

CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2002

**(As adjusted for the effects of inflation in TL units at
31 March 2002 pursuant to IAS 29)**



Assets (TL Billion)

	December 31, 2001	March 31, 2002	Change
Cash and cash equivalents	2.315.628	1,342.470	-42,0%
Financial assets held for trading	1.727.639	1.653.624	-4,3%
Investments	4.864.131	4.999.105	2,8%
Loans and advances to banks	1.537.944	669.996	-56,4%
Loans and advances to customers	6.145.521	5.273.804	-14,2%
Other assets	942.411	860.920	-8,7%
Investments in associated companies	68.528	68.225	-0,4%
Tangible assets	1.415.067	1.379.007	-2,6%
Intangible assets	146.792	121.169	-17,5%
Deferred tax assets	295.297	297.166	0,6%
Total assets	19.458.958	16.665.486	-14,4%

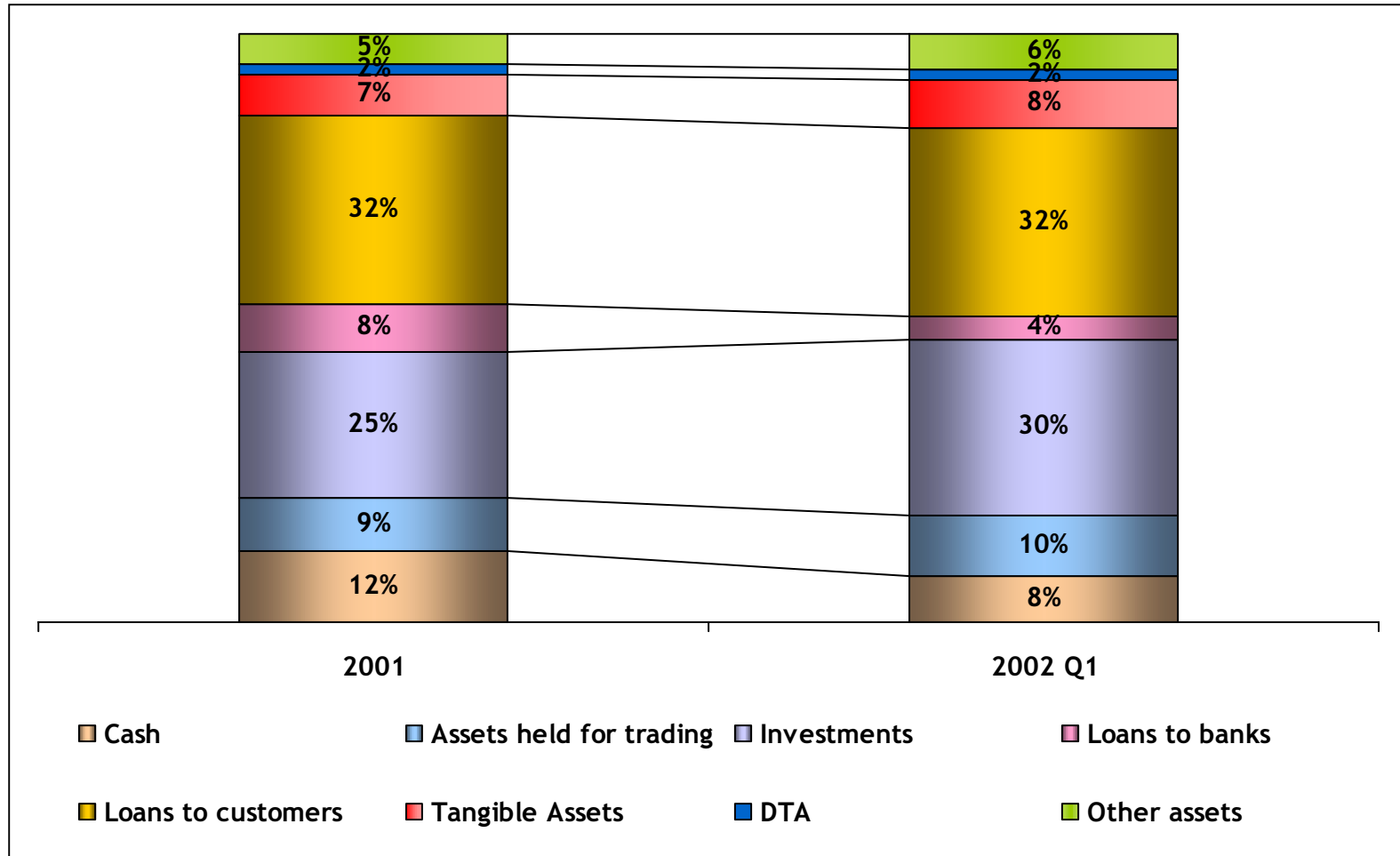
Liabilities and SHE (TL Billion)

	December 31, 2001	March 31, 2002	Change
Deposits from banks	1.374.270	689.126	-49,9%
Deposits from customers	11.638.293	10.143.953	-12,8%
Obligations under repurchase agreements	259.935	963.691	270,7%
Loans and advances from banks	3.673.992	2.283.060	-37,9%
Bonds payable	77.901	53.213	-31,7%
Current tax liability	31.348	33.562	7,1%
Other liabilities	908.532	896.616	-1,3%
Total liabilities	17.964.271	15.063.221	-16,2%
Minority interest	53.620	119.139	122,2%
Shareholders' equity			
Share capital; authorized, issued and fully paid	1.656.406	1.656.406	
Accumulated losses	(215.339)	(173.280)	-19,5%
Total shareholders' equity	1.441.067	1.483.126	2,9%
Total liabilities, minority interest and SHE	19.458.958	16.665.486	-14,4%

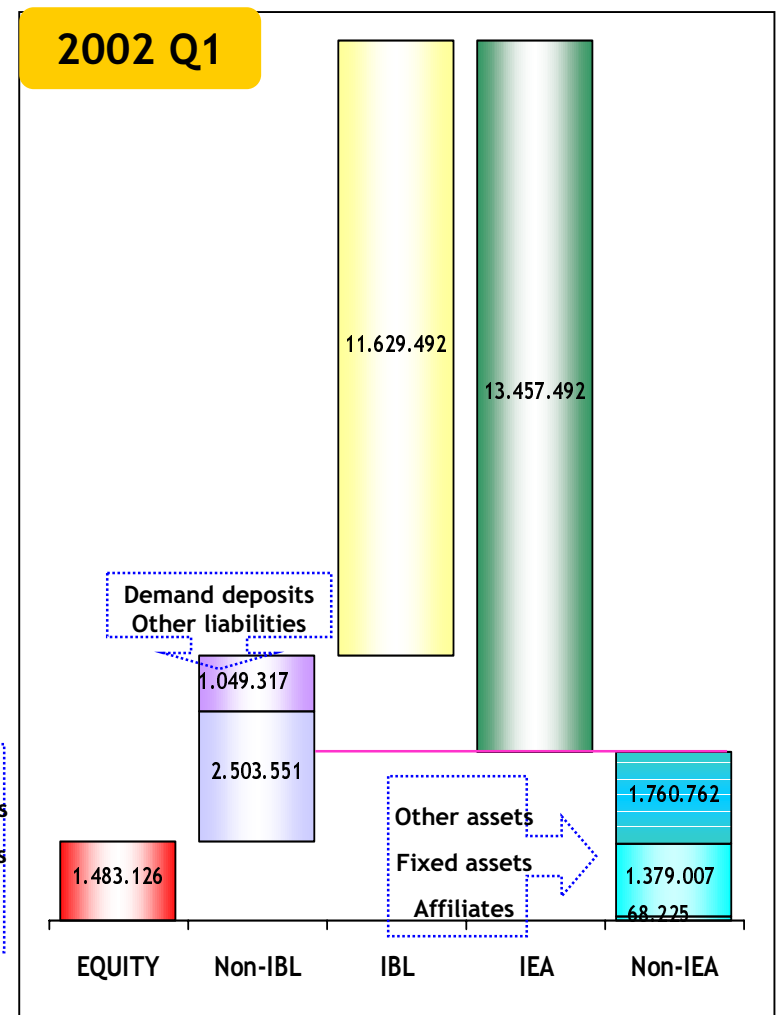
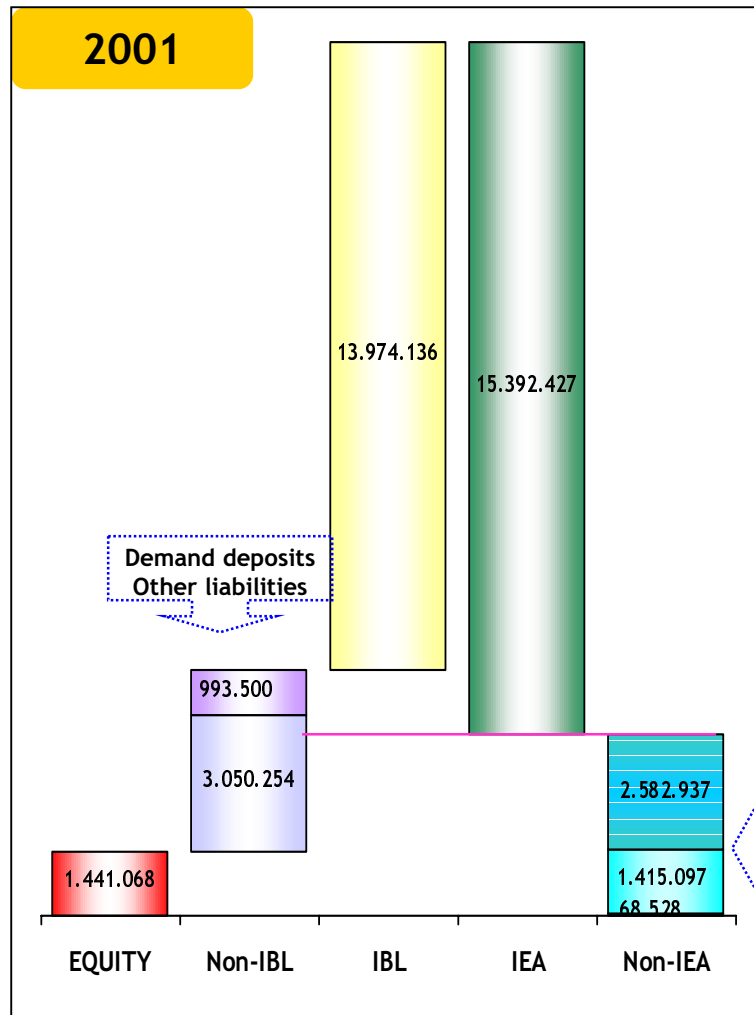
Income Statement (TL Billion)

	March 31, 2001	March 31, 2002
Total interest income	1.701.217	649.706
Total interest expenses	(1.431.760)	(494.738)
Net interest income	269.457	154.968
Net fee and commission income	45.207	60.209
Income before other operating items	314.664	215.177
Total other operating income	98.131	140.962
Total other operating expenses	(611.690)	(386.645)
Loss before loss on net monetary position	(198.895)	(30.506)
Gain/(loss) on net monetary position, net	(70.389)	43.685
Income/(loss) before taxes	(269.284)	13.179
Taxation credit	40.630	23.449
Net income/(loss) before minority interest	(228.654)	36.628
Minority interest	37.389	5.431
Net income/(loss) before extraordinary item	(191.265)	42.059
Extraordinary item	(23.007)	-
Net income/(loss) for the period	(214.272)	42.059

Composition of Assets



IEA was 6.4% higher than IBL during 2002 Q1

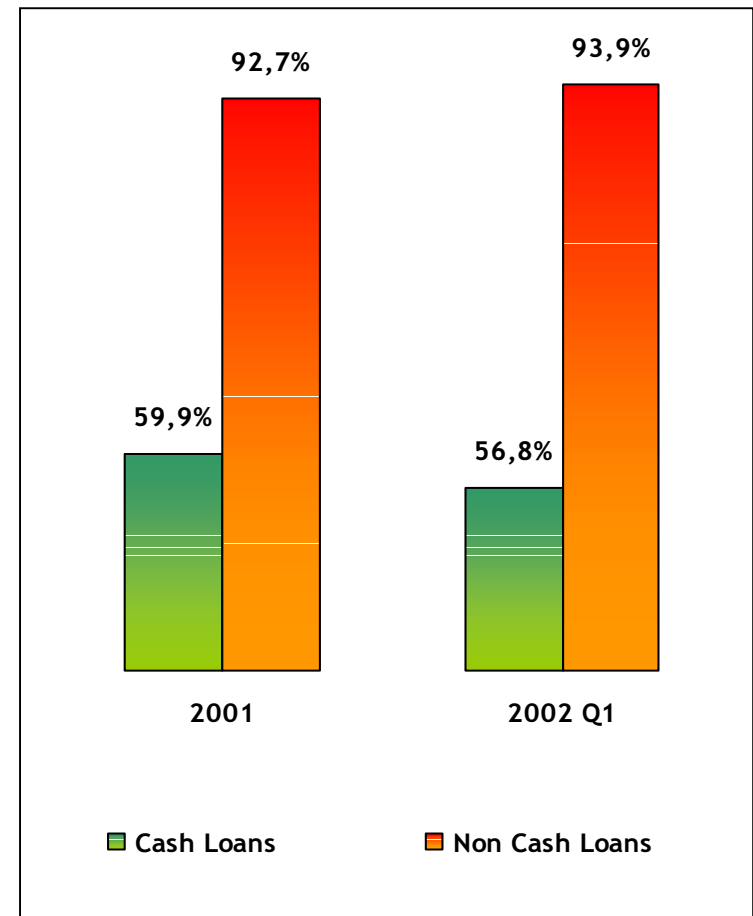


NPLs

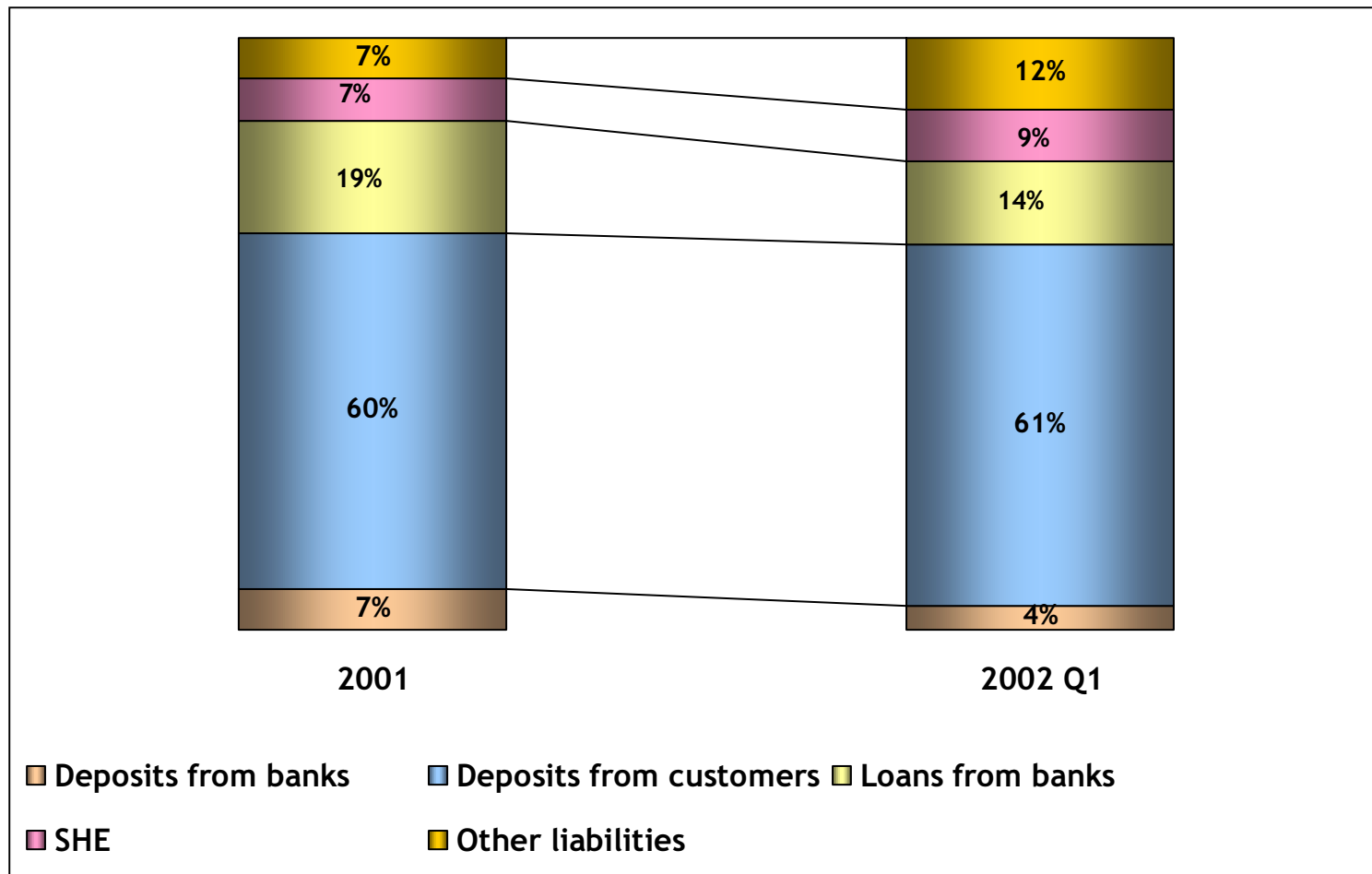
	December 31, 2001	March 31, 2002
NPL's	561.016	475.574
NPL's/Gross Cash Loans	8,7%	8,6%
Allowances for NPL's	261.901	241.905
Allowances as % of NPL's	46.7%	50.9%

- ▶ The provisioning is to step-up each quarter.
- ▶ The share of secured loans declined to 56.8% from 59.9% in year-end due to higher credit card and project finance loans
- ▶ Real estate collaterals more than covers the problem loans
- ▶ First degree collaterals

Secured Loan Ratio

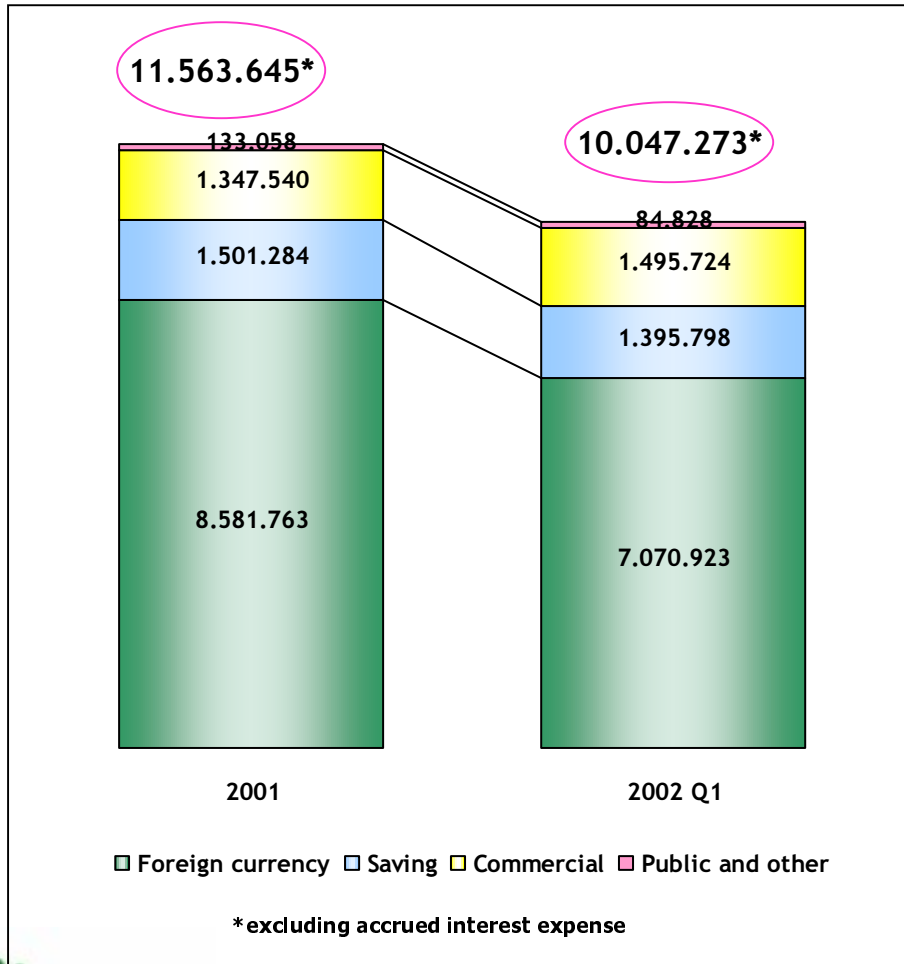


Composition of Liabilities and SHE

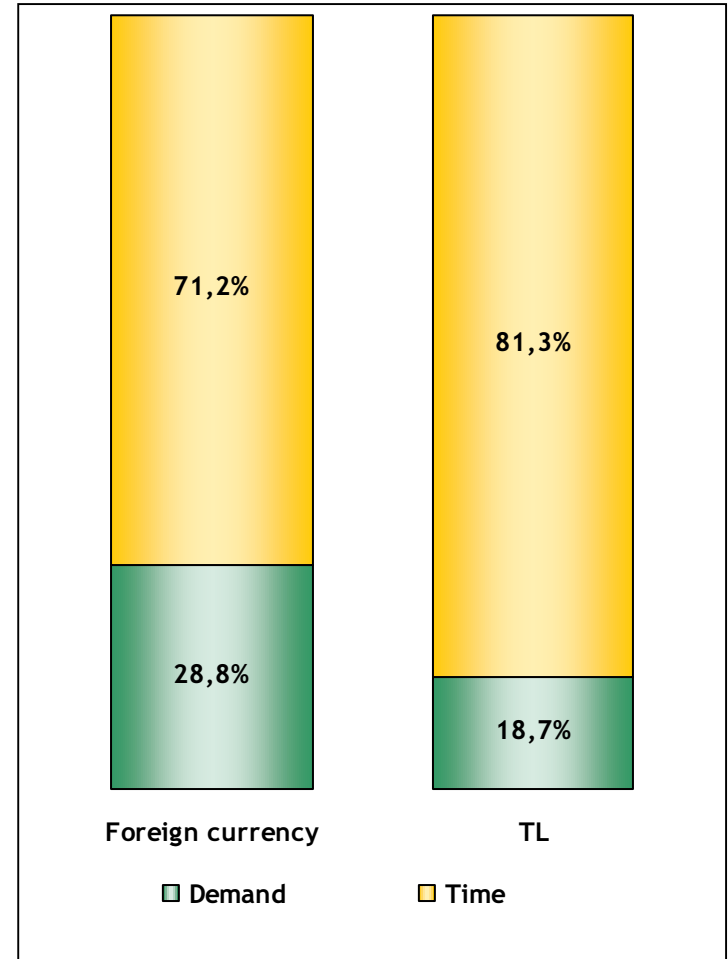


Deposits (TL Billion)

Composition

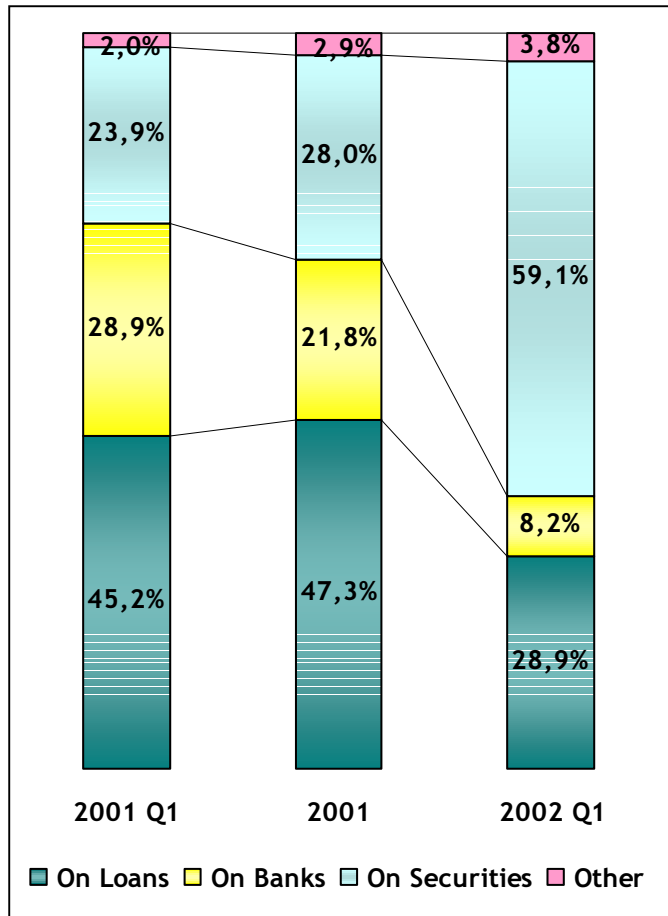


Demand vs. Time

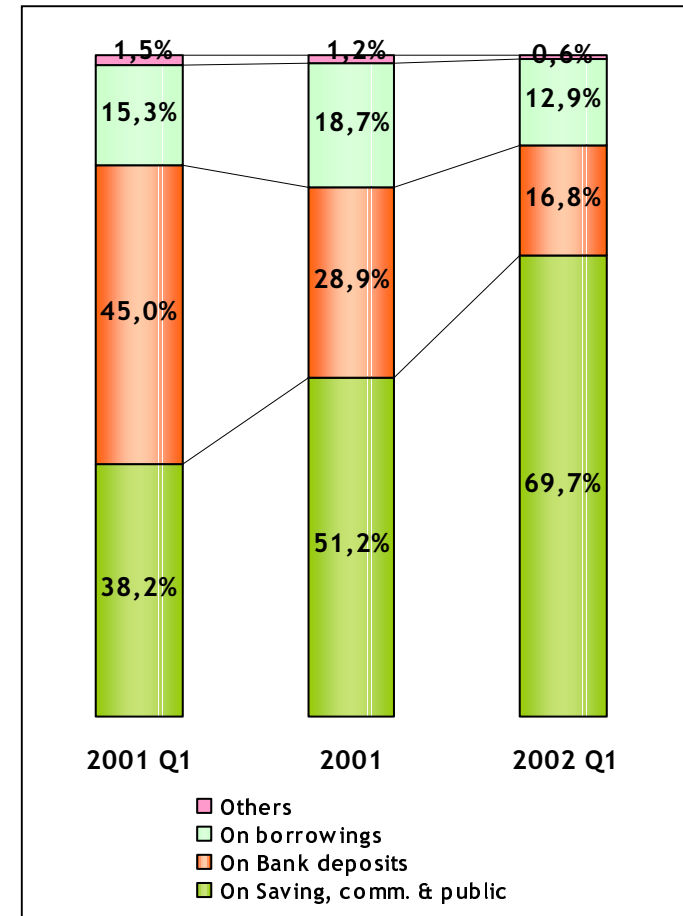


Composition of Interest Income & Interest Expense

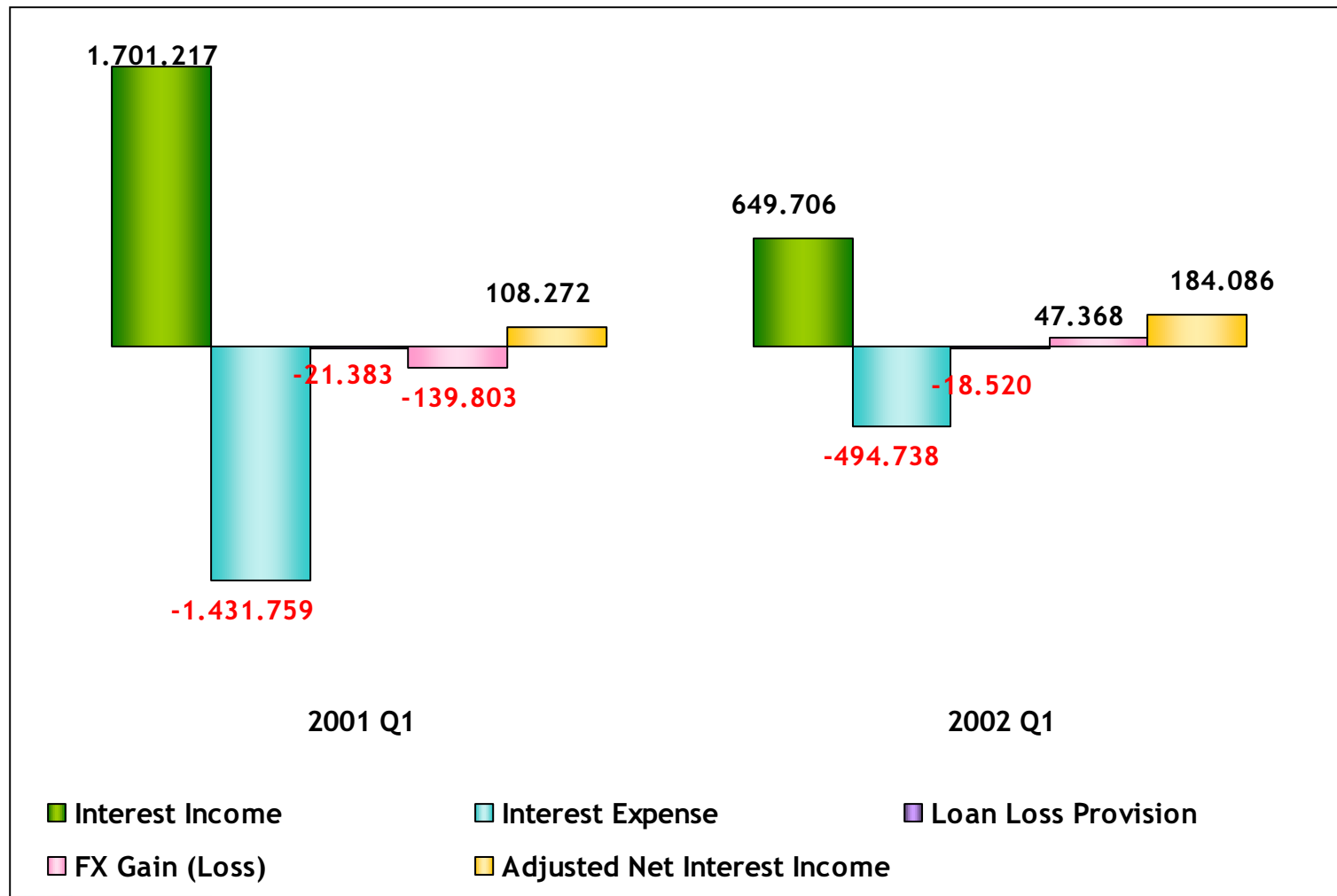
Interest Income



Interest Expense

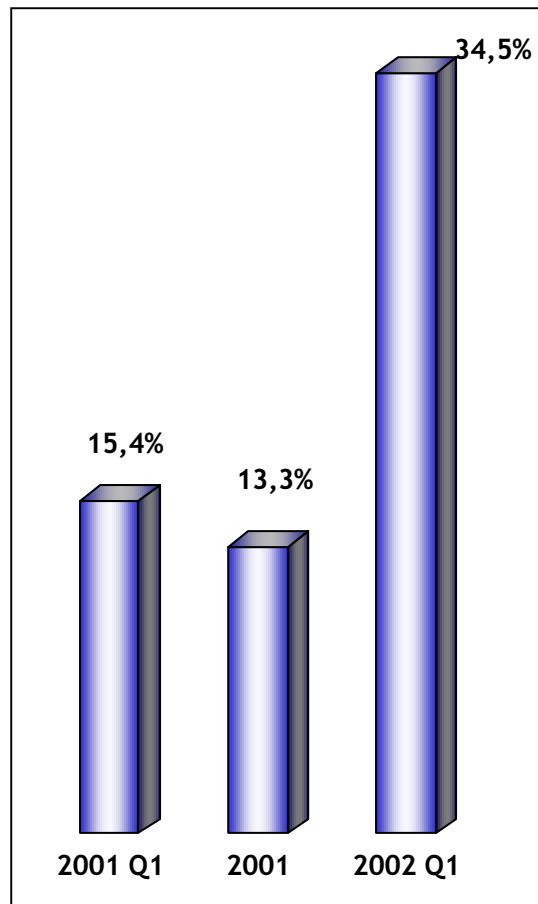


Adjusted Net Interest Income (TL Billion)

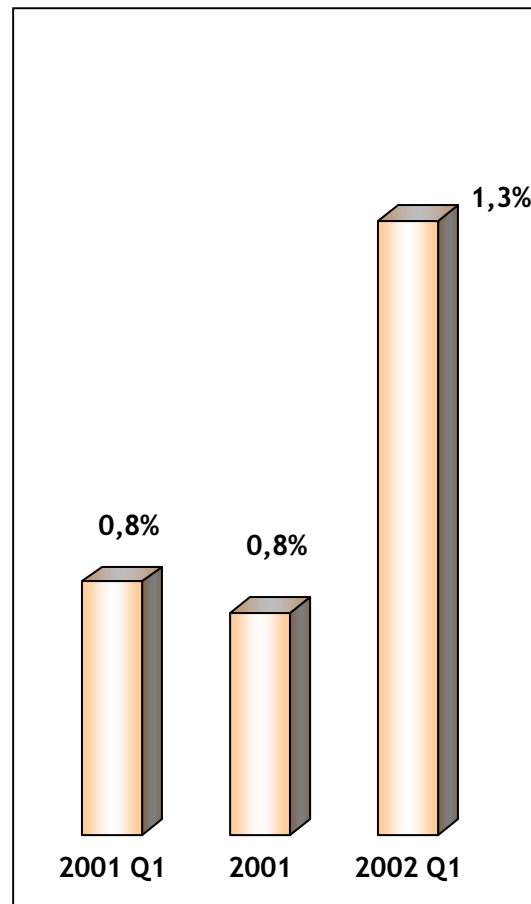


Positive effects of merger on cost control

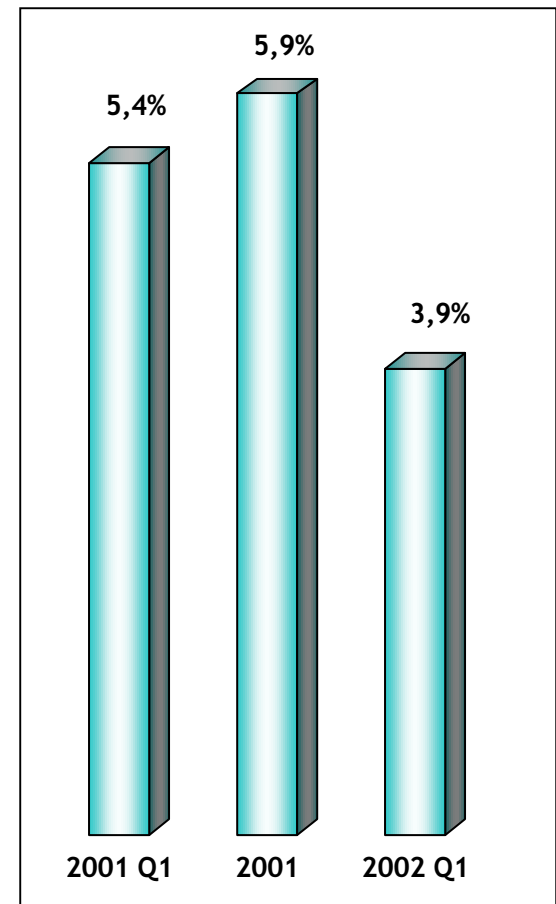
Net Fees & Commissions / Net Operating Expenses



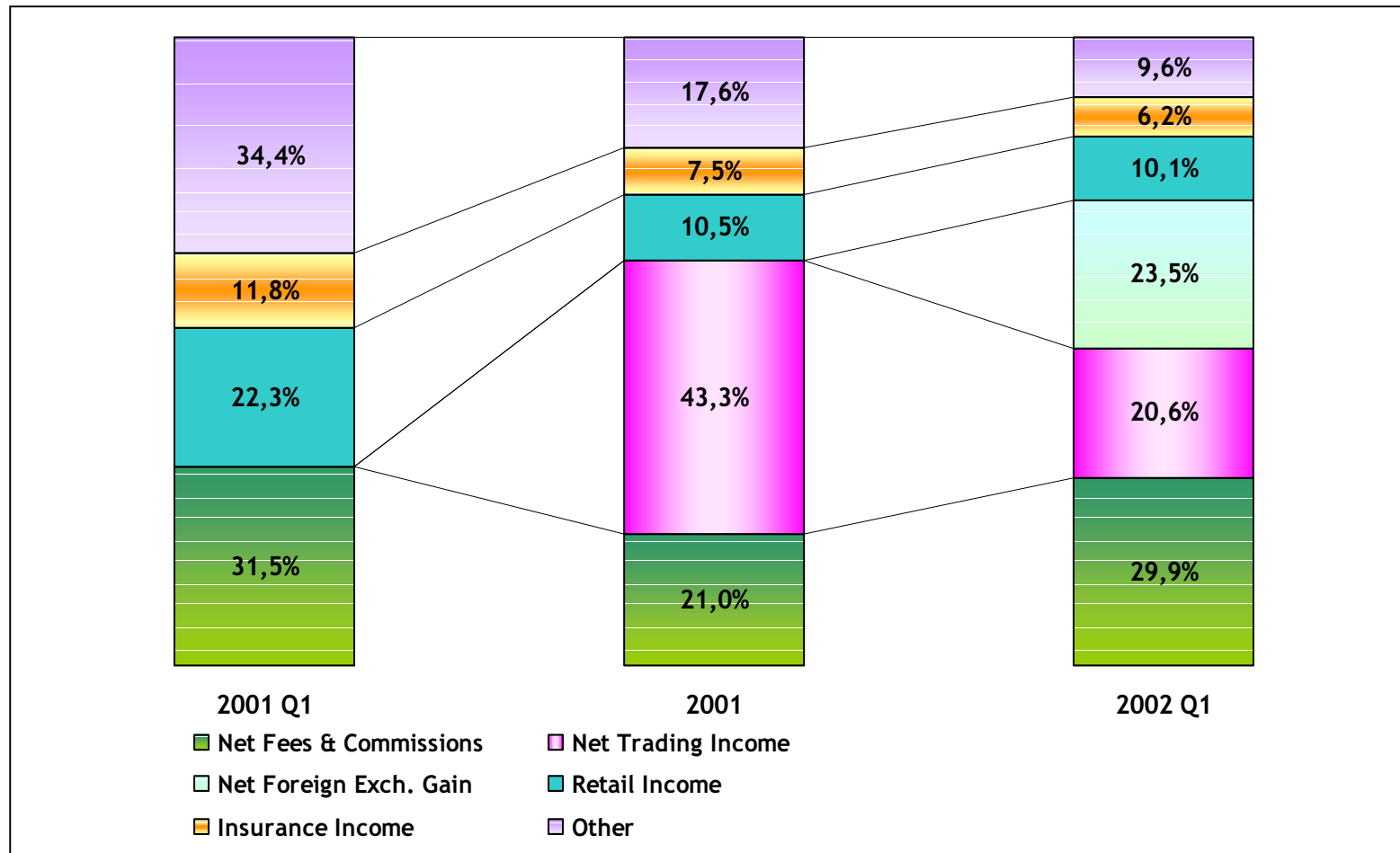
Net Fees & Commissions / Average Assets



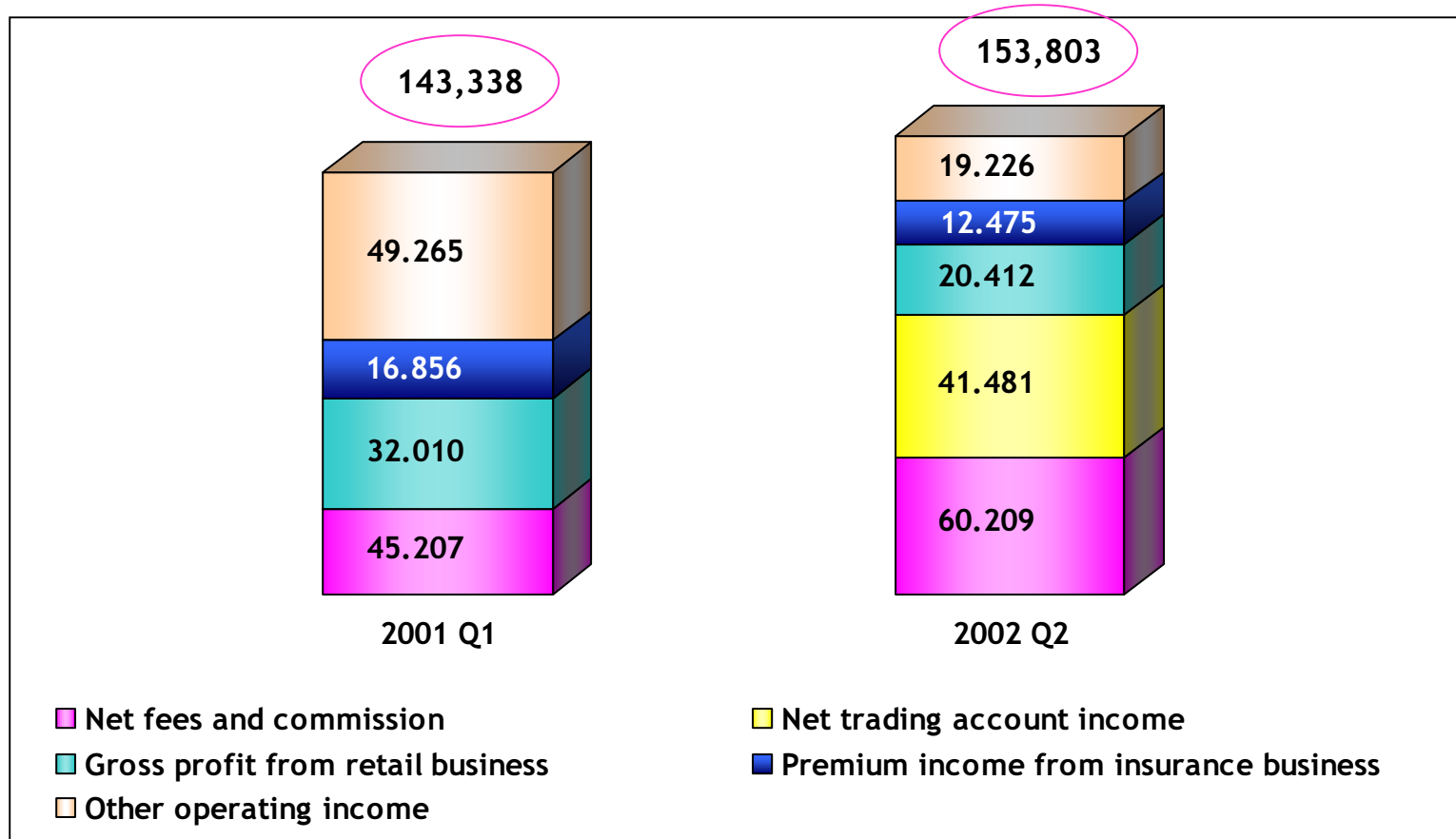
Net Operating Expenses / Average Assets



Composition of Non-Interest Income



Non-Interest Income* (TL Billion)



Operating Expense

- ▶ Total non-interest expenses were TL386,645 Billion during Q1-2001

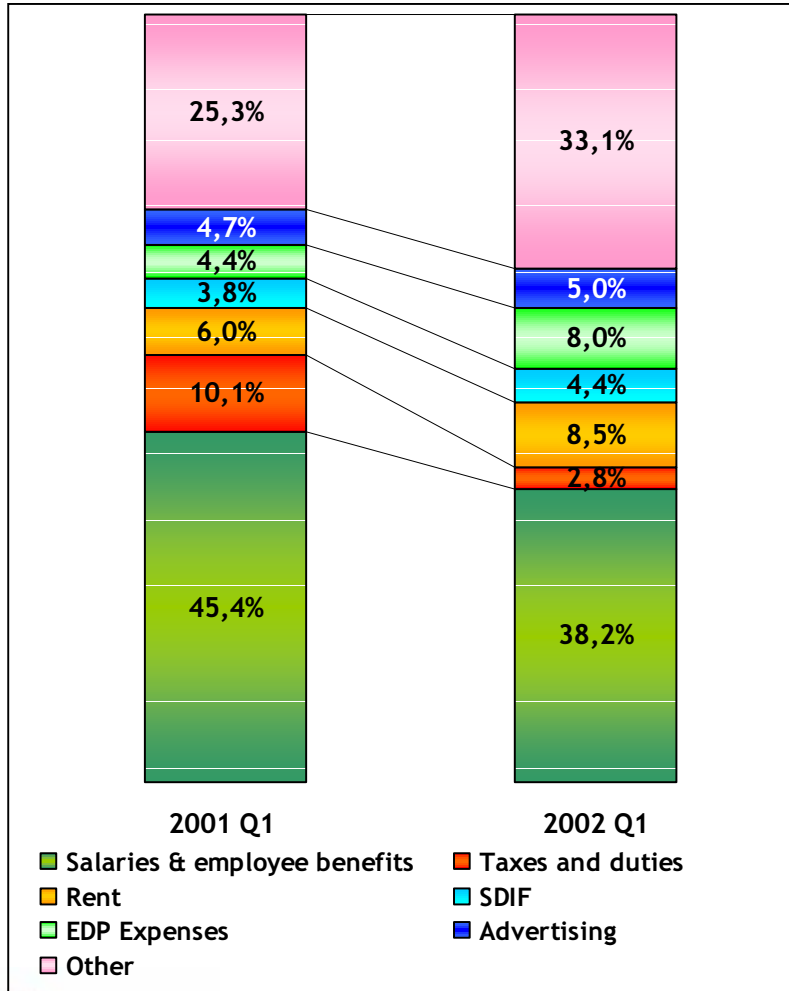
- ▶ As a result of Ottoman merger,
 - ▶ Salaries and wages went down by 43.0%,
 - ▶ Employee benefits down by 55.0%,
 - ▶ Advertising expenses to go down by 31.3%,
 - ▶ SDIF* expenses declined by 24.9% and,
 - ▶ Total other operating expenses declined by 15.5% as compared to a year ago.

- ▶ Excluding all provisions, impairment losses and depreciation expenses, net operating expenses were down by 35.1% from TL263,997 Billion to TL171,341 Billion as of Q1-02

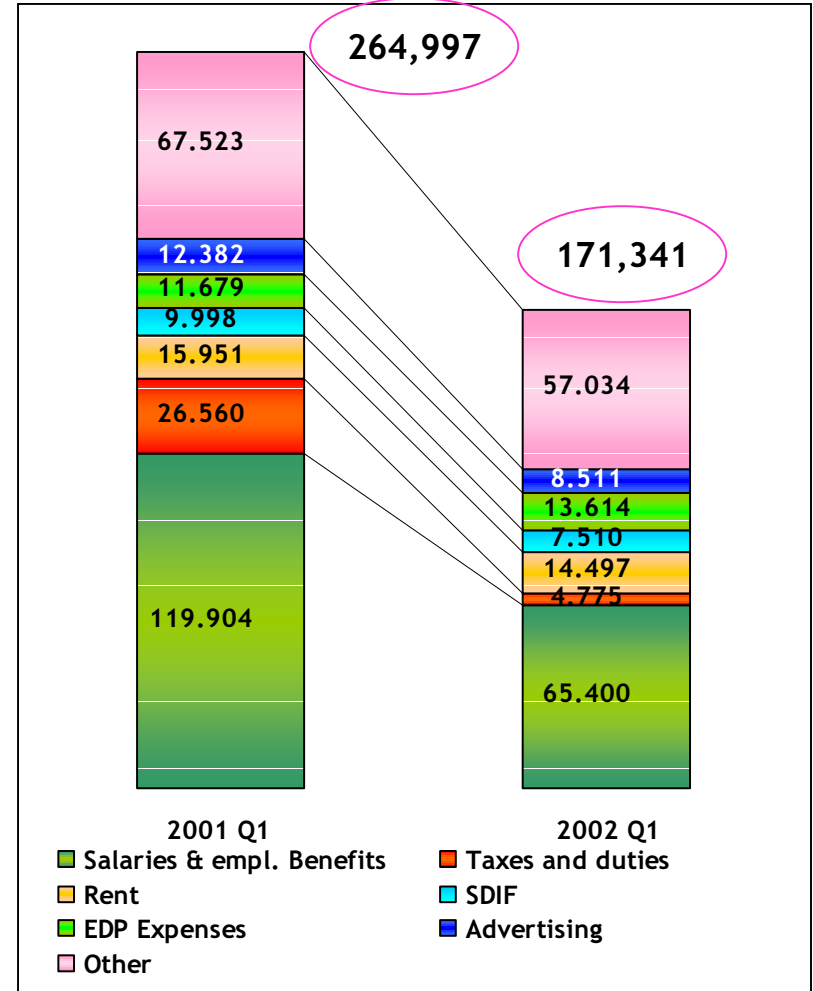
*Starting from the date of merger, banks are obliged to pay half of the Saving Deposit and Insurance Fund premium for the next two years

Operating Expenses*

Composition of Operating Expenses

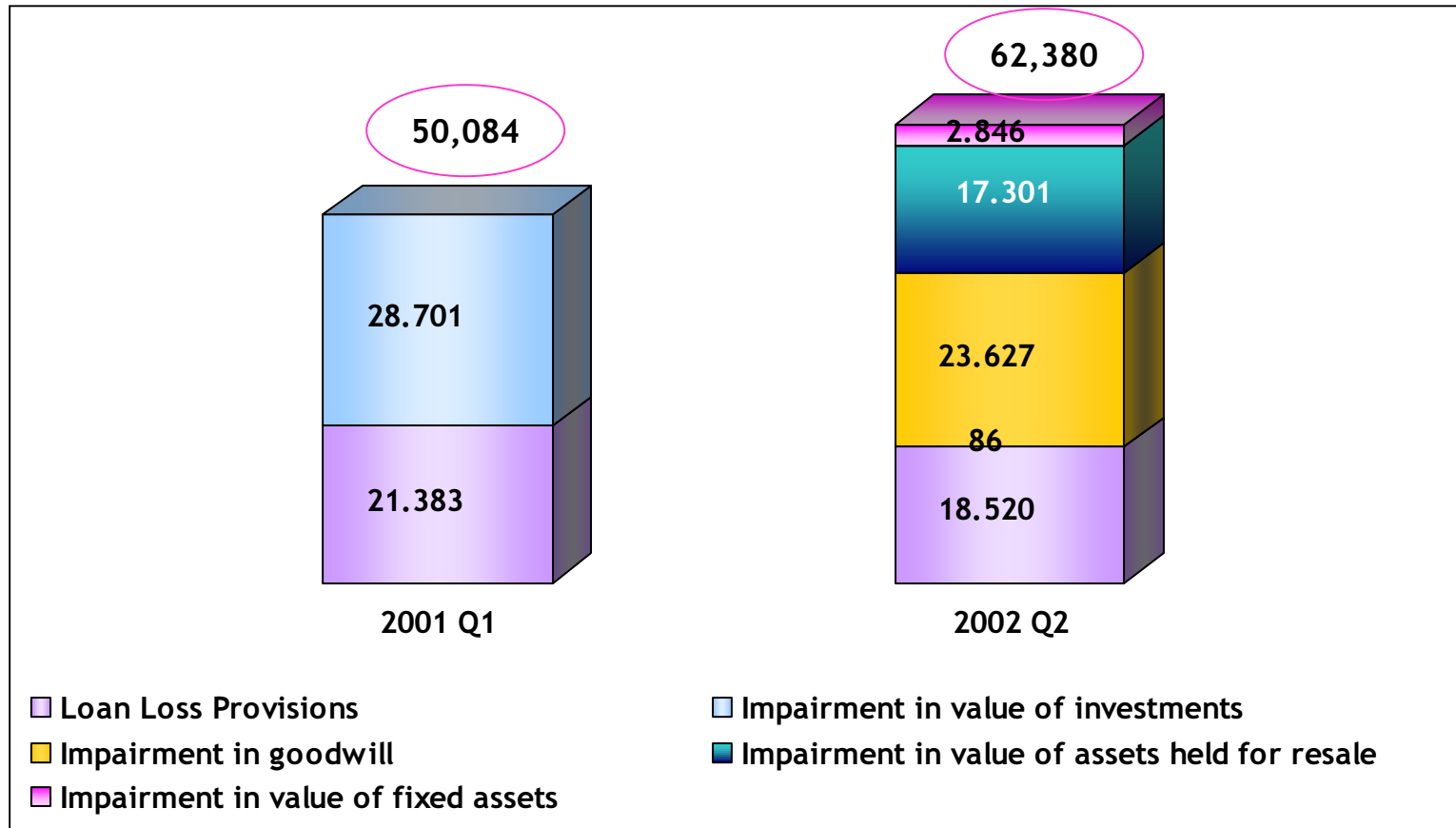


Operating Expenses (TL Billion)



*Excluding provisions, depreciation, FX losses, trading account losses and impairment losses

Impairment Losses (TL Billion)



Foreign Currency Position (TL Billion)

	2001	2002/Q1
On Balance Sheet Position	(191.883)	(33.123)
Off Balance Sheet Position	15.813	24.238
	(176.070)	(8.885)

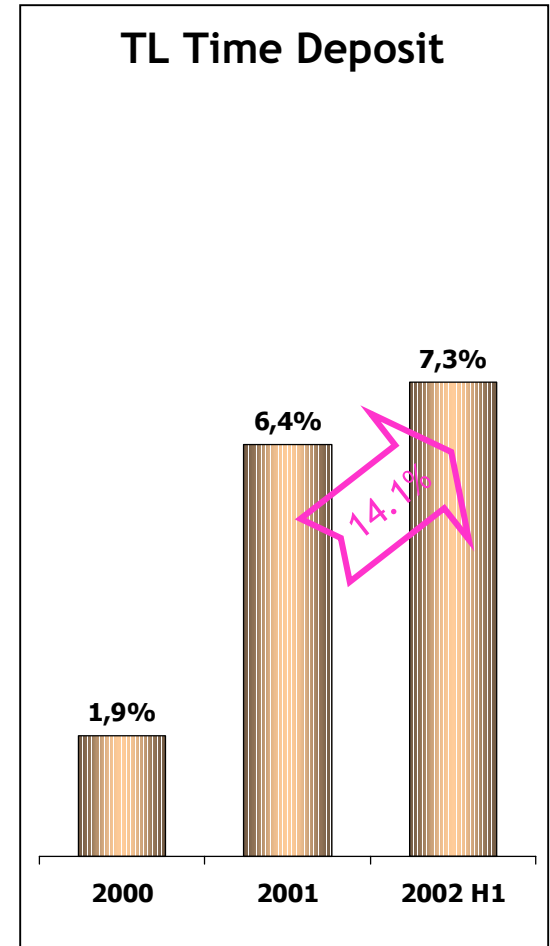
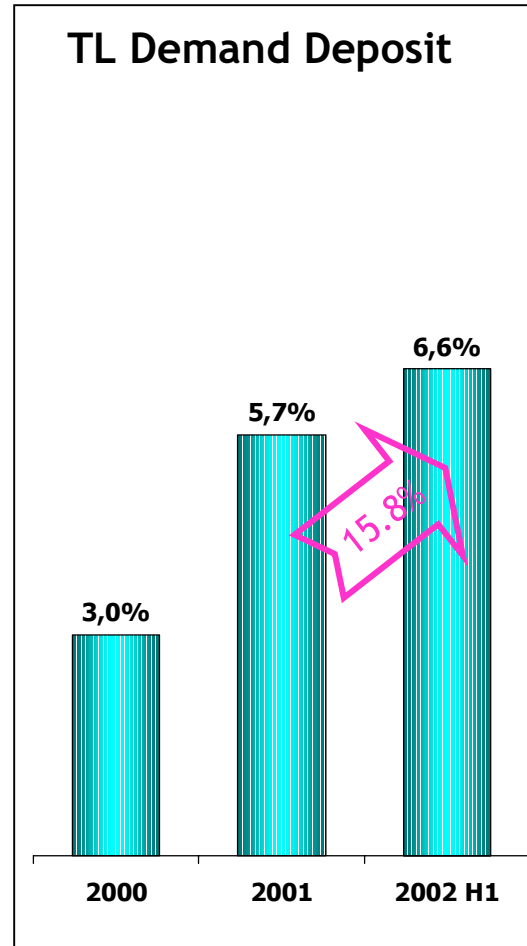
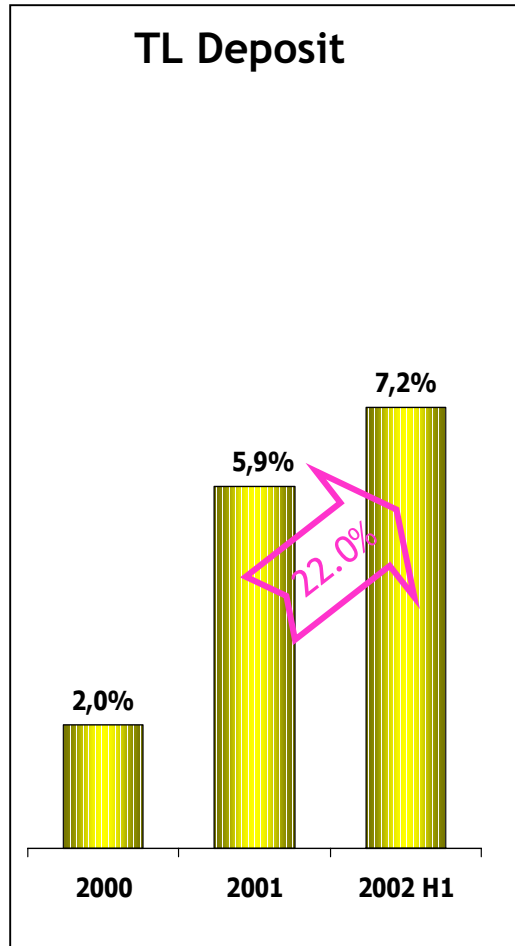
BIS - Capital Adequacy Ratio

	2001	2002 Q1
BIS - Capital Adequacy Ratio	12,53%	15,74%

Selected Ratios

	December 31, 2001	March 31, 2002
Deposits(including interbank deposits)/Total Assets	66,87%	65,00%
Cash Loans-net/Total Assets	31,58%	31,65%
Total Loans(cash&non-cash)/Total Assets	57,93%	55,14%
Non Performing Loans/Cash Loans-gross	8,7%	8,6%
Non Performing Loans/Cash&Non-cash Loans-gross	4,84%	5,02%
Total Shareholders' Equity/Total Assets	7,41%	8,90%
Allowance for Non Performing Loans/Non Performing Loans	46,68%	50,87%
Allowance for Non Performing Loans/Cash Loans-gross	4,79%	5,11%
Leverage	12,50	10,24
Total Liabilities/Total Assets	92,59%	91,10%
Net interest Income/Average Interest Earning Assets	-0,89%	4,55%
Adjusted Net Interest Income/Average Interest Earning Assets	-1,79%	5,40%
Net Interest Income&Net Trading Income/Average Int. Earning Assets	1,06%	5,77%
Bank Deposits/Deposits(interbank deposits included)	10,56%	6,36%
Interbank Takings & Bank Deposits/Core Deposits	11,81%	6,79%
Interest on Average Int. Earning Assets(excluding. trading gain-net)	20,51%	19,08%
Cost of Average Interest Bearing Liabilities (including fx loss)	23,99%	13,93%
Net Interest Spread	-3,89%	3,67%
Operating Expenses(excl. fx loss&fees and commissions)/Total Assets	5,75%	3,86%
Cost/Income (excluding extraordinary item)	186,32%	69,48%
Return on Average Assets	-3,33%	0,93%
Return on Average Equity	-37,89%	11,51%

TL Deposit Market Share*



Credit Cards Market Share

