

CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2002

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



Assets (TL Billion)

	December 31, 2001	September 30, 2002	Change
Cash and cash equivalents	2,589,271	1,749,962	(32.4%)
Financial assets held for trading	1,931,798	1,762,430	(8.8%)
Investments	5,438,936	5,799,369	6.6%
Loans and advances to banks	1,719,686	1,472,185	(14.4%)
Loans and advances to customers	6,871,751	7,103,902	3.4%
Other assets	1,053,778	934,816	(11.3%)
Investments in associated companies	76,626	83,316	8.7%
Tangible assets, net	1,582,288	1,508,126	(4.7%)
Intangible assets, net	164,139	120,233	(26.7%)
Deferred tax assets, net	330,193	414,873	25.6%
Total assets	21,758,466	20,949,212	(3.7%)

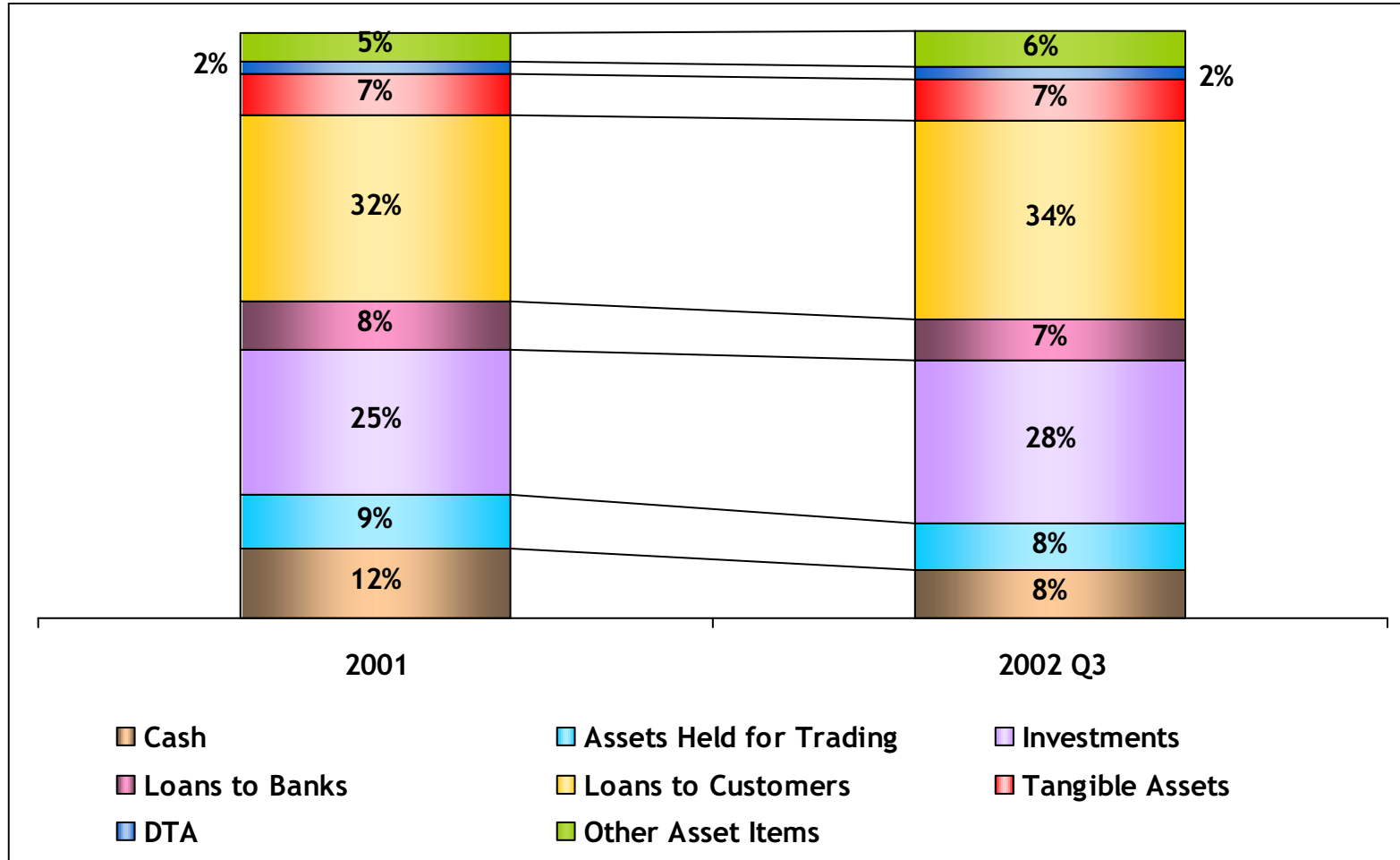
Liabilities and SHE (TL Billion)

	December 31, 2001	September 30, 2002	Change
Deposits from banks	1,536,670	677,360	(55.9%)
Deposits from customers	13,013,615	14,244,930	9.5%
Obligations under repurchase agreements	290,652	967,894	233.0%
Loans and advances from banks	4,108,156	2,220,545	(45.9%)
Bonds payable	87,106	71,983	(17.4%)
Current tax liability	35,052	38,096	8.7%
Other liabilities	1,015,897	939,457	(7.5%)
Total liabilities	20,087,148	19,160,265	(4.6%)
Minority interest	59,956	164,019	173.6%
Shareholders' equity			
Share capital; authorized, issued and fully paid	1,852,147	1,852,147	-
Accumulated losses	(240,785)	(227,219)	5.6%
Total shareholders' equity	1,611,362	1,624,928	0.8%
Total liabilities, minority interest and SHE	21,758,466	20,949,212	(3.7%)

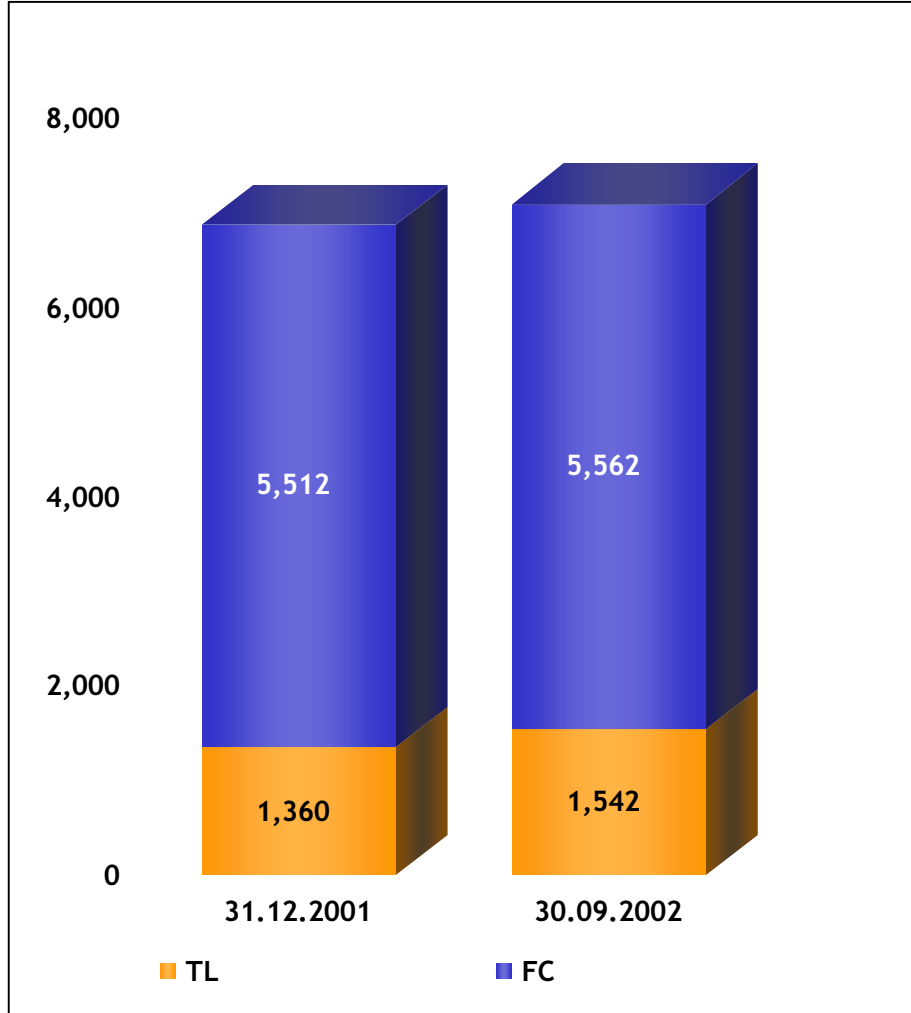
Income Statement (TL Billion)

	September 30, 2001	September 30, 2002
Total interest income	3,881,597	1,777,786
Total interest expenses	(3,813,769)	(1,759,009)
Net interest income	67,828	18,777
Net fee and commission income	146,963	241,600
Income before other operating items	214,791	260,377
Total other operating income	342,483	443,100
Total other operating expenses	(1,907,444)	(870,554)
Loss before gain/(loss) on net monetary position	(1,350,170)	(167,077)
Gain/(loss) on net monetary position, net	(60,895)	12,737
Loss before taxes	(1,411,065)	(154,340)
Taxation credit	473,338	145,632
Loss before minority interest	(937,727)	(8,708)
Minority interest	94,458	22,274
Net income/(loss) before extraordinary item	(843,269)	13,566
Extraordinary item	(35,016)	-
Net income/(loss) for the period	(878,285)	13,566

Composition of Assets



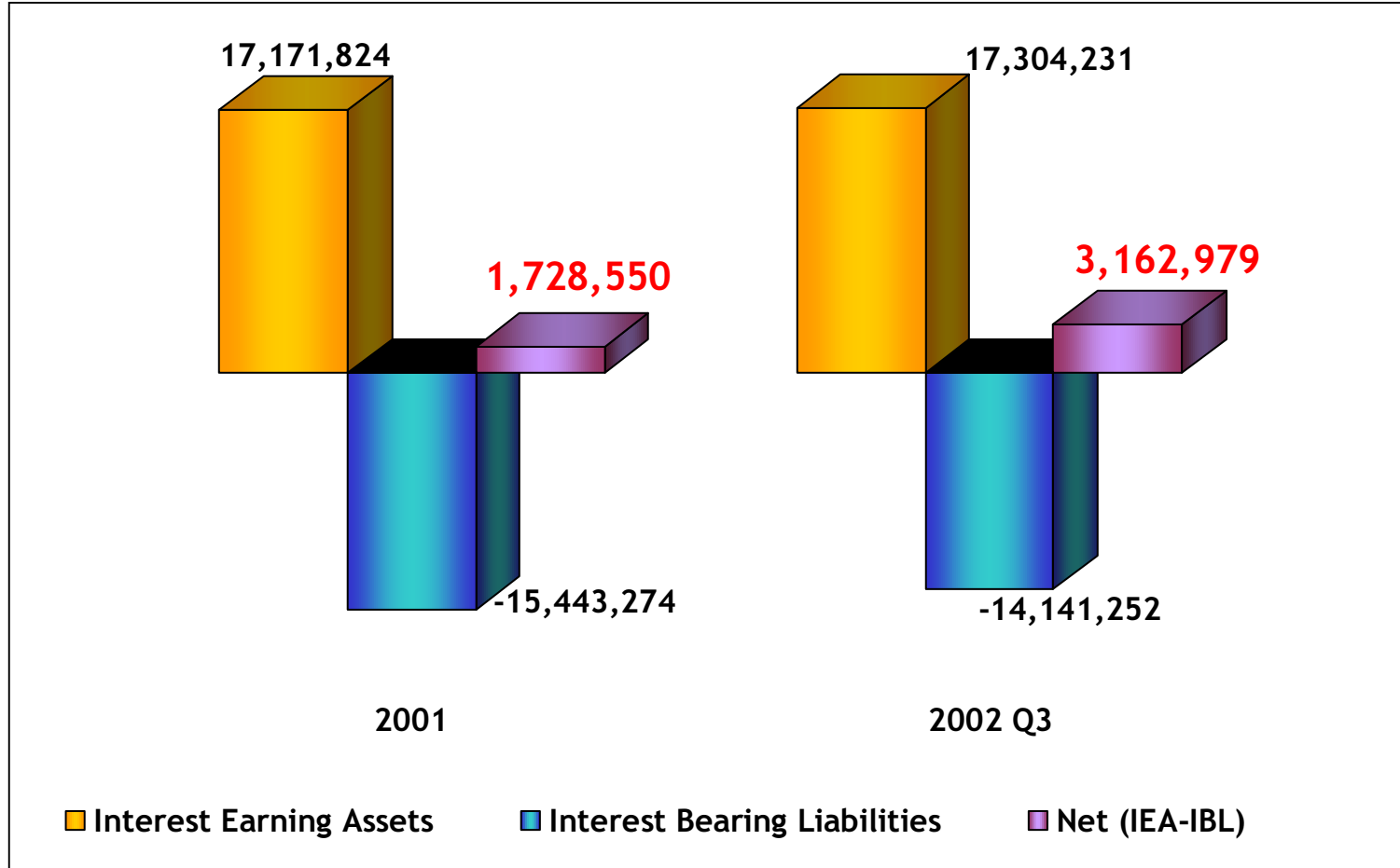
Loan Portfolio (TL Billion)



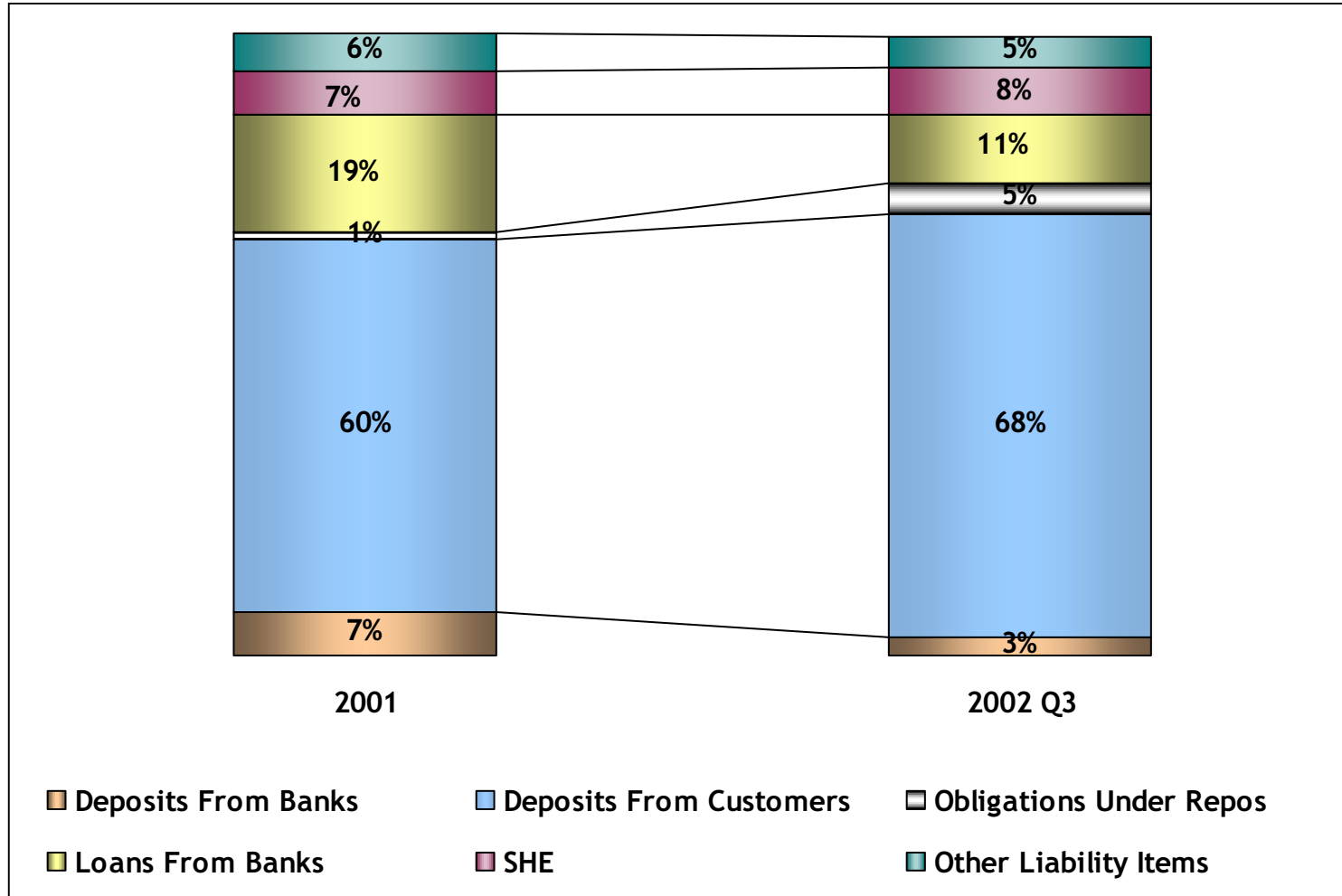
Asset Quality	31.12.2001	30.09.2002
NPLs/Cash Loans	8.69%	6.45%
Allowances for possible loan losses	45.10%	50.82%
Secured Loans	59.91%	62.83%
Unsecured Loans	40.09%	37.17%

Sectoral Breakdown	31.12.2001	30.09.2002
Industrial	38.63%	34.92%
Consumer Loans	11.04%	14.75%
Financial Institutions	8.99%	12.41%
Service Sector	8.50%	9.15%
Foreign Trade	10.54%	8.37%
Other	22.30%	20.40%

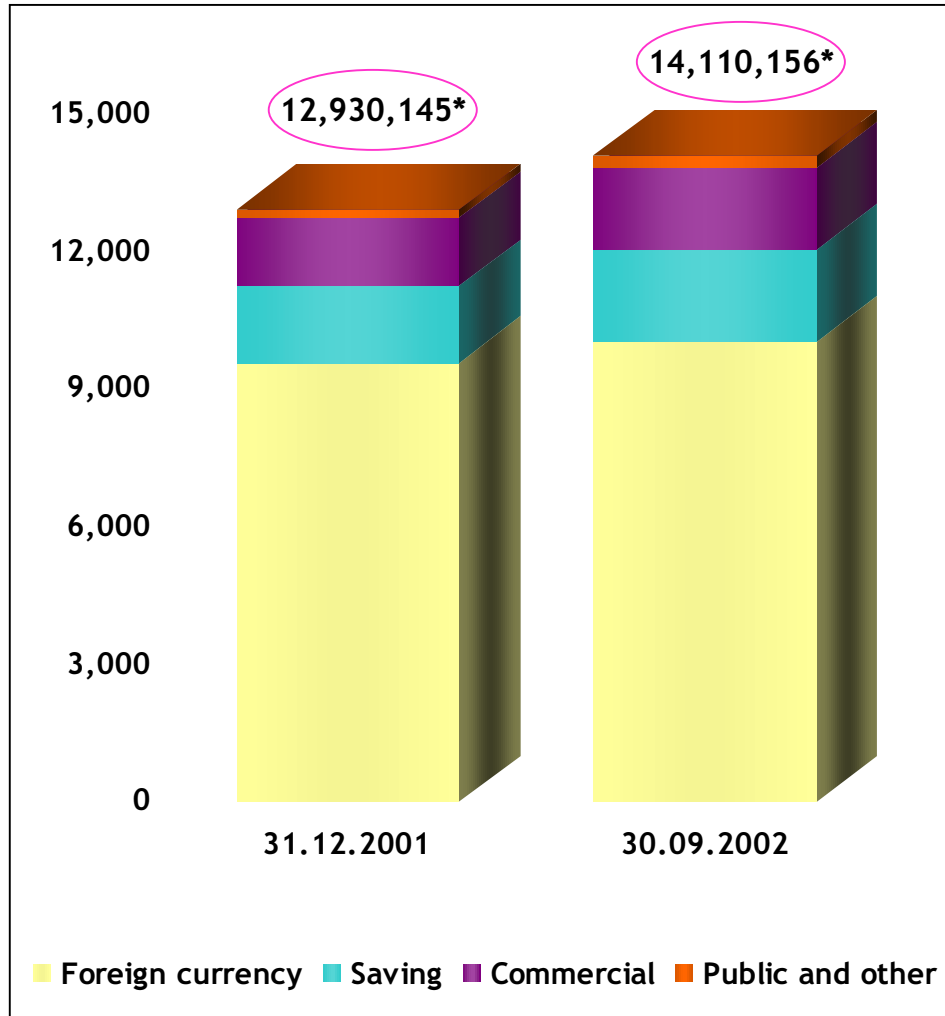
IEA vs. IBL



Composition of Liabilities and SHE



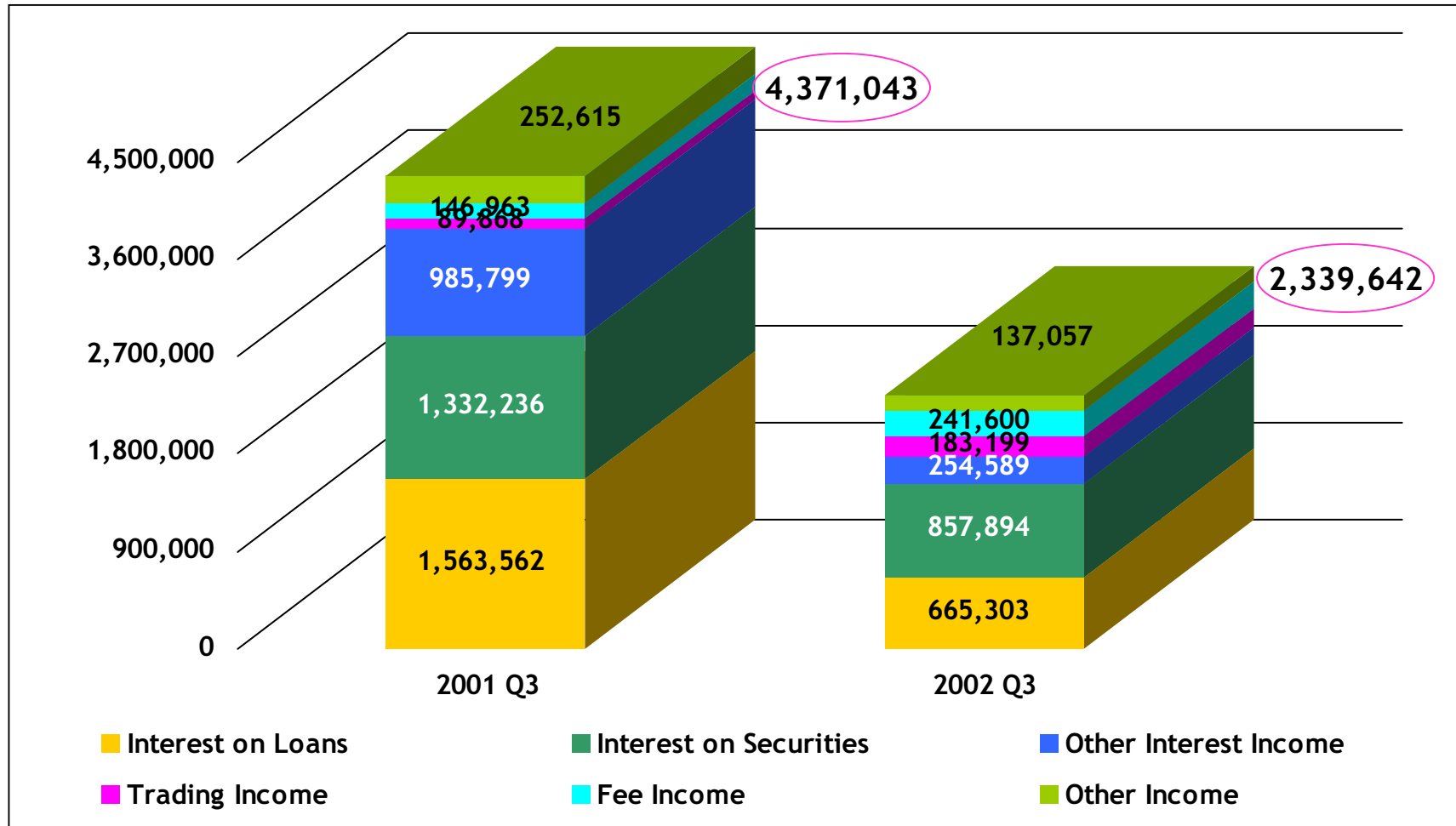
Deposits From Customers (TL Billion)



	31.12.2001	30.09.2002
FC Deposits		
Demand	28.77%	30.04%
Time	71.23%	69.96%
TL Deposits		
Demand	18.75%	19.73%
Time	81.25%	80.27%

*excluding accrued interest expense

Composition of Revenues (TL Billion)

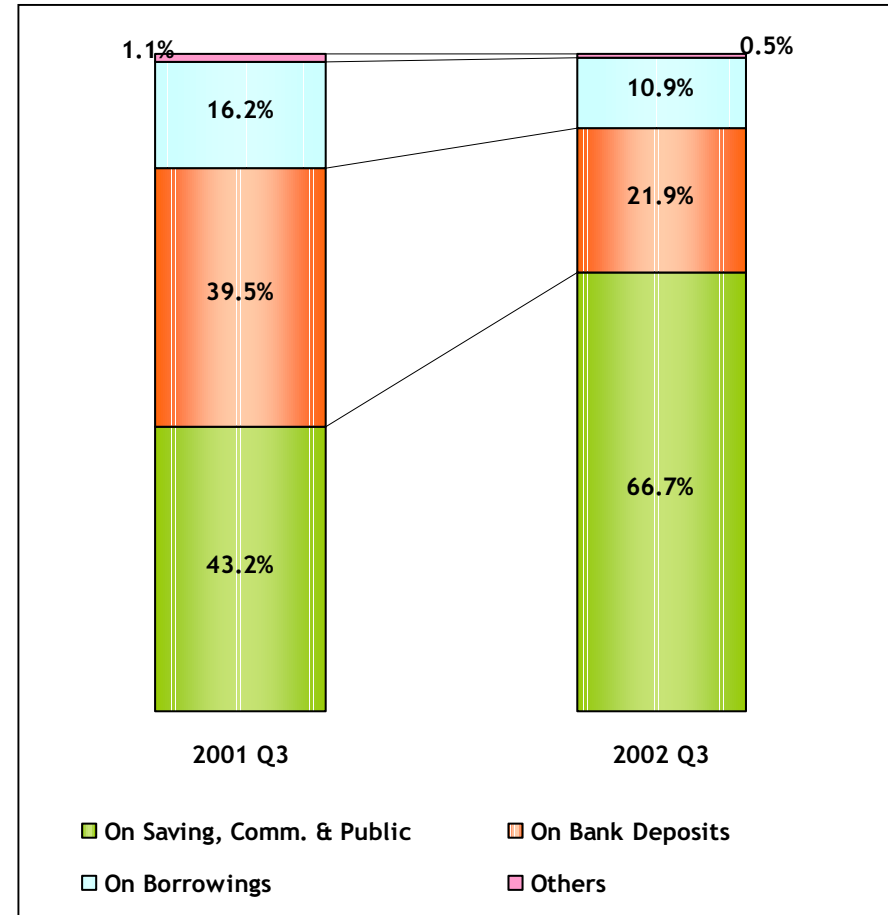


Composition of Interest Income & Interest Expense

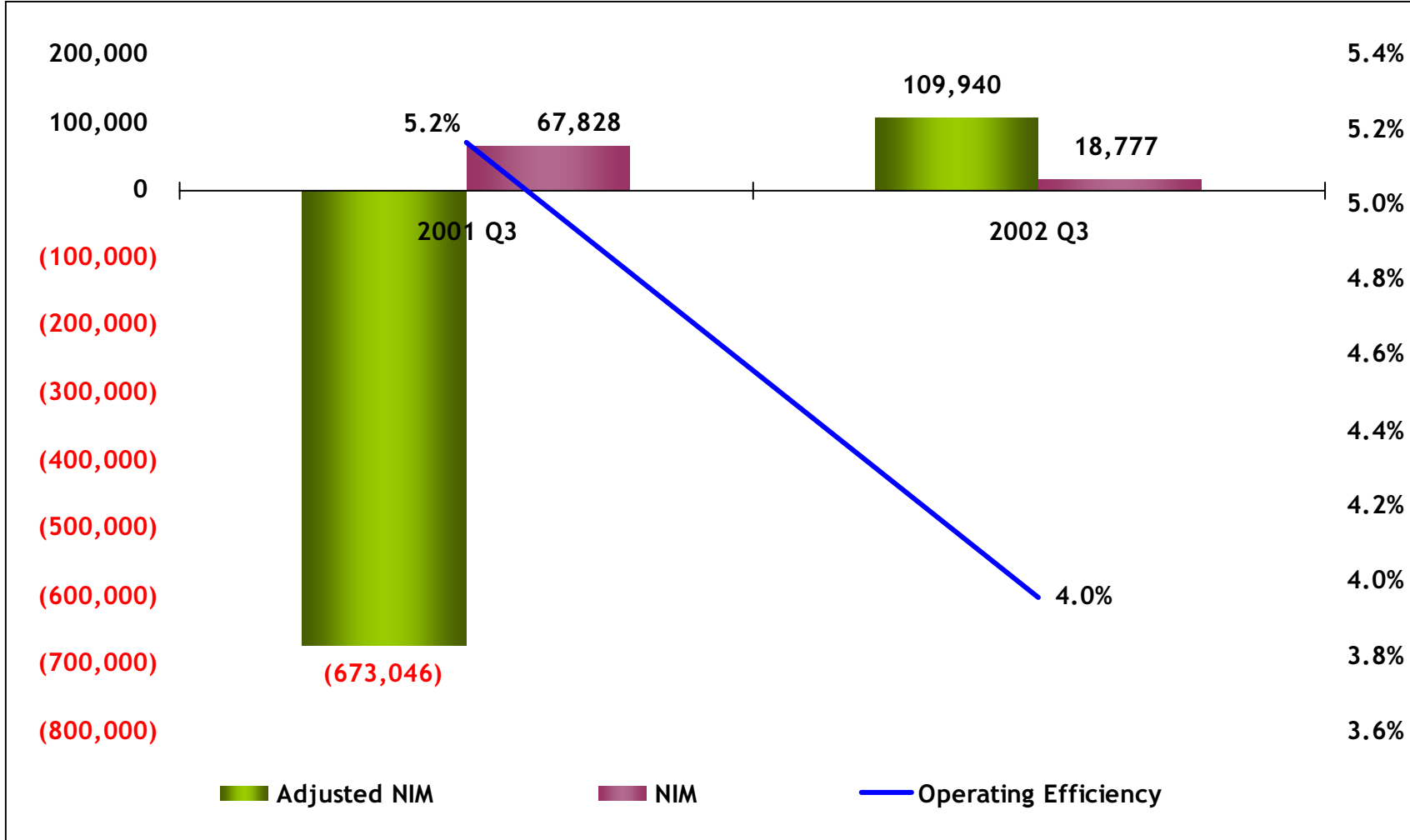
Interest Income



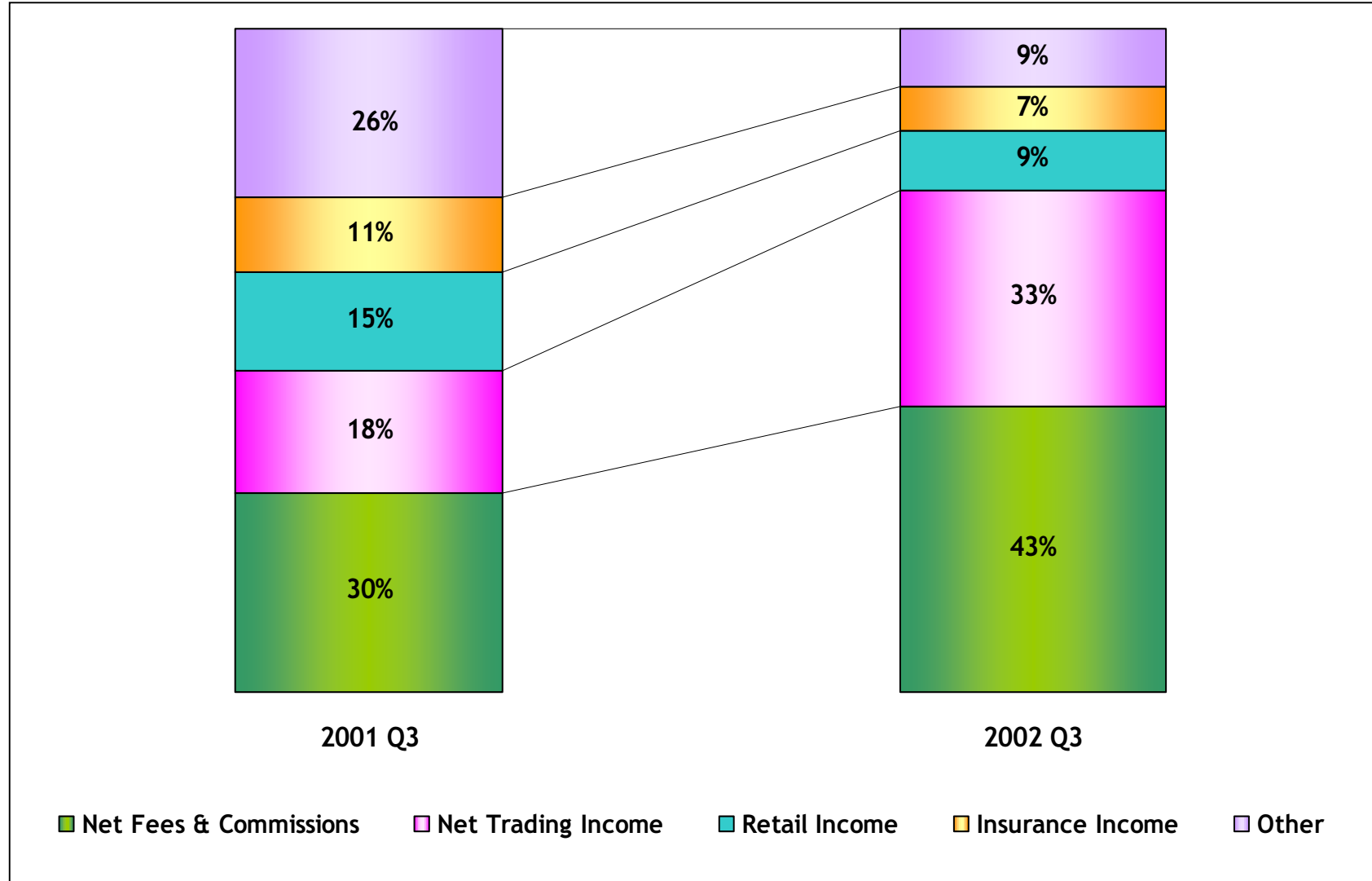
Interest Expense



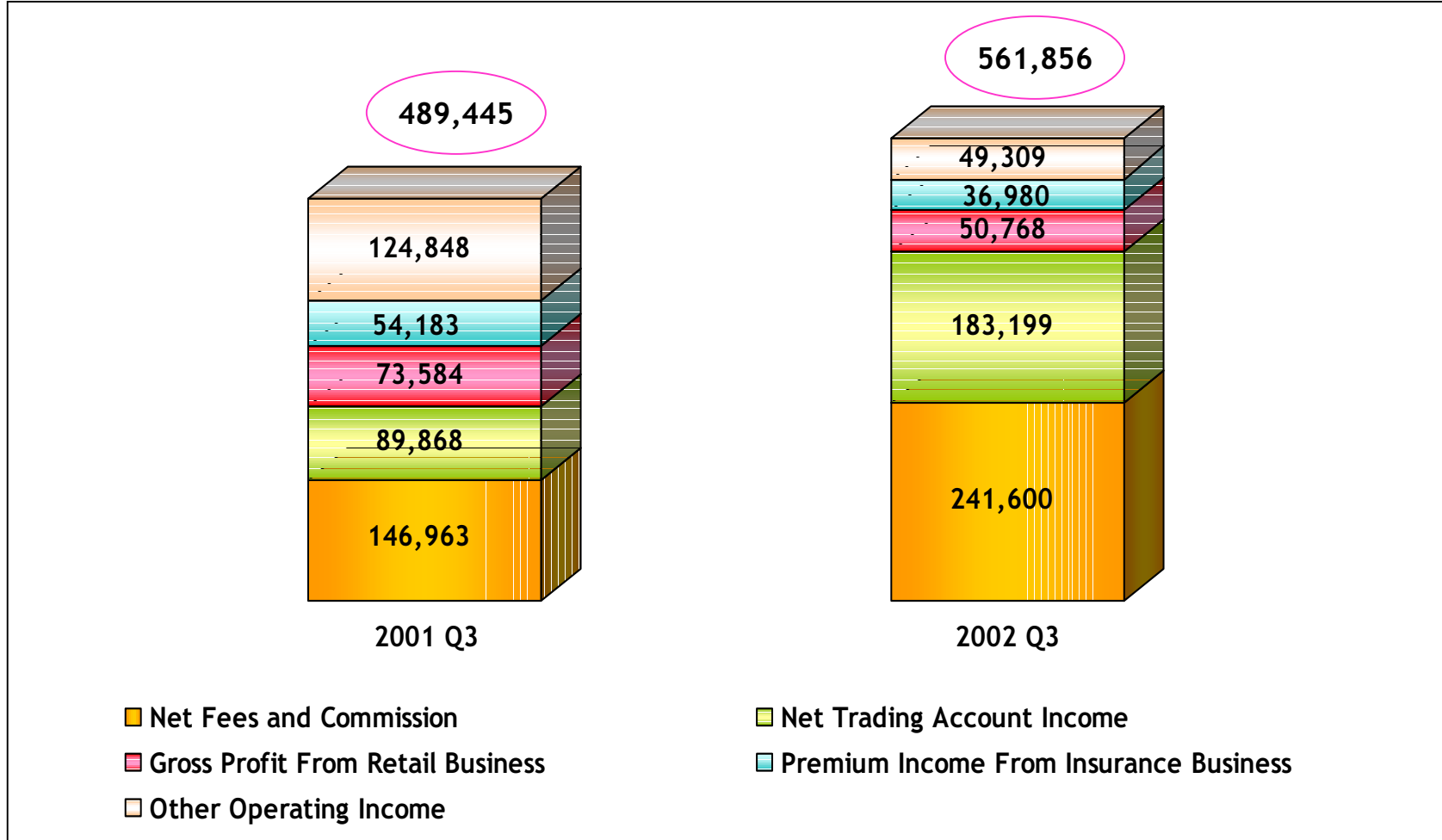
NIM (TL Billion) & Operating Efficiency (%)



Composition of Non-Interest Income



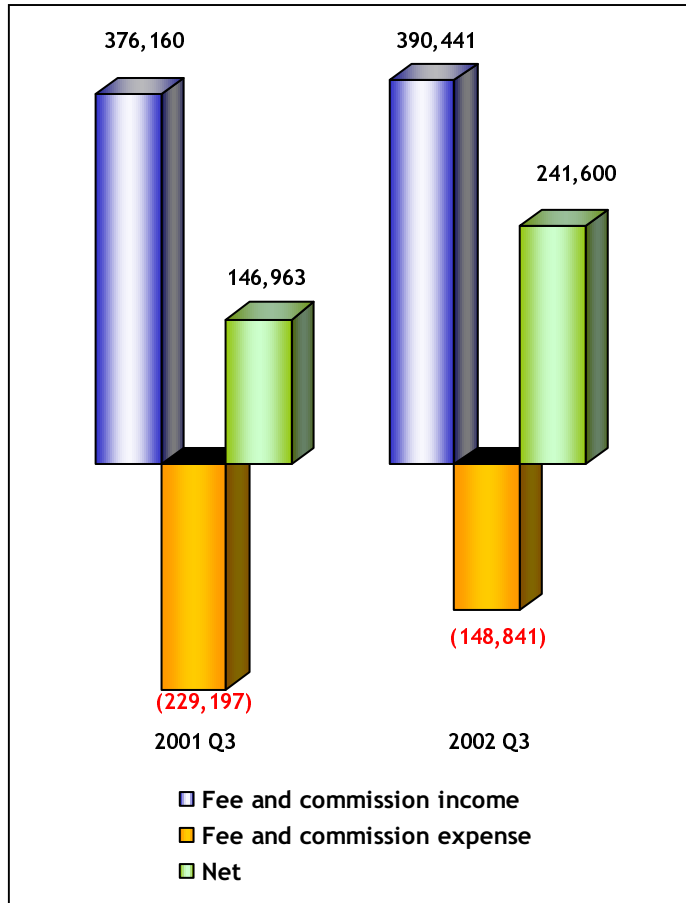
Non-Interest Income* (TL Billion)



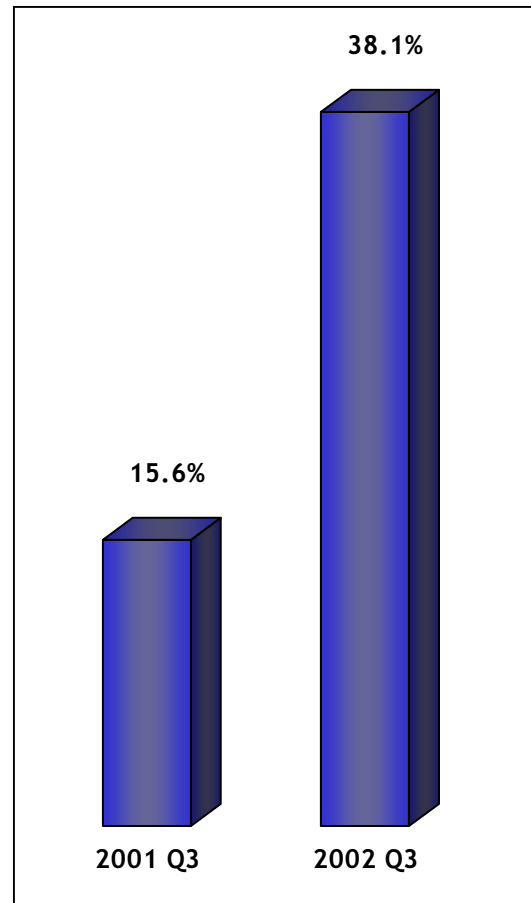
*Excluding net foreign exchange gain

Increased fee and commission income

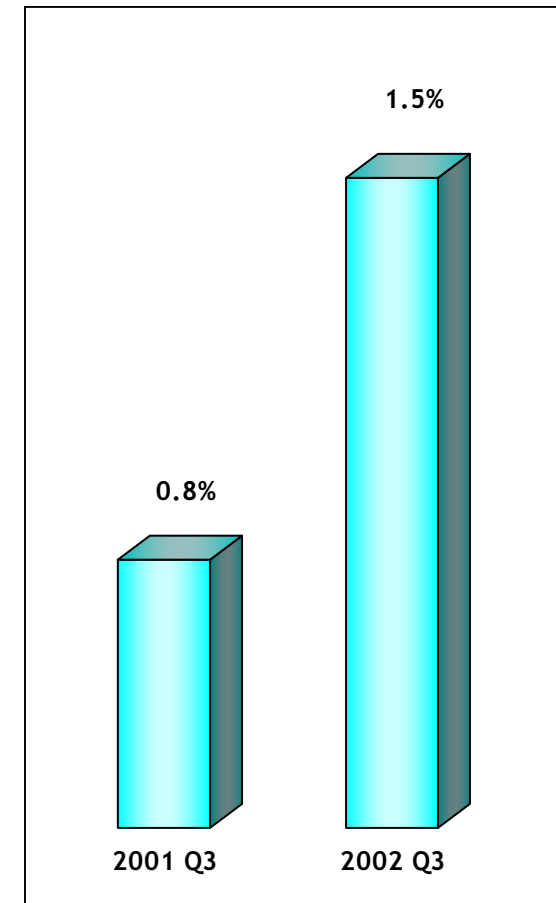
Fee and commission income (TL Billion)



Net Fee & Commission / Operating Expenses

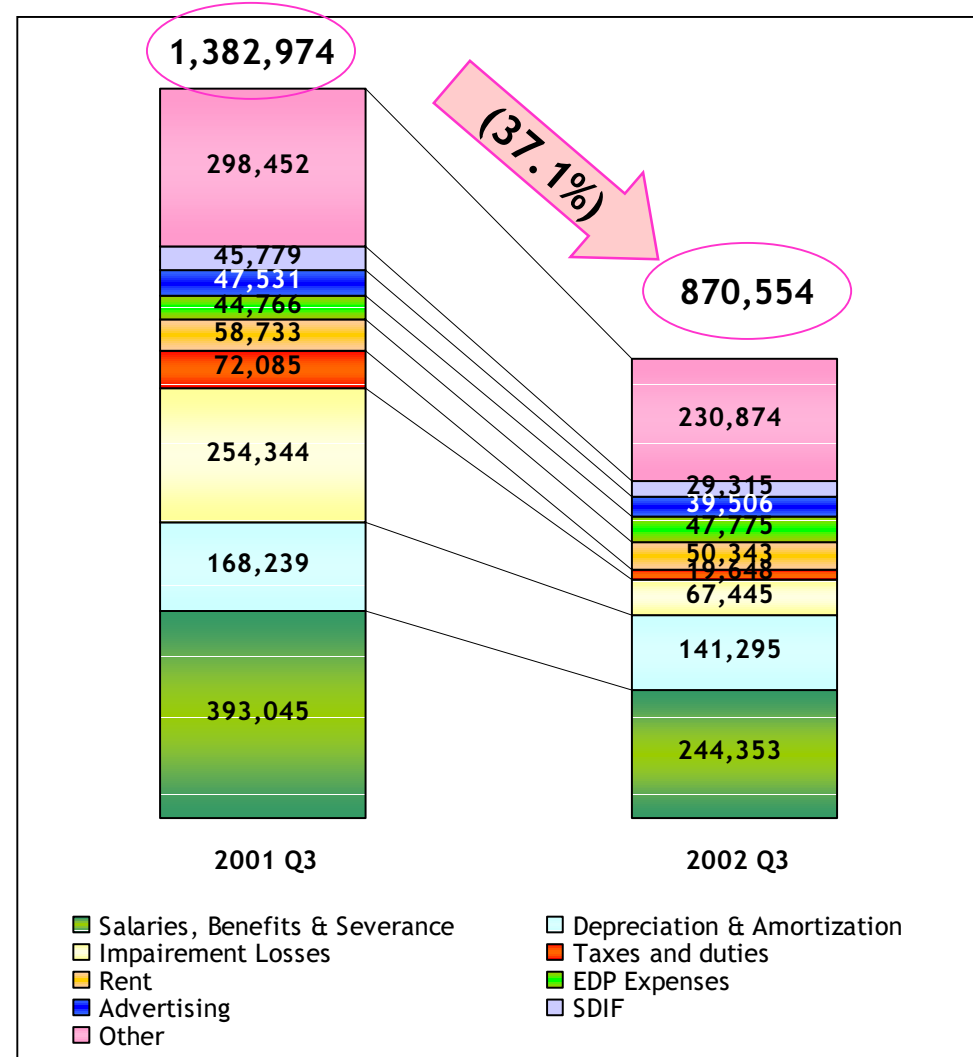


Net Fee & Commission / Average Assets

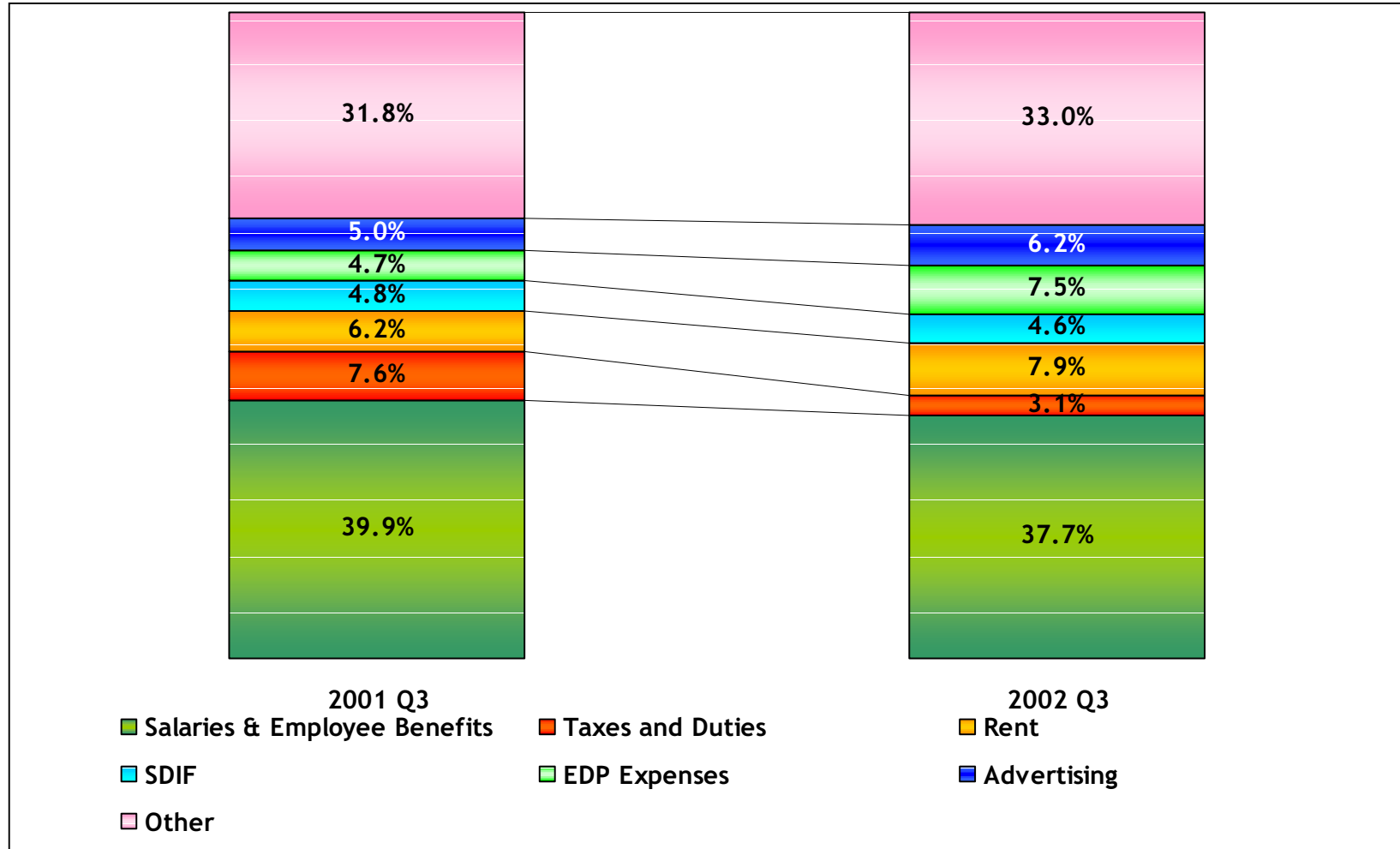


Non-Interest Expenses (TL Billion)

- ▶ Total non-interest expenses (excluding FX loss/gain) were down by 37.1% from TL1,382,974 Billion in 2001/Q3, to TL870,554 Billion in 2002/Q3.
- ▶ As compared to a year ago,
 - ▶ Salaries, benefits and severance payment provisions decreased by 37.8%,
 - ▶ Depreciation and amortization expenses were down by 16.0%,
 - ▶ Advertising expenses went down by 16.9%,
 - ▶ Taxes and duties other than on income decreased by 72.7%
 - ▶ Rent expenses were down by 14.3%, and
 - ▶ Other non-interest expense items declined by 41.6%

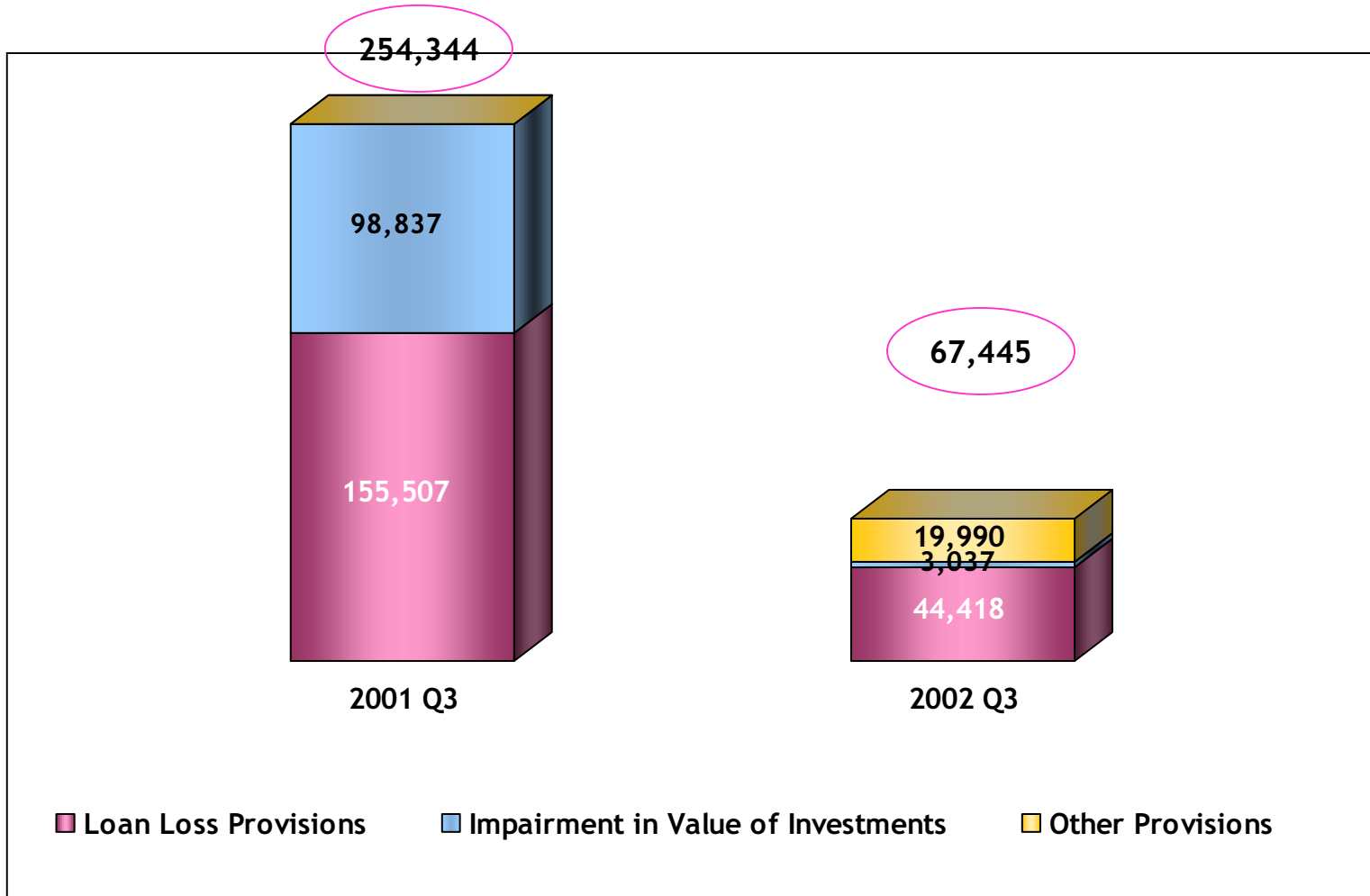


Composition of Operating Expenses



*Non-interest expense excluding provisions, depreciation, FX losses, trading account losses and impairment losses

Impairment Losses (TL Billion)



Foreign Currency Position (TL Billion)

	2001	2002/Q3
On Balance Sheet Position	(214,558)	28,783
Off Balance Sheet Position	17,682	48,818
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	(196,876)	77,601

BIS - Capital Adequacy Ratio

	2001 Q3	2001	2002 Q3
BIS - Capital Adequacy Ratio	10.08%	12.53%	13.48%

Selected Ratios

	31.12.2001	30.09.2002
Deposits(including interbank deposits)/Total Assets	66.9%	71.2%
Cash Loans-net/Total Assets	31.6%	33.9%
Total Loans(cash&non-cash)/Total Assets	57.9%	57.5%
Non Performing Loans/Cash Loans-gross	8.7%	6.5%
Non Performing Loans/Cash&Non-cash Loans-gross	4.8%	3.9%
Total Shareholders' Equity/Total Assets	7.4%	7.8%
Allowance for Non Performing Loans/Non Performing Loans	45.1%	50.8%
Allowance for Non Performing Loans/Cash Loans-gross	3.9%	3.3%
Leverage	12.5	11.9
Total Liabilities/Total Assets	92.6%	92.2%
Net interest Income/Avg. Int. Earning Assets	-0.9%	0.2%
Adjusted Net Interest Income/Avg. Interest Earning Assets	-1.5%	0.9%
Net Interest Income&Net Trading Income/Avg. Int. Earning Assets	1.1%	1.6%
Bank Deposits/Deposits(interbank deposits included)	10.6%	4.5%
Interbank Takings & Bank Deposits/Core Deposits	11.8%	4.8%
Interest on Avg. Int. Earning Assets(excluding. trading gain-net)	21.3%	14.7%
Cost of Avg. Int. Bearing Liabilities (including fx loss)	25.3%	15.9%
Net Interest Spread	-4.0%	-1.2%
Operating Expenses(excl. fx loss&fees and commissions)/Total Assets	5.8%	4.0
Cost/Income (excluding extraordinary item)	227.85%	94.5%
Return on Average Assets	-3.4%	0.1%
Return on Average Equity	-37.9%	1.1%

Summary of 2002/Q3

- ▶ Total assets were TL20,949,212 Billion
- ▶ 34% of assets were composed of loans to customers and NPL ratio was down to 6.5%
- ▶ Allowances as a percentage of NPLs were 50.8%
- ▶ Deposits from customers were up by 9.5% in the January-September period; constituting 68.0% of assets as of 2002/Q3
- ▶ Adjusted net interest income was TL109,440 Billion as of 2002/Q3, as compared to a negative TL673,046 Billion in 2001/Q3
- ▶ Net fees and commission income was up by 64.4%, as compared to 2001/Q3, reaching TL241,600 Billion
- ▶ Operating expenses declined by 32.8% on a year-on-year basis
- ▶ Operating expenses to average assets ratio decreased further to 4.0% by 02/Q3 from 5.8% in 2001
- ▶ Net income was TL 13,566 Billion in 2002/Q3, as compared to a negative TL878,287 Billion in 2001/Q3
- ▶ BIS capital adequacy ratio is 13.48% as of 2002/Q3