	%0.85
<b>Total (For negative shocks)</b>		<b>(11,305)</b>	<b>%(2.44)</b>
<b>Total (For positive shocks)</b>		<b>6,047</b>	<b>%1.31</b>

(1)Reflects the values of the Parent Bank.

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**IV. INFORMATION ON CONSOLIDATED INTEREST RATE RISK (Continued)**

**Prior Period:**

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

(1) Reflects the values of the Parent Bank.

**Equity investment risk due from banking book**

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

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

None.

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

None.

**V. INFORMATION ON CONSOLIDATED LIQUIDITY RISK**

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

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

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**V. INFORMATION ON CONSOLIDATED LIQUIDITY RISK (Continued)**

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

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

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

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

As per the BRSA Communiqué published on the Official Gazette dated 1 November 2006 and became effective starting, "Measurement and Assessment of the Adequacy of Banks' Liquidity", the weekly and monthly liquidity ratios on a bank-only basis for foreign currency assets/liabilities and total assets/liabilities should be minimum 80% and 100%, respectively. The liquidity ratios as of 30 September 2013 are as follows;

Current Period	Primary Maturity Split (Weekly)		Secondary Maturity Split (Monthly)	
	FC	FC+TL	FC	FC+TL
Average	163	238	107	143
Highest (%)	221	349	153	213
Lowest (%)	97	151	81	101
Prior Period	Primary Maturity Split (Weekly)		Secondary Maturity Split (Monthly)	
	FC	FC+TL	FC	FC+TL
Average	157	235	112	148
Highest (%)	275	402	187	265
Lowest (%)	89	107	81	105

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**V. INFORMATION ON CONSOLIDATED LIQUIDITY RISK (Continued)**

**Presentation of assets and liabilities based on their outstanding maturities**

<b>Current Period</b>	<b>Demand</b>	<b>Up to 1 Month</b>	<b>1-3 Months</b>	<b>3-12 Months</b>	<b>1-5 Years</b>	<b>5 Year and Over</b>	<b>Unallo- cated</b>	<b>Total</b>
<b>Assets</b>								
Cash (cash in vault, effectives, money in transit, cheques purchased) and Central Bank balances	8,948	345,407	-	-	-	-	-	354,355
Banks	16,720	641,323	533,998	-	-	-	-	1,192,041
Financial Assets at Fair Value through Profit or Loss	-	452	5,107	387	73,192	-	-	79,138
Money Market Placements	-	-	-	-	-	-	-	-
Financial assets available-for-sale	-	--	-	-	-	-	1,038	1,038
Loans	-	299,391	202,202	592,051	159,621	-	-	1,253,265
Investment securities held-to-maturity	-	891	250	71,386	69,380	39,044	-	180,951
Other assets <sup>1</sup>	724	33,573	11,883	31,813	82,302	-	53,583	213,878
<b>Total Assets</b>	<b>26,392</b>	<b>1,321,037</b>	<b>753,440</b>	<b>695,637</b>	<b>384,495</b>	<b>39,044</b>	<b>54,621</b>	<b>3,274,666</b>
<b>Liabilities</b>								
Interbank Deposits	220,735	643,745	185,368	574,446	-	-	-	1,624,294
Other Deposits	184,535	16,732	2,813	20,429	-	-	-	224,509
Funds provided from other financial institutions	-	173,830	501,688	156,981	32,864	-	-	865,363
Money market borrowings	-	37,731	-	-	-	-	-	37,731
Marketable securities issued	-	-	-	-	-	-	-	-
Miscellaneous payables	-	-	-	-	-	-	9,022	9,022
Other liabilities <sup>2</sup>	-	8,151	4,498	-	-	-	501,098	513,747
<b>Total Liabilities</b>	<b>405,270</b>	<b>880,189</b>	<b>694,367</b>	<b>751,856</b>	<b>32,864</b>	<b>-</b>	<b>510,120</b>	<b>3,274,666</b>
<b>Liquidity Gap</b>	<b>(378,878)</b>	<b>440,848</b>	<b>59,073</b>	<b>(56,219)</b>	<b>351,631</b>	<b>39,044</b>	<b>(455,499)</b>	<b>-</b>
<b>Prior Period</b>								
Total Assets	48,351	1,311,765	638,957	425,837	275,981	55,544	52,801	2,809,236
Total Liabilities	445,519	821,982	652,931	388,940	38,776	-	461,088	2,809,236
<b>Net Liquidity Gap</b>	<b>(397,168)</b>	<b>489,783</b>	<b>(13,974)</b>	<b>36,897</b>	<b>237,205</b>	<b>55,544</b>	<b>(408,287)</b>	<b>-</b>

<sup>1</sup> Other assets amounting TL 53,583 at the undistributed part; Tangible Assets amounting TL 25,289 , Intangible Assets amounting TL 2,863, Deferred Tax Asset amounting TL 3,972, Asset Held For Sale amounting TL 11 and Other Assets amounting to TL 21,448.

<sup>2</sup> Other liabilities amounting TL 501,098 at the undistributed part consists of Shareholders Equity amounting TL 452,096, Provisions amounting TL 30,553, and Other Foreign Resources TL 18,449.

**Explanations on securitization positions**

None.

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**V. INFORMATION ON CONSOLIDATED LIQUIDITY RISK (Continued)**

**Information on Credit risk mitigation techniques**

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

Cash collateral is used for credit risk mitigation.

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

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

Collaterals which are grouped according to asset type:

<b>Risk Types-Current Period</b>	<b>Amount<sup>(1)</sup></b>	<b>Financial Collaterals</b>	<b>Other/ Physical Collaterals</b>	<b>Guarantees and credit derivatives</b>
Contingent and Non-Contingent Receivables from Central Governments and Central Banks	509,050	-	-	-
Contingent and Non-Contingent Receivables from Regional Governments and Local Authorities	-	-	-	-
Contingent and Non-Contingent Receivables from Administrative Units and Non-commercial Enterprises	-	-	-	-
Contingent and Non-Contingent Receivables from Multilateral Development Banks	-	-	-	-
Contingent and Non-Contingent Receivables from International Organizations	-	-	-	-
Contingent and Non-Contingent Receivables from Banks and Financial Intermediaries	2,215,047	312	-	-
Contingent and Non-Contingent Corporate Receivables	1,317,308	14,916	-	-
Contingent and Non-Contingent Retail Receivables	-	-	-	-
Contingent and Non-Contingent Receivables Secured by Residential Property <sup>(2)</sup>	60,630	-	-	-
Past Due Loans	374	-	-	-
Higher-Risk Receivables Defined by BRSA	386,328	273,737	-	-
Marketable Securities Collateralized Mortgages	-	-	-	-
Securitization Exposures	-	-	-	-
Short-Term Receivables from Banks and Corporate Undertakings for Collective Investments in Transferable Securities	-	-	-	-
Other Receivables	35,767	-	-	-
<b>Total</b>	<b>4,524,504</b>	<b>288,965</b>		

(1) Includes the total amount before taking into account the effects of credit risk mitigation.

(2) The real estate mortgages that used to determine the risk classes are taken into consideration regarding the "Regulation on Measurement and Assessment of Capital Adequacy of Banks", Article 6

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**V. INFORMATION ON CONSOLIDATED LIQUIDITY RISK (Continued)**

<b>Risk Types-Prior Period</b>	<b>Amount<sup>(1)</sup></b>	<b>Financial Collaterals</b>	<b>Other/ Physical Collaterals</b>	<b>Guarantees and credit derivatives</b>
Contingent and Non-Contingent Receivables from Central Governments and Central Banks	323,864	-	-	-
Contingent and Non-Contingent Receivables from Regional Governments and Local Authorities	-	-	-	-
Contingent and Non-Contingent Receivables from Administrative Units and Non-commercial Enterprises	-	-	-	-
Contingent and Non-Contingent Receivables from Multilateral Development Banks	-	-	-	-
Contingent and Non-Contingent Receivables from International Organizations	-	-	-	-
Contingent and Non-Contingent Receivables from Banks and Financial Intermediaries	2,110,655	312	-	-
Contingent and Non-Contingent Corporate Receivables	800,237	3,390	-	-
Contingent and Non-Contingent Retail Receivables	-	-	-	-
Contingent and Non-Contingent Receivables Secured by Residential Property <sup>(2)</sup>	34,734	12	-	-
Past Due Loans	295	-	-	-
Higher-Risk Receivables Defined by BRSA	259,219	230,495	-	-
Marketable Securities Collateralized Mortgages	-	-	-	-
Securitization Exposures	-	-	-	-
Short-Term Receivables from Banks and Corporate Undertakings for Collective Investments in Transferable Securities	-	-	-	-
Other Receivables	50,967	-	-	-
<b>Total</b>	<b>3,579,971</b>	<b>234,209</b>	<b>-</b>	<b>-</b>

(1) Includes the total amount before taking into account the effects of credit risk mitigation.

(2) The real estate mortgages that used to determine the risk classes are taken into consideration regarding the "Regulation on Measurement and Assessment of Capital Adequacy of Banks", Article 6

**Risk management target and policies**

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

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

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

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**VI. INFORMATION ON CONSOLIDATED BUSINESS SEGMENTS**

Information on operational segments on 30 September 2013 and 31 December 2012 are presented in the table below:

<b>Current Period</b>	<b>Retail Banking</b>	<b>Corporate and Commercial Banking</b>	<b>Treasury</b>	<b>Financial Lease</b>	<b>Other</b>	<b>Total Operations</b>
Interest Income	199	38,867	33,550	9,130	-	81,746
Unallocated						
Income/Expenses (Net)	-	-	-	-	(41,656)	(41,656)
<b>Operating Income</b>	<b>199</b>	<b>38,867</b>	<b>33,550</b>	<b>9,130</b>	<b>(41,656)</b>	<b>40,090</b>
<i>Income from Subsidiaries</i>	-	-	-	-	-	-
<b>Income before tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40,090</b>
<i>Tax Provision</i>	-	-	-	-	-	(9,018)
<b>Net Profit for the year</b>						<b>31,072</b>

<b>Current Period</b>	<b>Retail Banking</b>	<b>Corporate and Commercial Banking</b>	<b>Treasury</b>	<b>Financial Lease</b>	<b>Other</b>	<b>Total Operations</b>
Segment Assets	688	1,252,423	1,515,080	190,302	-	2,958,493
Unallocated assets	-	-	-	-	316,173	316,173
<b>Total Assets</b>	<b>688</b>	<b>1,252,423</b>	<b>1,515,080</b>	<b>190,302</b>	<b>316,173</b>	<b>3,274,666</b>
Segment Liabilities	64,064	164,745	2,409,406	122,767	-	2,760,982
Unallocated Liabilities	-	-	-	-	61,588	61,588
Equity	-	-	-	-	452,096	452,096
<b>Total Liabilities</b>	<b>64,064</b>	<b>164,745</b>	<b>2,409,406</b>	<b>122,767</b>	<b>513,684</b>	<b>3,274,666</b>

<b>Prior Period</b>	<b>Retail Banking</b>	<b>Corporate and Commercial Banking</b>	<b>Treasury</b>	<b>Financial Lease</b>	<b>Other</b>	<b>Total Operations</b>
Interest Income	26	39,718	51,147	7,339	-	98,230
Unallocated						
Income/Expenses (Net)	-	-	-	-	(32,153)	(32,153)
<b>Operating Income</b>	<b>26</b>	<b>39,718</b>	<b>51,147</b>	<b>7,339</b>	<b>(32,153)</b>	<b>66,077</b>
<i>Income from Subsidiaries</i>	-	-	-	-	-	-
<b>Income before tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>66,077</b>
<i>Tax Provision</i>	-	-	-	-	-	(13,319)
<b>Net Profit for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>52,758</b>

<b>Prior Period</b>	<b>Retail Banking</b>	<b>Corporate and Commercial Banking</b>	<b>Treasury</b>	<b>Financial Lease</b>	<b>Other</b>	<b>Total Operations</b>
Segment Assets	526	710,115	1,768,531	127,078	-	2,606,250
Unallocated assets	-	-	-	-	202,986	202,986
<b>Total Assets</b>	<b>526</b>	<b>710,115</b>	<b>1,768,531</b>	<b>127,078</b>	<b>202,986</b>	<b>2,809,236</b>
Segment Liabilities	34,483	148,508	2,077,940	77,819	-	2,338,750
Unallocated Liabilities	-	-	-	-	49,011	49,011
Equity	-	-	-	-	412,475	421,475
<b>Total Liabilities</b>	<b>34,483</b>	<b>148,508</b>	<b>2,077,940</b>	<b>77,819</b>	<b>470,486</b>	<b>2,809,236</b>

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**SECTION FIVE**

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

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

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

**Information on cash equivalents**

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash/Effective	1,531	5,789	1,117	4,729
Central Bank of Turkey	1,628	345,407	35,183	166,446
Other	-	-	-	-
<b>Total</b>	<b>3,159</b>	<b>351,196</b>	<b>36,300</b>	<b>171,175</b>

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

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted Demand Deposits	1,628	-	35,183	-
Unrestricted Time Deposits	-	80,387	-	36,142
Restricted Time Deposits	-	-	-	-
Reserve Deposits	-	265,020	-	130,304
<b>Total</b>	<b>1,628</b>	<b>345,407</b>	<b>35,183</b>	<b>166,446</b>

**Information on Reserve Deposits**

The banks operating in Turkey keep reserve deposits for Turkish currency and foreign currency at the rates of between 5% and 11.5% (31 December 2012: between 5% and 11%), and for USD or EUR at the rates of 6% and 13% respectively according to their maturities as per the Communiqué no.2005/1 "Reserve Deposits" of the Central Bank of Turkey (31 December 2012: between 6% and 11%). Interest rates are not applied for reserve requirements by the Central Bank of Turkey.

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

Among financial assets at fair value through profit or loss; there is no marketable securities subjected to repurchase transaction. There is 6,897 TL amount provided as collateral /blocked financial assets at fair value through profit or loss in the current period.(31 December 2012: TL 24,205)

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

Derivative Financial Assets Held for Trading	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	-	-	-	-
Swap Transactions	-	8	17	-
Futures	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
<b>Total</b>	<b>-</b>	<b>8</b>	<b>17</b>	<b>-</b>



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**I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)**

**3. Information on banks and other financial institutions**

	Current Period		Prior Period	
	TL	FC	TL	FC
<b>Banks</b>				
Domestic banks	20,673	1,151,279	73,574	733,992
Foreign banks	-	20,089	-	5,060
Foreign head offices and branches	-	-	-	-
<b>Total</b>	<b>20,673</b>	<b>1,171,368</b>	<b>73,574</b>	<b>739,052</b>

**4. Information on available for sale financial assets**

*Major types of available for sale financial assets*

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

*Information on available for sale financial assets*

	Current period	Prior period
<b>Debt Securities</b>	-	-
Quoted in stock exchange	-	-
Not quoted in stock exchange	-	-
<b>Share Certificates</b>	<b>1,038</b>	<b>897</b>
Quoted in stock Exchange	-	-
Not quoted in stock Exchange	1,038	897
<b>Impairment provision (-)</b>	-	-
<b>Total</b>	<b>1,038</b>	<b>897</b>

**5. Information on Loans**

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

	Current period		Prior period	
	Cash	Non- Cash	Cash	Non- Cash
<b>Direct Loans Granted to Shareholders</b>	<b>4,009</b>	<b>1,040</b>	<b>-</b>	<b>14,852</b>
Corporate Shareholders	4,009	1,040	-	14,852
Individual Shareholders	-	-	-	-
<b>Indirect Loans Granted to Shareholders</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Loans Granted to the Bank's personnel</b>	<b>689</b>	<b>4</b>	<b>524</b>	<b>3</b>
<b>Total</b>	<b>4,698</b>	<b>1,044</b>	<b>524</b>	<b>14,855</b>

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

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

	Standard loans and other receivables			Loans and other receivables under close monitoring		
	Loans and other receivables (Total)	Amendments on Conditions of Contract		Loans and other receivables (Total)	Amendments on Conditions of Contract	
		Amendments related to the extension of the payment plan	Other		Amendments related to the extension of the payment plan	Other
<b>Cash Loans</b>						
<b>Non-specialized loans</b>	<b>1,250,432</b>	-	-	<b>2,459</b>	-	-
Corporation loans	-	-	-	-	-	-
Export loans	172,800	-	-	-	-	-
Import loans	-	-	-	-	-	-
Loans given to financial sector	375,863	-	-	-	-	-
Consumer loans	689	-	-	-	-	-
Credit cards	-	-	-	-	-	-
Other	701,080	-	-	2,459	-	-
<b>Specialized loans</b>	<b>-</b>	-	-	<b>-</b>	-	-
<b>Other receivables</b>	<b>-</b>	-	-	<b>-</b>	-	-
<b>Total</b>	<b>1,250,432</b>	-	-	<b>2,459</b>	-	-

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

None.

**The time extended via the amendment on payment plan**

None.

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

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

	Short Term	Medium and Long Term	Total
<b>Consumer Loans-TL</b>	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
<b>Consumer Loans-Indexed to FC</b>	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
<b>Consumer Loans-Indexed to FC</b>	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
<b>Individual Credit Cards-TL</b>	-	-	-
Installment	-	-	-
Non-Installment	-	-	-
<b>Individual Credit Cards-FC</b>	-	-	-
Installment	-	-	-
Non-Installment	-	-	-
<b>Personnel Loans- TL</b>	<b>18</b>	<b>671</b>	<b>689</b>
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	18	671	689
<b>Personnel Loans- Indexed to FC</b>	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
<b>Personnel Loans-FC</b>	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
<b>Personnel Credit Cards-TL</b>	-	-	-
Installment	-	-	-
Non-Installment	-	-	-
<b>Personnel Credit Cards-FC</b>	-	-	-
Installment	-	-	-
Non-Installment	-	-	-
<b>Deposits with Credit Limit-TL (Individual)</b>	-	-	-
<b>Deposits with Credit Limit-FC (Individual)</b>	-	-	-
<b>Total</b>	<b>18</b>	<b>671</b>	<b>689</b>

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**I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)**

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

	Short Term	Medium and Long Term	Total
<b>Commercial Installment Loans-TL</b>	-	5,898	5,898
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	5,898	5,898
<b>Commercial Installment Loans-Indexed to FC</b>	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
<b>Commercial Installment Loans -FC</b>	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
<b>Corporate Credit Cards-TL</b>	-	-	-
With Installment	-	-	-
Wwithout Installment	-	-	-
<b>Corporate Credit Cards-FC</b>	-	-	-
With Installment	-	-	-
Wwithout Installment	-	-	-
<b>Credited Deposit Account-TL (Legal Person)</b>	-	-	-
<b>Credited Deposit Account -FC (Legal Person)</b>	-	-	-
<b>Total</b>	-	5,898	5,898

***Allocation of domestic and foreign loans***

	Current Period	Prior Period
Domestic loans	1,235,218	655,351
Foreign loans	17,673	55,093
<b>Total</b>	<b>1,252,891</b>	<b>710,444</b>

***Loans granted to subsidiaries and associates***

None.

***Specific provisions for loans***

Specific provisions	Current Period	Prior Period
Loans and receivables with limited collectibles	50	74
Loans and receivables with doubtful collectibles	176	-
Uncollectible loans and receivables	8,150	8,154
<b>Total</b>	<b>8,376</b>	<b>8,228</b>

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**I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)**

*Information related to non-performing loans*

*Information on restructured loans of non-performing loans*

*None.*

*Information on movement of total non-performing loans*

	<b>III. Group</b>	<b>IV. Group</b>	<b>V. Group</b>
	<i>Loans and receivables with limited collectibles</i>	<i>Loans and receivables with doubtful collectibles</i>	<i>Uncollectible loans and receivables</i>
<b>Balances at Beginning of Period</b>	<b>369</b>	<b>-</b>	<b>8,154</b>
Additions (+)	249	-	-
Transfers from other categories of nonperforming loans			
(+)	-	359	-
Transfers to other categories of nonperforming loans (-)	359	-	-
Collections (-)	10	8	4
Write-offs (-)	-	-	-
Institutional and commercial credits	-	-	-
Individual credits	-	-	-
Credit cards	-	-	-
Others	-	-	-
<b>Balances at End of the Period</b>	<b>249</b>	<b>351</b>	<b>8,150</b>
Specific provisions (-)	50	176	8,150
<b>Net Balance on Balance Sheet</b>	<b>199</b>	<b>175</b>	<b>-</b>

*Information on foreign currency non-performing loans*

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

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**I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)**

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

	<b>III. Group Loans and receivables with limited</b>	<b>IV. Group Loans and receivables with doubtful</b>	<b>V. Group Non-performing loans and receivables</b>
<b>Current Period (Net)</b>	<b>199</b>	175	-
Loans granted to real persons and legal entities (Gross)	249	351	8,050
Specific provisions (-)	50	176	8,050
Loans granted to real persons and legal entities (Net)	199	175	-
Banks (Gross) <sup>1</sup>	-	-	100
Specific provisions (-)	-	-	100
Banks (Net)	-	-	-
Other Loans and receivables (Gross)	-	-	-
Specific provisions (-)	-	-	-
Other Loans and receivables (Net)	-	-	-
<b>Prior Period (Net)</b>	<b>295</b>	-	-
Loans granted to real persons and legal entities (Gross)	369	-	8,054
Specific provisions (-)	74	-	8,054
Loans granted to real persons and legal entities (Net)	295	-	-
Banks (Gross) <sup>1</sup>	-	-	100
Specific provisions (-)	-	-	100
Banks (Net)	-	-	-
Other Loans and receivables (Gross)K	-	-	-
Specific provisions (-)	-	-	-
Other Loans and receivables (Net)	-	-	-

<sup>1</sup> Foreign bank

***Collection policy on loans determined as loss and other receivables***

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

***Information on write-off policy***

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

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**I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)**

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

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

There are marketable securities as held to maturity and subject to repurchase transactions amounting to TL 38,744 (31 December 2012: None) as of 30 September 2013. There are financial assets as collateral/blocked amounting to TL 6,897 as of 30 September 2013 (31 December 2012: None).

*Information on government held to maturity financial assets*

	Current Period		Prior Period	
	TL	FC	TL	FC
Government bonds	47,499	-	19,918	-
Treasury Bonds	-	-	-	-
Other Public Bonds	-	94,257	-	82,882
<b>Total</b>	<b>47,499</b>	<b>94,257</b>	<b>19,918</b>	<b>82,882</b>

*Information of investments held to maturity*

	Current Period	Prior Period
<b>Debt Instruments</b>	<b>182,213</b>	<b>135,611</b>
Quoted at stock exchange	143,018	103,262
Not-quoted at stock exchange	39,195	32,349
Impairment loss provision (-)	(1,262)	(462)
<b>Total</b>	<b>180,951</b>	<b>135,149</b>

*Movement of marketable securities held-to-maturity*

	Current Period	Prior Period
Balances at the Beginning of the Period	135,149	199,870
Foreign Currency Gains / Losses on Monetary assets	16,903	(3,337)
Purchases during the Period	84,255	83,489
Disposals through sales and redemptions <sup>1</sup>	(54,556)	(144,735)
Impairment loss provision <sup>2</sup>	(800)	(138)
<b>Period end balance</b>	<b>180,951</b>	<b>135,149</b>

<sup>1</sup> In the current period amounting to TL 54,556 (31 December 2012: TL 144,735) redemption has been realized.

<sup>2</sup> Represents provisions allocated for impairment in the current year.

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**I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)**

**7. Information on Associates**

As of 30 September 2013 and 31 December 2012, The Group does not have an associate.

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

***Information on consolidated subsidiaries***

The Parent Bank does not have an unconsolidated subsidiary.

***Information on subsidiaries***

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

	<b>30 September 2013</b>
<b>CORE CAPITAL</b>	
Paid in Capital	60,680
Effect of Inflation Adjustment on Paid in Capital	228
Legal Reserves – First Legal Reserve Turkish Commercial Code 466/1	1,787
Extraordinary Reserves – Legal Reserve per General Legislation	1
Profit / Loss	4,838
<i>Net Profit</i>	2,801
<i>Prior Period Profit/Loss</i>	2,037
Intangible Assets (-)	223
<b>Total Core Capital</b>	<b>67,311</b>
<b>SUPPLEMENTARY CAPITAL</b>	None.
<b>CAPITAL</b>	<b>67,311</b>
<b>DEDUCTION FROM CAPITAL</b>	None.
<b>NET AVAILABLE CAPITAL<sup>1</sup></b>	<b>67,311</b>

1 There is no restriction on shareholders' equity of subsidiary. After deduction from the capital, the total net available equity is TL 67,311.

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

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

Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income from marketable securities portfolio	Current Period Profit / Loss	Prior Period Profit / Loss	Fair value (*)
190,302	67,534	4,395	9,131	-	2,801	1,268	-

(\*) The related subsidiary has no fair value as of 30 September 2013.



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**I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)**

*Movement related to consolidated subsidiaries*

	<b>Current Period</b>	<b>Prior Period</b>
<b>Balance at the Beginning of the Period</b>	<b>40,452</b>	<b>38,452</b>
<b>Movements during the Period</b>	<b>20,443</b>	<b>2,000</b>
Purchases	15,492	-
Bonus Shares Received	4,951	2,000
Dividends from Current Year Profit	-	-
Sales	-	-
Revaluation Increase, Effect of Inflation and F/X Difference	-	-
Impairment Provision (+)	-	-
<b>Balance at the End of the Period</b>	<b>60,895</b>	<b>40,452</b>
<b>Capital Commitments</b>	<b>-</b>	<b>-</b>
<b>Share Percentage at the end of Period (%)</b>	<b>99,98</b>	<b>99,98</b>

*Valuation methods of investments in subsidiaries*

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

*Sectoral Information on the subsidiaries*

<b>Subsidiaries</b>	<b>Current Period</b>	<b>Prior Period</b>
Banks	-	-
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	60,895	40,452
Finance Companies	-	-

*Quoted Subsidiaries*

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

*Subsidiaries sold in the current year*

None.

*Subsidiaries acquired in the current year*

None.

**9. Information on jointly ventures of the Parent Bank**

The Parent Bank does not have joint ventures.

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**I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)**

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

*Maturity analysis of financial lease receivables*

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	83,295	75,944	51,037	44,016
Between 1-4 years	93,981	82,302	63,686	56,119
Over 4 years	-	-	-	-
<b>Total</b>	<b>177,276</b>	<b>158,246</b>	<b>114,723</b>	<b>100,135</b>

*Information on net financial lease investments*

	Current Period	Prior Period
Gross Financial Lease Investment	177,276	114,723
Earned Financial Lease Income (-)	(19,030)	(14,588)
Cancelled Leasing Amounts	-	-
<b>Net Investment on Leases</b>	<b>158,246</b>	<b>100,135</b>

There is a provision amounting to TL 913 for doubtful financial lease receivables in net financial lease investment.

The movement of doubtful receivables is as follows

	Current Period	Prior Period
Opening Balance	769	830
Provisions	144	-
Collections	-	61
<b>Ending Balance</b>	<b>913</b>	<b>769</b>

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

The Group does not have any financial derivatives for hedging .

**12. Information on investment property**

The Group does not have any investment property.

**13. Information on tax assets**

As of 30 September 2013, there is no tax receivable under current tax asset after the deduction of tax liability (31 December 2012: None).

The Group has calculated TL 4,575 deferred tax asset and TL 603 deferred tax liability over taxable temporary differences as of 30 September 2013 and recorded the net amount of asset and liability to the financial statement (31 December 2012: TL 5,132 deferred tax asset and TL 586 deferred tax liability).

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**I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)**

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

	<b>30 September 2013</b>		<b>31 December 2012</b>	
	<b>Accumulated temporary differences</b>	<b>Deferred tax asset/ (liability)</b>	<b>Accumulated temporary differences</b>	<b>Deferred tax asset/ (liability)</b>
Investment allowance	7,490	1,498	9,691	1,938
Provisions regarding employee rights	8,357	1,671	8,139	1,628
Interest accruals	1,403	281	-	-
Unearned Income	2,712	542	2,397	479
Depreciation difference for tangible and intangible assets	524	105	357	71
Derivative financial instruments	-	-	3,537	707
Other	2,391	478	1,544	309
<b>Deferred tax asset</b>		<b>4,575</b>		<b>5,132</b>
Depreciation difference for tangibl	689	138	457	91
Interest accruals	2,045	409	2,312	462
Other	281	56	166	33
<b>Deferred tax liability</b>		<b>603</b>		<b>586</b>
<b>Deferred tax asset / (liability),</b>		<b>3,972</b>		<b>4,546</b>

Investment incentive was abolished being effective from January 1, 2006. In case that, entities do not have sufficient taxable income, deduction of the unused investment incentive as of December 31, 2005 from 2006, 2007 and 2008 income was allowed however it was not permitted to defer this investment incentive to subsequent periods after 2008. The Constitutional Court abolished this regulation on October 15, 2009 and the time constraint related to investment incentive has been removed. The resolution has been published in the Official Gazette on January 8, 2010. The Group will use the investment incentive amounting TL 10,120 by deducting from future profits. The Group recognized deferred tax asset amounting to TL 1,498 in the financial statements assuming that it will take advantage of the unused investment incentive in the subsequent periods

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

	<b>Current Period 30 September 2013</b>	<b>Prior Period 31 December 2012</b>
Cost	412	416
Impairment (-)	5	4
Accumulated Depreciation (-)	119	104
<b>Prior Period Net Book Value</b>	<b>288</b>	<b>308</b>
Opening Balance	412	416
Additions	-	-
Disposals (-).net	395	4
Accumulated Impairment (-)	6	4
Impairment (-)	-	1
Accumulated Depreciation (-)	119	104
Depreciation	127	-
Depreciation Expenses (-)	8	15
<b>Closing Net Book Value</b>	<b>11</b>	<b>288</b>

**15. Information on other assets**

As of 30 September 2013 other assets is amounting to TL 23,497 (31 December 2012: TL 19,413) and does not exceed 10% of total assets of balance sheet except off balance sheet commitments.

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**II. INFORMATION AND DISCLOSURES RELATED TO LIABILITIES**

**1. Information on maturity profile of deposits**

<b>Current Period</b>									
	<b>Demand</b>	<b>7 Days Notice</b>	<b>Up to 1 Month</b>	<b>1-3 Months</b>	<b>3-6 Months</b>	<b>6 Months- 1 Year</b>	<b>1 Year and over</b>	<b>Accumu- lating Deposit Accounts</b>	<b>Total</b>
<b>Saving Deposits</b>	<b>4,510</b>	-	<b>376</b>	<b>1,123</b>	<b>1,337</b>	-	-	-	<b>7,346</b>
<b>Foreign Currency Deposits</b>	<b>172,417</b>	-	<b>623</b>	<b>11,545</b>	<b>3,955</b>	<b>602</b>	<b>12,655</b>	-	<b>201,797</b>
Residents in Turkey	88,782	-	394	1,899	764	20	88	-	91,947
Residents Abroad	83,635	-	229	9,646	3,191	582	12,567	-	109,850
<b>Public Sector Deposits</b>	-	-	-	-	-	-	-	-	-
<b>Commercial Deposits</b>	<b>4,024</b>	-	<b>2</b>	<b>189</b>	<b>92</b>	-	<b>7,463</b>	-	<b>11,770</b>
<b>Other Ins. Deposits</b>	<b>3,584</b>	-	-	<b>12</b>	-	-	-	-	<b>3,596</b>
<b>Precious Metal Deposits</b>	-	-	-	-	-	-	-	-	-
<b>Bank Deposits</b>	<b>220,735</b>	-	<b>315,434</b>	<b>451,656</b>	<b>279,800</b>	<b>356,669</b>	-	-	<b>1,624,294</b>
Central Bank	-	-	-	-	-	-	-	-	-
Domestic Banks	-	-	1,500	-	-	-	-	-	1,500
Foreign Banks	220,735	-	313,934	451,656	279,800	356,669	-	-	1,622,794
Special Financial Inst.	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>405,270</b>	-	<b>316,435</b>	<b>464,525</b>	<b>285,184</b>	<b>357,271</b>	<b>20,118</b>	-	<b>1,848,803</b>
<b>Prior Period</b>									
	<b>Demand</b>	<b>7 Days Notice</b>	<b>Up to 1 Months</b>	<b>1-3 Months</b>	<b>3-6 Months</b>	<b>6 Months- 1 Year</b>	<b>1 Year and over</b>	<b>Accumu- lating Deposit Accounts</b>	<b>Total</b>
<b>Saving Deposits</b>	<b>926</b>	-	<b>217</b>	<b>859</b>	<b>1,534</b>	<b>41</b>	<b>27</b>	-	<b>3,604</b>
<b>Foreign Currency Deposits</b>	<b>145,351</b>	-	<b>94</b>	<b>9,167</b>	<b>1,972</b>	<b>1,203</b>	<b>1,392</b>	-	<b>159,179</b>
Residents in Turkey	103,922	-	-	1,012	676	113	89	-	105,812
Residents Abroad	41,429	-	94	8,155	1,296	1,090	1,303	-	53,367
<b>Public Sector Deposits</b>	-	-	-	-	-	-	-	-	-
<b>Commercial Deposits</b>	<b>6,336</b>	-	<b>7,671</b>	<b>119</b>	<b>90</b>	<b>107</b>	-	-	<b>14,323</b>
<b>Other Ins. Deposits</b>	<b>7,153</b>	-	-	<b>10</b>	-	-	-	-	<b>7,163</b>
<b>Precious Metal Deposits</b>	-	-	-	-	-	-	-	-	-
<b>Bank Deposits</b>	<b>285,753</b>	-	<b>536,095</b>	<b>11,761</b>	-	<b>11,762</b>	-	-	<b>845,371</b>
Central Bank	-	-	-	-	-	-	-	-	-
Domestic Banks	-	-	-	-	-	-	-	-	-
Foreign Banks	285,753	-	536,095	11,761	-	11,762	-	-	845,371
Special Financial Institutions	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>445,519</b>	-	<b>544,077</b>	<b>21,916</b>	<b>3,596</b>	<b>13,113</b>	<b>1,419</b>	-	<b>1,029,640</b>

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**II. INFORMATION AND DISCLOSURES RELATED TO LIABILITIES (Continued)**

*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	4,118	1,981	3,228	1,623
Foreign Currency Saving Deposits	19,368	9,721	37,392	21,205
Other Saving Deposits	-	-	-	-
Foreign Branches' Deposits Under Foreign Insurance Coverage	-	-	-	-
Off-Shore Deposits Under Foreign Insurance Coverage	-	-	-	-
<b>Total</b>	<b>23,486</b>	<b>11,702</b>	<b>40,620</b>	<b>22,828</b>

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

There are no foreign or off-shore branches of the Paretn Bank.

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

*Saving deposits not covered by deposit insurance*

Individual deposits not covered by deposit insurance

	Current Period	Prior Period
Deposits and Other Accounts held at Foreign Branches	-	-
Deposits and Other Accounts held by Shareholders and their Relatives	-	-
Deposits and Other Accounts of the Chairman and Members of Board of Directors, Chief Executive Officer, Senior Executive Officers and their Relatives	994	486
Deposits and Other Accounts held as Assets subject to the Crime defined in the Article 282 of the Turkish Criminal Code no. 5237 dated 26 September 2004	-	-
Deposits at Depositary Banks established for Off-Shore Banking Activities in Turkey	-	-
<b>Total</b>	<b>994</b>	<b>486</b>

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**II. INFORMATION AND DISCLOSURES RELATED TO LIABILITIES (Continued)**

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

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward transactions	-	-	-	-
Swap transactions	-	-	3,554	-
Futures transactions	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>3,554</b>	<b>-</b>

**3. Information on Funds Borrowed**

*Information on banks and other financial institutions*

	Current Period		Prior Period	
	TL	FC	TL	FC
Borrowing from Central Bank	-	-	-	-
From Domestic Banks and Institutions	4,821	27,703	2,815	1,276
From Foreign Banks, Institutions and Funds	-	832,839	-	1,302,876
<b>Total</b>	<b>4,821</b>	<b>860,542</b>	<b>2,815</b>	<b>1,304,152</b>

*Presentation of funds borrowed based on maturity profile*

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	4,072	444,931	2,546	933,725
Medium and Long-Term	749	415,611	269	370,427
<b>Total</b>	<b>4,821</b>	<b>860,542</b>	<b>2,815</b>	<b>1,304,152</b>

**4. Information on other foreign resources**

The other external resources is amounting to TL 25,766 (31 December 2012: TL 15,996) and this amount does not exceed 10% of the total balance sheet.

**5. Information on financial lease obligations**

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

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

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

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**II. INFORMATION AND DISCLOSURES RELATED TO LIABILITIES (Continued)**

**7. Information on provisions**

*Information on general provisions*

	<b>Current Period</b>	<b>Prior Period</b>
Provisions for Loans and Receivables in Group I	17,249	8,741
Additional provisions for the loans with extended payment plan	-	-
Provisions for Loans and Receivables in Group II	55	12
Additional provisions for the loans with extended payment plan	-	-
Provisions for Non-Cash Loans	4,200	3,058
Other	-	-
<b>Total</b>	<b>21,504</b>	<b>11,811</b>

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

	<b>Current Period</b>	<b>Prior Period</b>
Foreign Exchange Provisions for Foreign Currency Indexed Loans <sup>(*)</sup>	24	509

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

*Information on other provisions*

The provisions for probable risks are below:

	<b>Current Period</b>	<b>Prior Period</b>
The provisions for probable risks	-	5,000

The free provisions amounting to TL 5,000 thousands as of 31 December 2012 have been cancelled and recognised as an income.

**8. Information on tax payables**

*Information on corporate tax liability*

As of 30 September 2013, corporate tax payable after deducting the prepaid tax is TL 3,565 (31 December 2012: TL 911)

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**II. INFORMATION AND DISCLOSURES RELATED TO LIABILITIES (Continued)**

***Information on tax payables***

	<b>Current Period</b>	<b>Prior Period</b>
Corporate Tax	3,565	911
Banking Insurance Transaction Tax (BITT)	469	344
Taxation of Securities	59	663
Value added taxes payable	10	48
Corporate tax payable-limited	-	-
Foreign Exchange Legislation Tax	-	-
Property tax	15	14
Other	665	759
<b>Total</b>	<b>4,783</b>	<b>2,739</b>

***Information on premiums***

	<b>Current Period</b>	<b>Prior Period</b>
Social Security Premiums – Employee	209	185
Social Security Premiums – Employer	297	259
Bank Social Aid Pension Fund Premium – Employee	-	-
Bank Social Aid Pension Fund Premium – Employer	-	-
Pension Fund Membership Fees and Provisions – Employee	-	-
Pension Fund Membership Fees and Provisions – Employer	-	-
Unemployment Insurance – Employee share	14	13
Unemployment Insurance – Employer share	29	26
Other	-	-
<b>Total</b>	<b>549</b>	<b>483</b>

***Information on deferred tax liability***

The net amount of assets and liabilities that is calculated over the temporary differences between the applied accounting policies and tax regulation is recorded as net deferred tax asset with an amount of TL 3,972. Detailed information on net deferred tax is presented in footnote I-13 in Section Five.

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

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

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

The Parent Bank has no subordinated loans.

**11. Information on Shareholder's Equity**

***Presentation of Paid-in Capital***

	<b>Current Period</b>	<b>Prior Period</b>
Common Stock	240,000	240,000
Preferred Stock	-	-



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**II. INFORMATION AND DISCLOSURES RELATED TO LIABILITIES (Continued)**

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

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

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

None.

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

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

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

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

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

None.

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

According to the master agreement, The share capital can be increased or decreased one or more times. Such an increase may be accomplished through the transfer of monies from the reserves to the capital account and the issuance of "bonus" shares in consequence thereof.

Every shareholder shall have the preferential (pre-emptive) right to subscribe for a proportion of new shares corresponding to the number of shares held by him 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 to that effect. Such invitation shall be made by registered mail to the address contained in the share register.

These preferential (pre-emptive) rights may only be assigned by approval of the Board of Directors upon the favourable vote of 80% 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 shall be allocated by the Board of Directors.

The Parent Bank may not, the acquisition of its own shares whether dire.

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

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

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

***Information on legal reserve***

In the current period there is TL 2,976 transferred to legal reserves from retained earnings. (31 December 2012: TL 2,504).

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**III. INFORMATION AND DISCLOSURES RELATED TO OFF-BALANCE SHEETS**

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

*Type and amount of irrevocable commitments*

The Group has TL 23,698 (31 December 2012: TL 6,132) as irrevocable commitments.

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

As of 30 September 2013, the Group has allocated the provision amounting TL 4,784 over total non-cash loans (31 December 2012: TL 3,627).

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

The total amount of non-cash loans including guarantees, bills of exchange and acceptances and sureties on letters of credits and other guarantees is TL 521,061 (31 December 2012: TL 325,191).

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

The total amount of the Group's guarantee letters is TL 1,559,527 (31 December 2012: TL 1,247,340).

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

	<b>Current Period</b>	<b>Prior Period</b>
Non-Cash Loans granted for Cash Loan Assurance	58,858	26,341
Less Than or Equal to One Year with Original Maturity	-	315
More Than One Year with Original Maturity	58,858	26,026
Other Non-Cash Loans	2,021,730	1,546,190
<b>Total</b>	<b>2,080,588</b>	<b>1,572,531</b>

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

**1. Information on interest income**

*Information on interest income received from loans*

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest Received from Loans <sup>(*)</sup>				
Short- Term Loans	18,827	4,630	26,021	5,042
Medium and Long- Term Loans	1,401	14,035	805	7,989
Interest Received From Non Performing Loans	322	-	-	-
Premiums Received From Resource Utilization Support Fund	-	-	-	-
<b>Total</b>	<b>20,550</b>	<b>18,665</b>	<b>26,826</b>	<b>13,031</b>

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

*Information on interest income received from banks*

	Current Period		Prior Period	
	TL	FC	TL	FC
From Central Bank	-	-	-	-
From Domestic Banks	1,499	18,470	6,152	10,426
From Foreign Banks	2	25	-	73
From Foreign Headquarter and Branches	-	-	-	-
<b>Total</b>	<b>1,501</b>	<b>18,495</b>	<b>6,152</b>	<b>10,499</b>

*Information on interest income received from marketable securitites*

	Current Period		Prior Period	
	TL	FC	TL	FC
Financial Assets Held for Trading	1,874	739	6,302	2,304
Financial Assets Where Fair Value Change is Reflected to Income Statement	-	-	-	-
Financial Assets Available for Sale	-	-	-	-
Investments Held to Maturity	2,519	5,758	5,567	6,097
<b>Total</b>	<b>4,393</b>	<b>6,497</b>	<b>11,869</b>	<b>8,401</b>

*Information on interest income received from associates and subsidiaries*

None.

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IV. INFORMATION AND FOOTNOTES RELATED TO STATEMENT OF INCOME  
(Continued)

2. Interest Expense

*Information on interest paid for funds borrowed*

	Current Period		Prior Period	
	TL	FC	TL	FC
<b>Banks</b>	<b>213</b>	<b>13,872</b>	<b>101</b>	<b>5,393</b>
Central Bank	-	-	-	-
Domestic Banks	213	349	101	173
Foreign Banks	-	13,523	-	5,220
<b>Other Institutions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>213</b>	<b>13,872</b>	<b>101</b>	<b>5,393</b>

*Information on interest expense paid to subsidiaries and associates*

None.

*Information on interest expense given on securities issued*

None.

*Maturity structure of the interest expense on deposits*

	Time Deposit							Cumulative Deposit	Total
	Demand Deposit	Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	More than 1 Year			
<b>Turkish Lira</b>									
Interbank deposits	-	551	-	-	-	-	-	-	551
Saving deposits	-	18	47	74	-	-	-	-	139
Public sector deposits	-	-	-	-	-	-	-	-	-
Commercial deposits	-	14	7	3	3	396	-	-	423
Other deposits	-	-	-	-	-	-	-	-	-
Deposits with 7 days notification	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>583</b>	<b>54</b>	<b>77</b>	<b>3</b>	<b>396</b>	<b>-</b>	<b>-</b>	<b>1,113</b>
<b>Foreign Currency</b>									
Foreign currency deposits	-	11	28	23	6	28	-	-	96
Interbank deposits	481	490	705	436	556	-	-	-	2,668
Deposits with 7 days notification	-	-	-	-	-	-	-	-	-
Precious metal deposits	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>481</b>	<b>501</b>	<b>733</b>	<b>459</b>	<b>562</b>	<b>28</b>	<b>-</b>	<b>-</b>	<b>2,764</b>
<b>Grand Total</b>	<b>481</b>	<b>1,084</b>	<b>787</b>	<b>536</b>	<b>565</b>	<b>424</b>	<b>-</b>	<b>-</b>	<b>3,877</b>

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

**IV. INFORMATION AND FOOTNOTES RELATED TO STATEMENT OF INCOME  
(Continued)**

**3. Information on trading gain/loss**

	<b>Current Period</b>	<b>Prior Period</b>
<b>Gain</b>	<b>2,767,469</b>	<b>1,306,787</b>
Gain from money market transactions	-	9
Gain from financial derivative transactions	21,531	22,337
Gain from exchange transactions	2,745,938	1,284,441
<b>Loss (-)</b>	<b>(2,768,925)</b>	<b>(1,308,026)</b>
Loss from money market transactions	-	-
Loss from financial derivative transactions	(23,411)	(26,012)
Loss from exchange transactions	(2,745,514)	(1,282,014)
<b>Net Trading Gain/Loss</b>	<b>(1,456)</b>	<b>(1,239)</b>

**4. Information on income from other operations**

	<b>Current Period</b>	<b>Prior Period</b>
From Reversal of Provisions of Prior Year	5,124	2,146
From Communication Income	925	678
Gain on sales of assets	252	18
Other Income	186	1,382
<b>Total</b>	<b>6,487</b>	<b>4,224</b>

**5. Information on impairment in loans and other receivables**

	<b>Current Period</b>	<b>Prior Period</b>
Specific Provisions on Loans and Other Receivables	156	2,269
<i>Loans and Receivables in Group III</i>	50	4
<i>Loans and Receivables in Group IV</i>	103	-
<i>Loans and Receivables in Group V</i>	3	2,265
<i>Doubtful Receivables</i>	-	-
General Provision Expenses	9,693	-
Provision for Possible Losses	-	-
Foreign Exchange Losses on Foreign Currency Indexed Loans	-	-
Impairment Losses on Securities	706	-
<i>Financial Assets through Profit or Loss</i>	706	-
<i>Investment Securities Available-for-Sale</i>	-	-
Other Impairment Losses	800	589
<i>Associates</i>	-	-
<i>Subsidiaries</i>	-	-
<i>Joint Ventures</i>	-	-
<i>Investment Securities Held-to-Maturity</i>	800	589
Other	146	23
<b>Total</b>	<b>11,501</b>	<b>2,881</b>

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**IV. INFORMATION AND FOOTNOTES RELATED TO STATEMENT OF INCOME  
(Continued)**

**6. Information on other operating expense**

	<b>Current Period</b>	<b>Prior Period</b>
Personnel Expenses	29,244	26,276
Employee Termination Benefits Expense	1,077	1,030
Tangible Fixed Asset Impairment Expense	-	-
Intangible Fixed Asset Impairment Expense	2,101	-
Amortization Expenses of Tangible Assets	-	1,921
Goodwill Impairment Expense	-	-
Amortization Expenses of Intangible Assets	735	540
Shareholders Equity Procedure Applied Equity Interest Impairment Expense	-	-
Disposable Fixed Asset Impairment Expense	1	-
Amortization Expense of Assets Held for Resale	8	12
Impairment Expense related to Fixed Assets held for sale and discontinued operations	-	-
Assets Impairment Expense	-	-
Other Operating Expenses	6,802	6,467
<i>Operating Lease Expenses</i>	947	872
<i>Maintenance Expenses</i>	127	245
<i>Advertisement Expenses</i>	276	345
<i>Other Expenses</i>	5,452	5,005
Losses from sales of Assets	-	-
Other	3,052	3,388
<b>Total</b>	<b>43,020</b>	<b>39,634</b>

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

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

As of 30 September 2013, taxation charge is TL 8,333 (30 September 2012: TL 13,064) and deferred tax expense is TL 685 (30 September 2012: TL 255 as deferred tax expense).

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

The Group has TL 245 as deferred tax expense arising from origination of temporary differences (30 September 2012: TL 562 deferred tax expense).

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

The Group has TL 685 as deferred tax expense reflected in the income statement computed over temporary difference and tax deductions and exemptions (30 September 2012: TL 255 deferred tax income).

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**IV. INFORMATION AND FOOTNOTES RELATED TO STATEMENT OF INCOME  
(Continued)**

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

Current period profit from continued operations is TL 31,072 (30 September 2012: TL 52,758 profit).

**9. Information on net profit or loss of the period**

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

None.

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

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

*Profit/loss regarding minority rights*

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

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

Other accounts which exceed the 10% of the income statement ,other than other operating income and other operating expense, amounting to TL 16,160 (30 September 2012: TL 21,581) consist of transfer commissions, letter of credit commissions and other.

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	<b>Current Period</b>
Transfer Commissions	2,206
Letter of Credit Commissions	12,707
Other	1,247
<b>Total</b>	<b>16,160</b>

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**V. INFORMATION ON THE GROUP'S RISK GROUP**

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

*Information on the loans of the Group's risk group*

**Current Period**

<b>Bank's Risk Group (*)</b>	<b>Associates, Subsidiaries and Joint Ventures</b>		<b>Bank's Direct and Indirect Shareholders</b>		<b>Other Components in Risk Group</b>	
	<b>Cash</b>	<b>Non-cash</b>	<b>Cash</b>	<b>Non-Cash</b>	<b>Cash</b>	<b>Non-cash</b>
<b>Loans and Other Receivables</b>						
Balance at the beginning of the period	-	-	-	14,852	10,522	116,416
Balance at the end of the period	-	-	4,009	1,040	52,546	96,741
Interest and Commission Income received	-	-	12	-	17	-

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

Loans given to the 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**

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

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



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**V. INFORMATION ON THE GROUP'S RISK GROUP (Continued)**

***Information on deposits of the Bank's risk group***

<b>Bank's Risk Group (*)</b>	<b>Associates, Subsidiaries and Joint Ventures</b>		<b>Bank's Direct and Indirect Shareholders</b>		<b>Other Components in Risk Group</b>	
	<b>Current Period</b>	<b>Prior Period</b>	<b>Current Period</b>	<b>Prior Period</b>	<b>Current Period</b>	<b>Prior Period</b>
Deposits						
Balance at the beginning of the period	-	-	637,403	78	26,355	26,951
Balance at the end of the period	-	-	809,182	637,403	448,100	26,355
Interest expense on deposits	-	-	1,262	11,194	42	-

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

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

None.

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

None.

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

For the period then ended 30 September 2013, TL 4,438 (30 September 2012: TL 4,155) has been paid to the top level management of the Bank as salaries and fringe benefit.

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**SECTION SIX**

**OTHER DISCLOSURES AND FOOTNOTES**

**I. OTHER INFORMATION ON GROUP’S OPERATIONS**

None.

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

None.

**SECTION SEVEN**

**REVIEW INDEPENDENT AUDITOR’S REPORT**

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

As of 30 September 2013, consolidated financial statements and explanatory notes of the Bank disclosed herein were reviewed by Başaran Nas Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (a member of PricewaterhouseCoopers) and Review Independent Auditor’s Review Report dated 13 November 2013 is presented preceding the financial statements

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

None.

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