

**Türkiye Garanti Bankası Anonim Şirketi**

**Interim Financial Statements  
30 September 2001 and 2000**

<b><u>Content</u></b>	<b><u>Page No</u></b>
Balance Sheets .....	1-2
Statements of Income .....	3
Notes to Financial Statements .....	4
I. General Notes on the Bank's Financial Position .....	4
A. Disclosures on Current Period Operations .....	4-10
B. Other Disclosures .....	10
II. Notes to Balance Sheet and Off-Balance Sheet Accounts .....	11-24
III. Notes to Statements of Income .....	25
IV. Supplementary Financial Statements .....	26
A. Commitments and Contingencies .....	26
B. Other Off-Balance Sheet Accounts .....	27
C. Maturity Profile of Assets, Liabilities, and Certain Commitments and Contingencies according to Remaining Maturities .....	28-29

# TÜRKİYE GARANTİ BANKASI A.Ş.

	Unaudited	
BALANCE SHEETS-ASSETS (in billions TL)	30.09.2001	30.09.2000
<b>Liquid assets</b>	<b>83,477</b>	<b>40,220</b>
Cash, local currency	10,063	6,607
Cash, foreign currency	58,266	21,066
Others	15,148	12,547
<b>Due from banks</b>	<b>1,236,857</b>	<b>834,810</b>
Central Bank of Turkey	184,533	110,895
Other banks	1,052,324	723,915
-Domestic banks	136,290	301,702
-Foreign banks	916,034	422,213
<b>Other financial institutions</b>	-	-
<b>Interbank funds sold</b>	<b>87,000</b>	-
<b>Securities (Net)</b>	<b>111,296</b>	<b>962,048</b>
Government bonds and treasury bills	50,444	235,802
Other bonds	-	-
Equity shares	206	278
Other securities	60,646	725,968
<b>Loans</b>	<b>3,386,767</b>	<b>2,288,851</b>
Short-term	1,649,155	1,335,474
Medium and long-term	1,737,612	953,377
<b>Receivables under follow-up (Net)</b>	<b>131,356</b>	-
Limited collectibility (net)	45,515	-
- Gross receivables	53,103	4,359
- Provision (-)	7,588	4,359
Uncertain collectibility (net)	85,841	-
- Gross receivables	95,473	934
- Provision (-)	9,632	934
Uncollectible (net)	-	-
- Gross receivables	86,033	28,514
- Provision (-)	86,033	28,514
<b>Accrued interest and income</b>	<b>990,640</b>	<b>304,917</b>
Loans	294,184	94,818
Securities	405,034	84,811
Others	291,422	125,288
<b>Receivables from financial leasing activities (Net)</b>	-	-
Minimum lease receivables	-	-
Unearned income (-)	-	-
<b>Reserve deposits</b>	<b>536,753</b>	<b>230,236</b>
<b>Miscellaneous receivables</b>	<b>4,987</b>	<b>5,827</b>
<b>Investments (Net)</b>	<b>59,886</b>	<b>64,585</b>
Financial companies	2,590	2,590
Non-financial companies	57,296	61,995
<b>Affiliated companies (Net)</b>	<b>700,884</b>	<b>310,400</b>
Financial companies	641,549	276,678
Non-financial companies	59,335	33,722
<b>Other long-term investments (Net)</b>	<b>2,413,711</b>	<b>533,711</b>
Equity shares	6,347	6,519
Other securities	2,407,364	527,192
<b>Bank premises and equipment (Net)</b>	<b>435,283</b>	<b>262,669</b>
Carrying value	556,207	322,503
Accumulated depreciation (-)	120,924	59,834
<b>Other assets</b>	<b>214,865</b>	<b>166,675</b>
<b>TOTAL ASSETS</b>	<b>10,393,762</b>	<b>6,004,949</b>

# TÜRKİYE GARANTİ BANKASI A.Ş.

## BALANCE SHEETS-LIABILITIES AND

Unaudited

SHAREHOLDERS' EQUITY (in billions TL)	30.09.2001	30.09.2000
<b>Deposits</b>	<b>6,137,905</b>	<b>3,227,641</b>
Saving deposits	795,422	311,872
Deposits of official authorities and organisations	7,358	4,024
Commercial deposits	561,952	196,724
Deposits of other organisations	26,077	13,967
Bank deposits	267,134	780,837
Foreign currency deposits	4,430,908	1,913,138
Gold deposits	49,054	7,079
<b>Interbank funds borrowed</b>	<b>-</b>	<b>118,932</b>
<b>Funds borrowed</b>	<b>2,574,450</b>	<b>1,497,200</b>
Central Bank of Turkey	-	-
Others	2,574,450	1,497,200
-Domestic banks and organisations	109,906	144,767
-Foreign banks and organisations	2,464,544	1,352,433
-Subordinated debts	-	-
<b>Funds</b>	<b>-</b>	<b>-</b>
<b>Securities issued (Net)</b>	<b>-</b>	<b>4,197</b>
Notes	-	-
Asset backed securities	-	-
Bonds	-	4,197
<b>Accrued interest and expense</b>	<b>118,152</b>	<b>174,433</b>
Deposits	49,511	145,961
Funds borrowed	29,970	21,302
Others	38,671	7,170
<b>Payables from financial leasing activities (Net)</b>	<b>-</b>	<b>-</b>
Lease obligations	-	-
Deferred expenses (-)	-	-
<b>Taxes, stamps, premiums and other duties</b>	<b>19,893</b>	<b>10,547</b>
<b>Import transfer orders</b>	<b>262,548</b>	<b>13,625</b>
<b>Miscellaneous payables</b>	<b>109,884</b>	<b>49,399</b>
<b>Reserves</b>	<b>152,376</b>	<b>87,763</b>
Reserve for retirement pay	7,418	6,168
General provision for loan losses	27,649	22,925
Reserve for taxes on income	-	46,173
Other provisions	117,309	12,497
<b>Other liabilities</b>	<b>38,289</b>	<b>63,552</b>
<b>Shareholders' equity</b>	<b>905,608</b>	<b>587,460</b>
Share capital	750,000	260,000
-Nominal capital	750,000	260,000
-Unpaid capital (-)	-	-
Legal reserves	34,882	24,387
-Legal reserves I&II	33,668	23,404
-Other legal reserves	1,214	983
Extraordinary reserves	10,088	177,568
Revaluation surpluses	110,581	88,352
Valuation increments on securities	57	37,153
Loss	-	-
-Loss for the period	-	-
-Prior years' losses	-	-
<b>Income</b>	<b>74,657</b>	<b>170,200</b>
-Net income for the period	74,657	170,200
-Prior years' income	-	-
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>10,393,762</b>	<b>6,004,949</b>
<b>COMMITMENTS AND CONTINGENCIES</b>		
<b>Guarantees and endorsements</b>	<b>3,637,904</b>	<b>2,079,173</b>
<b>Commitments</b>	<b>59,540</b>	<b>449,113</b>
<b>Derivative transactions</b>	<b>2,921,336</b>	<b>2,453,377</b>
<b>TOTAL</b>	<b>6,618,780</b>	<b>4,981,663</b>

# TÜRKİYE GARANTİ BANKASI A.Ş.

		Unaudited	
STATEMENTS OF INCOME (in billions TL)		30.09.2001	30.09.2000
<b>I.</b>	<b>INTEREST INCOME</b>	<b>1,677,499</b>	<b>815,805</b>
	<b>Interest on loans</b>	<b>713,598</b>	<b>304,066</b>
	TL loans	481,430	201,902
	-Short-term loans	364,468	193,467
	-Medium and long-term loans	116,962	8,435
	Foreign currency loans	231,588	101,964
	-Short-term loans	102,118	46,853
	-Medium and long-term loans	129,470	55,111
	Interest on loans under follow-up	580	200
	<b>Interest on reserve deposits</b>	<b>1,992</b>	<b>-</b>
	<b>Interest from banks</b>	<b>183,512</b>	<b>76,890</b>
	Central Bank of Turkey	2,942	-
	Domestic banks	151,974	55,903
	Foreign banks	28,596	20,987
	<b>Interest on interbank funds sold</b>	<b>36,301</b>	<b>737</b>
	<b>Interest on securities</b>	<b>705,815</b>	<b>424,693</b>
	Government bonds and treasury bills	660,327	406,600
	Other securities	45,488	18,093
	<b>Other interest income</b>	<b>36,281</b>	<b>9,419</b>
<b>II.</b>	<b>INTEREST EXPENSE</b>	<b>1,174,438</b>	<b>436,545</b>
	<b>Interest expense on deposits</b>	<b>965,782</b>	<b>342,802</b>
	Saving deposits	306,530	69,246
	Deposits of official authorities and organisations	1,729	1,118
	Commercial deposits	68,753	7,225
	Deposits of other organisations	9,493	4,774
	Bank deposits	408,945	183,606
	Foreign currency deposits	170,196	76,813
	Gold deposits	136	20
	<b>Interest on interbank funds borrowed</b>	<b>51,170</b>	<b>6,011</b>
	<b>Interest on funds borrowed</b>	<b>154,632</b>	<b>86,075</b>
	Central Bank of Turkey	-	-
	Domestic banks	13,615	14,281
	Foreign banks	113,823	53,789
	Other organisations	27,194	18,005
	<b>Interest on securities issued</b>	<b>-</b>	<b>972</b>
	<b>Other interest expense</b>	<b>2,854</b>	<b>685</b>
<b>III.</b>	<b>NET INTEREST MARGIN (I-II)</b>	<b>503,061</b>	<b>379,260</b>
<b>IV.</b>	<b>OTHER INCOME</b>	<b>5,950,929</b>	<b>988,018</b>
	<b>Commissions and fees received</b>	<b>153,411</b>	<b>90,379</b>
	Loans	9,258	6,215
	Documentary credits and letters of guarantee	22,439	9,801
	Others	121,714	74,363
	<b>Trading account income</b>	<b>411,129</b>	<b>151,308</b>
	<b>Foreign exchange gain</b>	<b>5,199,663</b>	<b>700,515</b>
	<b>Dividends received</b>	<b>81,107</b>	<b>15,850</b>
	<b>Others</b>	<b>105,619</b>	<b>29,966</b>
<b>V.</b>	<b>OPERATING EXPENSES</b>	<b>6,379,333</b>	<b>1,139,715</b>
	<b>Commissions and fees paid</b>	<b>98,543</b>	<b>42,881</b>
	Funds borrowed	8,123	2,485
	Documentary credits	230	-
	Others	90,190	40,396
	<b>Trading account loss</b>	<b>215,584</b>	<b>20,401</b>
	<b>Foreign exchange loss</b>	<b>5,596,336</b>	<b>760,829</b>
	<b>Personnel expenses</b>	<b>93,511</b>	<b>78,003</b>
	<b>Provision for retirement pay</b>	<b>750</b>	<b>1,500</b>
	<b>Rent expenses</b>	<b>19,524</b>	<b>11,159</b>
	<b>Depreciation and amortisation expenses</b>	<b>24,851</b>	<b>14,004</b>
	<b>Taxes, stamps and other duties</b>	<b>15,333</b>	<b>8,342</b>
	<b>Extraordinary expenses</b>	<b>17,276</b>	<b>87,691</b>
	<b>Provision for loan losses</b>	<b>42,259</b>	<b>6,197</b>
	<b>Other provisions</b>	<b>111,696</b>	<b>14,032</b>
	<b>Others</b>	<b>143,670</b>	<b>94,676</b>
<b>VI.</b>	<b>NET OTHER INCOME/(EXPENSE) (IV-V)</b>	<b>(428,404)</b>	<b>(151,697)</b>
<b>VII.</b>	<b>INCOME BEFORE TAXES (III+VI)</b>	<b>74,657</b>	<b>227,563</b>
<b>VIII.</b>	<b>PROVISION FOR TAXES ON INCOME</b>	<b>-</b>	<b>57,363</b>
<b>IX.</b>	<b>NET INCOME FOR THE PERIOD (VII-VIII)</b>	<b>74,657</b>	<b>170,200</b>

# **TÜRKİYE GARANTİ BANKASI A.Ş.**

**(Currency – Billions of Turkish Lira)**

## **I- GENERAL NOTES ON THE BANK'S FINANCIAL POSITION**

### **A. Disclosures on Current Period Operations**

(1) The financial statements were approved on **22 October 2001 (2000: 20 October 2000)**.

#### **(2) a) Accounting policies:-**

Accounting policies of the Bank are set in accordance with the uniform chart of accounts, the uniform balance sheet and statement of income and the uniform notes to the financial statements, and accounting and valuation standards as described in Article 13 "Accounting and Recording Rules" of (Turkish) Banking Law no.4389 as revised by the Law no.4672.

Significant accounting policies applied by the Bank are summarised below:-

#### **Income and expense recognition:**

Accrual basis of accounting is followed for the recognition of income and expense items, except for interest income on overdue loans and certain commissions, such as those deriving from letters of guarantee, are recognised as income only when received.

#### **Securities, investments, affiliated companies and other long-term investments:**

Valuation principles applied for securities, investments, affiliated companies and other long-term investments are explained below in note 5.

#### **Securities under repurchase transactions:**

Securities sold under repurchase agreements are marked to market. These types of transactions of the Bank are short-term and entirely involve government securities.

#### **Provision for loan losses:**

The Bank provides allowances for specific loan losses and general provisions for inherent credit risks on its assets in accordance with the degree no.99/13761 on identification of and provision against non-performing loans and other receivables as published in Official Gazette no.23913 dated 21 December 1999, the related article no.1 as published in Official Gazette no.24006 dated 31 March 2000 and the regulation as published in Official Gazette no.24448 dated 30 June 2001.

#### **Depreciation:**

Bank premises and equipment is depreciated in accordance with the Turkish Tax Laws at rates approximating their estimated useful lives on a straight-line basis. These rates are as follows:

Buildings	2%
Motor vehicles	15%
Other fixed assets	5-20%

# TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

## Note I – A – (Continued)

### Foreign currency transactions:

Gains and losses arising from foreign currency transactions are reflected in the statement of income as realised during the course of the period. Foreign currency assets and liabilities have been translated into Turkish Lira at foreign exchange rates prevailing at the period-end, the effects of which are also reflected in the statement of income as foreign exchange gain or loss.

### Items held in trust:

Assets, other than cash deposits, held by the Bank in fiduciary or agency capacities for its customers and government entities are not included in the accompanying balance sheets, since such items are not under the ownership of the Bank.

### b) Changes in the accounting policies and effects of such changes on the financial statements:-

There were no changes in the accounting policies.

### (3) Application of the basic accounting principles; going-concern, accrual basis accounting and consistency concepts:-

The financial statements are prepared on the basis of going-concern, accrual basis accounting and consistency principles.

### (4) Changes to the valuation policies, if any, and effects of such changes on the financial statements:-

Securities portfolio are valued in accordance with the Banking Regulation and Supervising Agency (BRSA)'s regulations dated 3 May and 2 August 2001.

### (5) Valuation methods of securities (including investments, affiliated companies and other long-term investments):-

#### A. Securities :

Securities in Turkish Lira:-

#### 1- Equity shares

Equity shares comprised of securities quoted in the Istanbul Stock Exchange. Such shares are valued according to the weighted average prices at the Istanbul Stock Exchange for the last 30 working days. The positive valuation increments are booked under the "valuation increments" heading as a component of shareholders' equity.

#### 2- Other securities

#### a- Securities indexed to foreign currency

Securities indexed to foreign currency are valued using discounting method with internal rate of return.

#### b- Fixed-income securities

Such securities are marked to market.

# **TÜRKİYE GARANTİ BANKASI A.Ş.**

**(Currency – Billions of Turkish Lira)**

## **Note I – A – (Continued)**

Securities in foreign currencies:-

Securities in foreign currencies are valued using discounting method with internal rate of return.

## **B. Investments :**

Securities in Turkish Lira:-

Investments quoted in the Istanbul Stock Exchange are valued according to the weighted average prices at the Istanbul Stock Exchange for the last 30 working days. The positive valuation increments are booked under the "valuation increments" heading as a component of shareholders' equity, whereas the impairments are booked under the "other provisions" heading in the statement of income.

Other investments are recorded at purchase costs and bonus shares received.

Securities in foreign currencies:-

Investments in foreign currencies are recorded at purchase costs, and converted into Turkish Lira at the prevailing exchange rates at balance sheet date.

## **C. Investments in affiliated companies :**

Valuation principles for investments in affiliated companies are the same with the principles applied for investments as explained above in paragraph B.

## **D. Other long-term investments :**

Securities in Turkish Lira:-

1- Equity shares

Valuation principles for equity shares classified under other long-term investments are the same with the principles applied for investments as explained above in paragraph B.

2- Other securities

a) Long-term investments

Treasury bills and government bonds classified under "Investment Portfolio" are valued using discounting method with internal rate of return.

b) Pledged securities

Securities provided as collateral against legal obligations are booked at purchase costs and valued on a "simple interest rate basis". Interest earned upto the balance sheet date is classified under "accrued interest and income on securities".



# TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

## Note I – A – (Continued)

Securities in foreign currencies:-

1- Other securities

a) Long-term investments

Securities in foreign currencies classified under "Investment Portfolio" are valued using discounting method with internal rate of return.

b) Pledged securities

Securities provided as collateral against legal obligations are booked at purchase costs and valued on a "simple interest rate basis". Interest earned upto the balance sheet date is classified under "accrued interest and income on securities".

### (6) Method of depreciation applied, any changes in methodology and effects of such changes:-

Bank premises and equipment are depreciated on a "straight-line basis". There have not been any changes made in depreciation methods during the current period.

### (7) US dollar effective exchange rate used in translation of foreign currency items in the financial statements, into the Turkish lira (TL) at the date of balance sheet, and US dollar effective exchange rates for TL announced by the Bank applicable to its transactions for the last five working days of the period are as follows:-

A. The US dollar effective exchange rate for TL used for the preparation of the financial statements at 30 September 2001, was TL1,450,000 (2000: TL665,800).

B. The US dollar effective exchange rates for TL announced by the Bank for the last five working days of the current and previous periods were as follows:-

	<u>Current Period</u>	<u>Prior Period</u>
US dollar effective purchase rate at the date of balance sheet	1,450,000	662,750
US dollar effective purchase rates for the days before <u>balance sheet date</u>		
Day 1	1,500,000	661,700
Day 2	1,525,000	661,050
Day 3	1,525,000	663,650
Day 4	1,510,000	661,250
Day 5	1,520,000	667,100

# TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

## Note I – A – (Continued)

- (8) US dollar equivalents of assets and liabilities denominated in foreign currencies and foreign currency open positions at the date of balance sheets were as follows:-

	Current Period		Prior Period	
	Turkish Lira	US dollar equivalents \$ million	Turkish Lira	US dollar equivalents \$ million
<b>I – FOREIGN CURRENCY ASSETS</b>				
1) Liquid Assets (cash on hand, cash in transit, purchased cheques)	73,414	51	33,613	50
2) Central Bank of Turkey	158,255	109	91,237	137
3) Domestic banks (excluding interbank deposits)	18,587	13	37,723	57
4) Foreign banks	916,034	632	422,213	634
5) Securities (Net)	60,646	42	662,482	995
6) Loans	2,566,714	1,770	1,384,409	2,079
7) Reserve deposits	495,101	341	204,254	307
8) Foreign currency-indexed assets (a+b)	1,283,373	885	73,010	110
a) Loans	107,354	74	65,358	98
b) Others	1,176,019	811	7,652	12
9) Accrued interest and income	619,933	428	92,294	139
10) Other assets	1,344,572	928	536,620	805
<b>COMMITMENTS AND CONTINGENCIES</b>	<b>878,508</b>	<b>606</b>	<b>1,088,289</b>	<b>1,635</b>
11) Repurchase contracts	-	-	117,131	176
12) Forward currency purchases	878,508	606	971,158	1,459
<b>TOTAL FOREIGN CURRENCY ASSETS</b>	<b><u>8,415,137</u></b>	<b><u>5,805</u></b>	<b><u>4,626,144</u></b>	<b><u>6,948</u></b>
<b>II – FOREIGN CURRENCY LIABILITIES</b>				
1) Foreign currency deposits	4,430,908	3,056	1,913,139	2,873
2) Gold deposits	49,053	34	7,078	11
3) Bank deposits	186,799	129	155,510	234
4) Funds borrowed from Central Bank of Turkey	-	-	-	-
5) Funds borrowed from domestic banks (excluding interbank takings)	74,449	51	123,516	186
6) Funds borrowed from other domestic organisations	-	-	-	-
7) Foreign borrowings	2,464,544	1,700	1,303,253	1,957
8) Securities issued (Net)	-	-	4,197	6
9) Foreign currency-indexed liabilities (a+b)	-	-	-	-
a) Funds borrowed	-	-	-	-
b) Others	-	-	-	-
10) Accrued interest and expense	85,627	59	39,241	59
11) Other liabilities	305,469	210	154,766	232
<b>COMMITMENTS AND CONTINGENCIES</b>	<b>855,487</b>	<b>590</b>	<b>1,005,552</b>	<b>1,510</b>
12) Resale contracts	-	-	117,131	176
13) Forward currency sales	855,487	590	888,421	1,334
<b>TOTAL FOREIGN CURRENCY LIABILITIES</b>	<b><u>8,452,336</u></b>	<b><u>5,829</u></b>	<b><u>4,706,252</u></b>	<b><u>7,068</u></b>
<b>FOREIGN CURRENCY NET POSITION ( I – II )</b>	<b><u>(37,199)</u></b>	<b><u>(24)</u></b>	<b><u>(80,108)</u></b>	<b><u>(120)</u></b>

The foreign currency balance sheet is managed in accordance with the Bank's liquidity and provisioning policies and in full compliance with the legal legislation.

# TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

## Note I – A – (Continued)

Foreign currency assets and liabilities of the Bank per major currencies, were as follows as at 30 September 2001:-

	<u>US Dollars</u>	<u>Euro Group**</u>	<u>Euro</u>	<u>Others in US dollar equivalents***</u>
<b>I- Foreign Currency Assets</b>				
Liquid assets	27,308	16,318	4,213	4,547
Due from banks	323,791	421	435,724	31,061
Securities (net)	40,910	-	1,000	-
Loans	1,317,572	294,383	120,723	72,960
Other long-term investments (net)	450,293	1,545	27,792	-
Other foreign currency assets*	<u>2,351,523</u>	<u>65,114</u>	<u>293,078</u>	<u>32,313</u>
<b>Total Foreign Currency Assets</b>	<b><u>4,511,397</u></b>	<b><u>377,781</u></b>	<b><u>882,530</u></b>	<b><u>140,881</u></b>
<b>II- Foreign Currency Liabilities</b>				
Deposits	2,411,027	573,030	210,306	91,066
Funds borrowed	1,376,552	1,760	393,081	13,394
Securities issued (net)	-	-	-	-
Other foreign currency liabilities*	<u>767,747</u>	<u>5,455</u>	<u>61,017</u>	<u>31,173</u>
<b>Total Foreign Currency Liabilities</b>	<b><u>4,555,326</u></b>	<b><u>580,245</u></b>	<b><u>664,404</u></b>	<b><u>135,633</u></b>
<b>Difference (I - II)</b>	<b><u>(43,929)</u></b>	<b><u>(202,464)</u></b>	<b><u>218,126</u></b>	<b><u>5,248</u></b>

\* All other foreign currency assets and liabilities including off balance sheet items

\*\* Currencies to be converted into Euro, total in Euro terms (like DEM, FRF etc.)

\*\*\* US dollar equivalent of all other currencies having less than 10% share in foreign currency assets and liabilities

## (9) Bank premises and equipment, and insurance coverages:-

	<u>30 September 2001</u>		
	<u>Book Values in Gross</u>	<u>Accumulated Depreciation</u>	<u>Insurance Coverage</u>
<b>Movables</b>	<b>178,615</b>	<b>95,516</b>	<b>128,734</b>
<b>Immovables</b>	<b>274,834</b>	<b>12,626</b>	<b>101,860</b>
1-Assets under use for banking activities	273,273	12,458	-
2-Others	1,561	168	-
<b>Special costs</b>	<b>23,524</b>	<b>12,782</b>	<b>-</b>
<b>Assets held for resale</b>	<b>79,234</b>	<b>-</b>	<b>-</b>
1-Stocks	866	-	-
2-Immovables	78,368	-	-
<b>Assets held under financial leases*</b>	<b>21,158</b>	<b>5,895</b>	<b>-</b>
	<u>30 September 2000</u>		
	<u>Book Values in Gross</u>	<u>Accumulated Depreciation</u>	<u>Insurance Coverage</u>
<b>Movables</b>	<b>94,214</b>	<b>47,677</b>	<b>86,390</b>
<b>Immovables</b>	<b>166,333</b>	<b>6,992</b>	<b>171,613</b>
1-Assets under use for banking activities	166,333	6,992	171,613
2-Others	-	-	-
<b>Special costs</b>	<b>10,928</b>	<b>5,174</b>	<b>-</b>
<b>Assets held for resale</b>	<b>51,027</b>	<b>-</b>	<b>-</b>
1-Stocks	745	-	-
2-Immovables	50,282	-	-
<b>Assets held under financial leases*</b>	<b>11,128</b>	<b>3,516</b>	<b>-</b>

# TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

## Note I – A – (Continued)

\* Financial leasing transactions are accounted for in accordance with Turkish legislation, not IAS17. Accordingly, fixed assets acquired through financial leases are not reflected in the accompanying financial statements as further discussed in Section II.note 18.

**(10) Significant commitments and contingencies from which probable gains/losses may occur, although amounts can not be reasonably estimated:-**

There were no such cases.

**(11) Other matters which had significant effects on the financial statements and therefore should be disclosed for the purpose of presentation of fair and sufficient information on the financial statements:-**

The reserve for retirement pay at 30 September 2001, amounted to TL7,418 (2000: TL6,168) of which TL750 (2000: TL1,500) was provided in the current period. The provision made in the current period against non-performing loans, amounted to TL42,259 (2000: TL6,197), and accordingly total provision for non-performing loans reached to TL103,253 (2000: TL33,807) as at 30 September 2001 considering the effects of loans written-off or collected during the period; for non-cash loans not liquidated yet but considered uncertain a further provision of TL.....-..... (2000: TL.....-.....) was made, and furthermore the general provision made for credit risks amounted to TL984 (2000: TL14,032) and accordingly such provisions reached to TL27,649 (2000: TL22,925) in total considering the effect of changes in the related legislation during the period. Moreover, as at 30 September 2001, an additional general provision for possible losses of TL105,000 (2000: TL.....-.....) was made in the current period, and accordingly total general provision excluding the general provision for credit risks reached to TL115,000 (2000: TL.....-.....) in the accompanying balance sheet.

**(12) The external audit firm is Cevdet Suner Denetim ve Yeminli Mali Müşavirlik Anonim Şirketi (a member firm of KPMG).**

## **B. Other Disclosures**

**(13) Significant events and matters arising subsequent to the date of balance sheet:-**

In order to strengthen the Bank's position in the Turkish Banking Sector by benefiting from the increase in efficiency through economics of scale and cost savings, it was approved during the Board of Directors meeting held on 16 October 2001, to take over all the rights, receivables, payables and obligations of one of the Bank's subsidiaries, Osmanlı Bankası A.Ş. and to cease its legal corporate existence in accordance with the first paragraph of the Article 18 of the Banking Law no.4389 and accordingly the Article 6 of the regulation on the Bank Mergers and Take-overs as published in Official Gazette no.624445 dated 27 June 2001.

Legal procedures relating to the merger with Osmanlı Bank A.Ş. will be completed till the end of 2001.

**(14) Foreign branches:-**

<u>Location</u>	<u>Total Assets(TL)</u>	<u>Legal Capital</u>
1- Luxembourg	1,050,072	USD 40,000,000
2- Malta	2,136,031	-

# TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

## II- NOTES TO BALANCE SHEET AND OFF-BALANCE SHEET ACCOUNTS

(1) TL.....-..... (2000: TL.....-.....) of cash at the Central Bank was deposited under blocked accounts.

(2) a- Due from foreign banks:-

	<u>Current Period</u>		<u>Prior Period</u>	
	<u>Turkish Lira</u>	<u>US dollar Equivalents in Millions</u>	<u>Turkish Lira</u>	<u>US dollar Equivalents in Millions</u>
Unrestricted balance	855,433	590	399,016	599
Restricted balance	<u>60,601</u>	<u>42</u>	<u>23,197</u>	<u>35</u>
Total	<u>916,034</u>	<u>632</u>	<u>422,213</u>	<u>634</u>

b- Breakdown of due from foreign banks according to their origins:-

<u>OECD Countries</u>		<u>Other Countries</u>	
<u>Country</u>	<u>Balance (TL)</u>	<u>Country</u>	<u>Balance (TL)</u>
1. United Kingdom	292,697	1. Russia	1,164
2. Germany	200,867	2. S. Arabia	513
3. Austria	132,643	3. Malta	201
4. Ireland	80,732	4. Iraq	<u>2</u>
5. Sweden	71,257		
6. USA	58,205		<u>1,880</u>
7. The Netherlands	26,634		
8. Norway	14,825		
9. Luxembourg	14,547		
10. Switzerland	7,356		
11. Belgium	5,849		
12. Denmark	4,540		
13. Italy	1,547		
14. Spain	1,241		
15. Japan	425		
16. France	285		
17. Canada	279		
18. Australia	164		
19. Greece	49		
20. Finland	<u>12</u>		
	<u>914,154</u>		

(3) a- TL11 (2000: TL93) of "securities" balance represents the "valuation increment" on securities.

b- Total carrying value of equity shares of which market values exceeded their costs and which were stated at cost in the balance sheet amounted to TL.....-..... (2000: TL .....-.....), total costs of securities recorded at their market values amounted to TL196 (2000: TL185 ).

c- TL1,263,324 (2000: TL82,142) of securities and long-term investments comprised of securities held in compliance – with legal requirements.

# TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

## Note II – (Continued)

### d- Breakdown of securities for the current period:-

	<u>Purchase Costs</u>	<u>Market Value</u>	<u>Value per Central Bank of Turkey (*)</u>	<u>Provision for Diminishing in Value</u>
<b><u>Government bonds and treasury bills</u></b>				
1. Fixed-income securities (**)	38,466	39,349	39,270	-
2. Securities indexed to inflation	-	-	-	-
3. Securities indexed to foreign currency	11,977	-	12,907	-
4. Securities in foreign currency	59,320	-	-	-
<b><u>Investment funds</u></b>	1,326	-	-	-
<b><u>Other notes</u></b>				
1. Fixed-income securities	-	-	-	-
2. Securities indexed to inflation	-	-	-	-
3. Securities indexed to foreign currency	-	-	-	-
4. Securities in foreign currency	-	-	-	-
<b><u>Gold</u></b>				
<b><u>Equity shares</u></b>				
1. Quoted	196	207	-	-
2. Unquoted	-	-	-	-
<b><u>Others</u></b>	-	-	-	-

As explained above in Section I.A.note 5, trading portfolio is generally marked to market. Interest accruals calculated per market prices are classified under “accrued interest and income on securities”, whereas purchase costs of such securities are classified under “securities”, in account no. 030 and 031. The only exception is the equity shares which are classified in “securities” at their market prices. Accordingly, market values of such equity shares in the amount of TL207 as mentioned above were included in “securities”, in account no. 030 as at 30 September 2001.

(\*) values calculated based on daily prices announced by the Central Bank of Turkey in the Official Gazette

(\*\*) securities in the amount of TL....., purchased under resale agreements are booked at purchase costs. Such securities are presented again at their purchase costs in “Market Value” and “Value per Central Bank of Turkey” columns.

### (4) a- Advances, cash and non-cash loans granted to shareholders and personnel:-

	<u>Current Period</u>		<u>Prior Period</u>	
	<u>Cash</u>	<u>Non-cash</u>	<u>Cash</u>	<u>Non-cash</u>
<b>1. Lendings to shareholders</b>				
Lending to corporations	20,217	96,571	2,043	50,468
Other lendings	36,973	9,335	2,974	381
<b>2. Lendings to personnel</b>	4,022	-	315	-

Cash and non-cash loans extended to shareholders are treated as ordinary commercial lendings to other customers in the existing market conditions.

# TÜRKİYE GARANTİ BANKASI A.Ş.

*(Currency – Billions of Turkish Lira)*

## Note II – (Continued)

### b- Credit policies and practices applied for related parties (as defined by International Accounting Standards), and analysis of related party transactions during the period:-

Transactions with related parties are held under arm's-length conditions; terms are set according to the existing market conditions and in full compliance with the Banking Law. The Bank's policy is to keep the balances with related parties at reasonable levels.

Balances with related parties and share of such balances in financial statements were as follows at 30 September 2001:-

	<b>Related Party Risks</b>	<b>Balance Sheet Total</b>	<b>Share (%) of Related Party Risks in Total</b>
Cash loans	323,141	3,386,767	9.54
Deposits	334,587	6,137,905	5.45
Non-cash loans	163,828	3,637,904	4.50
Interest income	77,127	1,677,499	4.60
Interest expenses	14,266	1,174,438	1.21
Fees and commissions income	895	153,411	0.58
Derivative transactions	78,370	2,921,336	2.68

### c- Receivables from and payables to affiliated companies and other investees, were as follows:-

	<b>Financial investees and affiliated companies</b>		<b>Other investees and affiliated companies</b>	
	<b>Current Period</b>	<b>Prior Period</b>	<b>Current Period</b>	<b>Prior Period</b>
<b><u>RECEIVABLES</u></b>				
-Due from banks and other financial institutions	38,635	38,556	-	-
-Loans (including overdue loans)	122,862	45,311	76,418	36,975
-Accrued interest and income	5,409	1,903	36,189	3,208
<b><u>PAYABLES</u></b>				
-Deposits	130,022	57,150	12,321	1,733
-Funds borrowed	-	-	-	-
-Accrued interest and expenses	649	62	17	-
<b><u>DOCUMENTARY CREDITS AND OTHER NON-CASH LOANS</u></b>				
-Letters of guarantee	19,950	35,093	3,006	2,742
-Acceptance credits	2,539	4,239	-	-
-Letters of credit	9,082	5,347	4,260	231
-Other non-cash loans	1,469	976	-	5

Balances with affiliated companies and other investees, resulted from arm's-length banking activities under the terms set in accordance with the existing market conditions.

# TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

## Note II – (Continued)

### d- Loans and other receivables renewed, refunded or restructured, and classified under groups I&II:-

	Group I – Standard performing loans and other receivables (TL)		Group II – Loans and other receivables under special follow-up (TL)	
	(1)	(2)	(1)	(2)
	Renewed, refunded or restructured loans and other receivables	Other loans and receivables	Renewed, refunded or restructured loans and other receivables	Other loans and receivables
<b>Cash loans</b>	-	<b>3,377,898</b>	-	<b>8,869</b>
<b>I- Loans (excluding loans for specialization )</b>	-	<b>3,377,898</b>	-	<b>8,869</b>
Export loans	-	881,148	-	-
Import loans	-	-	-	-
Investment loans	-	20,182	-	-
Loans to domestic banks	-	-	-	-
Loans to foreign banks	-	31,019	-	-
Loans to other financial institutions	-	8,157	-	-
Gold credits	-	79,371	-	-
Other loans	-	2,358,021	-	8,869
1-Consumer loans	-	279,002	-	-
2-Credit cards	-	304,163	-	-
3-Other foreign lending	-	1,483,595	-	-
4-Others	-	291,261	-	8,869
<b>II- Specialization loans</b>	-	-	-	-
<b>III- Liquidated non-cash loans</b>	-	-	-	-
<b>Receivables classified under other assets but legally considered as loans</b>	-	<b>1,768,785</b>	-	-
<b>Other receivables</b>	-	<b>79,285</b>	-	<b>7,573</b>
<b>Non-cash loans</b>	-	<b>3,637,853</b>	-	<b>51</b>

### (5) a- Loans and other receivables renewed, refunded or restructured, and classified under follow-up accounts:-

There were no such cases.

### b- Collateral distribution of loans and other receivables under follow-up:-

	<u>Group III</u> Loans and receivables limited collectibility	<u>Group IV</u> Loans and receivables collectibility uncertain	<u>Group V</u> Loans and receivables uncollectible
<b><u>Collateral groups</u></b>			
<b><u>Current period:-</u></b>			
Unsecured	6,383	58,540	55,662
Group I	-	-	90
Group II	46,720	36,933	21,576
Group III	-	-	6,232
Group IV	-	-	2,473
<b><u>Prior period:-</u></b>			
Unsecured	280	-	18,020
Group I	-	-	85
Group II	4,079	934	4,681
Group III	-	-	5,494
Group IV	-	-	234



# TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

## Note II – (Continued)

### c- Movements in provision for loans and receivables under follow-up:-

	<u>Group III</u> Loans and receivables limited collectibility	<u>Group IV</u> Loans and receivables collectibility uncertain	<u>Group V</u> Loans and receivables uncollectible
<b>Balance, beginning of period</b>	<b>37,941</b>	<b>4,539</b>	<b>24,389</b>
- Increases during the period	167,681	-	59
- Transfer from other follow-up accounts	-	152,519	61,585
- Transfer to other follow-up accounts	152,519	61,585	-
- Collections during the period	-	-	-
- Write-offs	-	-	-
<b>Balance, end of period</b>	<b>53,103</b>	<b>95,473</b>	<b>86,033</b>
- Specific provisions	<u>7,588</u>	<u>9,632</u>	<u>86,033</u>
<b>Net balance at period end</b>	<b><u>45,515</u></b>	<b><u>85,841</u></b>	<b><u>-</u></b>

### d- Foreign currency receivables under follow-up accounts :-

	<u>Group III</u> Loans and receivables limited collectibility	<u>Group IV</u> Loans and receivables collectibility uncertain	<u>Group V</u> Loans and receivables uncollectible
<b>Current period</b>			
<b>Balance, beginning of period</b>	-	<b>10,259</b>	<b>1</b>
- Specific provisions	-	3,847	1
<b>Net balance at period end</b>	<u>-</u>	<b><u>6,412</u></b>	<u>-</u>
<b>Prior period</b>			
<b>Balance, beginning of period</b>	-	-	<b>1</b>
- Specific provisions	-	-	1
<b>Net balance at period end</b>	<u>-</u>	<u>-</u>	<u>1</u>

### (6) Receivables on forwards sales of assets:-

There were no such cases.

- (7) a- TL3,020 (2000: TL.....-.....) of investments and affiliated companies represented the impairment in value of such assets arising from the market value adjustments for such investments traded on the Istanbul Stock Exchange, and TL.....-..... represented the impairment in value of such assets arising from equity accounting application.

# TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

## Note II – (Continued)

b- Economic sectors of investments and affiliated companies were as follows:-

	<u>Purchase Costs</u>	<u>Bonus Shares</u>	<u>Revaluation Surplus</u>	<u>Impairment in Value</u>
<b><u>Domestic investments and affiliated companies</u></b>				
Insurance	8,360	960	-	-
Manufacturing	1,383	1,161	-	-
Mining	-	-	-	-
Energy	-	-	-	-
Prosperity	-	-	-	-
Transportation	-	-	-	-
Foreign trade	-	-	-	-
Tourism	3,593	462	-	-
Agriculture	-	-	-	-
Forestry	-	-	-	-
Other financial sectors	15,469	1,351	-	-
Other commercial sectors	110,233	2,818	-	3,020
<b><u>Foreign investments and affiliated companies</u></b>				
Banking	613,849	-	-	-
Insurance	-	-	-	-
Manufacturing	-	-	-	-
Mining	-	-	-	-
Energy	-	-	-	-
Prosperity	-	-	-	-
Transportation	-	-	-	-
Foreign trade	-	-	-	-
Tourism	-	-	-	-
Agriculture	-	-	-	-
Forestry	-	-	-	-
Other financial sectors	4,150	-	-	-
Other commercial sectors	-	-	-	-

c- Investments and affiliated companies quoted at the domestic and foreign stock exchange markets amounted to **TL23,437 (2000: TL42,558)** and **TL....-.... (2000: TL....-.....)** , respectively.

d- Bonus shares received on investments and affiliated companies amounted to **TL6,752 (2000: TL5,969)**.

# TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

## Note II – (Continued)

e- At 30 September 2001 and 2000, investments and affiliated companies included the followings:-

	30 September 2001			
<u>Investments and Affiliated Companies</u>	<u>% of ownership</u>	<u>Total capital</u>	<u>Net income for the period</u>	<u>Market value*</u>
<b><u>INDUSTRIAL COMPANIES</u></b>				
DOĞUŞ TURİZM SAĞLIK YAT. VE İŞL.SAN. VE TİC.A.Ş.	40.00	64	(1,941)	-
LASAŞ LASTİK SAN.VE TİC. A.Ş.	99.99	2,500	(1,130)	-
<b><u>COMMERCIAL COMPANIES</u></b>				
GARANTİ BİLİŞİM TEKN. TİC. A.Ş.	100.00	994	803**	-
GARANTİ FİNANSAL KİRALAMA A.Ş.	80.00	10,000	1,467	-
GARANTİ YATIRIM MENKUL KIYM. A.Ş.	51.67	7,500	491	-
GARANTİ PORTFÖY YÖNETİMİ A.Ş.	70.00	1,000	5,827	-
PETROTRANS NAKLİYAT TİC. A.Ş.	99.60	5	(3)	-
ANA KONUT DANIŞMANLIK A.Ş.	100.00	50,000	(6,093)	-
DOĞUŞ HAVA TAŞIMACILIĞI A.Ş.	49.91	22,000	7,053	-
TANSAŞ İZMİR B. Ş. B. İÇ VE DIŞ TİC. A.Ş.	19.00	16,500	(89,124)	23,437
GARANTİ ÖDEME SİSTEMLERİ A.Ş.	99.92	5	26	-
İKSİR ULUSLARARASI ELEKTRONİK TİC. BİLGİLENDİRME VE HABERLEŞME HİZ.A.Ş.	38.00	45,000	(23,567)	-
GARANTİ SİGORTA A.Ş.	75.00	6,200	3,001	-
GARANTİ HAYAT SİGORTA A.Ş.	74.36	6,800	3,364	-
VOLKSWAGEN DOĞUŞ TÜKETİCİ FİNANSMANI A.Ş.	37.00	7,000	(60,324)	-
DOĞUŞ İNSANGÜCÜ A.Ş. (HUMANİTAS)	40.10	600	(556)	-
DOĞUŞ HİZMET YÖNETİMİ ORGANİZASYON VE DANIŞMANLIK A.Ş.	55.00	30	1,005	-
<b><u>TOURISM COMPANIES</u></b>				
GARANTİ TURİZM YAT.VE İŞL. A.Ş.	43.33	8,750	1,136	-
ŞAHİNTUR ŞAHİNLER O. TURZ. YAT. İŞL. A.Ş.	100.00	263	90	-
<b><u>INVESTMENTS IN FOREIGN CURRENCY</u></b>				
UNITED GARANTI BANK INT. N.V.	100.00	EUR 83.8 mio	EUR 25,494,000	-
DOC FINANCE S.A.	50.27	CHF 12 mio	CHF (3,584,000)	-
BOSPHORUS FINANCIAL SER. LTD.	99.99	USD 100,000	USD (8,775)	-
GARANTI BANK MOSCOW	99.61	USD 25.5 mio	USD 2,687,000	-
INSTRUMENTS FINANCE COMPANY	100.00	USD 25,000	USD 303,617	-
GARANTI FINANCIAL SERVICES PLC	100.00	USD 2.6 mio	USD 3,937,599	-
GARANTI FUND MANAGEMENT CO. LTD.	99.00	USD 100,000	USD (72,402)	-
CLOVER BANK OFF-SHORE LTD.	99.10	USD 4.5 mio	USD 228,769	-
COMPAGNIE OTTOMANE D'INVESTMENT B.V.	100.00	NLG 165 mio	NLG (10,307,696)	-

(\*) Quoted shares are valued at the weighted average market rates for the last 30 working days before 30 September 2001.

(\*\*) Net income/(loss) for the six-month period ended 30 June 2001.

# TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

## Note II – (Continued)

30 September 2000

<u>Investments and Affiliated Companies</u>	<u>% of ownership</u>	<u>Total capital</u>	<u>Net income for the period</u>	<u>Market value*</u>
<b><u>INDUSTRIAL COMPANIES</u></b>				
DOĞUŞ TURİZM SAĞLIK YAT. VE İŞL.SAN. VE TİC.A.Ş.	40.00	64	(40)***	-
LASAŞ LASTİK SAN.VE TİC. A.Ş.	99.99	2,500	10	-
<b><u>COMMERCIAL COMPANIES</u></b>				
GARANTİ BİLİŞİM TEKN. TİC. A.Ş.	100.00	994	309	-
GARANTİ FİNANSAL KİRALAMA A.Ş.	80.00	4,400	4,294**	-
GARANTİ YATIRIM MENKUL KIYM. A.Ş.	51.67	4,000	9,349	-
GARANTİ PORTFÖY YÖNETİMİ A.Ş.	70.00	1,000	3,759	-
PETROTRANS NAKLİYAT TİC. A.Ş.	100.00	5	(1)**	-
ANA KONUT DANIŞMANLIK A.Ş.	100.00	25,000	3**	-
DOĞUŞ HAVA TAŞIMACILIĞI A.Ş.	49.91	17,000	(3,001)**	-
TANSAŞ İZMİR B. Ş. B. İÇ VE DIŞ TİC. A.Ş.	19.00	3,000	(3,111)**	42,558
GARANTİ ÖDEME SİSTEMLERİ A.Ş.	99.92	5	25**	-
İKSİR ULUSLARARASI ELEKTRONİK TİC. BİLGİLENDİRME VE HABERLEŞME HİZ.A.Ş.	38.00	18,000	(7,977)	-
GARANTİ SİGORTA A.Ş.	75.00	5,000	1,731**	-
GARANTİ HAYAT SİGORTA A.Ş.	99.13	1,600	11,180**	-
VOLKSWAGEN DOĞUŞ TÜKETİCİ FİNANSMANI A.Ş.	37.00	7,000	(45)**	-
DOĞUŞ İNSANGÜCÜ A.Ş. (HUMANİTAS)	30.00	600	187**	-
DOĞUŞ HİZMET YÖNETİMİ ORGANİZASYON VE DANIŞMANLIK A.Ş.	55.00	30	474**	-
<b><u>TOURISM COMPANIES</u></b>				
GARANTİ TURİZM YAT.VE İŞL. A.Ş.	43.33	5,000	(1,914)	-
ŞAHİNTUR ŞAHİNLER O. TURZ. YAT. İŞL. A.Ş.	100.00	263	70	-
<b><u>INVESTMENTS IN FOREIGN CURRENCY</u></b>				
UNITED GARANTİ BANK INT. N.V.	100.00	EUR 50 mio	EUR 14,465,000	-
DOC FINANCE S.A.	50.27	CHF 12 mio	CHF 694,000	-
CI FINANCE LTD.	100.00	USD 100,000	USD (7,779)	-
CI INVESTMENTS LTD.	100.00	USD 100,000	USD (7,764)	-
BOSPHORUS FINANCIAL SER. LTD.	100.00	USD 100,000	USD (8,254)	-
GARANTİ BANK MOSCOW	99.61	USD 25.537 mio	USD 5,359,000	-
INSTRUMENTS FINANCE COMPANY	100.00	USD 25,000	USD 434,958	-
GARANTİ FINANCIAL SERVICES PLC	99.99	USD 2.638 mio	USD (1,357,871)	-
GARANTİ FUND MANAGEMENT CO. LTD.	99.00	USD 100,000	USD (2,773)	-
CLOVER BANK OFF-SHORE LTD.	99.10	USD 4.5 mio	USD 20,205,534	-
COMPAGNIE OTTOMANE D'INVESTMENT B.V.	100.00	NLG 165 mio	NLG (9,317,268)	-

(\*) Quoted shares are valued at the weighted average market rates for the last 30 working days.

(\*\*) Net income/(loss) for the six-month period ended 30 June 2000.

(\*\*\*) Net income/(loss) for the year ended 31 December 1999.

# TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

## Note II - (Continued)

### f- Sale of investments and affiliated companies during the current period:-

There were no such cases.

### (8) Other long-term investments:-

	<u>Government Securities</u>		<u>Other Securities</u>	
	<u>Purchase</u> <u>Costs</u>	<u>Revalued</u> <u>Costs</u>	<u>Purchase</u> <u>Costs</u>	<u>Revalued</u> <u>Costs</u>
<b>Securities in Turkish lira</b>	<b>1,717,610</b>	<b>2,106,372</b>	<b>6,347</b>	<b>4,274</b>
1-Equity shares	-	-	6,347	4,274
a) Long-term investments	-	-	6,347	4,274
b) Pledged securities	-	-	-	-
c) Restricted	-	-	-	-
2- Other securities	1,717,610	2,106,372	-	-
a) Long-term investments	541,980	668,262	-	-
b) Pledged securities	1,011,290	1,244,660	-	-
c) Restricted	164,340	193,450	-	-
<b>Securities in foreign currencies</b>	<b>691,827</b>	<b>706,639</b>	-	-
1-Equity shares	-	-	-	-
a) Long-term investments	-	-	-	-
b) Pledged securities	-	-	-	-
c) Restricted	-	-	-	-
2- Other securities	691,827	706,639	-	-
a) Long-term investments	604,133	616,923	-	-
b) Pledged securities	87,694	89,716	-	-
c) Restricted	-	-	-	-

(9) Movables and immovables held for resale in accordance with the Banking Law, amounted to **TL866 (2000: TL745)** and **TL78,368 (2000: TL50,282)**, respectively.

(10) **Items comprising 20%, at minimum, of other assets and other liabilities representing 10%, at minimum, of the balance sheet total (excluding commitments and contingencies):-**

There were no such items.

### (11) a- Maturity structure of deposits:-

	<u>Demand Deposits</u>		<u>Time Deposits</u>	
	<u>Current Period</u>	<u>Prior Period</u>	<u>Current Period</u>	<u>Prior Period</u>
Saving deposits	77,940	58,730	717,482	253,142
Deposits of official authorities and organisations	6,607	2,528	751	1,496
Commercial deposits	302,086	172,008	259,866	24,716
Deposits of other organisations	6,475	6,395	19,601	7,572
Bank deposits	3,827	6,370	263,307	774,467
1-Central Bank of Turkey	-	-	-	110
2-Domestic banks	1,343	3,049	101,874	193,675
3-Foreign banks	2,484	3,318	161,433	580,682
4-Others	-	3	-	-
Foreign currency deposits	1,124,863	522,136	3,306,045	1,391,002
1-Resident customers	992,233	511,403	3,036,190	1,168,832
2-Non-resident customers	132,630	10,733	269,855	222,170
Gold deposits	<u>10,592</u>	<u>3,888</u>	<u>38,463</u>	<u>3,191</u>
<b>Total deposits</b>	<b><u>1,532,390</u></b>	<b><u>772,055</u></b>	<b><u>4,605,515</u></b>	<b><u>2,455,586</u></b>

# TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

## Note II – (Continued)

### b- Deposits insured or guaranteed under "Saving Deposit Insurance Fund":-

	<u>Insurance Coverage</u>	
	<u>Current Period</u>	<u>Prior Period</u>
1- Saving deposits	795,423	311,872
2- Foreign currency saving deposits	3,197,245	1,387,941
3- Other saving-type deposits	46,192	5,292
4- Deposits at foreign branches under foreign insurance coverages	-	-

- (12) a- Discounted portion of securities issued amounted to TL..... (2000: TL39).  
b- Bonds convertible into equity shares amounted to TL..... (2000: TL.....) .  
c- **Securities other than shares issued during the current period:** None.

- (13) Cash collaterals received amounted to **TL548 (2000: TL324)**.

Cash collaterals represent the customers' valuables held under blocked accounts as security for non-cash loans granted.

- (14) a- A portion of the "valuation increment" on securities (including equity shares classified in securities, investments, affiliated companies and other long-term investments) amounting to TL..... (2000: TL.....) , was related to securities denominated in foreign currencies. TL..... (2000: TL.....)of this portion represented the foreign exchange gain accrual on such equity shares classified in investments, affiliated companies and other long-term investments.

**b- Presentation of accrued foreign exchange gains on equity shares classified as investments, affiliated companies and other long-term investments in financial statements:-**

Foreign exchange gains on equity shares included in investments, affiliated companies and other long-term investments denominated in foreign currencies, are classified under "foreign exchange gain" in the statement of income for the period.

- (15) **Maturity profile of Assets, Liabilities and Certain Commitments according to remaining maturities:-**

Maturities profiles were presented for the current and prior periods in Section IV. Supplementary Financial Statements.

# TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

## Note II – (Continued)

### (16) a- Components of shareholders' equity as defined by the Turkish Banking Law and further broadened in accounting application:-

	<u>Current Period</u>	<u>Prior Period</u>
<b><u>Shareholders' Equity per Banking Law (1-19) :-</u></b>		
<b><u>I- CORE CAPITAL</u></b>	<b>869,627</b>	<b>632,155</b>
1-Paid capital	750,000	260,000
- Nominal capital	750,000	260,000
- Unpaid capital	-	-
2-Legal reserves	34,882	24,387
- 1 <sup>st</sup> legal reserve (TCC 466/1)	31,061	20,417
- 2 <sup>nd</sup> legal reserve (TCC 466/2)	2,987	2,987
- Share premium	-	-
- Legal reserve per special legislation and articles of association	834	983
3-Extraordinary reserves	10,088	177,568
- Reserves allocated per Ordinary General Meeting	10,088	177,568
- Exchange rate difference on foreign currency capital (1)	-	-
- Retained earnings (2)	-	-
- Accumulated losses (-)	-	-
4-Period Income (3)	74,657	170,200
5-Losses (-)	-	-
- Current period losses	-	-
- Prior year losses	-	-
<b><u>II- SUPPLEMENTARY CAPITAL (4)</u></b>	<b>225,638</b>	<b>158,431</b>
6-Revaluation surplus	109,663	84,894
- Movables	28,937	21,224
- Immovables	78,180	62,406
- Cost increase fund	-	167
- Bonus shares from investee companies and income on sale of immovables	726	-
- Revaluation surplus on leasehold improvements	1,820	1,097
7-Revaluation surplus received through bonus shares from investments and affiliated companies	918	3,458
8-Provisions	115,000	32,925
- General provision for loan losses (5)	-	22,925
- General provisions for miscellaneous risks (6)	115,000	10,000
9-Other capital sources	-	-
10-Valuation increment	57	37,154
- Securities	57	5,918
- Investments and affiliated companies	-	31,236
- Other long-term investments	-	-
<b><u>III- DEDUCTIONS FROM CAPITAL</u></b>	<b>687,317</b>	<b>326,044</b>
11-Equity participation in unconsolidated financial institutions	644,139	279,268
12-Leasehold improvements	10,742	5,754
13-Pre-operating expenses	7,577	5,339
14-Prepaid expenses	24,859	33,640
15-Decrease in market value of equity participations and fixed assets	-	-
16-Subordinated loans granted to other banks	-	-
17-Cash loans granted to shareholders having equal or more than 10% of the bank's share capital and their related parties	-	2,043
18-Goodwill	-	-
19-Capitalised expenses	-	-
<b><u>Legal Capital Base (I+II+III)</u></b>	<b>407,948</b>	<b>464,542</b>
<b>Accounting basis Capital Base (1-10, excl. 4,8 and 9)</b>	<b>905,608</b>	<b>587,461</b>

# TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

## Note II – (Continued)

- (1) Exchange rate difference on foreign currency capital.
- (2) Earnings retained in equity as decided during the General Assembly in accordance with Banking Legislation and other regulations.
- (3) Net income for the period after provision for taxes on income.
- (4) The portion of the supplementary capital exceeding 100% of the core capital is not included in capital base calculation.
- (5) Net balance of general loan loss provision after deduction of the unprovided part of receivables under follow-up.
- (6) General provisions for miscellaneous risks other than general provisions for credit risks. The portion exceeding 25% of the core capital is not included in the supplementary capital calculation.

- b- Capital base and it's components used in the capital adequacy ratio in accordance with Banking Legislation:

	<u>Current Period</u>	<u>Prior Period</u>
I- Core capital	869,627	632,155
II- Supplementary capital	225,638	158,431
1- Other capital sources	-	-
2- Other	225,638	158,431
III- Deductions from capital	729,728	326,044
IV- Capital base (I+II+III)	365,537	464,542

- (17) a- **If the Bank applies registered share capital system, ceiling of the registered share capital:-**

The Bank has registered share capital. The ceiling of the registered share capital is TL1,000,000 .

- b- **Capital increases during the period:**

The Bank's paid-in nominal share capital has increased to TL750,000 from TL260,000. Capital increase has been realized through transfers of TL372,589 from "extraordinary reserves", of TL113,478 from "revaluation fund", of TL3,766 from "increase in value of investments", of TL167 from "gain on fixed asset sale".

- c- **Transfer from revaluation surplus to contribute the capital increase:**

Revaluation surplus amounting to TL117,244 and consisting of revaluation surplus on fixed assets in the amount of TL 113,478 and on investments in the amount of TL3,766, is contributed to capital increase.

- d- **Priority rights assigned to certain capital shares:** None.

- e- **Shareholders holding 10% or more interest in the share capital:-**

	Share Capital Portion	Participation %	Paid Capital	Unpaid Capital
Doğuş Holding A.Ş.	304,505	40.60	304,505	-



# TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

## Note II – (Continued)

### (18) Basis of presentation of financial leasing activities in financial statements and disclosures on such transactions in accordance with International Accounting Standard 17 (IAS 17):-

Financial leasing transactions are accounted for in accordance with Turkish legislation, not IAS17. Per Turkish legislation, financial leasing transactions are accounted for as if they were operating leases. Accordingly, fixed assets acquired through financial leases and the related payables are not reflected in the accompanying financial statements; instead the periodic payments of installments, with no distinction between principal and interest portions, were initially recorded as "prepaid expense" to be charged to expense throughout the lease period. During the period ended 30 September 2001, such payments charged to statement of income as expense accumulated to TL6,087 (2000: TL3,516) and the remaining balance recorded as "prepaid expense" in the balance sheet, amounted to TL10,253 (2000: TL7,612).

Had the Bank applied IAS17, TL6,087 of the prepayments related to leasing activities incurred till 30 September 2001, would not be charged to income, instead retained earnings would be less by TL6,071, prepaid expenses by TL10,523, and the following items of the financial statements would be higher by the amounts below:-

Bank premises and equipment, net	15,263
Payables from financial leasing activities, net	13,369
Depreciation expense	2,532
Interest expense	1,723
Foreign exchange losses	4,391

### (19) Other significant matters:-

#### a- Deferred tax liabilities and related provisions:-

	<u>Current Period</u>	<u>Prior Period</u>
Deferred tax liability	-	15,328
Reserve for deferred tax liability (balance sheet)	-	15,328

#### b- Policy on accounting for currency swaps in accordance with Turkish GAAP and Turkish Uniform Chart of Accounts for Banks:-

For the accounting of currency swaps, the second methodology defined in the Turkish Uniform Chart of Accounts for Banks is applied, i.e. spot legs of the transaction are reflected in the balance sheet and forward legs in the off-balance sheet accounts.

# TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

## Note II – (Continued)

### c- Exchange rate gain/loss accruals on forwards and currency swaps, accounted under other accruals in assets and liabilities:-

	<u>Current Period</u>	<u>Prior Period</u>
Income accruals on forwards	5,740	-
Expense accruals on forwards	(8,216)	-
Income accruals on currency swaps	81	371
Expense accruals on currency swaps	(57)	5

### d- Details on assets and liabilities indexed to foreign exchange rates, gold prices and other financial indicators were as follows:-

Assets indexed to foreign exchange rates comprise of loans (US\$, DEM, EUR) and securities (US\$) indexed to foreign exchange rates. Accrued interest and foreign exchange gains on such assets are included in the related interest income accounts.

# TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

## III- NOTES TO STATEMENTS OF INCOME

- (1) a- Interests received from the investee companies amounted to **TL47,696 (2000: TL1,557)**. Fees and commissions received from such companies aggregated to **TL12 (2000: TL94)**.
- b- Interests paid to the investee companies amounted to **TL9,332 (2000: TL2,057)**. Fees and commissions paid to such companies aggregated to **TL.....-..... (2000: TL .....-.....)**.
- (2) Income on financial leasing transactions amounted to **TL.....-..... (2000: TL.....-.....)**.
- (3) Expenses paid on financial leasing transactions amounted to **TL6,087 (2000: TL3,516)**.
- (4) a- General provisions for credit risks amounted to **TL984 (2000: TL14,032)**.
- b- Provision for diminishing in value of securities amounted to **TL46 (2000: TL....-.....)**.
- (5) **Items comprising 20%, at minimum, of the other expenses and income classified in groups I, II, IV and V, and representing 10%, at minimum, of the total of the related group that they are included in:-**

There were no such items.

(6) **Income and expenses on repurchase transactions:-**

Interest income and expenses on securities subject to repurchase deals are accounted for under accrual basis of accounting and prudence. Accrued interest expenses on repurchase deals are deducted from interest income earned on the related securities. Income and expense accruals on securities sold under repurchase contracts were as follows for the current period:-

	<u>Current Period</u>	<u>Prior Period</u>
Income accruals	(167)	9,840
Expense accruals	33	(453)

# TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

## IV. SUPPLEMENTARY FINANCIAL STATEMENTS

### A. Commitments and Contingencies

	30 September 2001			30 September 2000		
	Turkish Lira	Foreign Currency	Total	Turkish Lira	Foreign Currency	Total
<b>I. GUARANTEES AND ENDORSEMENTS</b>	<b>510,644</b>	<b>3,127,260</b>	<b>3,637,904</b>	<b>492,615</b>	<b>1,586,558</b>	<b>2,079,173</b>
<b>A. Letters of guarantee (L/G)</b>	<b>510,644</b>	<b>2,033,815</b>	<b>2,544,459</b>	<b>492,615</b>	<b>1,004,355</b>	<b>1,496,970</b>
1. L/Gs under Law no.2886	98,839	-	98,839	96,289	-	96,289
2. L/Gs issued for foreign trade deals	17	2,031,416	2,031,433	17	1,003,264	1,003,281
3. Other letters of guarantee	411,788	2,399	414,187	396,309	1,091	397,400
<b>B. Bank acceptances</b>	-	<b>286,429</b>	<b>286,429</b>	-	<b>181,753</b>	<b>181,753</b>
1. Import acceptance credits	-	283,721	283,721	-	179,155	179,155
2. Other bank acceptances	-	2,708	2,708	-	2,598	2,598
<b>C. Letters of credit (L/C)</b>	-	<b>783,365</b>	<b>783,365</b>	-	<b>382,074</b>	<b>382,074</b>
1. L/Cs against documents	-	783,365	783,365	-	382,074	382,074
2. Other letters of credit	-	-	-	-	-	-
<b>D. Confirmed pre-finance credits</b>	-	<b>17,352</b>	<b>17,352</b>	-	<b>14,113</b>	<b>14,113</b>
<b>E. Endorsements</b>	-	-	-	-	-	-
1. Endorsements for Central Bank of Turkey	-	-	-	-	-	-
2. Other endorsements	-	-	-	-	-	-
<b>F. Sale contracts on bank assets (risks Secured by the bank)</b>	-	-	-	-	-	-
<b>G. Underwriting commitments on share issues</b>	-	-	-	-	-	-
<b>H. Other guarantees</b>	-	-	-	-	-	-
<b>I. Others</b>	-	<b>6,299</b>	<b>6,299</b>	-	<b>4,263</b>	<b>4,263</b>
<b>II. COMMITMENTS</b>	<b>29,015</b>	<b>30,525</b>	<b>59,540</b>	<b>320,198</b>	<b>128,915</b>	<b>449,113</b>
<b>A. Irrevocable commitments</b>	<b>29,015</b>	<b>30,525</b>	<b>59,540</b>	<b>320,198</b>	<b>128,915</b>	<b>449,113</b>
1. Repurchase and resale contracts	22,184	-	22,184	310,319	117,132	427,451
a) Repurchase contracts	22,184	-	22,184	237,942	117,132	355,074
I. Repurchase contracts with Central Bank of Turkey	-	-	-	-	-	-
II. Repurchase contracts with banks	-	-	-	-	-	-
III. Repurchase contracts with brokerage companies	-	-	-	-	-	-
IV. Repurchase contracts with other customers	22,184	-	22,184	237,942	117,132	355,074
b) Resale contracts	-	-	-	72,377	-	72,377
I. Resale contracts with Central Bank of Turkey	-	-	-	-	-	-
II. Resale contracts with banks	-	-	-	72,377	-	72,377
III. Resale contracts with brokerage companies	-	-	-	-	-	-
IV. Resale contracts with other customers	-	-	-	-	-	-
2. Term purchases of assets	-	-	-	-	-	-
3. Term purchases/sales of deposits	-	-	-	-	-	-
4. Capital commitments	6,831	580	7,411	9,879	799	10,678
5. Credit extension commitments	-	-	-	-	-	-
6. Intermediary commitments for share issues	-	-	-	-	-	-
7. Legal reserve commitments	-	-	-	-	-	-
8. Committed credit card limits	-	-	-	-	-	-
9. Other irrevocable commitments	-	29,945	29,945	-	10,984	10,984
<b>B. Revocable commitments</b>	-	-	-	-	-	-
1. Revocable credit extension commitments	-	-	-	-	-	-
2. Other revocable commitments	-	-	-	-	-	-
<b>III. DERIVATIVE TRANSACTIONS</b>	<b>1,188,686</b>	<b>1,732,650</b>	<b>2,921,336</b>	<b>660,131</b>	<b>1,793,246</b>	<b>2,453,377</b>
<b>A. Forward currency purchases/sales</b>	<b>755,198</b>	<b>896,449</b>	<b>1,651,647</b>	<b>279,871</b>	<b>1,167,610</b>	<b>1,447,481</b>
1. Forward currency purchases	710,373	134,011	844,384	101,523	625,202	726,725
2. Forward currency sales	44,825	762,438	807,263	178,348	542,408	720,756
<b>B. Currency and interest swaps</b>	<b>717</b>	<b>121,488</b>	<b>122,205</b>	-	<b>12,612</b>	<b>12,612</b>
1. Currency purchase swaps	717	59,281	59,998	-	3,717	3,717
2. Currency sale swaps	-	59,944	59,944	-	3,757	3,757
3. Interest purchase swaps	-	1,276	1,276	-	2,417	2,417
4. Interest sale swaps	-	987	987	-	2,721	2,721
<b>C. Currency and interest options</b>	<b>432,000</b>	<b>653,844</b>	<b>1,085,844</b>	<b>380,260</b>	<b>546,693</b>	<b>926,953</b>
1. Currency purchase options	-	653,844	653,844	-	273,348	273,348
2. Currency sale options	432,000	-	432,000	380,260	273,345	653,605
3. Interest purchase options	-	-	-	-	-	-
4. Interest sale options	-	-	-	-	-	-
<b>D. Future currency deals</b>	-	-	-	-	<b>66,331</b>	<b>66,331</b>
1. Future currency purchases	-	-	-	-	-	-
2. Future currency sales	-	-	-	-	-	-
<b>E. Future interest deals</b>	-	-	-	-	-	-
1. Future interest purchases	-	-	-	-	-	-
2. Future interest sales	-	-	-	-	-	-
<b>F. Others</b>	<b>771</b>	<b>60,869</b>	<b>61,640</b>	-	-	-
<b>TOTAL COMMITMENTS AND CONTINGENCIES</b>	<b>1,728,345</b>	<b>4,890,435</b>	<b>6,618,780</b>	<b>1,472,944</b>	<b>3,508,719</b>	<b>4,981,663</b>

# TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

## Note IV – (Continued)

### B. Other Off-Balance Sheet Accounts

	<u>30 September 2001</u>			<u>30 September 2000</u>		
	<u>Turkish Lira</u>	<u>Foreign Currency</u>	<u>Total</u>	<u>Turkish Lira</u>	<u>Foreign Currency</u>	<u>Total</u>
<b>A. Valuables under Custody</b>	<b>1,356,405</b>	<b>377,524</b>	<b>1,733,929</b>	<b>1,101,941</b>	<b>1,882,416</b>	<b>2,984,357</b>
1. Customer funds and portfolios managed by the bank	394	1,102	1,496	394	673	1,067
2. Securities under custody	946,118	137,450	1,083,568	529,939	58,158	588,097
3. Cheques subject to collection	314,721	61,149	375,870	289,943	18,937	308,880
4. Commercial notes subject to collection	67,173	150,562	217,735	43,811	1,791,802	1,835,613
5. Other valuables subject to collection	236	5,276	5,512	237	2,335	2,572
6. Securities (the bank acted as intermediary for their issuance)	-	-	-	-	-	-
7. Securities under repurchase transaction (held at custody on behalf of customers)	22,369	-	22,369	232,364	-	232,364
8. Other valuables under custody	5,394	21,985	27,379	5,253	10,511	15,764
9. Valuables under third-party custodies	-	-	-	-	-	-
<b>B. Valuables under Pledge</b>	<b>4,247,046</b>	<b>5,874,687</b>	<b>10,121,733</b>	<b>3,502,966</b>	<b>5,425,694</b>	<b>8,928,660</b>
1. Securities	25,060	27,626	52,686	3,659	10,747	14,406
2. Promissory notes	885,848	2,499,693	3,385,541	843,485	1,630,098	2,473,583
3. Stocks	-	-	-	2,751	-	2,751
4. Warrants	-	-	-	-	-	-
5. Immovables	1,816,395	432,497	2,248,892	1,400,669	198,256	1,598,925
6. Other valuables under pledge	1,519,573	2,914,871	4,434,444	1,252,232	3,586,593	4,838,825
7. Valuables under third-party custodies	170	-	170	170	-	170

# TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

## Note IV – (Continued)

### C. Maturity Profile of Assets, Liabilities, and Certain Commitments and Contingencies According to Remaining Maturities

#### 1- Current Period

30 September 2001								
	<u>Demand</u>	<u>Upto 1 Month</u>	<u>1 to 3 months</u>	<u>3 months to 1 year</u>	<u>1 to 5 Years</u>	<u>5 Years and over</u>	<u>Others*</u>	<u>Total</u>
<b>ASSETS:</b>								
Liquid assets	68,328	15,149	-	-	-	-	-	83,477
Due from banks and other financial institutions	130,089	857,253	7,035	239,070	3,410	-	-	1,236,857
Interbank funds sold	-	87,000	-	-	-	-	-	87,000
Securities (net)	-	332	47,333	63,300	-	331	-	111,296
Loans	-	797,130	571,537	1,179,887	836,262	1,951	-	3,386,767
Non-performing loans (net)	-	-	-	-	-	-	131,356	131,356
Accrued interest and income	-	240,367	80,059	241,004	380,215	48,995	-	990,640
Receivables from financial leasing activities (net)	-	-	-	-	-	-	-	-
Reserve deposits	536,753	-	-	-	-	-	-	536,753
Investments and affiliated companies (net)	-	-	-	-	-	-	760,770	760,770
Equity shares classified under other long-term investments (net)	-	-	-	-	-	-	6,347	6,347
Other long-term investments (net)	-	170	1,384	419,270	1,481,163	505,377	-	2,407,364
Other assets	-	-	-	-	-	-	655,135	655,135
<b>Total Assets</b>	<b>735,170</b>	<b>1,997,401</b>	<b>707,348</b>	<b>2,142,531</b>	<b>2,701,050</b>	<b>556,654</b>	<b>1,553,608</b>	<b>10,393,762</b>
<b>LIABILITIES:</b>								
Saving deposits	77,940	654,257	57,780	5,445	-	-	-	795,422
Foreign currency deposits	1,124,863	2,745,169	394,952	165,924	-	-	-	4,430,908
Bank deposits	3,827	178,396	45,874	27,215	11,822	-	-	267,134
Other deposits	315,170	304,578	22,566	2,127	-	-	-	644,441
Interbank funds borrowed	-	-	-	-	-	-	-	-
Funds borrowed	-	362,874	124,194	1,110,058	977,324	-	-	2,574,450
Funds	-	-	-	-	-	-	-	-
Securities issued (net)	-	-	-	-	-	-	-	-
Accrued interest and expense	-	74,454	10,558	19,130	14,010	-	-	118,152
Payables from financial leasing activities (net)	-	-	-	-	-	-	-	-
Taxes, stamps, premiums and other duties	-	19,893	-	-	-	-	-	19,893
Other liabilities	-	-	-	-	-	-	563,097	563,097
Shareholders' equity (including current period income/loss)	-	-	-	-	-	-	980,265	980,265
<b>Total liabilities</b>	<b>1,521,800</b>	<b>4,339,621</b>	<b>655,924</b>	<b>1,329,899</b>	<b>1,003,156</b>	<b>-</b>	<b>1,543,362</b>	<b>10,393,762</b>
<b>COMMITMENTS AND CONTINGENCIES:</b>								
Repurchase contracts	-	22,184	-	-	-	-	-	22,184
Resale contracts	-	-	-	-	-	-	-	-
Forward currency purchases	-	27,432	50,333	766,619	-	-	-	844,384
Forward currency sales	-	3,662	58,017	745,585	-	-	-	807,264
Currency purchase swaps	-	58,692	1,306	-	-	-	-	59,998
Currency sale swaps	-	58,622	1,323	-	-	-	-	59,945
<b>Total</b>	<b>-</b>	<b>170,592</b>	<b>110,979</b>	<b>1,512,204</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,793,775</b>

# TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

## Note IV – C – (Continued)

### 2- Prior Period

#### 30 September 2000

	<u>Demand</u>	<u>Upto 1 Month</u>	<u>1 to 3 months</u>	<u>3 months to 1 year</u>	<u>1 to 5 Years</u>	<u>5 Years and over</u>	<u>Others*</u>	<u>Total</u>
<b>ASSETS:</b>								
Liquid assets	27,673	12,547	-	-	-	-	-	40,220
Due from banks and other financial institutions	161,549	259,485	97,603	315,480	693	-	-	834,810
Interbank funds sold	-	-	-	-	-	-	-	-
Securities (net)	-	83,933	6,533	145,133	726,449	-	-	962,048
Loans	-	305,193	522,188	1,125,653	335,817	-	-	2,288,851
Non-performing loans (net)	-	-	-	-	-	-	-	-
Accrued interest and income	-	61,074	43,273	110,526	85,355	4,689	-	304,917
Receivables from financial leasing activities (net)	-	-	-	-	-	-	-	-
Reserve deposits	230,236	-	-	-	-	-	-	230,236
Investments and affiliated companies (net)	-	-	-	-	-	-	374,985	374,985
Equity shares classified under other long-term investments (net)	-	-	-	-	-	-	6,519	6,519
Other long-term investments (net)	-	-	-	-	317,742	209,450	-	527,192
Other assets	-	-	-	-	-	-	435,171	435,171
<b>Total Assets</b>	<b>419,458</b>	<b>722,232</b>	<b>669,597</b>	<b>1,696,792</b>	<b>1,466,056</b>	<b>214,139</b>	<b>816,675</b>	<b>6,004,949</b>
<b>LIABILITIES:</b>								
Saving deposits	58,731	210,183	30,326	12,632	-	-	-	311,872
Foreign currency deposits	515,057	1,051,916	245,923	99,124	1,118	-	-	1,913,138
Bank deposits	6,371	583,471	145,830	45,165	-	-	-	780,837
Other deposits	188,010	28,051	4,047	1,686	-	-	-	221,794
Interbank funds borrowed	-	118,932	-	-	-	-	-	118,932
Funds borrowed	-	232,020	214,668	518,669	531,843	-	-	1,497,200
Funds	-	-	-	-	-	-	-	-
Securities issued (net)	-	2,677	1,131	389	-	-	-	4,197
Accrued interest and expense	-	119,994	36,637	11,035	6,767	-	-	174,433
Payables from financial leasing activities (net)	-	-	-	-	-	-	-	-
Taxes, stamps, premiums and other duties	-	-	-	-	10,547	-	-	10,547
Other liabilities	-	-	-	-	-	-	214,339	214,339
Shareholders' equity (including current period income/loss)	-	-	-	-	-	-	757,660	757,660
<b>Total liabilities</b>	<b>768,169</b>	<b>2,347,244</b>	<b>678,562</b>	<b>688,700</b>	<b>550,275</b>	<b>-</b>	<b>971,999</b>	<b>6,004,949</b>
<b>COMMITMENTS AND CONTINGENCIES:</b>								
Repurchase contracts	-	355,014	59	-	-	-	-	355,073
Resale contracts	-	72,377	-	-	-	-	-	72,377
Forward currency purchases	-	531,416	94,966	89,591	10,751	-	-	726,724
Forward currency sales	-	501,376	105,469	104,234	9,678	-	-	720,757
Currency purchase swaps	-	257,484	16,095	178	-	-	-	273,757
Currency sale swaps	-	255,919	15,778	174	-	-	-	271,871
<b>Total</b>	<b>-</b>	<b>1,973,586</b>	<b>232,367</b>	<b>194,177</b>	<b>20,429</b>	<b>-</b>	<b>-</b>	<b>2,420,559</b>

\*Items not having any specified maturity