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SUBJECT : **June 30, 2002, BRSA Solo Financial Statements**
DATE : **August 21, 2002**

FINANCIAL HIGHLIGHTS / SOLO¹

(TL Billion)	June 30, 2002
Total Assets	17,545,936
Cash Loans (net)	4,672,724
NPL (%)	9.4%
Provision % for NPL's	53.1%
Total Deposits	11,609,456
Total Shareholders' Equity	1,408,983
Net Income	41,026
Capital Adequacy Ratio	12.94%

Garanti reported a net income of TL41,026 Billion in the second quarter of 2002. The Bank's asset size increased to TL17,545,936 Billion, 13.1% above the first quarter of the year, mainly due to the depreciation of TL versus US\$ and slight pick up in the loan book. The capital adequacy ratio was 12.94% as of June 30, 2002. ROAA and ROAE were 0.5% and 5.9% as of June 30, 2002, respectively. ¹

¹ In order to make a comparison the WPI index used in converting December 31, 2001 and March 31, 2002 financial statements are "1.12527" and "1.03417".

Selected Figures (As of August 15, 2002)

Employee (excluding security)	5,621
Branches (including branches & offices abroad)	327
Credit Cards	2,036,818
POS	54,948
ATM	693

DISCLAIMER STATEMENT

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MACROECONOMIC OUTLOOK

In the second quarter of 2002, adverse impacts of the recent political noise, accompanied by a steep Lira depreciation and a resulting sharp increase in interest rate, had limited effect on Turkey's efforts to achieve a structural break in the dynamic properties of inflation. May-July inflation numbers portrayed an encouraging view, while Turkey's industry continued to register another significant growth without endangering the achievement of related performance criterion.

Notwithstanding May-July Lira devaluation of 31.7%, WPI inflation registered a 4.3% rise, while CPI inflation remained lower at 2.6%, bringing the y/y inflation rate down to 41.2% for CPI and 45.9% for WPI. The 'floating exchange rate regime' created a significant expenditure switching effect, which led to a substitution in consumption away from imports to local goods. Import substitution, thus, slowed down the degree of pass-through of the Lira depreciation to the final consumer goods prices. Approval of the political reforms for EU accession significantly improved local market sentiment, partly restoring confidence in the Lira. The parliament's progress on EU convergence, thus, helped ease the foreign market pressure, bringing the Lira from a trading range of TRL 1.65-1.70 million down to around 1.63-1.65 million range.

In the aftermath of approval of the amendments required prior for getting a date from the EU, a two percentage-point O/N rate cut caused T-bill rates to go down from 75% to 67%. This helped facilitate the Treasury's debt rollover through lowering the private banks' appetite for parking money at the Central Bank. Prevailing interest rate policy framework implies that the Central Bank may further reduce its O/N borrowing rate for the remainder of this year by 200-300 basis points to 44-45% without disturbing the disinflation any process.

Industrial output rose by 6.6% y/y in June, bringing the 1H 2002 output growth to 7.3%. Another point worth noting was that June capacity utilization rate reached 76.3%, the highest figure since the beginning of the year. Of the 22 sectors in manufacturing industry, 17 were all export-oriented sectors. Following a 4.9% rise in exports in January-May, data from the Turkish Exporter's Assembly implied a 5.1% rise in June and a record US\$ 3.1 bn in July, with a 29.3% increase. Note also that VAT on imports, as a leading indicator of growth, scored another buoyant performance in June. VAT on imports rose by 62.3% to TRL 716.7 qln (US\$ 494 mn), the highest level since December 00.

If the Lira stays within the IMF projections, it is very unlikely that credit availability be hampered. Therefore, we expect industrial output growth to remain positive in the months ahead, but to decelerate around 5-7% from its average of 12.8% during March- June 02. Such performance in the industrial production will likely to help the end-year GNP growth target of 3.0% to remain within reach.

On the fiscal policy front, the coalition government met all the performance criteria for the fiscal policy in the first half of the year. The government reached a consolidated public sector primary surplus of

TRL 5.4 qln, TRL 1.2 qln (0.4% of the projected GNP) above the program target, even though non-interest expenditures appeared to jeopardize the end-year target due to widening fiscal gap in the social security institutions. First-half 2002 tax revenues showed a 3% real decline, putting the end-year target in doubt. Partly offsetting these pressures, the government is expected to shift some transfer payments to 2003, while achieving budget savings of about TRL 400 tln. Profit transfers from the Central Bank (totaled TRL 3.0 qln) will help plug the remaining fiscal gap. Given the risks to public finances, the Treasury reintroduced a strengthened primary dealership to ensure private sector appetite for new government securities.

Looking forward, guidelines for the 2003 budget, based on real GNP growth of 5% and inflation of 20%, indicate that 2003 primary expenditures will remain unchanged in real terms. In addition, by September 2002, the government is expected to adopt an action plan leading to further reductions (more than 3%) in the public investment program. Regarding 2003 public sector employment policy, the government appears to remain committed to increasing civil service salary in line with the end-year inflation target of 20% and maintaining an early retirement scheme. 16,611 additional public workers are expected to retire from state enterprises until, at least, the end of October 2002.

THE TURKISH BANKING SECTOR

Following the financial crisis, the consolidation process in the banking sector continued with total assets of the sector falling from US\$ 156.2 billion in 2000 to US\$ 120.8 billion in 2001. The number of banks in the system declined from 79 in 2000 to 61 in 2001, and finally to 57 in August 2002. Similarly, the number of branches declined from 7,789 in 2000 to 6,868 in 2001, and to 6,303 in August 2002.

The most significant event of the second quarter was the takeover of Pamukbank by the SDIF. The first phase of the Banking Sector Restructuring Program was completed, and the results were announced in June 2002. According to the audit results, Pamukbank was found insolvent and the acquisition proposal by Yapı Kredi Bank was not found feasible. Hence, the SDIF took over Pamukbank, transferred its non-performing related party loans to the SDIF's Collection Department, and put it up for sale. Pamukbank was the seventh largest bank of the Turkish Banking Sector with an asset market share of 5.5%. Based on the audit results, the total assets of the Bank amounted to TL 6.3 quadrillion (US\$ 4 bn), and the loan portfolio amounted to TL 5.5 quadrillion (US\$ 3.5 bn) as of December 2001. The NPL ratio and NPL coverage were %49 and %28, respectively.

A significant progress has been recorded on the restructuring of state banks. Major branch closures and employment reductions have taken place. 788 branches were closed down between April 2001

and June 2002, while the number of employees declined by 29,000 from April 2001 to July 2002. Next step will be the privatization of Ziraat Bankası, Vakıfbank and Halkbank.

The Letter of Intent dated July 30, sets a new timetable for the restructuring of the banking sector. In regard to the four remaining banks under SDIF management: if Toprakbank is not sold by September 16, its license will be revoked by end-September, and it will either be merged into another bank or liquidated. Liquidation of Türk Ticaret Bank will continue in line with the court ruling. Tarisbank's license will also be revoked if no qualified investor offers to purchase by end-August.

For Pamukbank, the deadlines for potential bidders to conduct due diligence and submit their bids are September 27 and October 4, respectively. Meanwhile, efforts for the establishment of an Asset Management Company have been intensified. The SDIF will develop a sale strategy for disposal of assets held by the Collection Department by end-September. All in all, the Turkish banking system is in the midst of an ongoing restructuring and change process, which aims to establish the necessary surroundings for a sound banking system.

Operating Performance

As of H1/02, Garanti's total interest income was TL1,511,857 Billion, up by 97.7% on a quarter-to-quarter basis. Interest income on loans continued to increase in the same path to reach TL410,204 Billion, composing 27.1% of total interest income. The largest component of interest income was interest earned on securities, whose portion went up to 59.7% as of H1/02, from 45.7% as of Q1/02.

Total interest expense was TL1,030,845 Billion for the first half of 2002. On a quarterly basis, increase in interest expense was 13.2% as compared to Q1/02, due to the increase in interest paid to interbank funds. The share of interest paid to deposits was down to 84.3% during Q2/02. Interest paid on interbank funds was TL52,028 Billion as of June 30, 2002. Interest paid to funds borrowed was TL108,945 Billion, composing 10.6% of total interest expense.

Net interest income as of H1/02 was TL481,012 Billion. Adjusted NIM (by FX loss and loan loss provision) came down to TL205,143 Billion, bringing down the (adjusted NIM) ratio to 3.0% in H1/02, from 8.4% in Q1/02. Net FX loss was TL251,706 Billion mainly due to the classification of FX gain on FX-indexed securities under interest income rather than under FX gain.

On the non-interest side, net fees and commissions continued to increase in Q2/02, and reached TL105,759 Billion as of June 30, 2002. On a quarter-to-quarter basis, net fees and commissions were up by 18.8%. This is a reflection of the slight pick up in the economic recovery. Fees and commissions earned on cash loans were up by 697% on a q-q basis, and the share increased to 13.3% from 3.2% in Q1/02. Net fees and commission income composed 41.3% of net non-interest income in H1/02, as compared to 34.3% in Q1/02. Net fees and commission coverage of net operating expenses remained the same in Q2, at 42.9%. Fees and commissions from credit card business composed 56.2% of the total in H1/02, as compared to 52.4% in H1/01. Due to high interest rate volatility in the second quarter of the year, relative to the previous quarter, mainly because of the health problems of PM Ecevit and the new formations in political area, the Bank had a higher trading income during this period. On a net basis, trading income was TL85,495 Billion, 116.6% above the first quarter's figure and a q-q basis. Dividends from affiliates were TL47,348 Billion. Total net non-interest income was TL256,163 Billion as of June 30, 2002.

Non-interest expense (excluding fees and commissions, trading account loss and FX loss) was TL439,759 Billion as of June 30, 2002. Personnel expenses were TL81,381 Billion, almost the same as in Q1/02. On a quarterly basis, there was a slight decline in rent expenses to TL15,742 Billion. Provisions for non-performing loans were TL24,163 Billion and other provisions were TL123,561 Billion in the second quarter. Other non-interest expenses increased by 40.5% over the first quarter, on a quarterly basis, mainly due to increased PC usage expense (due to higher exchange rate in the second quarter), and advertising expenses. Operating expenses (net non-interest expense, excluding all provisions and amortization expense) were TL246,384 Billion during the first half. On a quarterly basis, this corresponded to a 18.5% rise. Cost to income ratio was 71.6% during H1/02. Efficiency

ratio (net operating expenses to average assets) was 2.8%.

The Bank reported an earning before tax of TL45,710 Billion as of H1/02. After tax provision deduction and monetary gain addition, net income stood at TL41,026 Billion for the first half of the year 2002.

Return on average assets was 0.5%, and return on average equity was 5.9% during the first quarter of 2002. The capital adequacy ratio was 12.94%.

Balance Sheet

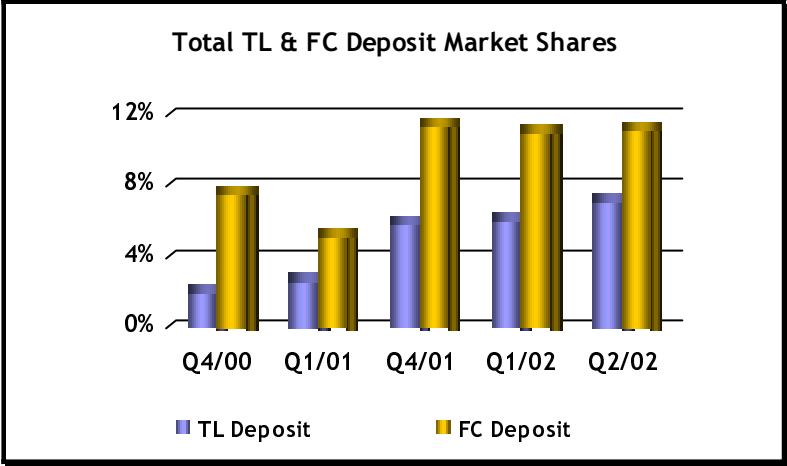
Garanti reported total assets of TL17,545,936 Billion for the first half of 2002. This corresponds to a 13.1% rise over the first quarter, whereas there is still a 3.4% decline year-to-date. Total cash and banks composed 9.9% of assets, to reach TL1,732,637 Billion. Total securities portfolio was TL6,270,292 Billion during H1/02, and composed 35.7% of assets, as compared to 39.2% in Q1/02. Net cash loan book went up to TL4,672,724 Billion, up by 20.6% over the first quarter, and 4.6% YTD. Cash loans composed 26.6% of total assets. The increase was driven by the depreciation of TL versus US\$, and by the increased credit card balances and project finance loans. The share of credit card balances in total cash loan book was 12.5% in H1/02, as compared to 11.7% in Q1/02 and 9.4% in 2001 YE. Similarly, project finance loans share in cash loans increased to 7.6% in H1/02, up from 6.2% in Q1/02. On a line of business basis, share of corporate banking decreased to 44.2%, and share of commercial banking rose to 35.1%. Loans to SMEs composed 4.3% of total cash loans, whereas retail loans (including credit cards) made up the remaining 16.4%. Share of foreign currency loans slightly increased to 79.1% during the second quarter, whereas increase in FX loans in real terms was 22.1% over the first quarter. Export loans, working capital loans and project finance loans all showed an increase in the second quarter of 2002 over the first quarter. In project finance area, total commitments reached approximately US\$900 Million as of mid-August, whereas withdrawals were to increase about 15% in US\$ terms. Gross and net NPLs were TL485,761 Billion and TL227,915 Billion, respectively during H1/02, bringing down further the NPL/Cash loans ratio to 9.4% from 11.6% in Q1/02. In the light of relatively optimistic economic conditions (as compared to year 2001), the Bank saw some recoveries in debt payments. Such recoveries are expected to be reflected in the upcoming financials. The management foresees single digit NPL ratio ceteris paribus by the year-end. Provisioning rate increased to 53.1%. Since 30% discounted value of collaterals surpass net NPLs in Garanti Bank, the provisioning rate increased only slightly.

Total investments, affiliated companies and equity shares were TL957,292 Billion, and composed 5.5% of assets in H1/02, as compared to 5.8% in Q1/02. Fixed assets were down by 4.2% over the previous quarter to TL837,239 Billion as of June 30, 2002.

On the liabilities side, the Bank has increased its deposits by 21.7% over the first quarter, to reach TL11,609,456 Billion. Share of deposits in total liabilities and SHE increased to 66.2% in H1/02, from

61.5% in Q1/02. Saving deposits were up by 27.0% and FX deposits were up by 20.3%, on a quarterly basis. Share of demand deposits in total deposits was 19.4%, and TL demand deposits composed 14.9% of total TL deposits. Similarly, FX demand deposit constituted 21.6% of total FX deposits. Total funds borrowed (including the interbank) decreased by 3.3%, at TL3,299,349 Billion. Although funds borrowed were up by 23.5% over Q1/02, the increase was led by the €350 Million syndicated loan facility. Total reserves were TL390,145 Billions, down by 10.3% over the previous quarter. Total SHE of the Bank was TL1,408,983 Billion in H1/02, and composed 8.0% of assets.

Total TL and FC Deposit Market Shares



Interest earning assets (IEA) were 9.3% higher than interest bearing liabilities (IBL) on June 30, 2002. While, IBL stood at 72.2% in H1/02, same as in Q1/02, IEA rose to 78.9%, up from 76.5% in Q1/02.

Garanti’s gross short FX position was US\$27 Million as of June 30, 2002, and net long position was US\$5.6 Million.

Exchange Rates

As of June 30, 2002 US\$1= TL 1,544,000

KEY RATIOS

	31.12.2001	31.03.2002	30.06.2002
Size Ratios			
Interest Bearing Liabilities / Total Liabilities and SHE	74.0%	72.1%	72.2%
Interest Earning Assets/Total Assets	76.6%	76.5%	78.9%
Asset Quality			
NPL / Gross cash loans	11.8%	11.6%	9.4%
Allowance for loan losses/NPL	46.1%	51.0%	53.1%
Gross cash loans / Deposits	44.6%	45.9%	44.4%
Deposits / Total assets	62.5%	61.5%	66.2%
Gross cash loans / Total assets	27.9%	28.3%	29.4%
Liquid assets / Total assets	26.3%	20.8%	20.1%
Leverage (x)	12,3	10,0	11,5
Profitability Ratios			
NIM/ Average IEA	5.4%	0.8%	6.9%
Adjusted NIM/ Average IEA	1.0%	8.4%	3.0%
ROAA	-1.7%	0.9%	0.5%
ROAE	-18.6%	10.4%	5.9%
Operating Efficiency			
Net fees and commission/Net operating expense	16.3%	42.9%	42.9%
Cost / Income	129.4%	61.3%	71.6%
Operating expense / Total average assets	4.3%	2.7%	2.8%

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**Convenience Translation of the Auditor's Review Report
Originally Prepared and Issued in Turkish**

To the Board of Directors of Türkiye Garanti Bankası A.Ş:

We have reviewed the balance sheet of Türkiye Garanti Bankası Anonim Şirketi as of 30 June 2002 and the related statement of income for the six month period then ended. These financial statements are the responsibility of the Bank's management. Our responsibility, as independent auditors is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the regulations related with the "Accounting and Recording Rules" and "Independent Auditing Standards" of (Turkish) Banking Law No. 4389. These regulations 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 of the personnel of the Bank 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.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial statements of Türkiye Garanti Bankası Anonim Şirketi do not give a true and fair view in accordance with regulations described in Article 13 "Accounting and Recording Rules" of (Turkish) Banking Law.

İstanbul
19 August 2002

**Cevdet Suner Denetim ve
Yeminli Mali Müşavirlik A.Ş.**

Ö. Cevdet Suner
Partner
Certified Public Accountant

Note: The accompanying financial statements are not intended to present the financial position and results of operations in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Turkey.

Türkiye Garanti Bankası Anonim Şirketi

**Interim Financial Statements
30 June 2002**

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TÜRKİYE GARANTİ BANKASI A.Ş.

BALANCE SHEET-ASSETS (in billions TL)

(As adjusted for the effects of inflation in TL units
at 30 June 2002)

	30.06.2002
Liquid assets	102,402
Cash, local currency	20,008
Cash, foreign currency	62,353
Others	20,041
Due from banks	1,630,235
Central Bank of Turkey	238,909
Other banks	1,391,326
-Domestic banks	253,856
-Foreign banks	1,137,470
Other financial institutions	-
Interbank funds sold	407,600
Interbank funds sold	407,600
Receivables under resell agreements	-
Securities (Net)	1,384,802
Government bonds and treasury bills	364,534
Other bonds	-
Equity shares	7,484
Other securities	1,012,784
Loans	4,672,724
Short-term	2,280,004
Medium and long-term	2,392,720
Receivables under follow-up (Net)	227,915
Limited collectibility (net)	-
- Gross receivables	-
- Provision (-)	-
Uncertain collectibility (net)	112,273
- Gross receivables	224,612
- Provision (-)	(112,339)
Uncollectible (net)	115,642
- Gross receivables	261,149
- Provision (-)	(145,507)
Accrued interest and income	718,469
Loans	268,942
Securities	406,898
Others	42,629
Receivables from financial leasing activities (Net)	-
Minimum lease receivables	-
Unearned income (-)	-
Reserve deposits	859,828
Miscellaneous receivables	354,994
Investments (Net)	103,081
Financial companies	8,071
Non-financial companies	95,010
Affiliated companies (Net)	843,451
Financial companies	374,186
Non-financial companies	469,265
Other long-term investments (Net)	4,896,250
Equity shares	10,760
Other securities	4,885,490
Bank premises and equipment (Net)	837,239
Carrying value	1,413,864
Accumulated depreciation (-)	(576,625)
Other assets	506,946
TOTAL ASSETS	17,545,936

TÜRKİYE GARANTİ BANKASI A.Ş.

BALANCE SHEET-LIABILITIES AND

SHAREHOLDERS' EQUITY (in billions TL)

(As adjusted for the effects of inflation in TL units
at 30 June 2002)

	30.06.2002
Deposits	11,609,456
Saving deposits	1,805,633
Deposits of official authorities and organisations	7,789
Commercial deposits	1,731,166
Deposits of other organisations	69,205
Bank deposits	581,181
Foreign currency deposits	7,374,077
Gold deposits	40,405
Interbank funds borrowed	793,396
Interbank funds borrowed	189,840
Obligations under repurchase agreements	603,556
Funds borrowed	2,505,953
Central Bank of Turkey	-
Others	2,505,953
-Domestic banks and organisations	77,582
-Foreign banks and organisations	2,428,371
-Subordinated debts	-
Funds	-
Securities issued (Net)	-
Accrued interest and expense	186,691
Deposits	136,217
Funds borrowed	36,428
Others	14,046
Payables from financial leasing activities (Net)	-
Taxes, stamps, premiums and other duties	28,284
Import transfer orders	527,849
Miscellaneous payables	31,615
Reserves	390,145
Reserve for retirement pay	10,070
General provision for loan losses	36,362
Reserve for taxes on income	-
Other provisions	343,713
Other liabilities	63,564
Shareholders' equity	1,367,957
Share capital	750,000
-Nominal capital	750,000
-Unpaid capital (-)	-
Legal reserves	252,752
-Legal reserves I&II	216,211
-Share premium	-
-Other legal reserves	36,541
Extraordinary reserves	3
Foreign exchange loss on foreign currency denominated capital	(3,919)
Capital reserves from inflation adjustments to share capital	1,422,472
Valuation increments	3,929
Loss	(1,057,280)
-Loss for the period	-
-Prior years' losses	(1,057,280)
Income	41,026
-Net income for the period	41,026
-Prior years' income	-
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	17,545,936
COMMITMENTS AND CONTINGENCIES	
Guarantees and endorsements	4,396,904
Commitments	1,873,814
Derivative transactions	<u>1,687,528</u>
TOTAL	7,958,246

TÜRKİYE GARANTİ BANKASI A.Ş.

STATEMENT OF INCOME (in billions TL)

(As adjusted for the effects of inflation in TL units
at 30 June 2002)

	30.06.2002
I. INTEREST INCOME	1,511,857
Interest on loans	410,204
TL loans	264,106
-Short-term loans	229,231
-Medium and long-term loans	34,875
Foreign currency loans	145,048
-Short-term loans	59,994
-Medium and long-term loans	85,054
Interest on loans under follow-up	1,050
Interest on reserve deposits	22,466
Interest from banks	75,555
Central Bank of Turkey	3,286
Domestic banks	8,713
Foreign banks	63,556
Interest on interbank funds sold	67,067
Interest on securities	902,132
Government bonds and treasury bills	864,769
Other securities	37,363
Other interest income	34,433
II. INTEREST EXPENSE	1,030,845
Interest expense on deposits	869,048
Saving deposits	462,228
Deposits of official authorities and organisations	1,003
Commercial deposits	126,014
Deposits of other organisations	9,620
Bank deposits	179,705
Foreign currency deposits	90,431
Gold deposits	47
Interest on interbank funds borrowed	52,028
Interest on funds borrowed	108,945
Central Bank of Turkey	-
Domestic banks	18,417
Foreign banks	58,720
Other organisations	31,808
Interest on securities issued	-
Other interest expense	824
III. NET INTEREST MARGIN (I-II)	481,012
IV. OTHER INCOME	3,298,864
Commissions and fees received	195,126
Loans	25,912
Documentary credits and letters of guarantee	24,319
Others	144,895
Trading account income	106,482
Foreign exchange gain	2,932,347
Dividends received	47,348
Others	17,561
V. OPERATING EXPENSES	3,734,166
Commissions and fees paid	89,367
Funds borrowed	7,402
Documentary credits	112
Others	81,853
Trading account loss	20,987
Foreign exchange loss	3,184,053
Personnel expenses	81,381
Provision for retirement pay	512
Rent expenses	15,742
Depreciation and amortisation expenses	45,139
Taxes, stamps and other duties	11,966
Provision for loan losses	24,163
Other provisions	123,561
Others	137,295
VI. NET OTHER EXPENSES (IV-V)	(435,302)
VII. INCOME BEFORE TAXES (III+VI)	45,710
VIII. PROVISION FOR TAXES ON INCOME	(11,488)
IX. GAIN ON NET MONETARY POSITION	6,804
X. NET INCOME FOR THE PERIOD	41,026

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 19 August 2002 .

(2) a) Accounting policies:-

Accounting policies of the Bank are set in accordance with accounting and valuation standards as described in Article 13 "Accounting and Recording Rules" of Turkish Banking Law no.4389 and Provisional Article 4 "Independent Auditing Standards" of Turkish Banking Law no.4389, and for the matters not covered by those, in accordance with the Uniform Chart of Accounts and the International Accounting Standards.

The differences between accounting principles as described in the preceding paragraph and the accounting principles generally accepted in countries in which the accompanying financial statements are to be distributed and International Accounting Standards ("IAS") have significant influence on the accompanying financial statements. Accordingly, the accompanying financial statements are not intended to present the financial position and results of operations in accordance with the accounting principles generally accepted in such countries and IAS.

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 valued using discounting method with internal rate of return. 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, the regulation as published in Official Gazette no.24448 dated 30 June 2001 and the amendment to this regulation as published in Official Gazette no. 24657 dated 31 Ocak 2002.

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	15-20%
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.

Accounting in hyperinflationary economies

Financial statements of the Turkish entities were restated for the changes in the general purchasing power of the Turkish Lira based on IAS 29 “Financial Reporting in Hyperinflationary Economies”. IAS 29 requires that financial statements prepared in the currency of a hyperinflationary economy be stated in terms of the measuring unit current at the balance sheet date, and that corresponding figures for previous periods be restated in the same terms. One characteristic that necessitates the application of IAS 29 is a cumulative three-year inflation rate approaching or exceeding 100%.

Three years inflation rate in Turkey has been 272% as at 30 June 2002, based on the Turkish nation-wide wholesale price indices announced by the Turkish State Institute of Statistics (SIS). Consequently, the financial statements of the Bank are restated for the changes in the general purchasing power of the Turkish Lira as at 30 June 2002 based on IAS 29.

The restatement was calculated by means of conversion factors derived from the Turkish countrywide wholesale price index published by the State Institute of Statistics. Such indices and conversion factors used to restate the accompanying financial statements at 30 June 2002 and 31 December 2001, are given below:

<u>Date</u>	<u>Index</u>	<u>Conversion factor</u>
30 June 2002	5,572.0	1.000
31 December 2001	4,951.7	1.125

The main guidelines for the above mentioned restatement are as follows:

- Financial statements prepared in the currency of a hyperinflationary economy are stated in terms of the measuring unit current at the balance sheet date, and corresponding figures for previous periods are restated in the same terms.
- Monetary assets and liabilities, which are carried at amounts current at the balance sheet date, are not restated because they are already expressed in terms of the monetary unit current at the balance sheet date.
- Non-monetary assets and liabilities, which are not carried at amounts current at the balance sheet date, and components of shareholders’ equity, are restated by applying the relevant conversion factors. Additions to tangible assets are restated by applying the conversion factors of the purchase date.
- All items in the statement of income are restated by applying the monthly conversion factors except for those deriving from non-monetary items, which are calculated based on the restated values of the related items.
- The effect of inflation on the net monetary position of the Bank, is included in the statement of income as “gain on net monetary position”.

TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

Note I – A – (Continued)

Deferred tax assets and liabilities:

Deferred tax assets and liabilities are recognized, using the liability method, on all taxable temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes, except for differences not deductible for tax purposes and initial recognition of assets and liabilities which affect neither accounting nor taxable profit.

The Bank did not calculate any deferred tax assets/liabilities on income or losses incurred as a result of applying inflationary accounting.

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:-

In accordance with the Regulation announced by BRSA on the "Interim Reportings of Commercial Banks", the valuation principles of foreign currency indexed securities with maturity of 3 and 5 years, issued by the Turkish Treasury in the 2001 debt-swap, have been changed. Accordingly, such securities which were held to maturity and valued according to the prices of similar Eurobonds issued in foreign markets by the Turkish Treasury as at 31 December 2001, have been valued using discounting method with internal rate of return since the date of the written decision of the Bank's management to classify them as "investment securities."

(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.

TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

Note I – A – (Continued)

2- Other securities

Fixed-income securities : Such securities are marked to market.

Securities in foreign currencies:-

Securities in foreign currencies are valued using discounting method with internal rate of return as such securities are either not traded in the market or their fair values are not estimated accurately .

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.

Unquoted investments are restated by applying the relevant conversion factors to their carrying values from the date of their acquisition after deducting the following components;

- Any bonus shares received due to revaluation surpluses added to capital,
- Financial expenses capitalised, including foreign exchange differences.

For unquoted investments with insufficient financial performance, provisions for impairment in their values are calculated based on their inflation adjusted net asset values in financial statements. Such provisions are accounted under "other provisions" in the statement of income.

The payment dates of the capital increases are taken into account as basis for the application of inflationary accounting.

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.

TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

Note I – A – (Continued)

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 in Turkish Lira given 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 accounted under "accrued interest and income on securities".

Foreign currency indexed securities with maturity of 3 and 5 years, issued by the Turkish Treasury in the 2001 debt-swap, given as collateral against legal obligations, are valued with internal rate of return method according to the Letter issued by BRSA, BDDK.DZM. 2/25-8510. Interest earned upto the balance sheet date is accounted under "accrued interest and income on securities"

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 given 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 accounted 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 method 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:-

	<u>30 June 2002</u>
A. US dollar effective purchase rate at the date of balance sheet	1,544,000
B. US dollar effective purchase rates for the days before balance sheet date	
Day 1	1,544,000
Day 2	1,544,000
Day 3	1,575,000
Day 4	1,635,000
Day 5	1,570,000

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:-**

	<u>30 June 2002</u>	
	<u>Turkish Lira</u>	<u>US dollar equivalents in \$ million</u>
I – FOREIGN CURRENCY ASSETS		
1) Liquid Assets (cash on hand, cash in transit, purchased cheques)	82,356	53
2) Central Bank of Turkey	238,757	155
3) Domestic banks (excluding interbank deposits)	23,166	15
4) Foreign banks	1,137,470	737
5) Securities (Net)	1,006,659	652
6) Loans	3,500,533	2,267
7) Reserve deposits	698,100	452
8) Foreign currency-indexed assets (a+b)	3,254,099	2,108
a) Loans	195,463	127
b) Others	3,058,636	1,981
9) Accrued interest and income	570,228	369
10) Other assets	1,190,744	771
COMMITMENTS AND CONTINGENCIES	811,996	526
11) Repurchase contracts	-	-
12) Forward currency purchases	<u>811,996</u>	<u>526</u>
TOTAL FOREIGN CURRENCY ASSETS	12,514,108	8,105
II – FOREIGN CURRENCY LIABILITIES		
1) Foreign currency deposits	7,374,077	4,776
2) Gold deposits	40,405	26
3) Bank deposits	370,379	240
4) Funds borrowed from Central Bank of Turkey	-	-
5) Funds borrowed from domestic banks (excluding interbank takings)	35,385	23
6) Funds borrowed from other domestic organisations	-	-
7) Foreign borrowings	2,858,877	1,852
8) Securities issued (Net)	-	-
9) Foreign currency-indexed liabilities (a+b)	51	-
a) Funds borrowed	-	-
b) Others	51	-
10) Accrued interest and expense	63,947	41
11) Other liabilities	1,000,381	648
COMMITMENTS AND CONTINGENCIES	762,022	494
12) Resale contracts	-	-
13) Forward currency sales	<u>762,022</u>	<u>494</u>
TOTAL FOREIGN CURRENCY LIABILITIES	12,505,524	8,100
FOREIGN CURRENCY NET POSITION (I – II)	<u>8,584</u>	<u>5</u>

The foreign currency balance sheet is managed in accordance with the Bank's liquidity and provisioning policies and in 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 June 2002:-

	<u>US Dollars</u>	<u>Euro</u>	<u>Others** in US dollar equivalents</u>
I- Foreign Currency Assets			
Liquid assets	30,305	18,083	5,180
Due from banks	285,344	617,439	11,340
Securities (net)	592,629	60,110	-
Loans	1,746,451	443,398	82,922
Other long-term investments (net)	480,123	43,861	-
Other foreign currency assets*	<u>3,091,931</u>	<u>554,938</u>	<u>62,837</u>
Total Foreign Currency Assets	<u>6,226,783</u>	<u>1,737,829</u>	<u>162,279</u>
II- Foreign Currency Liabilities			
Deposits	3,689,206	1,250,174	118,381
Funds borrowed	1,600,236	379,108	9,956
Securities issued (net)	-	-	-
Other foreign currency liabilities*	<u>938,901</u>	<u>103,125</u>	<u>32,175</u>
Total Foreign Currency Liabilities	<u>6,228,343</u>	<u>1,732,407</u>	<u>160,512</u>
Difference (I - II)	<u>(1,560)</u>	<u>5,422</u>	<u>1,767</u>

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

** 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 June 2002</u>		
	<u>Book Values in Gross*</u>	<u>Accumulated Depreciation</u>	<u>Insurance Coverage</u>
Movables	558,863	403,466	110,730
Immovables	489,268	93,978	199,758
1-Assets under use for banking activities	489,268	93,978	199,758
2-Others	-	-	-
Special costs	122,398	79,181	-
Assets held for resale	243,335	-	-
1-Stocks	1,935	-	-
2-Immovables	241,400	-	-
Assets held under financial leases**	67,554	39,956	-

* Gross amount before accumulated depreciation

** 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.

TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

Note I – A – (Continued)

- (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 for the current period, amounted to TL10,070 of which TL512 was provided in the current period. The provision made in the current period against non-performing loans, amounted to TL24,163 and accordingly total provision for non-performing loans reached to TL257,846 as at 30 June 2002 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 TL724 was made, and furthermore the general provision made for credit risks amounted to TL2,101 and accordingly such provisions amounted to TL36,362 in total. Moreover, the general provision of TL122,500 allocated for possible losses in the future as at 31 March 2002, was reevaluated and revised as TL57,000 as at 30 June 2002.

- (12) **Name of the independent audit firm**

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:-**

According to the decision of the Board of Directors no 2019 dated 23 July 2002, the Bank's nominal capital has increased from TL750,000 to TL791,748 through appropriation of real-estate sale income amounting to TL41,610 and investment sale income amounting to TL138.

- (14) **Foreign branches:-**

	<u>30 June 2002</u>	
<u>Location</u>	<u>Total Assets(TL)</u>	<u>Legal Capital</u>
1- Luxembourg	1,508,348 TL	USD 89,500,000
2- Malta	3,297,766 TL	-
3- Bahrein	93,885 TL	-

TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

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

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

(2) a- Due from foreign banks:-

	30 June 2002	
	<u>Turkish Lira</u>	<u>US dollar Equivalents in Millions</u>
Unrestricted balance	1,101,661	714
Restricted balance	<u>35,809</u>	<u>23</u>
Total	<u>1,137,470</u>	<u>737</u>

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

30 June 2002			
<u>OECD Countries</u>		<u>Other Countries</u>	
<u>Country</u>	<u>Balance (TL)</u>	<u>Country</u>	<u>Balance (TL)</u>
1. Germany	271,029	1. Cyprus	100,877
2. Austria	183,023	2. Russia	24,511
3. United Kingdom	157,350	3. S. Arabia	872
4. Belgium	143,266	4. Malta	398
5. Greece	99,167	5. Kuwait	42
6. USA	71,280	6. Iraq	12
7. The Netherlands	24,477	7. Bahrein	<u>7</u>
8. Luxembourg	21,807		
9. Ireland	16,182		
10. Switzerland	9,303		
11. Japan	5,430		
12. France	4,054		
13. Sweden	1,419		
14. Italy	1,368		
15. Spain	438		
16. Canada	375		
17. Denmark	333		
18. Australia	272		
19. Norway	152		
20. Finland	<u>26</u>		
	<u>1,010,751</u>		<u>126,719</u>

(3) a- TL2,292 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....- total costs of securities recorded at their market values amounted to TL7,318 .

c- TL1,748,282 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:-

	30 June 2002			
	Purchase Costs	Market Value (***)	Value per Central Bank of Turkey (*)	Provision for Diminishing in Value
Government bonds and treasury bills				
1. Fixed-income securities (**)	273,057	274,605	277,331	139
2. Securities indexed to inflation	-	-	-	-
3. Securities indexed to foreign currency	91,616	103,530	102,175	-
4. Securities in foreign currency	1,005,120	1,021,841	-	-
Investment funds	1,539	-	-	-
Other notes				
1. Fixed-income securities	-	-	-	-
2. Securities indexed to inflation	-	-	-	-
3. Securities indexed to foreign currency	-	-	-	-
4. Securities in foreign currency	-	-	-	-
Gold	6,125	-	-	-
Equity shares				
1. Quoted	9,610	7,484	-	2,126
2. Unquoted	-	-	-	-
Others	-	-	-	-

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 TL9,610 as mentioned above were included in "Securities", in account no. 030 as at 30 June 2002.

- (*) 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.
- (**) Securities in foreign currencies are valued using discounting method with internal rate of return as such securities are either not traded in the market or their fair values are not estimated accurately. Foreign currency indexed securities given as collateral against legal obligations, are booked at purchase costs and valued on a "simple interest rate basis".

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

	30 June 2002	
	Cash	Non-cash
1. Lendings to shareholders		
Lending to corporations	9,914	141,538
Other lendings	-	-
Lendings to shareholders	160,436	44,309
2. Lendings to personnel		
	9,334	18

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 June 2002:-

	Related Party Risks	Balance Sheet Total	Share (%) of Related Party Risks in Total
Due from banks	381,440	1,630,235	23.40
Cash loans	598,910	4,672,724	12.82
Interest income accruals on loans	28,370	268,942	10.55
Other income accruals	950	42,629	2.23
Miscellaneous receivables	266,150	354,994	74.97
Deposits	302,630	11,609,456	2.61
Interest expense accruals on deposits	2,552	136,217	1.87
Non-cash loans	236,463	4,396,904	5.38
Interest income	88,202	1,511,857	5.57
Interest expenses	32,288	1,030,845	3.13
Fees and commissions income	1,493	195,126	0.77
Derivative transactions	25,879	1,687,528	1.53

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

	30 June 2002	
	Financial investees and affiliated companies	Other investees and affiliated companies
<u>RECEIVABLES</u>		
- Due from banks and other financial institutions	381,440	-
- Loans (including overdue loans)	90,400	35,931
- Accrued interest and income	3,651	1,306
<u>PAYABLES</u>		
- Deposits	135,368	48,662
- Accrued interest and expenses	1,293	681
<u>DOCUMENTARY CREDITS AND OTHER NON-CASH LOANS</u>		
- Letters of guarantee	22,736	3,509
- Acceptance credits	1,919	-
- Letters of credit	1,782	385
- Other non-cash loans	1,722	-

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)

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

	30 June 2002			
	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
Cash loans				
I- Loans (excluding loans for specialization)	-	4,484,889	-	187,835
Export loans	-	4,484,889	-	187,835
Import loans	-	1,081,992	-	-
Investment loans	-	32,443	-	-
Loans to domestic banks	-	5,391	-	-
Loans to foreign banks	-	82,077	-	-
Gold credits	-	87,746	-	-
Other loans	-	3,195,240	-	187,835
1-Consumer loans	-	206,153	-	-
2-Credit cards	-	576,178	-	-
3-Other foreign lending	-	2,136,203	-	-
4-Others	-	276,706	-	187,835
II- Specialization loans	-	-	-	-
III- Liquidated non-cash loans	-	-	-	-
Receivables classified under other assets but legally considered as loans	-	2,192,710	-	-
Other receivables	-	403,105	-	4,509
Non-cash loans	-	4,387,913	-	8,991

(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:-

	30 June 2002		
	<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
Collateral groups			
Unsecured	-	-	86,940
Group I	-	9,985	-
Group II	-	48,130	150,680
Group III	-	166,497	23,527
Group IV	-	-	2

TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

Note II – (Continued)

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

	30 June 2002		
	<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
Balance, beginning of period	123,748	283,506	190,211
- Increases during the period	-	36,817	1,821
- Transfer from other follow-up accounts	-	92,806	113,410
- Transfer to other follow-up accounts	(92,806)	(113,410)	-
- Collections during the period	-	(35,084)	(8,313)
- Write-offs	(2,445)	(1)	(10,301)
- Restatement effects due to inflationary accounting	(28,497)	(40,022)	(25,679)
Balance, end of period	-	224,612	261,149
- Specific provisions	(-)	(112,339)	(145,507)
Net balance at period end	-	112,273	115,642

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

	30 June 2002		
	<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
Balance, beginning of period	-	-	-
- Specific provisions	-	-	-
Net balance at period end	-	-	-

(6) Receivables on forwards sales of assets:-

	30 June 2002			
	<u>Gross receivable</u>			<u>Total receivable amount, Net</u>
	<u>Turkish Lira</u>	<u>Foreign currency</u>	<u>Turkish Lira equivalent</u>	
<u>Receivables on forwards sales of assets</u>				
1. Sale of investments, affiliates and other long-term investments	158,070	70\$	108,080	266,150
2. Other	1,423	-	-	1,423

Explanation on receivables on forwards sales of assets:-

In December 2001, just before the merger with Osmanlı Bankası A.Ş., the Bank sold the investment in Compagnie Ottomane D'Investment B.V. to Doğu Holding AŞ at its book value of US\$310 millions. As a result of this term sale, there is a receivable of TL266,150 billion at 30 June 2001 in the accompanying balance sheet.

- (7) a- TL112,292 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 TL274,049 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:-

	30 June 2002			
	<u>Purchase Costs</u>	<u>Bonus Shares</u>	<u>Revaluation Surplus</u>	<u>Impairment in Value</u>
<u>Domestic investments and affiliated companies</u>				
Insurance	26,670	-	-	-
Manufacturing	33,208	-	-	(2,985)
Tourism	224,871	37,998	-	41,948
Other financial sectors	149,206	2,388	-	31,247
Other commercial sectors	591,131	14,192	-	298,162
<u>Foreign investments and affiliated companies</u>				
Banking	232,773	-	-	4,633
Other financial sectors	20,424	-	-	13,324
Other commercial sectors	-	-	-	-

c- Investments and affiliated companies quoted at the domestic and foreign stock exchange markets amounted to TL79,490 and TL....., respectively.

d- Bonus shares received on investments and affiliated companies amounted to TL54,578.

TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

Note II – (Continued)

e- At 30 June 2002, investments and affiliated companies included the followings:-

<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>
INDUSTRIAL COMPANIES				
LASAŞ LASTİK SAN.VE TİC. A.Ş.	99.99	35,958	(4,765)	-
COMMERCIAL COMPANIES				
GARANTİ BİLİŞİM TEKN. TİC. A.Ş.	100.00	68,051	8,163	-
BANKALARARASI KART MERK. A.Ş. (**)	10.15	4,000	823	-
GARANTİ FİNANSAL KİRALAMA A.Ş.	100.00	47,587	20,098	-
GARANTİ FİNANS FACTORİNG HİZ. A.Ş.	55.40	54,177	2,244	10,638 (*)
GARANTİ YATIRIM MENKUL KIYM. A.Ş.	100.00	23,620	(1,438)	-
GARANTİ PORTFÖY YÖNETİMİ A.Ş.	100.00	4,255	(1,096)	-
PETROTRANS NAKLİYAT TİC. A.Ş. (**)	99.60	5	(3)	-
ANAKONUT DANIŞMANLIK A.Ş.	100.00	228,651	(18,593)	-
DOĞUŞ HAVA TAŞIMACILIĞI A.Ş.	96.49	90,511	814	-
TANSAŞ PERAKENDE MAĞAZACILIK A.Ş.	25.92	259,399	(28,368)	61,539 (*)
GARANTİ ÖDEME SİSTEMLERİ A.Ş. (**)	99.92	5	175	-
İKSİR ULUS. ELEKT. TİC. BİL. VE HAB. HİZ. A.Ş.	31.36	113,461	(35,037) (***)	-
GARANTİ SİGORTA A.Ş.	100.00	33,064	669	-
GARANTİ HAYAT SİGORTA A.Ş.	99.36	14,650	10	-
VOLKSWAGEN DOĞUŞ TÜKETİCİ FİNANSMANI A.Ş.	37.00	19,703	2,279	-
DOĞUŞ İNSANGÜCÜ A.Ş. (**)	64.10	600	63 (***)	-
DOĞUŞ HİZMET YÖNETİMİ ORG. VE DAN. A.Ş. (**)	89.00	30	833 (****)	-
GARANTİ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.	50.98	49,503	872	7,313 (*)
GALATA ARAŞTIRMA YAYINCILIK TAN. VE BİL. A.Ş.	100.00	219	40	-
TOURISM COMPANIES				
DOĞUŞ TURİZM SAĞLIK YAT. VE İŞLT. A.Ş.	100.00	125,099	16,282	-
GARANTİ TURİZM YAT.VE İŞL. A.Ş.	43.33	81,725	(20,617) (***)	-
ŞAHİNTUR ŞAHİNLER O. TURZ. YAT. İŞL. A.Ş.	100.00	6,182	49	-
KONAKLI TURİZM TEM. TAŞ. ORG. A.Ş.	99.97	11,909	(213)	-
SİTİTUR TURİZM TAŞ. ORG. A.Ş.	99.82	96,154	4,378	-
INVESTMENTS IN FOREIGN CURRENCY				
GARANTİ BANK INT. N.V.	100.00	EUR 121.8mio	7,638,236 EUR	-
DOC FINANCE S.A.	90.00	CHF 12 mio	(6,675,602) CHF (***)	-
BOSPHORUS FINANCIAL SER. LTD.	99.99	USD 100,000	(7,325) USD	-
GARANTİ BANK MOSCOW	78.34	USD 32.5 mio	2,665,288 USD	-
INSTRUMENTS FINANCE COMPANY	100.00	USD 25,000	9,629 USD	-
GARANTİ FINANCIAL SERVICES PLC	100.00	USD 2.6 mio	2,113,683 USD	-
GARANTİ FUND MANAGEMENT CO. LTD.	99.00	USD 100,000	(45,220) USD	-
OTTOMAN INVESTMENT COMPANY	100.00	USD 10,000	(16,779) USD	-
OTTOMAN REAL ESTATE COMPANY S.A.	99.00	USD 150,000	14,774 EUR	-
IOB BANK OFFSHORE LTD.	100.00	USD 2,000,000	(7,264,577) USD	-
KÖRFEZ FINANCIAL SERVICES PLC.	100.00	USD 626,000	11,869 USD	-
UNITED TURKISH GULF BANK INT. LTD.	100.00	USD 1,000,000	(11,854,069) USD	-

(*) Quoted shares are valued at the weighted average market rates for the last 30 working days between 24.05.2002-28.06.2002.

(**) There are no inflation adjusted financial statements.

(***) Operating results for the year 2001.

(****) Operating results for the nine-month period ended 30.09.2001

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

There were no such cases.

TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

Note II - (Continued)

(8) Other long-term investments:-

	30 June 2002			
	Government Securities		Other Securities	
	Purchase Costs	Revalued Costs	Purchase Costs	Revalued Costs
Securities in Turkish lira	4,077,312	4,438,073	16,186	10,760
1-Equity shares	-	-	16,186	10,760
a) Long-term investments	-	-	16,186	10,760
b) Pledged securities	-	-	-	-
c) Restricted securities	-	-	-	-
2- Other securities	4,077,312	4,438,073	-	-
a) Long-term investments	2,400,218	2,608,691	-	-
b) Pledged securities	1,323,346	1,441,086	-	-
c) Restricted securities	353,748	388,296	-	-
Securities in foreign currencies	808,178	823,991	-	-
1-Equity shares	-	-	-	-
a) Long-term investments	-	-	-	-
b) Pledged securities	-	-	-	-
c) Restricted securities	-	-	-	-
2- Other securities	808,178	823,991	-	-
a) Long-term investments	808,178	823,991	-	-
b) Pledged securities	-	-	-	-
c) Restricted securities	-	-	-	-

(9) Movables and immovables held for resale in accordance with the Banking Law, amounted to TL1,935 and TL241,400, 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:-

	30 June 2002	
	Demand Deposits	Time Deposits
Saving deposits	169,063	1,636,570
Deposits of official authorities and organisations	7,175	614
Commercial deposits	367,835	1,363,331
Deposits of other organisations	15,108	54,097
Bank deposits	14,909	566,272
1-Central Bank of Turkey	-	-
2-Domestic banks	1,179	179,755
3-Foreign banks	13,730	386,517
4-Others	-	-
Foreign currency deposits	1,670,313	5,703,764
1-Resident customers	1,472,439	5,099,028
2-Non-resident customers	197,874	604,736
Gold deposits	3,092	37,313
Total deposits	<u>2,247,495</u>	<u>9,361,961</u>

TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

Note II – (Continued)

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

30 June 2002
Insurance Coverage

1- Saving deposits	1,795,807
2- Foreign currency saving deposits	5,441,182
3- Other saving-type deposits	38,742
4- Deposits at foreign branches under foreign insurance coverages	-

(12) a- **Discounted portion of securities issued:** None.

b- **Bonds convertible into equity shares:** None.

c- **Securities other than shares issued during the current period:** None.

(13) **Cash collaterals received amounted to TL645 .**

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.....-....., was related to securities denominated in foreign currencies. 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:-

30 June 2002

Shareholders' Equity per Banking Law (1-19) :-

I- CORE CAPITAL	1,405,054
1-Paid capital	750,000
- Nominal capital	750,000
- Unpaid capital	-
2-Legal reserves	252,752
- 1 st legal reserve (TCC 466/1)	134,010
- 2 nd legal reserve (TCC 466/2)	82,201
- Share premium	-
- Legal reserve per special legislation and articles of association	36,541
3-Extraordinary reserves	(3,916)
- Reserves allocated per Ordinary General Meeting	3
- Exchange rate difference on foreign currency capital	(3,919)
- Retained earnings	-
4-Capital reserves from inflation adjustments to share capital	1,422,472
5-Current period income	41,026
6-Losses (-)	(1,057,280)
- Current period losses	-
- Prior year losses	(1,057,280)
II- SUPPLEMENTARY CAPITAL	97,291
7-Revaluation surplus	1,637
- Movables	-
- Immovables	1,637
- Cost increase fund	-
- Bonus shares from investee companies and income on sale of immovables	-
- Revaluation surplus on leasehold improvements	-
8-Revaluation surplus received through bonus shares from investments and affiliated companies	-
9-Provisions	93,362
- General provision for loan losses	36,362
- General provisions for various risks	57,000
10-Other capital sources	-
11-Valuation increments	2,292
- Securities	2,292
- Investments and affiliated companies	-
- Other long-term investments	-
III- DEDUCTIONS FROM CAPITAL	486,248
12-Equity participation in unconsolidated financial institutions	392,816
13-Leasehold improvements	43,217
14-Pre-operating expenses	19,062
15-Prepaid expenses	31,153
16-Decrease in market value of equity participations and fixed assets	-
17-Subordinated debts granted to banks operating in Turkey	-
18-Goodwill	-
19-Capitalised expenses	-
Legal Capital Base (I+II-III)	1,016,097
Accounting Basis - Capital Base (1-11, excl. 5, 9 and 10)	1,367,957

TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

Note II – (Continued)

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

	<u>30 June 2002</u>
I- Core capital	1,405,054
II- Supplementary capital	<u>97,291</u>
1- Other capital sources	-
2- Other	97,291
III-Capital (I+II+Subordinated debt)	1,485,345
Subordinated debt	-
IV-Deductions from capital	<u>(486,248)</u>
V- Capital base (III+IV)	<u>1,016,097</u>

(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: None.

c- Transfer from revaluation surplus to contribute the capital increase: None.

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

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

	<u>30 June 2002</u>			
	<u>Share Capital</u>	<u>Participation</u>	<u>Paid Capital</u>	<u>Unpaid Capital</u>
Doğuş Holding A.Ş.	367,584 TL	49.01%	367,584 TL	-
Doğuş İnşaat ve Tic. A.Ş.	116,779 TL	15.57%	116,779 TL	-

(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 June 2002, such payments charged to statement of income as expense accumulated to TL3,362 and the remaining balance recorded as "prepaid expense" in the balance sheet, amounted to TL13,899.

Had the Bank applied IAS17, TL3,362 of the prepayments related to leasing activities incurred till 30 June 2002, would not be charged to income, instead retained earnings would be higher by TL5,170, prepaid expenses would be less by TL13,899, and the following items of the financial statements would be higher by the amounts below:-

Bank premises and equipment, net	27,598
Payables from financial leasing activities, net	9,543
Depreciation expenses	5,258
Interest expenses	1,044
Foreign exchange losses	974

TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

Note II – (Continued)

(19) Other significant matters:-

a- Deferred tax liabilities and related provisions:-

30 June 2002

Deferred tax assets	350,507
Deferred tax liability	-
Provision for deferred tax - (Income)/Expense	-

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.

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

30 June 2002

Income accruals on forwards	1,534
Expense accruals on forwards	828
Income accruals on currency swaps	326
Expense accruals on currency swaps	23
Income accruals on interest rate swaps	988
Expense accruals on interest rate swaps	965
Expense accruals on options	826

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\$-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 TL50,872. Fees and commissions received from such companies aggregated to TL210 .
- b- Interests paid to the investee companies amounted to TL15,998. Fees and commissions paid to such companies aggregated to TL.....
- (2) Income on financial leasing transactions amounted to TL.....
- (3) Expenses paid on financial leasing transactions amounted to TL3,362.
- (4) a- General provisions for credit risks amounted to TL2,101.
- b- Provision for diminishing in value of securities amounted to TL532.
- (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.

Repurchase transactions that are previously accounted under off-balance sheet items, are accounted in the balance sheet according to Article 54 of Turkish Banking Law no.3182 that is prepared by the Turkish Banking Association and approved by the Turkish Treasury, and Article 2-a of Turkish Banking Law no.4389.

- Accrued interest expenses on repurchase deals are accounted under "interest expenses on repurchase transactions" .
- Accrued interest income on securities subject to repurchase deals are accounted under "interest income on securities subject to repurchase transactions" .

Income and expense accruals for the securities subject to repurchase transactions in the current period are as follows:

30 June 2002

Income accruals	16,367
Expense accruals	682

TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

IV. SUPPLEMENTARY FINANCIAL STATEMENTS

A. Commitments and Contingencies

	30 June 2002		
	Turkish Lira	Foreign Currency	Total
I. GUARANTEES AND ENDORSEMENTS	757,275	3,639,629	4,396,904
A. Letters of guarantee (L/G)	757,275	2,480,496	3,237,771
1. L/Gs under Law no.2886	175,211	-	175,211
2. L/Gs issued for foreign trade deals	14	2,477,892	2,477,906
3. Other letters of guarantee	582,050	2,604	584,654
B. Bank acceptances	-	377,976	377,976
1. Import acceptance credits	-	377,929	377,929
2. Other bank acceptances	-	47	47
C. Letters of credit (L/C)	-	736,949	736,949
1. L/Cs against documents	-	736,949	736,949
2. Other letters of credit	-	-	-
D. Confirmed pre-finance credits	-	19,162	19,162
E. Endorsements	-	-	-
1. Endorsements for Central Bank of Turkey	-	-	-
2. Other endorsements	-	-	-
F. Sale contracts on bank assets (risks Secured by the bank)	-	-	-
G. Underwriting commitments on share issues	-	-	-
H. Other guarantees	-	-	-
I. Others	-	25,046	25,046
II. COMMITMENTS	1,868,829	4,985	1,873,814
A. Irrevocable commitments	1,868,829	4,985	1,873,814
1. Repurchase and resale contracts	-	-	-
a) Repurchase contracts	-	-	-
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	-	-	-
b) Resale contracts	-	-	-
I. Resale contracts with Central Bank of Turkey	-	-	-
II. Resale contracts with banks	-	-	-
III. Resale contracts with brokerage companies	-	-	-
IV. Resale contracts with other customers	-	-	-
2. Term purchases of assets	18,080	618	18,698
3. Term purchases/sales of deposits	-	-	-
4. Capital commitments	-	-	-
5. Credit extension commitments	-	-	-
6. Intermediary commitments for share issues	-	-	-
7. Legal reserve commitments	-	-	-
8. Committed credit card limits	1,850,749	-	1,850,749
9. Other irrevocable commitments	-	4,367	4,367
B. Revocable commitments	-	-	-
1. Revocable credit extension commitments	-	-	-
2. Other revocable commitments	-	-	-
III. DERIVATIVE TRANSACTIONS	113,508	1,574,020	1,687,528
A. Forward currency purchases/sales	103,508	1,283,506	1,387,014
1. Forward currency purchases	22,909	675,361	698,270
2. Forward currency sales	80,599	608,145	688,744
B. Currency and interest swaps	10,000	147,317	157,317
1. Currency purchase swaps	10,000	68,762	78,762
2. Currency sale swaps	-	78,510	78,510
3. Interest purchase swaps	-	34	34
4. Interest sale swaps	-	11	11
C. Currency and interest options	-	7,720	7,720
1. Currency purchase options	-	-	-
2. Currency sale options	-	-	-
3. Interest purchase options	-	7,720	7,720
4. Interest sale options	-	-	-
D. Future currency deals	-	-	-
1. Future currency purchases	-	-	-
2. Future currency sales	-	-	-
E. Future interest deals	-	-	-
1. Future interest purchases	-	-	-
2. Future interest sales	-	-	-
F. Others	-	135,477	135,477
TOTAL COMMITMENTS AND CONTINGENCIES	2,739,612	5,218,635	7,958,247

TÜRKİYE GARANTİ BANKASI A.Ş.

(Currency – Billions of Turkish Lira)

Note IV – (Continued)

B. Other Off-Balance Sheet Accounts

	30 June 2002		
	Turkish Lira	Foreign Currency	Total
A. Valuables under Custody	4,158,609	1,002,327	5,160,936
1. Customer funds and portfolios managed by the bank	382	1,242	1,624
2. Securities under custody	3,283,452	438,266	3,721,718
3. Cheques subject to collection	623,895	53,920	677,815
4. Commercial notes subject to collection	71,606	482,824	554,430
5. Other valuables subject to collection	236	1,887	2,123
6. Securities (the bank acted as intermediary for their issuance)	-	-	-
7. Securities under repurchase transaction (held at custody on behalf of customers)	173,754	-	173,754
8. Other valuables under custody	5,284	24,188	29,472
9. Valuables under third-party custodies	-	-	-
B. Valuables under Pledge	6,365,853	12,243,723	18,609,576
1. Securities	36,460	29,801	66,261
2. Promissory notes	859,825	2,844,134	3,703,959
3. Stocks	2,946	-	2,946
4. Warrants	-	-	-
5. Immovables	3,173,759	690,007	3,863,766
6. Other valuables under pledge	1,918,277	8,392,443	10,310,720
7. Valuables under third-party custodies	374,586	287,338	661,924

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

Maturity profile of assets, liabilities, and certain commitments and contingencies according to remaining maturities as at 30 June 2002 is as follows:-

	<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>
ASSETS:								
Liquid assets	82,361	20,041	-	-	-	-	-	102,402
Due from banks and other financial institutions	108,503	1,262,106	253,277	4,403	1,946	-	-	1,630,235
Interbank funds sold	-	407,600	-	-	-	-	-	407,600
Securities (net)	-	120,122	257,298	326,841	623,489	57,052	-	1,384,802
Loans	-	953,410	387,507	1,306,833	2,024,974	-	-	4,672,724
Non-performing loans (net)	-	-	-	-	-	-	227,915	227,915
Accrued interest and income	-	273,568	85,055	244,678	97,077	18,091	-	718,469
Receivables from financial leasing activities (net)	-	-	-	-	-	-	-	-
Reserve deposits	859,828	-	-	-	-	-	-	859,828
Investments and affiliated companies (net)	-	-	-	-	-	-	946,532	946,532
Equity shares classified under other long-term investments (net)	-	-	-	-	-	-	10,760	10,760
Other long-term investments (net)	-	2,724	6,283	675,364	3,739,798	461,321	-	4,885,490
Other assets	-	-	-	-	-	-	1,699,179	1,699,179
Total Assets	1,050,692	3,039,571	989,420	2,558,119	6,487,284	536,464	2,884,386	17,545,936
LIABILITIES:								
Saving deposits	169,063	1,372,227	210,436	53,907	-	-	-	1,805,633
Foreign currency deposits	1,670,313	4,567,046	867,618	246,305	22,795	-	-	7,374,077
Bank deposits	14,909	499,503	35,351	31,418	-	-	-	581,181
Other deposits	393,210	1,226,309	182,337	46,709	-	-	-	1,848,565
Interbank funds borrowed	-	518,654	274,742	-	-	-	-	793,396
Funds borrowed	-	93,159	577,546	1,401,340	433,908	-	-	2,505,953
Funds	-	-	-	-	-	-	-	-
Securities issued (net)	-	-	-	-	-	-	-	-
Accrued interest and expense	-	139,330	26,861	17,077	3,423	-	-	186,691
Payables from financial leasing activities (net)	-	-	-	-	-	-	-	-
Taxes, stamps, premiums and other duties	-	-	-	-	28,284	-	-	28,284
Other liabilities	-	-	-	-	-	-	1,013,173	1,013,173
Shareholders' equity (including current period income)	-	-	-	-	-	-	1,408,983	1,408,983
Total liabilities	2,247,495	8,416,228	2,174,891	1,796,756	488,410	-	2,422,156	17,545,936
COMMITMENTS AND CONTINGENCIES:								
Repurchase contracts	-	-	-	-	-	-	-	-
Resale contracts	-	-	-	-	-	-	-	-
Forward currency purchases	-	658,987	39,283	-	-	-	-	698,270
Forward currency sales	-	650,376	38,365	-	-	-	-	688,741
Currency purchase swaps	-	58,270	-	10,492	10,000	-	-	78,762
Currency sale swaps	-	60,115	-	8,649	9,746	-	-	78,510
Total	-	1,427,748	77,648	19,141	19,746	-	-	1,544,283

* items with no maturity