

*(Convenience Translation of Financial Statements and Related Disclosures and Footnotes
Originally Issued in Turkish, See Note 3.1.1)*

Türkiye Garanti Bankası Anonim Şirketi
Unconsolidated Financial Statements
As of and For the Nine-Month Period Ended
30 September 2011

*(Convenience Translation of Financial Statements and Related
Disclosures and Footnotes Originally Issued in Turkish)*

With Independent Accountants'
Limited Review Report Thereon

DRT Bağımsız Denetim ve Serbest
Muhasebeci Mali Müşavirlik AŞ
3 November 2011

*This report contains "Independent Accountants'
Limited Review Report" comprising 2 pages
and;"Unconsolidated Financial Statements and
Related Disclosures and Footnotes" comprising 77
pages.*

To the Board of Directors of
Türkiye Garanti Bankası AŞ
İstanbul

TÜRKİYE GARANTİ BANKASI ANONİM ŞİRKETİ

INDEPENDENT ACCOUNTANTS' LIMITED REVIEW REPORT FOR THE INTERIM PERIOD 1 JANUARY 2011 – 30 SEPTEMBER 2011

We have reviewed the accompanying balance sheet of Türkiye Garanti Bankası A.Ş. (“the Bank”) as at 30 September 2011 and the related statements of income, changes in shareholders’ equity and cash flows for the period then ended. These financial statements are the responsibility of the Bank’s management. As independent accountants, our responsibility is to issue a report based on the review performed on these financial statements.

We conducted our review in accordance with the accounting rules and policies, and the accounting and auditing standards, set out as per the Banking Act No. 5411. Those standards require that we plan and perform the review to obtain limited assurance as to whether the financial statements are free of material misstatement. A review is principally limited to reviewing financial statements by applying analytical procedures, inquiring as to the integrity of the financial statements and making inquiries of management to obtain information, it is substantially less in scope than an audit and therefore provides a less assurance. We have not performed an audit and accordingly we do not express an audit opinion.

As of the balance sheet date, the accompanying financial statements include a general reserve amounting to TL 420,000 thousands, TL 90,000 thousands of which was charged to the income statement as expense in the current period, provided by the Bank management in line with conservatism principle considering the circumstances which may arise from any changes in the economy or market conditions.

Based on our review, except for the effect of the matter referred to in the preceding paragraph on the financial statements, nothing has come to our attention that causes us to believe that the accompanying financial statements do not give a true and fair view of the financial position, the results of its operations and its cash flows, of the Bank as of and for the period ended 30 September 2011 in accordance with the prevailing accounting principles and standards set out as per the Article No. 37 of the Banking Act No. 5411, and other regulations, communiqués and circulars in respect of accounting and financial reporting and pronouncements made by the Banking Regulation and Supervision Agency.

Additional paragraph for English translation:

The effect of the differences between the accounting principles summarized in Section 3 and the accounting principles generally accepted in countries in which the accompanying financial statements are to be distributed and International Financial Reporting Standards (IFRS) have not been quantified and reflected in the accompanying financial statements. The accounting principles used in the preparation of the accompanying financial statements differ materially from IFRS. Accordingly, the accompanying financial statements are not intended to present the Bank's financial position and results of its operations in accordance with accounting principles generally accepted in such countries of users of the financial statements and IFRS.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK AŞ

Member of **DELOITTE TOUCHE TOHMATSU LIMITED**



Hasan Kılıç
Partner

Istanbul, 3 November 2011

Türkiye Garanti Bankası Anonim Şirketi

Unconsolidated Interim Financial Report as of and for the Nine-Month Period Ended 30 September 2011

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The unconsolidated interim financial report prepared in accordance with the communiqué of Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks as regulated by Banking Regulation and Supervision Agency, is comprised of the following sections:

1. General Information about the Bank
2. Unconsolidated Financial Statements
3. Accounting Policies of Unconsolidated Financial Statements
4. Financial Position and Results of Operations of the Bank
5. Disclosures and Footnotes on Unconsolidated Financial Statements
6. Independent Accountants' Limited Review Report

The unconsolidated financial statements and related disclosures and footnotes that were subject to independent review, are prepared in accordance with the Regulation on Accounting Applications for Banks and Safeguarding of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards and the related statements and guidances and in compliance with the financial records of our Bank and, unless stated otherwise, presented in thousands of Turkish Lira (TL).

Ferit F. Şahenk
Board of Directors
Chairman

S. Ergun Özen
General Manager

Aydın Şenel
Financial Reporting
Executive Vice President

Hakan Özdemir
General Accounting
Senior Vice President

M. Cüneyt Sezgin
Audit Committee Member

**Manuel Pedro
Galatas Sanchez Harguindey**
Audit Committee Member

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1 General Information

1.1 History of the bank including its incorporation date, initial legal status, amendments to legal status

Türkiye Garanti Bankası Anonim Şirketi (the Bank) was established by the decree of Council of Ministers numbered 3/4010 dated 11 April 1946 and its “Articles of Association” was issued in the Official Gazette dated 25 April 1946. The Bank provides banking services through 901 domestic branches, six foreign branches and four representative offices abroad. The Bank’s head office is located in Istanbul.

1.2 The bank’s shareholder structure, management and internal audit, direct and indirect shareholders, change in shareholder structure during the year and information on bank’s risk group

As of 30 September 2011, the group of companies under Doğuş Holding AŞ that currently owns 24.23% shares of the Bank, is named the Doğuş Group (the Group).

On 22 December 2005, Doğuş Holding AŞ had completed the sale of 53,550,000,000 shares composing 25.5% of the Bank’s issued share capital to “GE Araştırma ve Müşavirlik Limited Şti” of General Electric (GE) Group. Accordingly, GE acquired a joint control on the Bank’s management.

GE Araştırma ve Müşavirlik Limited Şti had sold 9,765,000,000 shares of Türkiye Garanti Bankası AŞ at a nominal value of TL 97,650 each to Doğuş Holding AŞ, representing 4.65% of the issued share capital of Türkiye Garanti Bankası AŞ on 27 December 2007.

Number of shares representing 20.85% ownership of GE Araştırma ve Müşavirlik Limited Şti increased to 87,571,249,898 subsequent to the capital increase through issuance of bonus shares. The company sold 83,371,249,899 shares at a total nominal value of TL 833,712 thousands representing 19.85% ownership in Türkiye Garanti Bankası AŞ, to GE Capital Corporation on 29 December 2010.

On 22 March 2011, Banco Bilbao Vizcaya Argentaria SA (“BBVA”) acquired;

- 78.120.000.000 shares of the Bank owned by GE Capital Corporation at a total nominal value of TL 781,200 thousands representing 18.60% ownership, and
- 26.418.840.000 shares of the Bank owned by Doğuş Holding AŞ at a total nominal value of TL 264,188 thousands representing 6.29% ownership.

BBVA, holding 24.89% shares of the Bank, had joint control on the Bank’s management together with Doğuş Group.

On 7 April 2011, BBVA acquired additional 503.160.000 shares at a nominal value of TL 5,032 thousands and increased its ownership in the Bank’s share capital to 25.01%. As per the agreement between Doğuş Holding AŞ and BBVA, if any of the parties acquires additional shares during the next five years, it is required to offer half of the acquired shares to other party, in case that other party does not accept to purchase the offered shares, usufruct rights shall be established on the voting rights of such shares in favour of other party. Accordingly, although BBVA has acquired additional shares in April, this does not affect their joint control on the Bank’s management.

Doğuş Group

The Doğuş Group that was established in 1951 initially for investments in construction sector, operates in seven sectors namely financial services, automotive, construction, real estate, tourism, media and energy with more than 70 companies and approximately 30 thousand employees.

The major worldwide joint ventures of the Group are; German Volkswagen AG and TÜVSÜD in automotive, French Alstom and Japan Marubeni in construction, CNBC in media and Starwood Hotels & Resorts, Worldwide Inc., HMS International Hotel GmbH (Maritim) and Aldania GmbH in tourism.

The major investments of the Group in financial sector are; Türkiye Garanti Bankası AŞ, Garanti Bank International NV, Garanti Bank Moscow, Garanti Bank SA, Garanti Finansal Kiralama AŞ, Garanti Faktoring Hizmetleri AŞ, Garanti Yatırım Menkul Kıymetler AŞ, Garanti Portföy Yönetimi AŞ, Garanti Emeklilik ve Hayat AŞ, Doğuş Gayrimenkul Yatırım Ortaklığı AŞ and Volkswagen Doğuş Tüketici Finansmanı AŞ.

BBVA Group

BBVA is operating for more than 150 years, providing variety of wide spread financial and non-financial services to over 47 million retail and commercial customers.

The Group's headquarter is in Spain, where the Group has concrete leadership in retail and commercial markets. BBVA adopting innovative, and customer and community oriented management style, besides banking, operates in insurance sector in Europe and portfolio management, private banking and investment banking in global markets.

The Group owns a bank being the largest financial institution in Mexico, the market leader in South America, and one of the largest 15 commercial banks in United States. BBVA is among the few international groups that operates in China and Turkey, and operates in more than 30 countries with more than 100 thousand employees.

1.3 Information on the bank's board of directors chairman and members, audit committee members, chief executive officer, executive vice presidents and their shareholdings in the bank

Board of Directors Chairman and Members:

Name and Surname	Responsibility	Appointment Date	Education	Experience in Banking and Business Administration
Ferit Faik Şahenk	Chairman	18.04.2001	University	21 years
Süleyman Sözen	Vice Chairman	08.07.2003	University	29 years
Muammer Cüneyt Sezgin	Member of BOD and Audit Committee	30.06.2004	PhD	23 years
Dr. Ahmet Kamil Esirtgen	Member	19.03.1992	PhD	37 years
Manuel Castro Aladro	Member	22.03.2011	Master	19 years
Manuel Pedro Galatas Sanchez Harguindey	Member of BOD and Audit Committee	05.05.2011	University	27 years
Carlos Torres Vila	Member	22.03.2011	Master	20 years
Angel Cano Fernandez	Member	22.03.2011	University	26 years
Sait Ergun Özen	Member and CEO	14.05.2003	University	24 years

CEO and Executive Vice Presidents:

Name and Surname	Responsibility	Appointment Date	Education	Experience in Banking and Business Administration
Sait Ergun Özen	CEO	01.04.2000	University	24 years
Adnan Memiş	EVP-Support Services	03.06.1991	Master	33 years
Ali Fuat Erbil	EVP-Retail Banking	30.04.1999	PhD	19 years
Ali Temel	EVP-Loans	21.10.1999	University	21 years
Gökhan Erun	EVP-Human Resources & Investment Banking	01.09.2005	Master	17 years
Faruk Nafiz Karadere	EVP-SME Banking	01.05.1999	University	29 years
Halil Hüsnü Erel	EVP-Operational Services	16.06.1997	University	26 years
Uruz Ersözöglü	EVP-Treasury	05.04.2006	University	20 years
Tolga Egemen	EVP-Financial Institutions & Corporate Banking	21.09.2000	University	19 years
Turgay Gönensin	EVP-Commercial Banking	15.12.2001	University	26 years
Aydın Şenel	EVP- General Accounting & Financial Reporting	02.03.2006	University	30 years
Zekeriya Öztürk	EVP- International Business Development	06.03.2006	Master	16 years
Avni Aydın Düren	EVP-Legal Services	01.02.2009	Master	17 years
Betül Ebru Edin	EVP-Project Finance	25.11.2009	University	17 years
Murat Mergin	Head of Strategic Planning	01.01.2002	University	17 years

The top management listed above does not hold any unquoted shares of the Bank.

1.4 Information on the bank's qualified shareholders

Name / Company	Shares	Ownership	Paid-in Capital	Unpaid Portion
Doğuş Holding AŞ	857,315	20.4123%	857,315	-
Banco Bilbao Vizcaya Argentaria SA	1,050,420	25.0100%	1,050,420	-

According to the decision made at the “General Assembly of Founder Shares Owners” and the “Extraordinary General Shareholders” meetings held on 13 June 2008, the Bank repurchased all the 370 founder share-certificates issued in order to redeem and exterminate them, subsequent to the permissions obtained from the related legal authorities, at a value of TL 3,876 thousands each in accordance with the report prepared by the court expert and approved by the Istanbul 5th Commercial Court of First Instance. A total payment of TL 1,434,233 thousands has been made to the owners of 368 founder share-certificates from “extraordinary reserves”, and the value of remaining 2 founder share-certificates has been blocked in the bank accounts.

Subsequent to these purchases, the clauses 15, 16 and 45 of the Articles of Association of the Bank have been revised accordingly.

1.5 Summary information on the bank's activities and services

Activities of the Bank as stated at the third clause of its Articles of Association are as follows:

- All banking operations,
- Participating in, establishing, and trading the shares of enterprises at various sectors within the limits set forth by the Banking Law;
- Providing attorneyship, insurance agency, brokerage and freight services in relation with banking activities,
- Purchasing/selling debt securities, treasury bills, government bonds and other share certificates issued by Turkish government and other official and private institutions,
- Developing economical and financial relations with foreign organizations,
- Dealing with all economic operations in compliance with the Banking Law.

The Bank's activities are not limited to those disclosed in that third clause, but whenever the Board of Directors deems any operations other than those stated above to be of benefit to the Bank, it is recommended in the general meeting, and the launching of the related project depends on the decision taken during the General Assembly which results in a change in the Articles of Association and on the approval of this decision by the Ministry of Industry and Commerce. Accordingly, the approved decision is added to the Articles of Association.

The Bank is not a specialized bank but deals with all kinds of banking activities. Deposits are the main sources of the lendings to the customers. The Bank grants loans to companies operating in various sectors while aiming to maintain the required level of efficiency.

The Bank also grants non-cash loans to its customers; especially letters of guarantee, letters of credit and acceptance credits.

2 Unconsolidated Financial Statements

(Convenience Translation of Financial Statements Originally Issued in Turkish)

Türkiye Garanti Bankası Anonim Şirketi Balance Sheet (Statement of Financial Position) At 30 September 2011

ASSETS	Footnotes	THOUSANDS OF TURKISH LIRA (TL)					
		CURRENT PERIOD 30 September 2011			PRIOR PERIOD 31 December 2010		
		TL	FC	Total	TL	FC	Total
I. CASH AND BALANCES WITH CENTRAL BANK	(5.1.1)	6.669.136	5.933.483	12.602.619	3.162.714	4.347.318	7.510.032
II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Net)	(5.1.2)	828.263	1.985.664	2.813.927	763.702	216.213	979.915
2.1 Financial assets held for trading		828.263	1.985.664	2.813.927	763.702	216.213	979.915
2.1.1 Government securities		372.008	1.651.929	2.023.937	556.878	15.929	572.807
2.1.2 Equity securities		22.306	-	22.306	6.993	-	6.993
2.1.3 Derivative financial assets held for trading		390.043	324.799	714.842	191.829	200.284	392.113
2.1.4 Other securities		43.906	8.936	52.842	8.002	-	8.002
2.2 Financial assets valued at fair value through profit or loss		-	-	-	-	-	-
2.2.1 Government securities		-	-	-	-	-	-
2.2.2 Equity securities		-	-	-	-	-	-
2.2.3 Loans		-	-	-	-	-	-
2.2.4 Other securities		-	-	-	-	-	-
III. BANKS	(5.1.3)	2.147.193	9.310.111	11.457.304	2.500.227	5.820.958	8.321.185
IV. INTERBANK MONEY MARKETS		386.427	-	386.427	-	-	-
4.1 Interbank money market placements		-	-	-	-	-	-
4.2 Istanbul Stock Exchange money market placements		86.235	-	86.235	-	-	-
4.3 Receivables from reverse repurchase agreements		300.192	-	300.192	-	-	-
V. FINANCIAL ASSETS AVAILABLE-FOR-SALE (Net)	(5.1.4)	28.973.951	1.447.106	30.421.057	29.851.339	2.484.871	32.336.210
5.1 Equity securities		43.664	1.187	44.851	60.131	68.602	128.733
5.2 Government securities		27.939.418	102.086	28.041.504	28.743.514	964.406	29.707.920
5.3 Other securities		990.869	1.343.833	2.334.702	1.047.694	1.451.863	2.499.557
VI. LOANS	(5.1.5)	47.649.095	33.483.684	81.132.779	37.297.159	27.530.151	64.827.310
6.1 Performing loans		47.379.567	33.483.684	80.863.251	36.945.599	27.530.151	64.475.750
6.1.1 Loans to bank's risk group	(5.7)	40.845	1.321.172	1.362.017	105.221	1.319.974	1.425.195
6.1.2 Government securities		-	-	-	-	-	-
6.1.3 Others		47.338.722	32.162.512	79.501.234	36.840.378	26.210.177	63.050.555
6.2 Loans under follow-up		1.496.990	-	1.496.990	1.939.109	-	1.939.109
6.3 Specific provisions (-)		1.227.462	-	1.227.462	1.587.549	-	1.587.549
VII. FACTORING RECEIVABLES		-	-	-	-	-	-
VIII. INVESTMENTS HELD-TO-MATURITY (Net)	(5.1.6)	3.081.111	1.555.897	4.637.008	4.580.741	1.313.190	5.893.931
8.1 Government securities		3.075.218	1.555.897	4.631.115	4.576.594	1.313.190	5.889.784
8.2 Other securities		5.893	-	5.893	4.147	-	4.147
IX. INVESTMENTS IN ASSOCIATES (Net)	(5.1.7)	19.834	-	19.834	29.512	-	29.512
9.1 Associates consolidated under equity accounting		-	-	-	-	-	-
9.2 Unconsolidated associates		19.834	-	19.834	29.512	-	29.512
9.2.1 Financial investments in associates		18.120	-	18.120	27.798	-	27.798
9.2.2 Non-financial investments in associates		1.714	-	1.714	1.714	-	1.714
X. INVESTMENTS IN SUBSIDIARIES (Net)	(5.1.8)	353.509	1.721.617	2.075.126	292.722	1.362.412	1.655.134
10.1 Unconsolidated financial investments in subsidiaries		249.424	1.721.617	1.971.041	274.906	1.362.412	1.637.318
10.2 Unconsolidated non-financial investments in subsidiaries		104.085	-	104.085	17.816	-	17.816
XI. INVESTMENTS IN JOINT-VENTURES (Net)	(5.1.9)	-	-	-	-	-	-
11.1 Joint-ventures consolidated under equity accounting		-	-	-	-	-	-
11.2 Unconsolidated joint-ventures		-	-	-	-	-	-
11.2.1 Financial investments in joint-ventures		-	-	-	-	-	-
11.2.2 Non-financial investments in joint-ventures		-	-	-	-	-	-
XII. LEASE RECEIVABLES (Net)	(5.1.10)	-	-	-	-	-	-
12.1 Financial lease receivables		-	-	-	-	-	-
12.2 Operational lease receivables		-	-	-	-	-	-
12.3 Others		-	-	-	-	-	-
12.4 Unearned income (-)		-	-	-	-	-	-
XIII. DERIVATIVE FINANCIAL ASSETS HELD FOR RISK MANAGEMENT	(5.1.11)	-	128.930	128.930	-	-	-
13.1 Fair value hedges		-	128.930	128.930	-	-	-
13.2 Cash flow hedges		-	-	-	-	-	-
13.3 Net foreign investment hedges		-	-	-	-	-	-
XIV. TANGIBLE ASSETS (Net)	(5.1.12)	1.184.782	213	1.184.995	1.200.888	425	1.201.313
XV. INTANGIBLE ASSETS (Net)	(5.1.13)	35.476	-	35.476	30.527	-	30.527
15.1 Goodwill		-	-	-	-	-	-
15.2 Other intangibles		35.476	-	35.476	30.527	-	30.527
XVI. INVESTMENT PROPERTY (Net)	(5.1.14)	-	-	-	-	-	-
XVII. TAX ASSET		55.217	-	55.217	117.224	-	117.224
17.1 Current tax asset		4.049	-	4.049	-	-	-
17.2 Deferred tax asset	(5.1.15)	51.168	-	51.168	117.224	-	117.224
XVIII. ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)	(5.1.16)	81.246	-	81.246	98.056	-	98.056
18.1 Assets held for sale		81.246	-	81.246	98.056	-	98.056
18.2 Assets of discontinued operations		-	-	-	-	-	-
XIX. OTHER ASSETS	(5.1.17)	1.511.607	100.084	1.611.691	928.019	45.773	973.792
TOTAL ASSETS		92.976.847	55.666.789	148.643.636	80.852.830	43.121.311	123.974.141

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

(Convenience Translation of Financial Statements Originally Issued in Turkish)

Türkiye Garanti Bankası Anonim Şirketi
Balance Sheet (Statement of Financial Position)
At 30 September 2011

LIABILITIES AND SHAREHOLDERS' EQUITY		Footnotes	THOUSANDS OF TURKISH LIRA (TL)					
			CURRENT PERIOD 30 September 2011			PRIOR PERIOD 31 December 2010		
			TL	FC	Total	TL	FC	Total
I. DEPOSITS	(5.2.1)	44.952.191	35.516.878	80.469.069	44.000.765	28.657.654	72.658.419	
1.1 Deposits from bank's risk group	(5.7)	544.796	1.721.497	2.266.293	522.780	645.512	1.168.292	
1.2 Others		44.407.395	33.795.381	78.202.776	43.477.985	28.012.142	71.490.127	
II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING	(5.2.2)	786.113	259.938	1.046.051	243.549	217.994	461.543	
III. FUNDS BORROWED	(5.2.3)	4.943.817	16.445.630	21.389.447	5.113.873	11.519.439	16.633.312	
IV. INTERBANK MONEY MARKETS		11.054.579	3.982.545	15.037.124	10.370.745	883.398	11.254.143	
4.1 Interbank money market takings		-	-	-	-	-	-	
4.2 Istanbul Stock Exchange money market takings		-	-	-	33.506	-	33.506	
4.3 Obligations under repurchase agreements	(5.2.4)	11.054.579	3.982.545	15.037.124	10.337.239	883.398	11.220.637	
V. SECURITIES ISSUED (Net)	(5.2.4)	2.034.451	1.591.709	3.626.160	-	-	-	
5.1 Bills		2.034.451	-	2.034.451	-	-	-	
5.2 Asset backed securities		-	-	-	-	-	-	
5.3 Bonds		-	1.591.709	1.591.709	-	-	-	
VI. FUNDS		-	-	-	-	-	-	
6.1 Borrower funds		-	-	-	-	-	-	
6.2 Others		-	-	-	-	-	-	
VII. MISCELLANEOUS PAYABLES		3.416.312	82.741	3.499.053	2.914.888	27.685	2.942.573	
VIII. OTHER EXTERNAL FUNDINGS PAYABLE		1.232.038	2.059.621	3.291.659	766.328	253.286	1.019.614	
IX. FACTORING PAYABLES		-	-	-	-	-	-	
X. LEASE PAYABLES (Net)	(5.2.5)	1	8	9	246	111	357	
10.1 Financial lease payables		1	9	10	265	116	381	
10.2 Operational lease payables		-	-	-	-	-	-	
10.3 Others		-	-	-	-	-	-	
10.4 Deferred expenses (-)		-	1	1	19	5	24	
XI. DERIVATIVE FINANCIAL LIABILITIES HELD FOR RISK MANAGEMENT	(5.2.6)	-	1.205	1.205	-	2.347	2.347	
11.1 Fair value hedges		-	-	-	-	-	-	
11.2 Cash flow hedges		-	1.205	1.205	-	2.347	2.347	
11.3 Net foreign investment hedges		-	-	-	-	-	-	
XII. PROVISIONS	(5.2.7)	1.728.790	35.986	1.764.776	1.329.151	31.297	1.360.448	
12.1 General provisions		902.340	34.452	936.792	593.530	28.735	622.265	
12.2 Restructuring reserves		-	-	-	-	-	-	
12.3 Reserve for employee benefits		275.365	-	275.365	285.708	-	285.708	
12.4 Insurance technical provisions (Net)		-	-	-	-	-	-	
12.5 Other provisions		551.085	1.534	552.619	449.913	2.562	452.475	
XIII. TAX LIABILITY	(5.2.8)	230.417	313	230.730	324.821	158	324.979	
13.1 Current tax liability		230.417	313	230.730	324.821	158	324.979	
13.2 Deferred tax liability		-	-	-	-	-	-	
XIV. LIABILITIES FOR ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)	(5.2.9)	-	-	-	-	-	-	
14.1 Assets held for sale		-	-	-	-	-	-	
14.2 Assets of discontinued operations		-	-	-	-	-	-	
XV. SUBORDINATED DEBTS	(5.2.10)	-	1.041.532	1.041.532	-	884.726	884.726	
XVI. SHAREHOLDERS' EQUITY	(5.2.11)	16.779.479	467.342	17.246.821	15.999.001	432.679	16.431.680	
16.1 Paid-in capital		4.200.000	-	4.200.000	4.200.000	-	4.200.000	
16.2 Capital reserves		1.968.380	421.562	2.389.942	2.877.281	416.896	3.294.177	
16.2.1 Share premium		11.880	-	11.880	11.880	-	11.880	
16.2.2 Share cancellation profits		-	-	-	-	-	-	
16.2.3 Securities value increase fund		646.327	422.222	1.068.549	1.555.432	418.378	1.973.810	
16.2.4 Revaluation surplus on tangible assets		598.953	-	598.953	598.187	-	598.187	
16.2.5 Revaluation surplus on intangible assets		-	-	-	-	-	-	
16.2.6 Revaluation surplus on investment property		-	-	-	-	-	-	
16.2.7 Bonus shares of associates, subsidiaries and joint-ventures		1.891	-	1.891	2.453	-	2.453	
16.2.8 Hedging reserves (effective portion)		(63.225)	(660)	(63.885)	(63.225)	(1.482)	(64.707)	
16.2.9 Revaluation surplus on assets held for sale and assets of discontinued operations		-	-	-	-	-	-	
16.2.10 Other capital reserves		772.554	-	772.554	772.554	-	772.554	
16.3 Profit reserves		8.331.051	45.780	8.376.831	5.793.756	15.783	5.809.539	
16.3.1 Legal reserves		716.363	7.001	723.364	524.173	4.283	528.456	
16.3.2 Status reserves		-	-	-	-	-	-	
16.3.3 Extraordinary reserves		7.612.215	-	7.612.215	5.268.509	-	5.268.509	
16.3.4 Other profit reserves		2.473	38.779	41.252	1.074	11.500	12.574	
16.4 Profit or loss		2.280.048	-	2.280.048	3.127.964	-	3.127.964	
16.4.1 Prior periods profit/loss		-	-	-	-	-	-	
16.4.2 Current period net profit/loss		2.280.048	-	2.280.048	3.127.964	-	3.127.964	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		87.158.188	61.485.448	148.643.636	81.063.367	42.910.774	123.974.141	

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

(Convenience Translation of Financial Statements Originally Issued in Turkish)

Türkiye Garanti Bankası Anonim Şirketi

Off-Balance Sheet Items

At 30 September 2011

OFF-BALANCE SHEET ITEMS	Footnotes	THOUSANDS OF TURKISH LIRA (TL)					
		CURRENT PERIOD 30 September 2011			PRIOR PERIOD 31 December 2010		
		TL	FC	Total	TL	FC	Total
A. OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I+II+III)		56.932.266	74.891.700	131.823.966	40.214.279	56.056.490	96.270.769
I. GUARANTEES AND SURETIES	(5.3.1)	5.773.287	13.666.149	19.439.436	4.958.877	10.730.903	15.689.780
1.1. Letters of guarantee		5.764.116	8.454.407	14.218.523	4.951.727	7.155.138	12.106.865
1.1.1. Guarantees subject to State Tender Law		-	-	-	-	-	-
1.1.2. Guarantees given for foreign trade operations		412.574	276.360	688.934	350.400	272.075	622.475
1.1.3. Other letters of guarantee		5.351.542	8.178.047	13.529.589	4.601.327	6.883.063	11.484.390
1.2. Bank acceptances		120	345.314	345.434	-	164.105	164.105
1.2.1. Import letter of acceptance		-	345.314	345.314	-	164.105	164.105
1.2.2. Other bank acceptances		120	-	120	-	-	-
1.3. Letters of credit		9.051	4.797.847	4.806.898	7.150	3.354.914	3.362.064
1.3.1. Documentary letters of credit		-	-	-	-	-	-
1.3.2. Other letters of credit		9.051	4.797.847	4.806.898	7.150	3.354.914	3.362.064
1.4. Guaranteed prefinancings		-	-	-	-	-	-
1.5. Endorsements		-	-	-	-	-	-
1.5.1. Endorsements to the Central Bank of Turkey		-	-	-	-	-	-
1.5.2. Other endorsements		-	-	-	-	-	-
1.6. Underwriting commitments		-	-	-	-	-	-
1.7. Factoring related guarantees		-	-	-	-	-	-
1.8. Other guarantees		-	68.581	68.581	-	56.746	56.746
1.9. Other sureties		-	-	-	-	-	-
II. COMMITMENTS	(5.3.1)	23.103.701	8.451.880	31.555.581	20.106.498	5.485.168	25.591.666
2.1. Irrevocable commitments		23.103.701	8.451.176	31.554.877	20.106.498	5.484.511	25.591.009
2.1.1. Asset purchase and sale commitments		1.976.802	2.505.140	4.481.942	395.731	1.393.682	1.789.413
2.1.2. Deposit purchase and sale commitments		-	-	-	-	24.450	24.450
2.1.3. Share capital commitments to associates and subsidiaries		1.000	11.033	12.033	2.000	9.373	11.373
2.1.4. Loan granting commitments		4.427.354	5.161.503	9.588.857	4.045.824	2.879.006	6.924.830
2.1.5. Securities issuance brokerage commitments		-	-	-	-	-	-
2.1.6. Commitments for reserve deposit requirements		-	-	-	-	-	-
2.1.7. Commitments for cheque payments		2.177.578	-	2.177.578	1.910.095	-	1.910.095
2.1.8. Tax and fund obligations on export commitments		16.211	-	16.211	21.447	-	21.447
2.1.9. Commitments for credit card limits		13.240.546	-	13.240.546	12.467.191	-	12.467.191
2.1.10. Commitments for credit cards and banking services related promotions		-	-	-	-	-	-
2.1.11. Receivables from "short" sale commitments on securities		-	-	-	-	-	-
2.1.12. Payables from "short" sale commitments on securities		-	-	-	-	-	-
2.1.13. Other irrevocable commitments		1.264.210	773.500	2.037.710	1.264.210	1.178.000	2.442.210
2.2. Revocable commitments		-	704	704	-	657	657
2.2.1. Revocable loan granting commitments		-	-	-	-	-	-
2.2.2. Other revocable commitments		-	704	704	-	657	657
III. DERIVATIVE FINANCIAL INSTRUMENTS	(5.3.2)	28.055.278	52.773.671	80.828.949	15.148.904	39.840.419	54.989.323
3.1. Derivative financial instruments held for risk management		-	1.945.125	1,945.125	-	167.200	167.200
3.1.1. Fair value hedges		-	1.820.000	1,820.000	-	-	-
3.1.2. Cash flow hedges		-	125.125	125.125	-	167.200	167.200
3.1.3. Net foreign investment hedges		-	-	-	-	-	-
3.2. Trading derivatives		28.055.278	50.828.546	78.883.824	15.148.904	39.673.219	54.822.123
3.2.1. Forward foreign currency purchases/sales		4.230.778	5.780.526	10.011.304	1.947.971	3.827.379	5.775.350
3.2.1.1. Forward foreign currency purchases		1.131.967	3.932.878	5.064.845	622.702	2.280.152	2.902.854
3.2.1.2. Forward foreign currency sales		3.098.811	1.847.648	4.946.459	1.325.269	1.547.227	2.872.496
3.2.2. Currency and interest rate swaps		14.702.952	32.181.178	46.884.130	8.242.884	24.906.200	33.149.090
3.2.2.1. Currency swaps-purchases		6.885.337	8.305.195	15.190.532	5.919.370	5.014.155	10.933.525
3.2.2.2. Currency swaps-sales		4.370.160	11.068.915	15.439.075	2.196.114	8.884.697	11.800.811
3.2.2.3. Interest rate swaps-purchases		1.703.200	6.424.735	8.127.935	63.700	5.502.918	5.566.618
3.2.2.4. Interest rate swaps-sales		1.744.255	6.382.329	8.126.584	63.700	5.504.436	5.568.136
3.2.3. Currency, interest rate and security options		9.021.811	12.219.888	21.241.699	4.841.892	9.579.515	14.421.407
3.2.3.1. Currency call options		3.460.423	6.584.651	10.045.074	1.861.152	3.378.729	5.239.881
3.2.3.2. Currency put options		5.467.188	4.754.065	10.221.253	2.465.329	2.834.386	5.299.715
3.2.3.3. Interest rate call options		-	873.113	873.113	-	1.630.000	1.630.000
3.2.3.4. Interest rate put options		-	-	-	-	1.630.000	1.630.000
3.2.3.5. Security call options		94.200	8.059	102.259	115.016	106.400	221.416
3.2.3.6. Security put options		-	-	-	400.395	-	400.395
3.2.4. Currency futures		17.691	34.165	51.856	14.359	28.681	43.040
3.2.4.1. Currency futures-purchases		16.786	17.516	34.302	2.066	13.270	15.336
3.2.4.2. Currency futures-sales		905	16.649	17.554	12.293	15.411	27.704
3.2.5. Interest rate futures		-	-	-	-	91.200	91.200
3.2.5.1. Interest rate futures-purchases		-	-	-	-	91.200	91.200
3.2.5.2. Interest rate futures-sales		-	-	-	-	-	-
3.2.6. Others		82.046	612.789	694.835	101.798	1.240.238	1.342.036
B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)		316.957.965	199.602.625	516.560.590	264.998.067	150.809.364	415.807.431
IV. ITEMS HELD IN CUSTODY		82.670.076	18.525.464	101.195.540	79.388.862	14.996.078	94.384.940
4.1. Customers' securities held		52.368.948	1.199	52.370.147	57.239.310	1.000	57.240.310
4.2. Investment securities held in custody		20.417.820	6.073.118	26.490.938	14.621.951	3.934.713	18.556.664
4.3. Checks received for collection		7.225.596	1.318.224	8.543.820	5.181.861	922.581	6.104.442
4.4. Commercial notes received for collection		2.594.681	1.063.423	3.658.104	2.291.385	1.737.683	4.029.068
4.5. Other assets received for collection		39.409	9.279.712	9.319.121	30.771	7.895.502	7.926.273
4.6. Assets received through public offering		-	45.070	45.070	-	37.530	37.530
4.7. Other items under custody		23.622	744.718	768.340	23.584	467.069	490.653
4.8. Custodians		-	-	-	-	-	-
V. PLEDGED ITEMS		234.287.889	181.077.161	415.365.050	185.609.205	135.813.286	321.422.491
5.1. Securities		1.429.341	122.438	1,551.779	1,379.977	102.120	1,482.097
5.2. Guarantee notes		32.449.504	9.883.370	42,332.874	26,249.041	7,740.382	33,989.423
5.3. Commodities		-	-	-	-	-	-
5.4. Warranties		-	-	-	-	-	-
5.5. Real estates		45,929.288	48,977.767	94,907.055	36,472.372	38,791.780	75,264.152
5.6. Other pledged items		154,479.586	122,093.187	276,572.773	121,507.645	89,178.557	210,686.202
5.7. Pledged items-depository		170	399	569	170	447	617
VI. CONFIRMED BILLS OF EXCHANGE AND SURETIES		-	-	-	-	-	-
TOTAL OFF-BALANCE SHEET ITEMS (A+B)		373.890.231	274.494.325	648.384.556	305.212.346	206.865.854	512.078.200

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

Türkiye Garanti Bankası Anonim Şirketi
Income Statement
For the Nine-Month Period Ended 30 September 2011

INCOME AND EXPENSE ITEMS	Footnotes	THOUSANDS OF TURKISH LIRA (TL)			
		CURRENT PERIOD 1 January 2011- 30 September 2011	PRIOR PERIOD 1 January 2010- 30 September 2010	CURRENT PERIOD 1 July 2011- 30 September 2011	PRIOR PERIOD 1 July 2010- 30 September 2010
I. INTEREST INCOME	(5.4.1)	7.292.356	6.956.354	2.590.206	2.084.005
1.1 Interest income on loans		4.708.588	3.922.361	1.752.132	1.311.540
1.2 Interest income on reserve deposits		-	82.797	-	29.068
1.3 Interest income on banks		176.294	168.749	66.032	53.903
1.4 Interest income on money market transactions		2.364	3.121	1.174	286
1.5 Interest income on securities portfolio		2.326.782	2.678.503	749.309	659.219
1.5.1 Trading financial asset:		19.084	39.379	8.290	15.442
1.5.2 Financial assets valued at fair value through profit or loss:		-	-	-	-
1.5.3 Financial assets available-for-sale:		1.879.410	1.987.301	594.168	399.558
1.5.4 Investments held-to-maturity		428.288	651.823	146.851	244.219
1.6 Financial lease income		-	-	-	-
1.7 Other interest income		78.328	100.823	21.559	29.989
II. INTEREST EXPENSE	(5.4.2)	4.160.849	3.481.808	1.547.007	1.215.374
2.1 Interest on deposits		2.845.038	2.661.482	1.048.664	954.883
2.2 Interest on funds borrowed		691.962	527.091	249.267	189.850
2.3 Interest on money market transactions		500.381	288.969	182.307	70.289
2.4 Interest on securities issued		110.333	-	58.193	-
2.5 Other interest expenses		13.135	4.266	8.576	352
III. NET INTEREST INCOME (I - II)		3.131.507	3.474.546	1.043.199	868.631
IV. NET FEES AND COMMISSIONS INCOME		1.527.444	1.385.935	517.453	457.501
4.1 Fees and commissions received		1.796.234	1.610.883	615.606	537.414
4.1.1 Non-cash loans		125.785	121.097	40.958	36.151
4.1.2 Others		1.670.449	1.489.786	574.648	501.263
4.2 Fees and commissions paid		268.790	224.948	98.153	79.913
4.2.1 Non-cash loans		629	572	225	215
4.2.2 Others		268.161	224.376	97.928	79.698
V. DIVIDEND INCOME	(5.4.3)	5.148	5.211	1.391	1.618
VI. NET TRADING INCOME/LOSSES (Net)	(5.4.4)	258.681	348.434	(66.896)	101.990
6.1 Trading account income/losses		321.938	201.172	77.151	47.489
6.2 Income/losses from derivative financial instrument		103.613	(3.804)	(33.792)	27.092
6.3 Foreign exchange gains/losses		(166.870)	151.066	(110.255)	27.409
VII. OTHER OPERATING INCOME	(5.4.5)	754.272	526.800	58.708	148.929
VIII. TOTAL OPERATING PROFIT (III+IV+V+VI+VII)		5.677.052	5.740.926	1.553.855	1.578.669
IX. PROVISION FOR LOSSES ON LOANS AND OTHER RECEIVABLES (-)	(5.4.6)	598.772	468.421	160.964	188.672
X. OTHER OPERATING EXPENSES (-)	(5.4.7)	2.179.498	2.212.416	761.483	728.868
XI. NET OPERATING PROFIT/LOSS (VIII-IX-X)		2.898.782	3.060.089	631.408	661.129
XII. INCOME RESULTED FROM MERGERS		-	-	-	-
XIII. INCOME/LOSS FROM INVESTMENTS UNDER EQUITY ACCOUNTING		-	-	-	-
XIV. GAIN/LOSS ON NET MONETARY POSITION		-	-	-	-
XV. OPERATING PROFIT/LOSS BEFORE TAXES (XI+XII+XIII+XIV)	(5.4.8)	2.898.782	3.060.089	631.408	661.129
XVI. PROVISION FOR TAXES (±)	(5.4.9)	618.734	613.167	149.762	139.412
16.1 Current tax charge		326.279	722.670	93.569	141.313
16.2 Deferred tax charge/(credit)		292.455	(109.503)	56.193	(1.901)
XVII. NET OPERATING PROFIT/LOSS AFTER TAXES (XV±XVI)	(5.4.10)	2.280.048	2.446.922	481.646	521.717
XVIII. INCOME FROM DISCONTINUED OPERATIONS		-	-	-	-
18.1 Income from assets held for sale		-	-	-	-
18.2 Income from sale of associates, subsidiaries and joint-venture		-	-	-	-
18.3 Others		-	-	-	-
XIX. EXPENSES FROM DISCONTINUED OPERATIONS (-)		-	-	-	-
19.1 Expenses on assets held for sale		-	-	-	-
19.2 Expenses on sale of associates, subsidiaries and joint-venture		-	-	-	-
19.3 Others		-	-	-	-
XX. PROFIT/LOSS BEFORE TAXES ON DISCONTINUED OPERATIONS (XVIII-XIX)	(5.4.8)	-	-	-	-
XXI. PROVISION FOR TAXES OF DISCONTINUED OPERATIONS (±)	(5.4.9)	-	-	-	-
21.1 Current tax charge		-	-	-	-
21.2 Deferred tax charge/(credit)		-	-	-	-
XXII. NET PROFIT/LOSS AFTER TAXES ON DISCONTINUED OPERATIONS (XX±XXI)	(5.4.10)	-	-	-	-
XXIII. NET PROFIT/LOSS (XVII+XXII)	(5.4.11)	2.280.048	2.446.922	481.646	521.717
Earnings per Share		0,543	0,583	0,115	0,124

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

(Convenience Translation of Financial Statements Originally Issued in Turkish)

Türkiye Garanti Bankası Anonim Şirketi
Statement of Income/Expense Items Accounted for under Shareholders' Equity
For the Nine-Month Period Ended 30 September 2011

INCOME AND EXPENSE ITEMS UNDER SHAREHOLDERS' EQUITY	THOUSANDS OF TURKISH LIRA (TL)	
	CURRENT PERIOD 1 January 2011- 30 September 2011	PRIOR PERIOD 1 January 2010- 30 September 2010
I. MARKET VALUE GAINS ON AVAILABLE FOR SALE ASSETS ACCOUNTED UNDER "SECURITIES VALUE INCREASE FUND"	(1.247.514)	144.823
II. REVALUATION SURPLUS ON TANGIBLE ASSETS	-	-
III. REVALUATION SURPLUS ON INTANGIBLE ASSETS	-	-
IV. TRANSLATION DIFFERENCES FOR TRANSACTIONS IN FOREIGN CURRENCIES	10.094	(1.664)
V. GAIN/LOSS ON DERIVATIVE FINANCIAL ASSETS HELD FOR CASH FLOW HEDGES (effective portion)	1.028	448
VI. GAIN/LOSS ON DERIVATIVE FINANCIAL ASSETS HELD FOR HEDGES OF NET INVESTMENT IN FOREIGN OPERATIONS (effective portion)	-	528
VII. EFFECTS OF CHANGES IN ACCOUNTING POLICIES AND CORRECTIONS	-	-
VIII. OTHER INCOME/EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY AS PER TAS	115.402	65.334
IX. DEFERRED TAXES ON VALUE INCREASES/DECREASES	226.083	(19.101)
X. NET INCOME/EXPENSE ITEMS ACCOUNTED DIRECTLY UNDER SHAREHOLDERS' EQUITY (I+II+III+IV+V+VI+VII+VIII+IX)	(894.907)	190.368
XI. CURRENT PERIOD PROFIT/LOSSES	2.280.048	2.446.922
1.1 Net changes in fair value of securities (transferred to income statement)	314.014	183.444
1.2 Gains/losses on derivative financial assets held for cash flow hedges, reclassified and recorded in income statement	-	-
1.3 Gains/losses on hedges of net investment in foreign operations, reclassified and recorded in income statement	-	-
1.4 Others	1.966.034	2.263.478
XII. TOTAL PROFIT/LOSS ACCOUNTED FOR THE CURRENT PERIOD (X+XI)	1.385.141	2.637.290

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

(Convenience Translation of Financial Statements Originally Issued in Turkish)

Türkiye Garanti Bankası Anonim Şirketi
Statement of Changes in Shareholders' Equity
For the Nine-Month Period Ended 30 September 2011

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	Footnotes	THOUSANDS OF TURKISH LIRA (TL)															
		Paid-In Capital	Capital Reserves from Inflation Adj.s to Paid-In Capital	Share Premium	Share Cancellation Profits	Legal Reserves	Status Reserves	Extraordinary Reserves	Other Reserves	Current Period Net Profit/(Loss)	Prior Period Profit/(Loss)	Securities Value Increase Fund	Revaluation Surplus on Tangible and Intangible Assets	Bonus Shares of Equity Participations	Hedging Reserves	Accu. Rev. Surp. on Assets Held for Sale and Assets of Discont. Op.s	Total Shareholders' Equity
PRIOR PERIOD (1 January - 30 September 2010)																	
I. Balances at beginning of the period		4.200.000	772.554	11.880	-	367.032	-	2.847.764	8.238	-	2.962.241	1.611.146	598.194	2.453	(65.815)	-	13.315.687
II. Correction made as per TAS 8		-	-	-	-	-	-	-	-	-	(25.567)	-	-	-	-	-	(25.567)
2.1. Effect of corrections		-	-	-	-	-	-	-	-	-	(25.567)	-	-	-	-	-	(25.567)
2.2. Effect of changes in accounting policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Adjusted balances at beginning of the period (I+II)	(5.5)	4.200.000	772.554	11.880	-	367.032	-	2.847.764	8.238	-	2.936.674	1.611.146	598.194	2.453	(65.815)	-	13.290.120
Changes during the period																	
IV. Mergers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V. Market value changes of securities		-	-	-	-	-	-	-	-	-	191.258	-	-	-	-	-	191.258
VI. Hedging reserves		-	-	-	-	-	-	-	-	-	-	-	-	781	-	-	781
6.1. Cash flow hedge		-	-	-	-	-	-	-	-	-	-	-	-	358	-	-	358
6.2. Hedge of net investment in foreign operations		-	-	-	-	-	-	-	-	-	-	-	-	423	-	-	423
VII. Revaluation surplus on tangible assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Revaluation surplus on intangible assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Bonus shares of associates, subsidiaries and joint-ventures		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Translation differences		-	-	-	-	(453)	-	-	(1.211)	-	-	-	-	-	-	-	(1.664)
XI. Changes resulted from disposal of assets		-	-	-	-	-	-	-	-	-	-	(7)	-	-	-	-	(7)
XII. Changes resulted from reclassification of assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII. Effect of change in equities of associates on bank's equity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV. Capital increase		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.1. Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.2. Internal sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV. Share issuance		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI. Share cancellation profits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII. Capital reserves from inflation adjustments to paid-in capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVIII. Others		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIX. Current period net profit/loss		-	-	-	-	-	-	-	-	2.446.922	-	-	-	-	-	-	2.446.922
XX. Profit distribution		-	-	-	-	162.112	-	2.446.312	3.817	-	(2.962.241)	-	-	-	-	-	(350.000)
20.1. Dividends		-	-	-	-	162.112	-	2.446.312	3.817	-	(350.000)	-	-	-	-	-	(350.000)
20.2. Transfers to reserves		-	-	-	-	-	-	-	-	-	(2.608.424)	-	-	-	-	-	-
20.3. Others		-	-	-	-	-	-	-	-	-	(3.817)	-	-	-	-	-	-
Balances at end of the period (III+IV+V+.....+XVIII+XIX+XX)		4.200.000	772.554	11.880	-	528.691	-	5.294.076	10.844	2.446.922	(25.567)	1.802.404	598.187	2.453	(65.034)	-	15.577.410
CURRENT PERIOD (1 January - 30 September 2011)																	
I. Balances at beginning of the period		4.200.000	772.554	11.880	-	528.456	-	5.268.509	12.574	-	3.127.964	1.973.810	598.187	2.453	(64.707)	-	16.431.680
Changes during the period	(5.5)																
II. Mergers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Market value changes of securities		-	-	-	-	-	-	-	-	-	(905.261)	-	-	-	-	-	(905.261)
IV. Hedging reserves		-	-	-	-	-	-	-	-	-	-	-	-	822	-	-	822
4.1. Cash flow hedge		-	-	-	-	-	-	-	-	-	-	-	-	822	-	-	822
4.2. Hedge of net investment in foreign operations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V. Revaluation surplus on tangible assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Revaluation surplus on intangible assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Bonus shares of associates, subsidiaries and joint-ventures		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Translation differences		-	-	-	-	1.646	-	-	8.448	-	-	-	-	-	-	-	10.094
IX. Changes resulted from disposal of assets		-	-	-	-	-	-	-	-	-	-	-	-	-	(562)	-	(562)
X. Changes resulted from reclassification of assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. Effect of change in equities of associates on bank's equity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII. Capital increase		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.1. Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2. Internal sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII. Share issuance		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV. Share cancellation profits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV. Capital reserves from inflation adjustments to paid-in capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI. Others		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII. Current period net profit/loss		-	-	-	-	-	-	-	-	2.280.048	-	-	-	-	-	-	2.280.048
XVIII. Profit distribution		-	-	-	-	193.262	-	2.343.706	20.230	-	(3.127.964)	-	766	-	-	-	(570.000)
18.1. Dividends		-	-	-	-	193.262	-	2.343.706	20.230	-	(570.000)	-	766	-	-	-	(570.000)
18.2. Transfers to reserves		-	-	-	-	-	-	-	-	-	(2.536.968)	-	-	-	-	-	-
18.3. Others		-	-	-	-	-	-	-	-	-	(20.996)	-	-	-	-	-	-
Balances at end of the period (I+II+III+.....+XVI+XVII+XVIII)		4.200.000	772.554	11.880	-	723.364	-	7.612.215	41.252	2.280.048	-	1.068.549	598.953	1.891	(63.885)	-	17.246.821

(Convenience Translation of Financial Statements Originally Issued in Turkish)

Türkiye Garanti Bankası Anonim Şirketi
Statement of Cash Flows
For the Nine-Month Period Ended 30 September 2011

STATEMENT OF CASH FLOWS	Footnotes	THOUSANDS OF TURKISH LIRA (TL)	
		CURRENT PERIOD 1 January 2011- 30 September 2011	PRIOR PERIOD 1 January 2010- 30 September 2010
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating profit before changes in operating assets and liabilities		2.073.605	3.901.976
1.1.1 Interests received		7.012.124	7.375.396
1.1.2 Interests paid		(4.109.621)	(3.475.176)
1.1.3 Dividend received		5.148	5.211
1.1.4 Fees and commissions received		1.796.234	1.715.060
1.1.5 Other income		650.611	625.526
1.1.6 Collections from previously written-off loans and other receivable:		56.747	41.825
1.1.7 Payments to personnel and service suppliers		(1.751.511)	(1.653.649)
1.1.8 Taxes paid		(516.474)	(661.114)
1.1.9 Others	(5.6)	(1.069.653)	(71.103)
1.2 Changes in operating assets and liabilities		(3.648.950)	(7.835.098)
1.2.1 Net (increase) decrease in financial assets held for trading		(1.490.472)	(1.045.051)
1.2.2 Net (increase) decrease in financial assets valued at fair value through profit or loss		-	-
1.2.3 Net (increase) decrease in due from banks		(2.548.322)	(1.132.203)
1.2.4 Net (increase) decrease in loans		(16.090.497)	(10.829.739)
1.2.5 Net (increase) decrease in other assets		(2.335.362)	46.299
1.2.6 Net increase (decrease) in bank deposits		(197.260)	(703.543)
1.2.7 Net increase (decrease) in other deposits		7.971.101	7.999.499
1.2.8 Net increase (decrease) in funds borrowed		8.681.502	985.236
1.2.9 Net increase (decrease) in matured payables		-	-
1.2.10 Net increase (decrease) in other liabilities	(5.6)	2.360.360	(3.155.596)
I. Net cash flow from banking operations		(1.575.345)	(3.933.122)
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II. Net cash flow from investing activities		2.196.057	(448.883)
2.1 Cash paid for purchase of associates, subsidiaries and joint-ventures		-	(390.062)
2.2 Cash obtained from sale of associates, subsidiaries and joint-ventures		171.003	5.568
2.3 Purchases of tangible assets		(164.410)	(174.207)
2.4 Sales of tangible assets		57.496	40.956
2.5 Cash paid for purchase of financial assets available-for-sale		(12.746.644)	(14.192.326)
2.6 Cash obtained from sale of financial assets available-for-sale		13.524.356	12.739.011
2.7 Cash paid for purchase of investments held-to-maturity		(5.781)	-
2.8 Cash obtained from sale of investments held-to-maturity		1.360.037	1.522.177
2.9 Others	(5.6)	-	-
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net cash flow from financing activities		2.912.126	(354.739)
3.1 Cash obtained from funds borrowed and securities issued		3.642.913	-
3.2 Cash used for repayment of funds borrowed and securities issued		(160.406)	-
3.3 Equity instruments issued		-	-
3.4 Dividends paid		(570.000)	(350.000)
3.5 Payments for financial leases		(381)	(4.739)
3.6 Others (payments for founder shares repurchased)	(5.6)	-	-
IV. Effect of change in foreign exchange rate on cash and cash equivalents	(5.6)	589.048	(138.772)
V. Net increase/(decrease) in cash and cash equivalents		4.121.886	(4.875.516)
VI. Cash and cash equivalents at beginning of period		6.195.233	8.130.742
VII. Cash and cash equivalents at end of period		10.317.120	3.255.226

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

3 Accounting policies

3.1 Basis of presentation

As per the Article 37 of “Accounting and Recording Rules” of the Turkish Banking Law No. 5411 published on the Official Gazette no.25983 dated 1 November 2005 and became effective, the Bank keeps its accounting records and prepares its unconsolidated financial statements and the related footnotes in accordance with accounting and valuation standards described in “Regulation on Accounting Applications for Banks and Safeguarding of Documents” published by the Banking Regulatory and Supervisory Agency (BRSA) and in effect since 1 November 2006, Turkish Accounting Standards (TAS), Turkish Financial Reporting Standards (TFRS) and the related statements and guidances.

The accompanying unconsolidated financial statements are prepared in accordance with the historical cost basis except for financial assets at fair value through profit or loss, financial assets available for sale, investments in associates and subsidiaries that are quoted on the stock exchanges and that are in foreign currencies which are presented on a fair value basis.

The accounting policies and the valuation principles applied in the preparation of the accompanying financial statements are explained in Notes 3.2 to 3.24.

3.1.1 Additional paragraph for convenience translation to English

The differences between accounting principles, as described in the preceding paragraphs, and the accounting principles generally accepted in countries, in which the accompanying financial statements are to be distributed, and International Financial Reporting Standards (“IFRS”), may 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 IFRS.

3.2 Strategy for the use of financial instruments and foreign currency transactions

3.2.1 Strategy for the use of financial instruments

The liability side of the Bank’s balance sheet is intensively composed of short-term deposits in line with the general trend in the banking sector. In addition to deposits, the Bank has access to longer-term borrowings via the borrowings from abroad.

In order to manage the interest rate risk arising from short-term deposits, the Bank is keen on maintaining floating rate instruments such as government bonds with quarterly coupon payments and instruments like credit cards and consumer loans providing regular cash inflows.

The fundamental strategy to manage the liquidity risk is to expand the deposit base through customer-oriented banking philosophy, and to increase customer transactions and retention rates. The Bank’s widespread and effective branch network, advantage of primary dealership and strong market share in the treasury and capital markets, are the most effective tools in the realisation of this strategy. For this purpose, serving customers by introducing new products and services continuously and reaching the customers satisfaction are very important.

Another influential factor in management of interest and liquidity risks on balance sheet is product diversification both on asset and liability sides.

Exchange rate risk, interest rate risk and liquidity risk are controlled and measured by various risk management systems, and the balance sheet is managed under the limits set by these systems and the limits legally required. Asset-liability management and value at risk models, stress tests and scenario analysis are used for this purpose.

Purchase and sale of short and long-term financial instruments are allowed within the pre-determined limits to generate risk-free return on capital.

The foreign currency position is controlled by the equilibrium of a currency basket to eliminate the foreign exchange risk.

3.2.2 Foreign currency transactions

Foreign exchange gains and losses arising from foreign currency transactions are recorded at transaction dates. At the end of the periods, foreign currency assets and liabilities evaluated with the Bank's spot purchase rates and the differences are recorded as foreign exchange gain or loss in the income statement.

The Bank had applied net investment hedge accounting for the exchange rate differences on the net investment risks on its foreign affiliates and its related financial liabilities in foreign currencies in the previous periods. The Bank prospectively discontinued this application as of 1 January 2009 within the framework of TFRIC 16 - Comment on Hedges of a Net Investment in a Foreign Operation, published in the Official Gazette dated 8 January 2009, no. 27104. The Bank started to apply fair value hedge accounting as at 1 January 2009 by designating the exchange rate risk of these foreign investments that are recognized under fair value accounting as hedged item, in compliance with "TAS 39 *Financial Instruments: Recognition and Measurement*". Accordingly, the effective portion of the foreign exchange differences is recorded under income statement in the current period.

In the currency conversion of the financial statements of the Bank's foreign branches, the Bank's spot purchase rates are used for balance sheet items and average foreign currency rates for income statement. All foreign currency differences arising from this conversion, are classified as "other profit reserves" under the shareholders' equity.

3.3 Investments in associates and subsidiaries

The unconsolidated investments in associates and subsidiaries are accounted for in accordance with the Turkish Accounting Standard 39 (TAS 39) "Financial Instruments: Recognition and Measurement". Investments in companies quoted in organized markets and for which their fair values can be reliably determined, are valued at their fair values. Others are valued at costs reduced by provisions for impairment losses, if any, in the accompanying financial statements.

3.4 Forwards, options and other derivative transactions

The derivative transactions mainly consist of foreign currency and interest rate swaps, foreign currency options and forward foreign currency purchase/sale contracts. There are no embedded derivatives.

According to the Turkish Accounting Standard 39 (TAS 39) "Financial Instruments: Recognition and Measurement"; forward foreign currency purchases/sales, swaps, options and futures are classified "hedging purposes" and "trading purposes". Derivatives are initially recorded in off-balance sheet accounts at their purchase costs including the transaction costs. Subsequently, the derivative transactions are valued at their fair values and the changes in their fair values are recorded on balance sheet under "derivative financial assets held for trading" or "derivative financial liabilities held for trading", respectively. Subsequent fair value changes for trading derivatives are recorded under income statement. While, the effective portions of cash flow hedges are recorded under shareholders' equity, their ineffective portions are posted through income statement.

The spot legs of currency swap transactions are recorded on the balance sheet and the forward legs in the off-balance sheet accounts.

3.5 Interest income and expenses

Interests are recorded according to the effective interest rate method (rate equal to the rate in calculation of present value of future cash flows of financial assets or liabilities) defined in the Turkish Accounting Standard 39 (TAS 39) “Financial Instruments: Recognition and Measurement”.

In case an interest was accrued on a security before its acquisition, the collected interest is divided into two parts as interest before and after the acquisition and only the interest of the period after the acquisition is recorded as interest income in the financial statements.

The accrued interest income on non-performing loans are reversed and subsequently recognised as interest income only when collected.

3.6 Fees and commissions

Fees and commissions received and paid, and other fees and commissions paid to financial institutions are calculated according to either accrual basis of accounting or effective interest rate method depending on nature of fees and commissions, income derived from agreements and asset purchases from third parties are recognized as income when realized.

3.7 Financial assets

3.7.1 Financial assets at fair value through profit or loss

Such assets are valued at their fair values and gain/loss arising on those assets is recorded in the income statement. Interest income earned on trading securities and the difference between their acquisition costs and fair values are recorded as interest income in the income statement. In case of sales of such securities before their maturity, the gains/losses on such sales are recorded under trading income/losses.

3.7.2 Investments held-to-maturity, financial assets available-for-sale and loans and receivables

Financial assets are initially recorded at their purchase costs including the transaction costs.

Investments held-to-maturity are financial assets with fixed maturities and pre-determined payment schedules that the Bank has the intent and ability to hold until maturity, excluding loans and receivables.

There are no financial assets that are not allowed to be classified as investments held-to-maturity for two years due to the tainting rules applied for the breach of classification rules.

Investments held-to-maturity are measured at amortized costs using internal rate of return after deducting impairments, if any.

Assets available-for-sale, are financial assets other than assets held for trading purposes, investments held-to-maturity and loans and receivables.

Financial assets available-for-sale are measured at their fair values subsequently. However, assets for which fair values could not be determined reliably are valued using discounting method with internal rate of return for the ones with a fixed maturity; and using valuation models or discounted cash flow techniques for the ones which do not have a fixed maturity. Unrecognised gain/losses derived from the difference between their fair value and the discounted values are recorded in “securities value increase fund” under the shareholders’ equity. In case of sales, the realized gain/losses are recognized directly in the income statement.

The real coupon rates for government bonds indexed to consumer price index are fixed throughout maturities. As per the statements made by the Turkish Treasury on the dates of issuance, such securities are valued taking into account the difference between the reference index at the issue date and the reference index at the balance sheet date to reflect the effects of inflation.

Purchase and sale transactions of securities are accounted at delivery dates.

Loans and receivables are financial assets raised by the Bank providing money, commodity and services to debtors.

Loans are financial assets with fixed or determinable payments and not quoted in an active market.

Loans and receivables are recognized at cost and measured at amortized cost using the effective interest method. Duties paid, transaction costs and other similar expenses on assets received against such risks are considered as a part of transaction cost and charged to customers.

3.8 Impairment of financial assets

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

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

If there is an objective evidence that certain loans will not be collected, for such loans; the Bank provides specific and general allowances for loan and other receivables classified in accordance with the Regulation on Identification of and Provision against Non-Performing Loans and Other Receivables published on the Official Gazette no.2633 dated 1 November 2006. The allowances are recorded in the income statement of the related period.

3.9 Netting of financial instruments

In cases where the fair values of trading securities, securities available-for-sale, securities quoted at the stock exchanges, associates and subsidiaries are less than their carrying values, a provision for impairment is allocated, and the net value is shown on the balance sheet.

The Bank provides specific allowances for loan and other receivables in accordance with the Regulation on Identification of and Provision against Non-Performing Loans and Other Receivables. The allowances are recorded under “loans” as negative balances on the asset side.

Otherwise, the financial assets and liabilities are netted off only when there is a legal right to do so.

3.10 Repurchase and resale agreements and securities lending

Securities sold under repurchase agreements are recorded on the balance sheet in compliance with the Uniform Chart of Accounts. Accordingly, government bonds and treasury bills sold to customers under repurchase agreements are classified as “Investments Subject to Repurchase Agreements” and valued based on the Bank management’s future intentions, either at market prices or using discounting method with internal rate of return. The funds received through repurchase agreements are classified separately under liability accounts and the related interest expenses are accounted for on an accrual basis.

Securities purchased under resale agreements are classified under “interbank money markets” separately. An income accrual is accounted for the positive difference between the purchase and resale prices earned during the period.

3.11 Assets held for sale and discontinued operations

A tangible asset (or a disposal group) classified as “asset held for sale” is measured at lower of carrying value or fair value less costs to sell. An asset (or a disposal group) is regarded as “asset held for sale” only when the sale is highly probable and the asset (disposal group) is available for immediate sale in its present condition. For a highly probable sale, there must be a valid plan prepared by the management for the sale of asset including identification of possible buyers and completion of sale process. Furthermore, the asset should be actively marketed at a price consistent with its fair value.

A discontinued operation is a part of the Bank’s business classified as sold or held-for-sale. The operating results of the discontinued operations are disclosed separately in the income statement. The Bank has no discontinued operations.

3.12 Goodwill and other intangible assets

The Bank’s intangible assets consist of softwares, intangible rights and other intangible assets.

Goodwill and other intangible assets are recorded at cost in compliance with the Turkish Accounting Standard 38 (TAS 38) “Intangible Assets”.

The costs of the intangible assets purchased before 31 December 2004 are restated from the purchasing dates to 31 December 2004, the date the hyperinflationary period is considered to be ended. The intangible assets purchased after this date are recorded at their historical costs. The intangible assets are amortised by the Bank over their estimated useful lives based on their inflation adjusted costs on a straight-line basis.

Estimated useful lives of the Bank’s intangible assets are 3-15 years, and amortisation rates are 6.67-33.3%.

If there is objective evidence of impairment, the asset’s recoverable amount is estimated in accordance with the Turkish Accounting Standard 36 (TAS 36) “ Impairment of Assets” and if the recoverable amount is less than the carrying value of the related asset, a provision for impairment loss is provided.

3.13 Tangible assets

The cost of the tangible assets purchased before 31 December 2004 are restated from the purchasing dates to 31 December 2004, the date the hyperinflationary period is considered to be ended. The tangible assets purchased after this date are recorded at their historical costs.

Tangible assets are recorded at cost in compliance with the Turkish Accounting Standard 16 (TAS 16) “Tangible Assets”.

If there is objective evidence of impairment, the asset’s recoverable amount is estimated in accordance with the Turkish Accounting Standard 36 (TAS 36) “ Impairment of Assets” and if the recoverable amount is less than the carrying value of the related asset, a provision for impairment loss is provided.

Gains/losses arising from the disposal of the tangible assets are calculated as the difference between the net book value and the net sales price.

Maintenance and repair costs incurred for tangible assets, are recorded as expense.

There are no restrictions such as pledges, mortgages or any other restriction on tangible assets.

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

The depreciation rates and the estimated useful lives of tangible assets are:

Tangible assets	Estimated useful lives (years)	Depreciation Rates (%) from 1 January 2009	Depreciation Rates (%) from 1 January 2005	Depreciation Rates (%) before 1 January 2005
Buildings	50	2	4	2
Vaults	20-50	2-20	4-40	2-20
Motor vehicles	5-7	15-20	30-40	15-20
Other tangible assets	4-20	5-25	10-50	5-25

In prior periods, the tangible assets are depreciated over their estimated useful lives based on their inflation adjusted costs on a straight-line basis. The tangible assets purchased since 1 January 2005 are depreciated based on the declining balance method which is one of the accelerated depreciation methods. The straight-line depreciation method is in use for the tangible assets purchased since 1 January 2009.

The depreciation of an asset held for a period less than a full financial year is calculated as a proportion of the full year depreciation charge from the date of acquisition to the financial year end.

3.14 Leasing activities

The maximum period of the leasing agreements is 4 years. Leased assets are recognized by recording an asset or a liability. In the determination of the related asset and liability amounts, the lower of the fair value of the leased asset and the present value of leasing payments is considered. Financial costs on leasing agreements are expanded in lease periods at a fixed interest rate.

In cases where leased assets are impaired or the expected future benefits of the assets are less than their book values, the book values of such leased assets are reduced to their net realizable values. Depreciation for assets acquired through financial leases is calculated consistently with the same principle as for the tangible assets.

In operating leases, the rent payments are charged to the statement of operations in equal installments.

3.15 Provisions and contingent liabilities

In the financial statements, a provision is made for an existing commitment resulted from past events if it is probable that the commitment will be settled and a reliable estimate can be made of the amount of the obligation. Provisions are calculated based on the best estimates of management on the expenses to incur as of the balance sheet date and, if material, such expenses are discounted for their present values. If the amount is not reliably estimated and there is no probability of cash outflow from the Bank to settle the liability, the related liability is considered as “contingent” and disclosed in the notes to the financial statements.

Provisions made during the period are recorded under “provision for losses on loans and other receivables”; provisions that were booked in the prior periods and released in the current year are recorded under “other operating income”.

3.16 Contingent assets

The contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the Bank. If an inflow of economic benefits to the Bank has become probable, then the contingent asset is disclosed in the footnotes to the financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the financial statements of the period in which the change occurs.

3.17 Liabilities for employee benefits

Severance Indemnities and Short-Term Employee Benefits

As per the existing labour law in Turkey, the Bank is required to pay certain amounts to the employees retired or fired except for resignations or misbehaviours specified in the Turkish Labour Law.

Accordingly, the Bank reserved for employee severance indemnities in the accompanying financial statements using actuarial method in compliance with the Turkish Accounting Standard 19 (TAS 19) “Employee Benefits” for all its employees who retired or whose employment is terminated, called up for military service or died. The major actuarial assumptions used in the calculation of the total liability are as follows:

	30 September 2011	31 December 2010	31 December 2009
	%	%	%
Discount Rate	4.66	4.66	5.92
Interest Rate	10.00	10.00	11.00
Expected Rate of Salary Increase	6.60	6.60	6.30
Inflation Rate	5.10	5.10	4.80

The Bank provided for undiscounted short-term employee benefits earned during the financial periods as per services rendered in compliance with TAS 19.

Retirement Benefit Obligations

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee (and his/her dependents) will receive on retirement.

The Bank’s defined benefit plan (the “Plan”) is managed by “Türkiye Garanti Bankası Anonim Şirketi Memur ve Müstahdemleri Emekli ve Yardım Sandığı Vakfı” (the Fund) established as per the provisional article 20 of the Social Security Law no.506 and the Bank’s employees are the members of this Fund.

The Plan is funded through contributions of both by the employees and the employer as required by Social Security Law numbered 506. These contributions are as follows:

	30 September 2011	
	Employer	Employee
Pension contributions	15.5%	10.0%
Medical benefit contributions	6.0%	5.0%

The Plan is composed of a) the contractual benefits of the employees, which are subject to transfer to Social Security Foundation (“SSF”) as per the Social Security Law no.5754 (“the Law”), and b) other social rights and medical benefits provided by the Bank but not transferable to SSF.

a) Benefits transferable to SSF

The first paragraph of the provisional article 23 of Banking Law No.5411, published in the Official Gazette on 1 November 2005, which requires the transfer of the members of the funds subject to the provisional article 20 of the Social Security Law no.506, and the persons who are paid under insurance coverage for disablement, old-age and mortality and their right-holders to the SSF within three years following the effective date of the related article was cancelled with the decision of the Constitutional Court dated 22 March 2007, numbered 2007/33. The reasoned ruling regarding the cancellation of the Constitutional Court was published in the Official Gazette numbered 26731, dated 15 December 2007. The Constitutional Court stated that the reason behind this cancellation was the possible loss of antecedent rights of the fund members.

Following the publication of the verdict, the Turkish Grand National Assembly (“Turkish Parliament”) started to work on the new legal arrangements by taking the cancellation reasoning into account and the articles of the Law no.5754 regulating the principles related with such transfers were accepted and approved by Turkish Parliament on 17 April 2008, and enacted on 8 May 2008 after being published in the Official Gazette no.26870.

As per the Law, the present value of post-employment benefits as at the transfer date for the fund members to be transferred, will be calculated by a commission composing from the representatives of the SSF, the Ministry of Finance, the Undersecretariat of Treasury, the Undersecretariat of State Planning Organisation, the BRSA, the Saving Deposits Insurance Fund, the banks and the funds, by using a technical discount rate of 9.80% taking into account the funds’ income and expenses as per insurance classes and the transferable contributions and payments of the funds including any salary and income differences paid by the funds above the limits of SSF for such payments. As per the related regulation, the transfers were expected to take place within the three-year period starting from 1 January 2008, however has been postponed for two years as per the decision no. 2011/1559 of the Council of Ministers as published in the Official Gazette no. 27900 dated 9 April 2011.

On 19 June 2008, Cumhuriyet Halk Partisi (“CHP”) applied to the Constitutional Court for the cancellation of various articles of the Law including the first paragraph of the provisional Article 20. At the meeting of the Constitutional Court on 30 March 2011, it was decided that the first paragraph of the provisional Article 20 of the Law is not contradictory to the Constitutional Law, and accordingly the dismissal of the cancellation request has been denied with the majority of votes.

b) Other benefits not transferable to SSF

Other social rights and payments provided in the existing trust indenture but not covered through the transfer of the funds’ members and their right-holders to the SSF, are to be covered by the funds and the institutions that employ the funds’ members.

3.18 Taxation

3.18.1 Corporate tax

Effective from 1 January 2006, statutory income is subject to corporate tax at 20%. This rate is applied to accounting income modified for certain exemptions (like dividend income) and deductions (like investment incentives), and additions for certain non-tax deductible expenses and allowances for tax purposes. If there is no dividend distribution planned, no further tax charges are made.

Dividends paid to the resident institutions and the institutions working through local offices or representatives are not subject to withholding tax. As per the decisions no.2009/14593 and no.2009/14594 of the Council of Ministers published in the Official Gazette no.27130 dated 3 February 2009, certain duty rates included in the articles no.15 and 30 of the new Corporate Tax Law no.5520 are revised. Accordingly, the withholding tax rate on the dividend payments other than the ones paid to the nonresident institutions generating income in Turkey through their operations or permanent representatives and the resident institutions is 15%. In applying the withholding tax rates on dividend payments to the nonresident institutions and the individuals, the withholding tax rates covered in the related Double Tax Treaty Agreements are taken into account. Appropriation of the retained earnings to capital is not considered as profit distribution and therefore is not subject to withholding tax.

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

In accordance with the tax legislation, tax losses can be carried forward to offset against future taxable income for up to five years. Tax losses cannot be carried back to offset profits from previous periods.

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

The tax applications for foreign branches;

NORTHERN CYPRUS

According to the Corporate Tax Law of the Turkish Republic of Northern Cyprus no.41/1976 as amended, the corporate earnings (including foreign corporations) are subject to a 10% corporate tax and 15% income tax. This tax is calculated based on the income that the taxpayers earn in an accounting period. Tax base is determined by modifying accounting income for certain exclusions and allowances for tax purposes. The corporations cannot benefit from the rights of offsetting losses, investment incentives and amortisation unless they prepare and have certified their balance sheets, income statements and accounting records used for tax calculations by an auditor authorized by the Ministry of Finance. In cases where it is revealed that the earnings of a corporation were not subject to taxation in prior years or the tax paid on such earnings are understated, additional taxes can be charged in the next twelve years following that the related taxation period. The corporate tax returns are filed in the tax administration office in April after following the end of the accounting year to which they relate. The corporate taxes are paid in two equal installments in May and October.

MALTA

The corporate earnings are subject to a 35% corporate tax. This rate is determined by modifying accounting income for certain exclusions and allowances for tax purposes. The earnings of the foreign corporations' branches in Malta are also subject to the same tax rate that the resident corporations in Malta are subject to. The earnings of such branches that are transferred to their head offices are not subject to an additional tax. The prepaid taxes are paid in April, August and December of the related years. The prepayments can be deducted from the annual corporate tax calculated for the whole year earnings. The excess part of the corporate tax that is not covered by such prepayments is paid to the tax office in September.

LUXEMBOURG

The corporate earnings are subject to a 21% corporate tax. This rate is determined by modifying accounting income for certain exclusions and allowances for tax purposes. An additional 5% of the calculated corporate income tax is paid as a contribution to unemployment insurance fund. 3% of the taxable income is paid as municipality tax in addition to corporate tax. The municipalities have the right to increase this rate up to 200%-350%. The municipality commerce tax, which the Bank's Luxembourg branch subject to currently is applied as 9% of the taxable income. The tax returns do not include any tax payable amounts. The tax calculation is done by the tax office and the amount to be paid is declared to corporate through an official letter called Note. The amounts and the payment dates of prepaid taxes are determined and declared by the tax office at the beginning of the taxation period. The corporations whose head offices are outside Luxembourg, are allowed to transfer the rest of their net income after tax following the allocation of 5% of it for legal reserves, to their head offices.

3.18.2 Deferred taxes

According to the Turkish Accounting Standard 12 (TAS 12) "Income Taxes"; deferred tax assets and liabilities are recognized, using the balance sheet method, on all taxable temporary differences arising between the carrying values of assets and liabilities in the financial statements and their corresponding balances considered in the calculation of the tax base, except for the differences not deductible for tax purposes and initial recognition of assets and liabilities which affect neither accounting nor taxable profit.

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

The deferred tax assets and liabilities are reported as net in the financial statements.

3.18.3 Transfer pricing

The article no.13 of the Corporate Tax Law describes the issue of transfer pricing under the title of "disguised profit distribution" by way of transfer pricing. "The General Communiqué on Disguised Profit Distribution by Way of Transfer Pricing" published at 18 November 2007, explains the application related issues on this topic.

According to this communiqué, if the taxpayers conduct transactions like purchase and sale of goods or services with the related parties where the prices are not determined according to the arm's length principle, then it will be concluded that there is a disguised profit distribution by way of transfer pricing. Such disguised profit distributions will not be deducted from the corporate tax base for tax purposes.

As stated in the "7.1 Annual Documentation" section of this communiqué, the taxpayers are required to fill out the "Transfer Pricing, Controlled Foreign Entities and Thin Capitalization" form for the purchase and sale of goods or services conducted with their related parties in a taxation period, attach these forms to their corporate tax returns and submit to the tax offices.

3.19 Funds borrowed

The Bank generates funds from domestic and foreign sources whenever required. The funds borrowed from foreign sources are also in the form of syndications and securitizations. Besides, funding through bill and bond issuances in the local and international markets has commenced.

The funds borrowed are recorded at their purchase costs and discounted by using the internal rate of return.

3.20 Shares and share issuances

None.

3.21 Confirmed bills of exchange and acceptances

Confirmed bills of exchange and acceptances are realized simultaneously with the customer payments and recorded in off-balance sheet accounts as possible debt and commitment, if any.

3.22 Government incentives

As of 30 September 2011, the Bank does not have any government incentives or grants.

3.23 Segment reporting

The Bank operates in corporate, commercial, retail and investment banking business lines. Accordingly, the banking products served to customers are; custody services, time and demand deposits, accumulating deposit accounts, repos, overdraft facilities, spot loans, foreign currency indexed loans, consumer loans, automobile and housing loans, working capital loans, discounted bills, gold loans, foreign currency loans, eximbank loans, pre-export loans, ECA covered financing, letters of guarantee, letters of credit, export factoring, acceptance credits, draft facilities, forfaiting, leasing, insurance, forward, futures, salary payments, investment account (ELMA), cheques, safety boxes, bill payments, tax collections, payment orders. GarantiCard, BonusCard, Shop&Miles, BusinessCard under the brand name of Visa and Mastercard, and also American Express credit cards and Maestro ve Electron Garanti24 cards are available.

The Bank provides service packages to its corporate, commercial and retail customers including deposit, loans, foreign trade transactions, investment products, cash management, leasing, factoring, insurance, credit cards, and other banking products. A customer-oriented branch network has been built in order to serve customers' needs effectively and efficiently. The Bank also utilizes alternative delivery channels intensively.

The Bank provides corporate banking products to international and national holdings in Turkey by coordinating regional offices, suppliers and intermediaries, utilizing cross-selling techniques. Mainly, it provides services through its commercial and mixed type of branches to export-revenue earning sectors like tourism and textile and exporters of Turkey's traditional agricultural products.

Additionally, the Bank provides "small business" banking service to enterprises in retail and service sectors. Products include overdraft accounts, POS machines, credit cards, cheque books, TL and foreign currency deposits, investment accounts, internet banking and call-center, debit card and bill payment.

Retail banking customers form a wide-spread and sustainable deposit base for the Bank. Individual customers' needs are met by diversified consumer banking products through branches and alternative delivery channels.

Information on the business segments is as follows:

Current Period	Retail Banking	Corporate Banking	Investment Banking	Other	Total Operations
Total Operating Profit	2,314,513	2,292,497	782,063	282,831	5,671,904
Other	-	-	-	-	-
Total Operating Profit	2,314,513	2,292,497	782,063	282,831	5,671,904
Net Operating Profit	829,947	1,466,836	660,578	(63,727)	2,893,634
Income from Associates, Subsidiaries and Joint-Ventures	-	-	-	5,148	5,148
Net Operating Profit	829,947	1,466,836	660,578	(58,579)	2,898,782
Provision for Taxes	-	-	-	618,734	618,734
Net Profit	829,947	1,466,836	660,578	(677,313)	2,280,048
					-
Segment Assets	26,395,339	54,737,440	61,502,673	3,913,224	146,548,676
Investments in Associates, Subsidiaries and Joint-Ventures	-	-	-	2,094,960	2,094,960
Undistributed Items	-	-	-	-	-
Total Assets	26,395,339	54,737,440	61,502,673	6,008,184	148,643,636
Segment Liabilities	48,676,150	33,757,307	46,129,633	2,833,725	131,396,815
Shareholders' Equity	-	-	-	17,246,821	17,246,821
Undistributed Items	-	-	-	-	-
Total Liabilities and Shareholders' Equity	48,676,150	33,757,307	46,129,633	20,080,546	148,643,636
Other Segment Items					
Capital Expenditures	-	-	-	137,639	137,639
Depreciation Expenses	77,893	45,382	3,211	2,037	128,522
Impairment Losses	160,992	177,584	12,337	249,743	600,656
Other Non-Cash Income/Expenses	121,386	206,077	(1,509,194)	(55,411)	(1,237,142)
Restructuring Costs	-	-	-	-	-

Prior Period	Retail Banking	Corporate Banking	Investment Banking	Other	Total Operations
Total Operating Profit	2,228,603	1,861,146	1,447,911	198,055	5,735,715
Other	-	-	-	-	-
Total Operating Profit	2,228,603	1,861,146	1,447,911	198,055	5,735,715
Net Operating Profit	776,379	916,704	1,353,458	8,337	3,054,878
Income from Associates, Subsidiaries and Joint-Ventures	-	-	-	5,211	5,211
Net Operating Profit	776,379	916,704	1,353,458	13,548	3,060,089
Provision for Taxes	-	-	-	613,167	613,167
Net Profit	776,379	916,704	1,353,458	(599,619)	2,446,922
					-
Segment Assets	21,610,482	43,216,828	54,096,048	3,366,137	122,289,495
Investments in Associates, Subsidiaries and Joint-Ventures	-	-	-	1,684,646	1,684,646
Undistributed Items	-	-	-	-	-
Total Assets	21,610,482	43,216,828	54,096,048	5,050,783	123,974,141
Segment Liabilities	43,312,701	30,282,003	31,745,974	2,201,783	107,542,461
Shareholders' Equity	-	-	-	16,431,680	16,431,680
Undistributed Items	-	-	-	-	-
Total Liabilities and Shareholders' Equity	43,312,701	30,282,003	31,745,974	18,633,463	123,974,141
Other Segment Items					
Capital Expenditures	-	-	-	226,281	226,281
Depreciation Expenses	75,375	39,177	2,802	4,102	121,456
Impairment Losses	213,354	242,436	551	14,107	470,448
Other Non-Cash Income/Expenses	(36,032)	(11,182)	127,686	(4,409)	76,063
Restructuring Costs	-	-	-	-	-

3.24 Other disclosures

3.24.1 Changes regarding prior periods' financial statements

The Bank reassessed the accounting treatment applied for the employee termination benefits during the preparation of the current period's financial statement and adjusted the prior periods' financial statements. Accordingly, the effects of such corrections made to the 2010 accounting records on the financial statements are as follows:

	<i>Reported</i>		<i>Adjusted</i>
	31 December 2010	Correction	31 December 2010
Total Assets	123,963,432	10,709	123,974,141
Reserve for Employee Termination Benefits	47,392	53,545	100,937
Deferred Tax Assets	106,515	10,709	117,224
Extraordinary Reserves	5,294,076	(25,567)	5,268,509
Current Period Net Profit / Loss	3,145,233	(17,269)	3,127,964

4 Financial position and results of operations

4.1 Capital adequacy ratio

The Bank's unconsolidated capital adequacy ratio is 16.88%.

4.1.1 Risk measurement methods in calculation of capital adequacy ratio

Capital adequacy ratio is calculated within the scope of the "Regulation regarding Measurement and Assessment of Capital Adequacy Ratios of Banks" published in Official Gazette no.26333 dated 1 November 2006.

In calculation of capital adequacy ratio, the accounting records prepared in compliance with the current legislation are used.

The items deducted from the capital base are not included in the calculation of risk weighted assets, non-cash loans and commitments. In calculation of risk weighted assets, impairments, depreciation and amortisation, and provisions are considered as deduction items.

In the calculation of their risk-based values, non-cash loans are weighted after netting with specific provisions that are classified under liabilities and calculated based on the "Regulation on Identification of and Provision against Non-Performing Loans and Other Receivables". The net amounts are then multiplied by the rates stated in the Article 5 of "Regulation regarding Measurement and Assessment of Capital Adequacy Ratios of Banks".

In the calculation of the risk based values of the derivative financial instruments, such instruments are weighted and classified according to the related risk groups after being multiplied by the rates stated in the Article 5 of "Regulation regarding Measurement and Assessment of Capital Adequacy Ratios of Banks".

The credit derivative contracts are included in the calculation of the value at credit risk and of the capital requirement for general market risk and specific risk in accordance with the principles in "Regulation on Taking Credit Derivatives into Consideration for Calculation of Capital Adequacy Ratio according to the Standard Method".

4.1.2 Capital adequacy ratio

	Risk Weightings						
	0%	10%	20%	50%	100%	150%	200%
Value at Credit Risk							
Balance Sheet Items (Net)	27,781,729	-	3,087,576	18,325,004	63,361,311	1,096,139	1,268,577
Cash on Hand	951,606	-	2,244	-	-	-	-
Securities in Redemption	-	-	-	-	-	-	-
Balances with the Central Bank of Turkey	7,277,782	-	-	-	-	-	-
Domestic and Foreign Banks, Foreign Headoffices and Branches	6,024,567	-	1,346,313	-	4,032,563	-	-
Interbank Money Market Placements	86,000	-	-	-	-	-	-
Receivables from Reverse Repurchase Agreements	300,000	-	-	-	-	-	-
Reserve Deposits	4,370,987	-	-	-	-	-	-
Loans	4,403,137	-	396,641	18,048,010	54,396,347	1,096,139	1,268,577
Loans under Follow-Up (Net)	-	-	-	-	269,528	-	-
Lease Receivables	-	-	-	-	-	-	-
Financial Assets Available-for-Sale	-	-	-	-	-	-	-
Investments Held-to-Maturity	3,539,371	-	937,282	-	5,781	-	-
Receivables from Term Sale of Assets	-	-	-	-	7,971	-	-
Miscellaneous Receivables	48,772	-	-	-	208,228	-	-
Accrued Interest and Income	134,143	-	22,827	276,994	918,305	-	-
Investments in Associates, Subsidiaries and Joint-Ventures (Net)	-	-	-	-	2,093,008	-	-
Tangible Assets (Net)	-	-	-	-	1,110,811	-	-
Other Assets	645,364	-	382,269	-	318,769	-	-
Off-Balance Sheet Items	1,190,438	-	1,985,648	765,263	15,947,996	-	-
Non-Cash Loans and Commitments	1,190,438	-	1,030,079	765,263	15,628,735	-	-
Derivative Financial Instruments	-	-	955,569	-	319,261	-	-
Non-Risk-Weighted Accounts	-	-	-	-	-	-	-
Total Risk-Weighted Assets	28,972,167	-	5,073,224	19,090,267	79,309,307	1,096,139	1,268,577

4.1.3 Summary information related to capital adequacy ratio

	Current Period	Prior Period
Value at Credit Risk (VaCR)	94,050,448	72,072,246
Value at Market Risk (VaMR)	5,263,413	3,553,288
Value at Operational Risk (VaOR)	11,970,584	10,184,205
Shareholders' Equity	18,782,925	16,839,261
Shareholders' Equity/ (VaCR+VaMR+VaOR)*100	16.88%	19.62%

4.1.4 Components of shareholders' equity items

	Current Period	Prior Period
CORE CAPITAL		
Paid-in Capital	4,200,000	4,200,000
Nominal Capital	4,200,000	4,200,000
Capital Commitments (-)	-	-
Capital Reserves from Inflation Adjustments to Paid-in Capital	772,554	772,554
Share Premium	11,880	11,880
Share Cancellation Profits	-	-
Legal Reserves	723,364	528,456
I. Legal Reserve (Turkish Commercial Code 466/1)	648,074	489,166
II. Legal Reserve (Turkish Commercial Code 466/2)	75,290	39,290
Reserves Allocated as per Special Legislations	-	-
Status Reserves	-	-
Extraordinary Reserves	7,612,215	5,294,076
Reserve allocated as per the Decision held by the General Assembly	7,612,215	5,294,076
Retained Earnings	-	-
Accumulated Losses	-	-
Exchange Rate Differences on Foreign Currency Capital	-	-
Reserves from Inflation Adjustments to Legal, Status and Extraordinary Reserves	41,252	12,574
Profit	2,280,048	3,145,233
Current Period Profit	2,280,048	3,145,233
Prior Periods Profit	-	-
Provision for Possible Losses (upto 25% of Core Capital)	420,000	330,000
Income on Sale of Equity Shares and Real Estates to be used up for Capital Increase	596,813	596,047
Primary Subordinated Debt (upto 15% of Core Capital)	-	-
Loss Excess of Reserves (-)	-	-
Current Period Loss	-	-
Prior Periods Loss	-	-
Leasehold Improvements (-) (*)	118,209	135,318
Prepaid Expenses (-) (**)	-	190,263
Intangible Assets (-) (*)	35,476	30,527
Deferred Tax Asset in Excess of 10% of Core Capital (-) (*)	-	-
Limit excesses as per the 3rd Paragraph of the Article 56 of the Banking Law (-)	-	-
Total Core Capital	16,504,441	14,534,712
SUPPLEMENTARY CAPITAL		
General Provisions	936,792	622,265
45% of Revaluation Surplus on Movables	-	-
45% of Revaluation Surplus on Immovables	963	963
Bonus shares of Associates, Subsidiaries and Joint-Ventures	1,891	2,453
Primary Subordinated Debt excluding the Portion included in Core Capital	-	-
Secondary Subordinated Debt	1,032,145	861,875
45% of Securities Value Increase Fund (***)	466,304	873,672
Associates and Subsidiaries	190,408	135,932
Investment Securities Available for Sale	275,896	737,740
Other Reserves	-	-
Total Supplementary Capital	2,438,095	2,361,228
TIER III CAPITAL		
CAPITAL	18,942,536	16,895,940

(*) According to the temporary Article 1 of the "Regulation on Equities of Banks" as published in Official Gazette no. 26333 dated 1 November 2006, starting from 1 January 2009 leasehold improvements, prepaid expenses, intangible assets and deferred tax assets above 10% of core capital are directly deducted from core capital.

(**) Prepaid expenses are not deducted from the core capital according to the Article 1 of the Regulation for amending the Regulation on Equities of Banks published in the Official Gazette no. 27870 dated 10 March 2011.

(***) In cases where the Securities Value Increase Fund gives a positive result then only 45% of the amount is considered in the calculation, whereas if it is negative then the whole amount is considered in the calculation.

DEDUCTIONS FROM CAPITAL	159,611	56,679
Unconsolidated investments in Entities (domestic/foreign) operating in Banking and Financial Sectors at 10% or more	1,952	13,110
Investments in Entities (domestic/foreign) operating in Banking and Financial Sectors at less than 10% exceeding 10% or more of the Total Core and Supplementary Capitals	-	-
Loans to Banks, Financial Institutions (domestic/foreign) or Qualified Shareholders in the form of Secondary Subordinated Debts and Debt Instruments purchased from Such Parties qualified as Primary or Secondary Subordinated Debts	73,287	-
Loan granted to Customer against the Articles 50 and 51 of the Banking Law	-	-
Net Book Values of Immovables exceeding 50% of the Capital and of Assets Acquired against Overdue Receivables and Held for Sale as per the Article 57 of the Banking Law but Retained more than Five Years	37,221	43,569
Others	47,151	-
TOTAL SHAREHOLDERS' EQUITY	18,782,925	16,839,261

4.2 Credit risk

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

4.3 Market risk

The Bank that had already started working on risk management area before the regulations on Bank’s Internal Control and Risk Management Systems and Measurement and Assessment of Capital Adequacy Ratios of Banks issued by the BRSA in February 2001, restructured its internal systems in accordance with the related regulations under the responsibility of the board of directors and currently works accordingly.

In order to comply with the regulations, the Bank set its activities related with market risk management in accordance with “Regulation on Bank’s Internal Control and Risk Management Systems” and “Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks” published in Official Gazette no. 26333 dated 1 November 2006.

The risk policies defined for the Bank’s market risk exposure and the applications are approved and reviewed regularly by the board of directors.

The top management is responsible for applying risk policies, principles and application procedures approved by the board of directors, ensuring timely and reliable reporting to the board of directors about the important risks identified, assessing internal control, internal audit and risk reports prepared for departments and either eliminating risks, deficiencies or defects identified in these departments or taking the necessary precautions to prevent those and participating in determination of risk limits.

The board of directors follows up the effectiveness of risk management systems through audit committee, related other committees and top management, and take decisions in the light of various risk reports and the assessments made by audit committee. The board of directors is the highest authority responsible for the sound performance of internal systems.

Market risks arising from trading transactions are measured by internal risk measurement model using value at risk (VaR) methodology. In the VaR calculations, trading, available-for-sale and derivative portfolios are taken into account. VaR is calculated by three different methods, namely historical simulation, monte carlo simulation and parametric method. The Bank takes the historical VaR results as the basis for the internal management of market risk and determination of limits. The calculations made according to other two methods are used for comparison and monitoring purposes. In the VaR calculation, one year historical market data set is used, and 99% confidence interval and one-day retention period (10 days for legal capital adequacy calculation) are taken into account. In order to test the reliability of the VaR model, back tests are performed. Stress tests and scenario analysis are also applied in order to reflect the effects of prospective severe market fluctuations in the VaR calculations. Beside the VaR limits, the limits on transaction, dealer, desk, stop loss for trading portfolio as approved by the board of directors are also applied and monitored.

4.3.1 Value at market risk

	Amount
(I) Capital Obligation against General Market Risk - Standard Method	217,746
(II) Capital Obligation against Specific Risks - Standard Method	41,458
(III) Capital Obligation against Currency Risk - Standard Method	113,663
(IV) Capital Obligation against Stocks Risks - Standard Method	1,584
(V) Capital Obligation against Exchange Risks - Standard Method	-
(VI) Capital Obligation against Market Risks of Options - Standard Method	46,622
(VII) Capital Obligation against Market Risks of Banks applying Risk Measurement	-
(VIII) Total Capital Obligation against Market Risk (I+II+III+IV+V+VI)	421,073
(IX) Value-At-Market Risk ((12.5*VIII) or (12.5*VII))	5,263,413

4.3.2 Monthly average values at market risk

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

4.4 Operational risk

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

4.5 Currency risk

Foreign currency position limit is set in compliance with the legal standard ratio of net foreign currency position. As of 30 September 2011, the Bank’s net ‘on balance sheet’ foreign currency short position amounts to TL 2,736,873 thousands (31 December 2010: a long position of TL 2,845,283 thousands), net ‘off-balance sheet’ foreign currency long position amounts to TL 2,362,455 thousands (31 December 2010: a short position of TL 3,071,066 thousands), while net foreign currency short position amounts to TL 374,418 thousands (31 December 2010: TL 225,783 thousands).

The Bank's foreign currency position risk is measured by "standard method" and "value-at-risk (VaR) model". Measurements by standard method are carried out weekly, whereas measurements by "VaR" are done daily.

The Bank's effective exchange rates at the date of balance sheet and for the last five working days of the period announced by the Bank in TL are as follows:

	USD	EUR	JPY (100)	GBP
Foreign currency purchase rates at balance sheet date	1.8200	2.4429	2.3630	2.8352
<u>Rates for the days before balance sheet date;</u>				
Day 1	1.8300	2.4937	2.3822	2.8721
Day 2	1.8200	2.4765	2.3796	2.8498
Day 3	1.8200	2.4790	2.3737	2.8553
Day 4	1.8350	2.4801	2.4037	2.8530
Day 5	1.8100	2.4444	2.3606	2.8012
Last 30-days arithmetical average rates	1.7718	2.4390	2.3051	2.7988

Currency risk:

	EUR	USD	JPY	Other FCs	Total
Current Period					
Assets					
Cash (Cash on Hand, Money in Transit, Purchased Cheques) and Balances with the Central Bank of Turkey	116,021	5,729,270	755	87,437	5,933,483
Banks	3,442,200	3,760,604	2,193	2,105,114	9,310,111
Financial Assets at Fair Value through Profit/Loss	1,730,548	110,818	-	-	1,841,366
Interbank Money Market Placements	-	-	-	-	-
Financial Assets Available-for-Sale	223,380	1,223,726	-	-	1,447,106
Loans (*)	11,397,647	23,997,746	17,527	734,111	36,147,031
Investments in Associates, Subsidiaries and Joint-Ventures	1,556,953	164,664	-	-	1,721,617
Investments Held-to-Maturity	-	1,555,897	-	-	1,555,897
Derivative Financial Assets Held for Risk Management	-	128,930	-	-	128,930
Tangible Assets	94	107	-	-	201
Intangible Assets	-	-	-	-	-
Other Assets	31,313	51,613	91	1,667	84,684
Total Assets	18,498,156	36,723,375	20,566	2,928,329	58,170,426
Liabilities					
Bank Deposits	333,021	1,526,143	5	36,549	1,895,718
Foreign Currency Deposits	11,313,554	19,210,751	55,578	620,644	31,200,527
Interbank Money Market Takings	1,450,313	2,532,230	-	2	3,982,545
Other Fundings	6,195,776	11,291,044	-	342	17,487,162
Securities Issued	-	1,591,709	-	-	1,591,709
Miscellaneous Payables	42,045	37,923	61	2,712	82,741
Derivative Financial Liabilities Held for Risk Management	-	1,205	-	-	1,205
Other Liabilities (**)	1,830,707	399,990	443	2,434,552	4,665,692
Total Liabilities	21,165,416	36,590,995	56,087	3,094,801	60,907,299
Net 'On Balance Sheet' Position	(2,667,260)	132,380	(35,521)	(166,472)	(2,736,873)
Net 'Off-Balance Sheet' Position	2,752,754	(521,780)	(29,748)	161,229	2,362,455
Derivative Assets	6,541,918	13,562,760	174,021	676,827	20,955,526
Derivative Liabilities	3,789,164	14,084,540	203,769	515,598	18,593,071
Non-Cash Loans	-	-	-	-	-
Prior Period					
Total Assets	15,130,596	29,307,203	29,890	743,710	45,211,399
Total Liabilities	14,488,403	26,908,782	45,436	923,495	42,366,116
Net 'On Balance Sheet' Position	642,193	2,398,421	(15,546)	(179,785)	2,845,283
Net 'Off-Balance Sheet' Position	(362,364)	(2,896,477)	14,178	173,597	(3,071,066)
Derivative Assets	3,119,422	7,397,305	263,680	1,009,823	11,790,230
Derivative Liabilities	3,481,786	10,293,782	249,502	836,226	14,861,296
Non-Cash Loans	-	-	-	-	-

(*) The foreign currency-indexed loans amounting TL 2,663,347 thousands included under TL loans in the accompanying balance sheet are presented above under the related foreign currency codes.

(**) Other liabilities also include gold deposits of TL 2,420,633 thousands.

4.6 Interest rate risk

The interest rate risk resulting from balance sheet maturity mismatch presents the possible losses that may arise due to the changes in interest rates of interest sensitive assets and liabilities in the on and off-balance sheet. Interest sensitivity of assets, liabilities and off-balance sheet items is evaluated during the weekly Assets-Liabilities Committee meetings taking into account the developments in market conditions.

Bank's interest rate risk is measured by the standard method, value at risk (VaR), duration-gap and sensitivity analysis.

Measurements for standard method are carried out monthly using the maturity ladder table, while measurements for VaR calculations are done daily. The duration-gap and sensitivity analysis are run every two weeks period.

During the daily VaR calculations, the interest rate risks of the Bank's TL and FC trading and investment securities available for sale and off-balance sheet position are measured. These are supported by scenario analysis and stress testing.

In the duration-gap analysis used for the quantification of market risk arising from maturity mismatches of assets and liabilities, the present values of interest sensitive asset and liability items are calculated based on their cash flows and yield curves developed from market interest rates. The results are supported by the sensitivity and scenario analysis performed periodically due to the prospective fluctuations in markets. Furthermore, the interest rate risk is monitored within the limits approved by the board of directors.

4.6.1 Interest rate mismatch for the Bank “Interest rate sensitivity of assets, liabilities and off balance sheet items based on repricing dates”

Current Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-Interest Bearing (*)	Total
Assets							
Cash (Cash on Hand, Money in Transit, Purchased Cheques) and Balances with the Central Bank of Turkey	-	-	-	-	-	12,602,619	12,602,619
Banks	2,209,996	271,843	259,716	2,469,052	2,916,870	3,329,827	11,457,304
Financial Assets at Fair Value through Profit/Loss	18,755	237,080	95,612	464,561	1,248,676	749,243	2,813,927
Interbank Money Market Placements	361,000	25,000	-	-	-	427	386,427
Financial Assets Available-for-Sale	13,999,328	1,607,170	4,480,602	7,657,173	415,397	2,261,387	30,421,057
Loans	13,457,246	11,665,820	15,383,203	24,484,210	14,738,810	1,403,490	81,132,779
Investments Held-to-Maturity	910,865	-	2,032,154	152,038	1,387,376	154,575	4,637,008
Other Assets	55,535	1,823	-	-	6,149	5,129,008	5,192,515
Total Assets	31,012,725	13,808,736	22,251,287	35,227,034	20,713,278	25,630,576	148,643,636
Liabilities							
Bank Deposits	620,159	1,013,931	211,127	-	-	376,572	2,221,789
Other Deposits	48,914,772	8,426,589	4,834,975	238,327	167,628	15,664,989	78,247,280
Interbank Money Market Takings	12,366,488	98,139	1,381,925	1,161,160	-	29,412	15,037,124
Miscellaneous Payables	-	-	-	-	-	3,499,053	3,499,053
Securities Issued	1,200,007	681,406	699,038	-	902,056	143,653	3,626,160
Other Fundings	10,265,338	2,624,043	1,969,864	3,507,572	3,791,962	272,200	22,430,979
Other Liabilities	1,623,309	3	2	2	-	21,957,935	23,581,251
Total Liabilities	74,990,073	12,844,111	9,096,931	4,907,061	4,861,646	41,943,814	148,643,636
On Balance Sheet Long Position	-	964,625	13,154,356	30,319,973	15,851,632	-	60,290,586
On Balance Sheet Short Position	(43,977,348)	-	-	-	-	(16,313,238)	(60,290,586)
Off-Balance Sheet Long Position	1,474,094	1,909,782	1,359,202	2,884,624	2,345,909	-	9,973,611
Off-Balance Sheet Short Position	(1,845,134)	(747,063)	(1,108,520)	(4,042,636)	(1,355,794)	-	(9,099,147)
Total Position	(44,348,388)	2,127,344	13,405,038	29,161,961	16,841,747	(16,313,238)	874,464

(*) Interest accruals are also included in non-interest bearing column.

Average interest rates on monetary financial instruments:

Current Period	EUR	USD	JPY	TL
	%	%	%	%
Assets				
Cash (Cash on Hand, Money in Transit, Purchased Cheques) and Balances with the Central Bank of Turkey	-	-	-	-
Banks	2.15	0.50	-	6.99
Financial Assets at Fair Value through Profit/Loss	5.11	6.32	-	8.63
Interbank Money Market Placements	-	-	-	7.87
Financial Assets Available-for-Sale	3.38	5.62	-	8.43
Loans	5.57	5.13	5.49	14.80
Investments Held-to-Maturity	-	7.22	-	13.88
Liabilities				
Bank Deposits	3.17	3.31	-	5.97
Other Deposits	2.67	2.90	0.16	7.35
Interbank Money Market Takings	0.96	1.98	-	5.81
Miscellaneous Payables	-	-	-	-
Securities Issued	-	5.64	-	7.50
Other Fundings	2.53	2.24	-	10.79

(*) The interest rate for USD placements at banks is 0.57% excluding the placements with range accrual agreements.

4.6.2 Interest rate mismatch for the Bank “Interest rate sensitivity of assets, liabilities and off balance sheet items based on repricing dates”

Prior Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-Interest Bearing (*)	Total
Assets							
Cash (Cash on Hand, Money in Transit, Purchased Cheques) and Balances with the Central Bank of Turkey	2,658,707	-	-	-	-	4,851,325	7,510,032
Banks	2,410,299	2,719,701	972,850	838,575	-	1,379,760	8,321,185
Financial Assets at Fair Value through Profit/Loss	269,581	141,942	79,213	78,914	7,341	402,924	979,915
Interbank Money Market Placements	-	-	-	-	-	-	-
Financial Assets Available-for-Sale	12,360,452	5,581,763	8,001,403	2,287,775	622,107	3,482,710	32,336,210
Loans	14,295,231	8,370,267	12,397,500	19,014,744	9,617,578	1,131,990	64,827,310
Investments Held-to-Maturity	2,265,714	-	4,143	2,026,372	1,286,672	311,030	5,893,931
Other Assets	21,302	-	-	1,495	5,525	4,077,236	4,105,558
Total Assets	34,281,286	16,813,673	21,455,109	24,247,875	11,539,223	15,636,975	123,974,141
Liabilities							
Bank Deposits	1,372,947	258,617	16,865	-	-	759,881	2,408,310
Other Deposits	46,673,599	8,494,540	2,546,541	351,612	141,634	12,042,183	70,250,109
Interbank Money Market Takings	10,195,518	773,415	260,062	-	-	25,148	11,254,143
Miscellaneous Payables	-	-	-	-	-	2,942,573	2,942,573
Securities Issued	-	-	-	-	-	-	-
Other Fundings	6,885,307	842,167	2,741,006	3,594,611	3,192,903	262,044	17,518,038
Other Liabilities	6,934	48	184	4	-	19,593,798	19,600,968
Total Liabilities	65,134,305	10,368,787	5,564,658	3,946,227	3,334,537	35,625,627	123,974,141
On Balance Sheet Long Position	-	6,444,886	15,890,451	20,301,648	8,204,686	-	50,841,671
On Balance Sheet Short Position	(30,853,019)	-	-	-	-	(19,988,652)	(50,841,671)
Off-Balance Sheet Long Position	1,023,629	683,593	2,443,591	2,035,464	1,093,941	-	7,280,218
Off-Balance Sheet Short Position	(1,087,251)	(699,734)	(2,426,976)	(2,084,788)	(982,987)	-	(7,281,736)
Total Position	(30,916,641)	6,428,745	15,907,066	20,252,324	8,315,640	(19,988,652)	(1,518)

(*) Interest accruals are also included in non-interest bearing column.

Average interest rates on monetary financial instruments:

Prior Period	EUR	USD	JPY	TL
	%	%	%	%
Assets				
Cash (Cash on Hand, Money in Transit, Purchased Cheques) and Balances with the Central Bank of Turkey	-	-	-	-
Banks (*)	1.71	0.66	-	6.53
Financial Assets at Fair Value through Profit/Loss	5.13	6.32	-	12.01
Interbank Money Market Placements	-	-	-	-
Financial Assets Available-for-Sale	6.35	6.11	-	11.49
Loans	4.78	4.63	4.52	14.94
Investments Held-to-Maturity	-	7.22	-	15.43
Liabilities				
Bank Deposits	2.30	1.68	-	6.30
Other Deposits	1.83	2.05	0.55	7.28
Interbank Money Market Takings	-	1.05	-	6.85
Miscellaneous Payables	-	-	-	-
Securities Issued	-	-	-	-
Other Fundings	2.14	2.20	3.00	10.73

(*) The interest rates for USD and TL placements at banks are 0.76% and 6.57%, respectively, excluding the placements with range accrual agreements.

4.7 Liquidity risk

In order to avoid the liquidity risk, the Bank diversifies funding resources as customer deposits and foreign borrowings, considers the maturity mismatch between assets and liabilities and maintains liquid assets to guarantee sufficient liquidity during market fluctuations.

While the Bank's short term liquidity need is met mainly with deposits, its long term liquidity is provided through foreign funding sources such as syndication and securitisation transactions. There are no significant idle liquidity resources.

As per the BRSA Communiqué published on the Official Gazette no.26333 dated 1 November 2006 and became effective starting from 1 June 2007, "Measurement and Assessment of the Adequacy of Banks' Liquidity", the weekly and monthly liquidity ratios on a bank-only basis for foreign currency assets/liabilities and total assets/liabilities should be minimum 80% and 100%, respectively. The liquidity ratios for the first nine-month period of 2011 and the year 2010 are as follows :

Current Period	First Maturity Bracket (Weekly)		Second Maturity Bracket (Monthly)	
	FC	FC + TL	FC	FC + TL
Average (%)	132.24	152.05	90.97	110.64

Prior Period	First Maturity Bracket (Weekly)		Second Maturity Bracket (Monthly)	
	FC	FC + TL	FC	FC + TL
Average (%)	123.99	203.09	89.16	129.40

Maturity analysis of assets and liabilities according to remaining maturities:

	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Undistributed (*)	Total
Current Period								
Assets								
Cash (Cash on Hand, Money in Transit, Purchased Cheques) and Balances with the Central Bank of Turkey	8,231,632	4,370,987	-	-	-	-	-	12,602,619
Banks	3,278,514	2,217,045	305,534	268,568	2,470,773	2,916,870	-	11,457,304
Financial Assets at Fair Value through Profit/Loss	1,130	183,991	389,416	280,849	573,915	1,384,626	-	2,813,927
Interbank Money Market Placements	-	361,421	25,006	-	-	-	-	386,427
Financial Assets Available-for-Sale	44,851	847,966	153,372	871,248	23,074,172	5,429,448	-	30,421,057
Loans	62,675	10,428,376	8,087,139	12,799,754	30,517,457	18,967,850	269,528	81,132,779
Investments Held-to-Maturity	-	-	-	2,162,954	1,070,195	1,403,859	-	4,637,008
Other Assets	969,988	388,694	1,823	-	-	135,079	3,696,931	5,192,515
Total Assets	12,588,790	18,798,480	8,962,290	16,383,373	57,706,512	30,237,732	3,966,459	148,643,636
Liabilities								
Bank Deposits	363,740	622,049	1,022,761	213,239	-	-	-	2,221,789
Other Deposits	15,352,483	49,109,824	8,447,711	4,839,084	300,223	197,955	-	78,247,280
Other Fundings	650	509,456	3,178,809	5,812,691	8,291,126	4,638,247	-	22,430,979
Interbank Money Market Takings	-	12,372,529	99,070	1,394,323	1,171,202	-	-	15,037,124
Securities Issued	-	654,007	681,406	699,038	549,041	1,042,668	-	3,626,160
Miscellaneous Payables	179,874	3,319,179	-	-	-	-	-	3,499,053
Other Liabilities (**)	1,154,237	1,928,222	364,721	171,185	303,434	189,411	19,470,041	23,581,251
Total Liabilities	17,050,984	68,515,266	13,794,478	13,129,560	10,615,026	6,068,281	19,470,041	148,643,636
Liquidity Gap	(4,462,194)	(49,716,786)	(4,832,188)	3,253,813	47,091,486	24,169,451	(15,503,582)	-
Prior Period								
Total Assets	6,799,134	15,821,320	8,841,518	16,575,442	48,036,369	24,225,245	3,675,113	123,974,141
Total Liabilities	13,232,311	61,914,607	10,183,589	8,562,380	7,078,090	4,666,529	18,336,635	123,974,141
Liquidity Gap	(6,433,177)	(46,093,287)	(1,342,071)	8,013,062	40,958,279	19,558,716	(14,661,522)	-

(*) Certain assets on the balance sheet that are necessary for the banking operations but not convertible into cash in short period such as tangible assets, investments in associates and subsidiaries, stationary supplies, prepaid expenses and loans under follow-up, are included in this column.

(**) Shareholders' equity is included in "other liabilities" line under "undistributed" column.

4.8 Fair values of financial assets and liabilities

Not prepared in compliance with the Article 25 of the communique "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

4.9 Transactions carried out on behalf of customers, items held in trust

None.

5 Disclosures and Footnotes on Unconsolidated Financial Statements

5.1 Assets

5.1.1 Cash and balances with Central Bank

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash in TL/Foreign Currency	596,356	283,903	499,780	379,540
Central Bank of Turkey	6,072,780	5,575,989	2,662,934	3,886,095
Others	-	73,591	-	81,683
Total	6,669,136	5,933,483	3,162,714	4,347,318

Balances with the Central Bank of Turkey:

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted Demand Deposits	6,072,780	1,205,002	2,662,934	1,055,761
Unrestricted Time Deposits	-	-	-	-
Restricted Time Deposits	-	4,370,987	-	2,830,334
Total	6,072,780	5,575,989	2,662,934	3,886,095

The banks operating in Turkey keep reserve deposits for Turkish Lira and foreign currency liabilities in TL and USD or EUR as per the Communiqué no. 2005/1 “Reserve Deposits” of the Central Bank of Turkey.

5.1.2 Information on financial assets at fair value through profit/loss

5.1.2.1 *Financial assets at fair value through profit/loss subject to repurchase agreements and provided as collateral/blocked*

	Current Period		Prior Period	
	TL	FC	TL	FC
Collateralised/Blocked Assets	-	211,544	-	-
Assets Subject to Repurchase Agreements	-	1,417,626	-	-
Total	-	1,629,170	-	-

5.1.2.2 *Positive differences on derivative financial assets held for trading*

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	139,472	19,314	28,078	29,206
Swap Transactions	37,626	271,197	95,154	135,139
Futures	-	4,054	-	1,491
Options	212,945	30,234	68,597	34,448
Other	-	-	-	-
Total	390,043	324,799	191,829	200,284

5.1.3 Banks

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
Domestic banks	146,704	118,513	78,219	698,371
Foreign banks	2,000,489	9,191,598	2,422,008	5,122,587
Foreign headoffices and branches	-	-	-	-
Total	2,147,193	9,310,111	2,500,227	5,820,958

The placements at foreign banks include blocked accounts amounting TL 9,346,990 thousands of which TL 213,481 thousands, TL 200,770 thousands and TL 27,249 thousands are kept at the central banks of Luxembourg, Malta and Turkish Republic of Northern Cyprus, respectively as reserve deposits, and TL 8,905,490 thousands as collateral against funds borrowed.

Due from foreign banks:

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.1.4 Financial assets available-for-sale

5.1.4.1 *Financial assets subject to repurchase agreements and provided as collateral/blocked*

The collateralized financial assets available-for-sale in TL consist of government bonds. The total carrying value of such securities with total face value of TL 6,493,103 thousands (31 December 2010: TL 2,609,350 thousands) is TL 6,716,870 thousands (31 December 2010: TL 2,571,988 thousands). The related accrued interests amount to TL 613,321 thousands (31 December 2010: TL 140,204 thousands). The related impairment losses on these securities amount to TL 24,481 thousands (31 December 2010: nil). The collateralized financial assets available-for-sale in foreign currencies consist of Eurobonds. The total carrying value of such securities with total face value of USD 6,525,000 (31 December 2010: USD 8,860,000) is USD 6,550,413 (31 December 2010: USD 9,277,029). The related accrued interests amount to USD 559,309 (31 December 2010: USD 1,117,252). There are no impairment losses on these securities (31 December 2010: nil).

	Current Period		Prior Period	
	TL	FC	TL	FC
Collateralised/Blocked Assets	7,305,710	12,940	2,712,192	15,799
Assets subject to Repurchase Agreements	12,770,376	508,766	9,760,434	574,242
Total	20,076,086	521,706	12,472,626	590,041

5.1.4.2 Details of financial assets available-for-sale

	Current Period	Prior Period
Debt Securities	28,259,373	28,861,356
Quoted at Stock Exchange	26,454,426	26,681,034
Unquoted at Stock Exchange	1,804,947	2,180,322
Common Shares/Investment Funds	27,390	35,154
Quoted at Stock Exchange (*)	13,734	21,866
Unquoted at Stock Exchange	13,656	13,288
Value Increases/Impairment Losses (-)	2,134,294	3,439,700
Total	30,421,057	32,336,210

(*) TL 8,653 thousands of quoted shares comprise of 26.4389% participation in Garanti Faktoring Hizmetleri AŞ.

As of 30 September 2011, the Bank's "financial assets available-for-sale" portfolio includes private sector bonds with "credit linked notes" at a total face value of USD 425,000,000 (31 December 2010: USD 725,000,000) and a total carrying value of TL 777,268 thousands (31 December 2010: TL 1,115,681 thousands).

5.1.5 Loans

5.1.5.1 Loans and advances to shareholders and employees of the Bank

	Current Period		Prior Period	
	Cash Loans	Non-Cash Loans	Cash Loans	Non-Cash Loans
Direct Lendings to Shareholders	-	27,654	14	4,831
Corporates	-	27,654	14	4,831
Individuals	-	-	-	-
Indirect Lendings to Shareholders	235,825	521,553	232,682	358,273
Loans to Employees	84,117	-	78,769	-
Total	319,942	549,207	311,465	363,104

5.1.5.2 Loans and other receivables classified in groups I and II and restructured or rescheduled

Cash Loans	Performing Loans and Other Receivables (Group I)		Loans under Follow-Up and Other Receivables (Group II)	
	Loans and Other Receivables	Restructured or Rescheduled Loans and Other Receivables	Loans and Other Receivables	Restructured or Rescheduled Loans and Other Receivables
Loans	78,743,733	-	1,219,285	900,233
Discounted Bills	503,197	-	825	-
Export Loans	3,445,290	-	29,867	9,764
Import Loans	401	-	-	-
Loans to Financial Sector	1,829,561	-	1,323	-
Foreign Loans	1,939,214	-	5,947	-
Consumer Loans	17,141,066	-	147,992	62,249
Credit Cards	9,092,013	-	60,436	140,829
Precious Metal Loans	374,649	-	7,029	96
Other	44,418,342	-	965,866	687,295
Specialization Loans	-	-	-	-
Other Receivables	-	-	-	-
Total	78,743,733	-	1,219,285	900,233

Collaterals received for loans under follow-up:

	Corporate/ Commercial Loans	Consumer Loans	Credit Cards	Total
Loans Collateralized by Cash	23,013	1,063	-	24,076
Loans Collateralized by Mortgages	694,632	96,889	-	791,521
Loans Collateralized by Pledged Assets	319,852	12,427	-	332,279
Loans Collateralized by Cheques and Notes	106,753	68,973	-	175,726
Loans Collateralized by Other Collaterals	459,722	3,328	-	463,050
Unsecured Loans	104,040	27,561	201,265	332,866
Total	1,708,012	210,241	201,265	2,119,518

Delinquency periods of loans under follow-up:

	Corporate/ Commercial Loans	Consumer Loans	Credit Cards	Total
31-60 days	38,097	78,711	48,008	164,816
61-90 days	36,108	19,419	12,428	67,955
Others	1,633,807	112,111	140,829	1,886,747
Total	1,708,012	210,241	201,265	2,119,518

Loans with extended maturities:

No. of Extension	Up to 1 Month	1-3 Months	3-6 Months	6-12 Months	1-5 Years	Total
1	171,243	149,998	257,166	492,714	750,398	1,821,519
2	2,128	15,518	7,243	3,802	51,789	80,480
Total	173,371	165,516	264,409	496,516	802,187	1,901,999

5.1.5.3 Maturity analysis of cash loans

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.1.5.4 Consumer loans, retail credit cards, personnel loans and personnel credit cards

	Short-Term	Medium and Long-Term	Total
Consumer Loans – TL	368,337	16,065,858	16,434,195
Housing Loans	14,624	8,425,919	8,440,543
Automobile Loans	16,131	958,533	974,664
General Purpose Loans	28,236	591,406	619,642
Other	309,346	6,090,000	6,399,346
Consumer Loans – FC-indexed	-	433,078	433,078
Housing Loans	-	410,471	410,471
Automobile Loans	-	2,328	2,328
General Purpose Loans	-	9,264	9,264
Other	-	11,015	11,015
Consumer Loans – FC	20	34,174	34,194
Housing Loans	-	23,423	23,423
Automobile Loans	-	8,191	8,191
General Purpose Loans	20	809	829
Other	-	1,751	1,751
Retail Credit Cards – TL	8,736,237	107,873	8,844,110
With Installment	4,060,517	107,873	4,168,390
Without Installment	4,675,720	-	4,675,720
Retail Credit Cards – FC	25,420	-	25,420
With Installment	4,614	-	4,614
Without Installment	20,806	-	20,806
Personnel Loans – TL	26,213	15,713	41,926
Housing Loan	-	1,150	1,150
Automobile Loans	-	115	115
General Purpose Loans	1,182	886	2,068
Other	25,031	13,562	38,593
Personnel Loans - FC-indexed	-	96	96
Housing Loans	-	96	96
Automobile Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Personnel Loans – FC	53	67	120
Housing Loans	-	-	-
Automobile Loans	-	-	-
General Purpose Loans	53	67	120
Other	-	-	-
Personnel Credit Cards – TL	33,909	351	34,260
With Installment	26,105	351	26,456
Without Installment	7,804	-	7,804
Personnel Credit Cards – FC	383	-	383
With Installment	42	-	42
Without Installment	341	-	341
Deposit Accounts– TL (real persons)	407,698	-	407,698
Deposit Accounts– FC (real persons)	-	-	-
Total	9,598,270	16,657,210	26,255,480

5.1.5.5 Installment based commercial loans and corporate credit cards

	Short-Term	Medium and Long-Term	Total
Installment-based Commercial Loans – TL	724,366	7,171,047	7,895,413
Real Estate Loans	1,448	537,485	538,933
Automobile Loans	49,860	1,361,853	1,411,713
General Purpose Loans	673,048	5,268,097	5,941,145
Other	10	3,612	3,622
Installment-based Commercial Loans - FC-indexed	91,656	700,711	792,367
Real Estate Loans	-	52,440	52,440
Automobile Loans	4,886	208,459	213,345
General Purpose Loans	86,770	439,812	526,582
Other	-	-	-
Installment-based Commercial Loans – FC	498	103,876	104,374
Real Estate Loans	-	1,198	1,198
Automobile Loans	-	5,197	5,197
General Purpose Loans	498	5,055	5,553
Other	-	92,426	92,426
Corporate Credit Cards – TL	382,716	783	383,499
With Installment	192,823	783	193,606
Without Installment	189,893	-	189,893
Corporate Credit Cards – FC	5,606	-	5,606
With Installment	-	-	-
Without Installment	5,606	-	5,606
Deposit Accounts– TL (corporates)	562,208	-	562,208
Deposit Accounts– FC (corporates)	-	-	-
Total	1,767,050	7,976,417	9,743,467

5.1.5.6 Allocation of loans by customers

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.1.5.7 Allocation of domestic and foreign loans

	Current Period	Prior Period
Domestic Loans	78,918,090	62,559,204
Foreign Loans	1,945,161	1,916,546
Total	80,863,251	64,475,750

5.1.5.8 Loans to associates and subsidiaries

	Current Period	Prior Period
Direct Lending	1,126,192	1,192,499
Indirect Lending	-	-
Total	1,126,192	1,192,499

5.1.5.9 Specific provisions for loans

	Current Period	Prior Period
Substandard Loans and Receivables - Limited Collectibility	20,995	21,413
Doubtful Loans and Receivables	80,962	102,679
Uncollectible Loans and Receivables	1,125,505	1,463,457
Total	1,227,462	1,587,549

5.1.5.10 Non-performing loans and other receivables (NPLs) (Net)

Non-performing loans and other receivables restructured or rescheduled (gross amounts before specific provisions):

	Group III	Group IV	Group V
	Substandard Loans and Receivables	Doubtful Loans and Receivables	Uncollectible Loans and Receivables
Current Period			
(Gross Amounts before Specific Provisions)	10,756	22,006	171,323
Restructured Loans and Receivables	10,756	22,006	171,323
Rescheduled Loans and Receivables	-	-	-
Prior Period			
(Gross Amounts before Specific Provisions)	10,777	14,723	248,832
Restructured Loans and Receivables	10,777	14,723	248,832
Rescheduled Loans and Receivables	-	-	-

Movements in non-performing loans and other receivables:

	Group III	Group IV	Group V
	Substandard Loans and Receivables	Doubtful Loans and Receivables	Uncollectible Loans and Receivables
Balances at Beginning of Period	69,719	138,127	1,731,263
Additions during the Period (+)	216,988	6,742	52,990
Transfer from Other NPL Categories (+)	-	189,706	166,739
Transfer to Other NPL Categories (-)	190,212	169,899	188,599
Collections during the Period (-)	34,547	45,765	245,847
Write-offs (-) (*)	-	-	200,415
Corporate and Commercial Loans	-	-	25,841
Retail Loans	-	-	105,598
Credit Cards	-	-	68,976
Others	-	-	-
Balances at End of Period	61,948	118,911	1,316,131
Specific Provisions (-)	20,995	80,962	1,125,505
Net Balance on Balance Sheet	40,953	37,949	190,626

(*) TL 200,310 thousands of this amount is due to sale of non-performing loans.

Movements in specific loan provisions:

	Corporate/ Commercial Loans	Consumer Loans	Credit Cards	Total
Balances at End of Prior Period	576,401	377,447	633,701	1,587,549
Additions during the Period(+)	53,043	52,946	85,488	191,477
Restructured/Rescheduled Loans (-)	136,706	179	-	136,885
Collections during the Period (-)	30,096	82,554	101,757	214,407
Write-offs (-)	25,759	105,537	68,976	200,272
Balances at End of Period	436,883	242,123	548,456	1,227,462

Non-performing loans and other receivables in foreign currencies:

	Group III Substandard Loans and Receivables	Group IV Doubtful Loans and Receivables	Group V Uncollectible Loans and Receivables
Current Period			
Balance at End of Period	945	16,544	241,350
Specific Provisions (-)	49	2,645	208,207
Net Balance at Balance Sheet	896	13,899	33,143
Prior Period			
Balance at End of Period	2,781	3,264	322,790
Specific Provisions (-)	105	456	258,665
Net Balance at Balance Sheet	2,676	2,808	64,125

Gross and net non-performing loans and receivable as per customer categories:

	Group III Substandard Loans and Receivables	Group IV Doubtful Loans and Receivables	Group V Uncollectible Loans and Receivables
Current Period (Net)	40,953	37,949	190,626
Loans to Individuals and Corporates (Gross)	61,948	118,911	1,309,087
Specific Provision (-)	20,995	80,962	1,118,461
Loans to Individuals and Corporates (Net)	40,953	37,949	190,626
Banks (Gross)	-	-	311
Specific Provision (-)	-	-	311
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	6,733
Specific Provision (-)	-	-	6,733
Other Loans and Receivables (Net)	-	-	-
Prior Period (Net)	48,306	35,448	267,806
Loans to Individuals and Corporates (Gross)	69,719	138,127	1,724,148
Specific Provision (-)	21,413	102,679	1,456,342
Loans to Individuals and Corporates (Net)	48,306	35,448	267,806
Banks (Gross)	-	-	311
Specific Provision (-)	-	-	311
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	6,804
Specific Provision (-)	-	-	6,804
Other Loans and Receivables (Net)	-	-	-

Collaterals received for non-performing loans:

	Corporate/ Commercial Loans	Consumer Loans	Credit Cards	Total
Loans Collateralized by Cash	546	207	-	753
Loans Collateralized by Mortgages	282,914	55,428	-	338,342
Loans Collateralized by Pledged Assets	80,024	35,093	-	115,117
Loans Collateralized by Cheques and Notes	128,264	117,503	-	245,767
Loans Collateralized by Other Collaterals	125,057	9,505	-	134,562
Unsecured Loans	24,380	70,109	567,960	662,449
Total	641,185	287,845	567,960	1,496,990

5.1.5.11 Liquidation policy for uncollectible loans and receivables

Not prepared in compliance with the Article 25 of the communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.1.5.12 “Write-off” policies

Not prepared in compliance with the Article 25 of the communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.1.6 Investments held-to-maturity

5.1.6.1 Investment subject to repurchase agreements and provided as collateral/blocked

	Current Period		Prior Period	
	TL	FC	TL	FC
Collateralised/Blocked Investments	1,921,004	467,252	2,904,701	406,444
Investments subject to Repurchase Agreements	1,113,084	-	908,463	409,643
Total	3,034,088	467,252	3,813,164	816,087

5.1.6.2 Government securities held-to-maturity

	Current Period	Prior Period
Government Bonds	3,075,218	4,576,594
Treasury Bills	-	-
Other Government Securities	1,555,897	1,313,190
Total	4,631,115	5,889,784

5.1.6.3 Investments held-to-maturity

	Current Period	Prior Period
Debt Securities	4,483,639	5,583,946
Quoted at Stock Exchange	4,477,858	5,579,803
Unquoted at Stock Exchange	5,781	4,143
Valuation Increase / (Decrease)	153,369	309,985
Total	4,637,008	5,893,931

5.1.6.4 Movement of investments held-to-maturity

	Current Period	Prior Period
Balances at Beginning of Period	5,893,931	7,346,161
Foreign Currency Differences On Monetary Assets	253,948	25,395
Purchases during the Period	5,781	4,143
Disposals through Sales/Redemptions	(1,360,037)	(1,538,464)
Valuation Effect	(156,615)	56,696
Balances at End of Period	4,637,008	5,893,931

5.1.7 Investments in associates

5.1.7.1 Investments in associates

	Associate	Address (City/ Country)	Bank's Share – If Different, Voting Rights (%)	Bank's Risk Group Share (%)
1	Bankalararası Kart Merkezi AŞ ⁽¹⁾	İstanbul/Türkiye	10.15	10.15
2	Yatırım Finansman Menkul Değerler AŞ ^{(**)(1)}	İstanbul/Türkiye	0.77	0.77
3	İMKB Takas ve Saklama Bankası AŞ ⁽¹⁾	İstanbul/Türkiye	5.83	5.83
4	Vadeli İşlem ve Opsiyon Borsası AŞ ⁽¹⁾	İstanbul/Türkiye	6.00	6.00
5	KKB Kredi Kayıt Bürosu AŞ	İstanbul/Türkiye	9.09	9.09
6	Gelişen Bilgi Teknolojileri AŞ ⁽¹⁾	İstanbul/Türkiye	5.00	5.00
7	Türkiye Cumhuriyet Merkez Bankası AŞ ⁽²⁾	Ankara / Türkiye	2.48	2.48
8	Kredi Garanti Fonu AŞ	Ankara / Türkiye	1.67	1.67

	Total Assets	Shareholders' Equity	Total Fixed Assets (*)	Interest Income	Income on Securities Portfolio	Current Period Profit/Loss	Prior Period Profit/Loss	Company's Fair Value (if available)
1	21,526	17,174	6,364	430	-	1,309	1,105	-
2	510,979	64,117	1,467	12,295	543	4,690	3,205	-
3	1,734,538	288,509	10,797	15,202	1,806	15,837	92,469	-
4	55,833	50,325	5,262	1,881	29	938	36,207	-
5	38,784	27,914	2,552	2,033	4	12,265	-	-
6	427	425	-	12	-	(5)	345	-
7	154,509	12,108	245	32	4,137	3,099	12,060	-
8	207,899	201,048	2,904	3,979	-	7,672	7,632	-

(1) Financial information is as of 30 June 2011.

(2) Financial information is as of 31 December 2010.

(*) Total fixed assets include tangible and intangible assets.

5.1.7.2 Movement of investments in associates

	Current Period	Prior Period
Balance at Beginning of Period	29,512	29,705
Movements during the Period	(9,678)	(193)
Acquisitions and Capital Increases	1,000	-
Bonus Shares Received (*)	634	54
Dividends from Current Year Profit	-	-
Sales (**)	(11,312)	(247)
Increase in Market Values	-	-
Impairment Reversals/(Losses)	-	-
Balance at End of Period	19,834	29,512
Capital Commitments	1,000	2,000
Share Percentage at the End of Period (%)	-	-

The Bank has paid TL 2,000 thousands of its capital commitment of TL 4,000 thousands on 15 October 2009 and TL 1,000 thousands on 29 July 2011 arising from the capital increase of Kredi Garanti Fonu AŞ dated 11 September 2009.

(*) The paid-in capital of Yatırım Finansman Menkul Değerler AŞ was increased from TL 45,500 thousands to TL 53,500 thousands during its ordinary general assembly meeting held on 23 March 2011.

The paid-in capital of Bankalararası Kart Merkezi AŞ was increased from TL 6,000 thousands to TL 14,000 thousands during its ordinary general assembly meeting held on 30 March 2011.

(**) As per the Shareholders' Agreement dated 27 June 2007 between the Bank and Eureko BV, the Bank sold its 20% shares of Eureko Sigorta AŞ with a nominal value of TL 12,000 thousands to Eureko BV for EUR 69,999,999.

5.1.7.3 Sectoral distribution of investments and associates

Investments in Associates	Current Period	Prior Period
Banks	-	-
Insurance Companies	-	11,312
Factoring Companies	-	-
Leasing Companies	-	-
Finance Companies	18,120	16,486
Other Associates	1,714	1,714

5.1.7.4 Quoted associates

None.

5.1.7.5 Valuation methods of investments in associates

Investments in Associates	Current Period	Prior Period
Valued at Cost	19,834	29,512
Valued at Fair Value	-	-

5.1.7.6 Investments in associates sold during the current period

As per the Shareholders' Agreement dated 21 June 2007 between the Bank and Eureko BV, the Bank sold its 20% shares of Eureko Sigorta AŞ with a nominal value of TL 12,000 thousands to Eureko BV for EUR 69,999,999.

5.1.7.7 Investments in associates acquired during the current period

None.

5.1.8 Investments in subsidiaries

5.1.8.1 Investments in subsidiaries

	Subsidiary	Address (City/ Country)	Bank's Share – If Different, Voting Rights (%)	Bank's Risk Group Share (%)
1	Garanti Bilişim Teknolojisi ve Tic. TAŞ	Istanbul/Turkey	100.00	100.00
2	Garanti Ödeme Sistemleri AŞ	Istanbul/Turkey	99.92	100.00
3	Garanti Hizmet Yönetimi AŞ	Istanbul/Turkey	93.40	96.40
4	Garanti Kültür AŞ	Istanbul/Turkey	100.00	100.00
5	Garanti Konut Finansmanı Danışmanlık Hiz. AŞ	Istanbul/Turkey	100.00	100.00
6	Garanti Finansal Kiralama AŞ	Istanbul/Turkey	94.10	98.94
7	Garanti Faktoring Hizmetleri AŞ	Istanbul/Turkey	55.40	55.40
8	Garanti Yatırım Menkul Kıymetler AŞ	Istanbul/Turkey	100.00	100.00
9	Garanti Portföy Yönetimi AŞ	Istanbul/Turkey	100.00	100.00
10	Garanti Emeklilik ve Hayat AŞ	Istanbul/Turkey	84.91	84.91
11	Garanti Bank International NV	Amsterdam/Holland	100.00	100.00
12	Garanti Bank Moscow	Moscow/Russia	99.94	100.00
13	Garanti Holding BV(**)	Amsterdam/Holland	100.00	100.00

	Total Assets	Shareholders' Equity	Total Fixed Assets (*)	Interest Income	Income on Securities Portfolio	Current Period Profit/Loss	Prior Period Profit/Loss	Company's Fair Value
1	30,893	20,729	695	-	630	4,356	(90,924)	-
2	29,245	13,475	1,793	-	860	1,794	11,103	-
3	1,031	716	20	-	27	(154)	457	-
4	843	203	34	-	2	(1)	(141)	-
5	1,241	1,106	1	-	10	(39)	375	-
6	2,522,126	472,060	17,604	121,205	-	52,987	320,659	-
7	992,741	58,374	2,587	66,483	178	8,350	25,282	86,730
8	71,435	63,948	6,356	637	1,121	4,230	13,331	-
9	17,456	14,578	2,575	454	212	161	1,239	-
10	2,922,271	416,980	13,090	27,640	4,083	85,335	251,700	-
11	9,236,442	833,183	54,261	207,213	59,485	85,939	346,838	861,599
12	710,337	141,005	42,924	16,200	11,920	10,236	72,196	164,759
13	695,100	695,088	-	39	-	(149)	(118,323)	695,354

(*) Total fixed assets include tangible and intangible assets.

(**) D Netherlands Holding BV's name changed to Garanti Holding BV as of 27 January 2011.

5.1.8.2 Movement of investments in subsidiaries

	Current Period	Prior Period
Balance at Beginning of Period	1,655,134	1,003,260
Movements during the Period	419,992	651,874
Acquisitions and Capital Increases (*)	-	553,497
Bonus Shares Received (**)	-	953
Dividends from Current Year Profit	-	-
Sales/Liquidations	-	(4,227)
Increase in Market Values	154,340	80,512
Currency Differences on Foreign Subsidiaries	179,384	17,748
Impairment Reversals/(Losses)	86,268	3,391
Balance at End of Period	2,075,126	1,655,134
Capital Commitments	-	-
Share Percentage at the End of Period (%)	-	-

(*) At 24 February 2010, the Bank acquired 430 common stocks of Garanti Bank Moscow representing 24.8555% of its registered capital at a total face value of RUB 109,650,000 from Garanti Financial Services Plc at a cost of USD 3,826,933.41 through subrogation.

On 27 May 2010, the Bank purchased the shares of Garanti Holding BV, established in Holland, presenting 100% ownership at a price of EUR 53.5 millions from Doğu Holding AŞ, and subsequent to this share purchase, the paid-in capital of Garanti Holding BV was increased by EUR 118.4 millions. Garanti Holding BV is the shareholder of G Netherlands BV (formerly Doğu GE BV) directly, and Garanti Bank SA (formerly GE Garanti Bank SA), Motoractive IFN SA, Ralfi IFN SA and Domenia Credit IFN SA, all resident in Romania, indirectly through G Netherlands BV. The paid-in capital of Garanti Holding BV was increased;

- from EUR 217,088,600 to EUR 247,088,600 on 27 August 2010 as per the decision made at the board of directors' meeting held on 3 August 2010, and
- from EUR 247,088,600 to EUR 329,088,600 on 15 December 2010 as per the decision made at the board of directors' meeting held on 8 December 2010

(**) The paid-in capital of Garanti Faktoring Hizmetleri AŞ was increased from TL 19,280 thousands to TL 21,000 thousands through appropriation from its retained earnings on 8 September 2010.

5.1.8.3 Sectoral distribution of investments in subsidiaries

Subsidiaries	Current Period	Prior Period
Banks	1,026,262	783,622
Insurance Companies	56,545	56,545
Factoring Companies	48,052	73,533
Leasing Companies	76,169	76,169
Finance Companies	764,013	647,449
Other Subsidiaries	104,085	17,816

5.1.8.4 Quoted subsidiaries

Subsidiaries	Current Period	Prior Period
Quoted at Domestic Stock Exchanges	48,052	73,533
Quoted at International Stock Exchanges	-	-

5.1.8.5 Valuation methods of investments in subsidiaries

Subsidiaries	Current Period	Prior Period
Valued at Cost	305,457	219,189
Valued at Fair Value	1,769,669	1,435,945

(*) Includes subsidiaries for which value decreases are provided against considering their equities.

5.1.8.6 Investments in subsidiaries disposed during the current period

None.

5.1.8.7 Investments in subsidiaries acquired during the current period

None.

5.1.9 Investments in Joint-Ventures

None.

5.1.10 Lease receivables

None.

5.1.11 Derivative financial assets held for risk management

5.1.11.1 Positive differences on derivative financial instruments held for risk management

Derivative Financial Assets Held for Risk Management	Current Period		Prior Period	
	TL	FC	TL	FC
Fair Value Hedges	-	128,930	-	-
Cash Flow Hedges	-	-	-	-
Net Foreign Investment Hedges	-	-	-	-
Total	-	128,930	-	-

The Bank hedged its fixed rate eurobonds with 10 years maturity issued on 20 April 2011 for the amount of USD 500 millions under various fair value hedges.

5.1.12 Tangible assets

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.1.13 Intangible assets

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.1.14 Investment property

None.

5.1.15 Deferred tax asset

As of 30 September 2011, the Bank has a deferred tax asset of TL 51,168 thousands (31 December 2010: TL 117,224 thousands) calculated as the net amount remaining after netting of tax deductible timing differences and taxable timing differences.

The Bank does not have any deferred tax assets on tax losses carried forward or tax deductions and exemptions as of 30 September 2011. However, there is a deferred tax asset of TL 177,136 thousands (31 December 2010: TL 188,672 thousands) and deferred tax liability of TL 125,968 thousands (31 December 2010: TL 71,448 thousands) presented as net in the accompanying financial statements on all taxable temporary differences arising between the carrying amounts and the taxable amounts of assets and liabilities on the financial statements that will be considered in the calculation of taxable earnings in the future periods.

For the cases where such differences are related with certain items on the shareholders' equity accounts, the deferred taxes are charged or credited directly to these accounts.

5.1.16 Assets held for sale and assets of discontinued operations

	Current Period	Prior Period
End of Prior Period		
Cost	99,700	82,293
Accumulated Depreciation (-)	(1,644)	(1,143)
Net Book Value	98,056	81,150
End of Current Period		
Additions	26,771	74,964
Disposals (Cost)	(41,315)	(54,819)
Disposals (Accumulated Depreciation)	566	483
Impairment Losses (-)	(1,884)	(2,737)
Depreciation Expense for Current Period (-)	(948)	(985)
Currency Translation Differences on Foreign Operations	-	-
Cost	83,272	99,701
Accumulated Depreciation (-)	(2,026)	(1,645)
Net Book Value	81,246	98,056

As of 30 September 2011, the net book values of assets held for sale on which rights of repurchase exist amounting to TL 452 thousands (31 December 2010: TL 6,293 thousands).

5.1.17 Other assets

5.1.17.1 Receivables from term sale of assets

	Current Period	Prior Period
Sale of Investments in Associates, Subsidiaries and Joint Ventures	5,000	4,249
Sale of Real Estates	-	3,170
Sale of Other Assets	2,971	2,920
Total	7,971	10,339

5.1.17.2 Prepaid expenses, taxes and similar items

	Current Period	Prior Period
Prepaid Expenses	242,611	190,263
Prepaid Taxes	4,049	-

5.1.18 Accrued interest and income

The details of accrued interest and income allocated to the related items on the assets side of the balance sheet are as follows:

	Current Period		Prior Period	
	TL	FC	TL	FC
Central Bank of Turkey	-	-	4,227	-
Financial Assets at Fair Value through Profit or Loss	4,134	29,137	10,107	411
Banks	36,219	17,642	17,931	13,857
Interbank Money Markets	427	-	-	-
Financial Assets Available-for-Sale	2,177,519	39,017	3,221,171	132,806
Loans	733,487	400,476	502,055	278,375
Investments Held-to-Maturity	138,092	16,482	284,512	26,518
Other Accruals	9,444	-	16,088	-
Total	3,099,322	502,754	4,056,091	451,967

5.2 Liabilities

5.2.1 Maturity profile of deposits

Current Period

	Demand	7 Days Notice	Up to 1 Month	1-3 Months	3-6 Months	6-12 Months	1 Year and Over	Accumulating Deposit Accounts	Total
Saving Deposits	2,908,556	-	4,303,165	19,828,864	989,291	295,333	272,193	1,211	28,598,613
Foreign Currency Deposits	5,809,514	-	4,186,149	14,430,605	2,134,100	2,487,265	2,064,117	88,777	31,200,527
Residents in Turkey	5,432,735	-	4,006,988	13,763,657	1,828,929	449,470	1,280,519	87,162	26,849,460
Residents in Abroad	376,779	-	179,161	666,948	305,171	2,037,795	783,598	1,615	4,351,067
Public Sector Deposits	826,948	-	1,722	106,095	1,704	21	-	-	936,490
Commercial Deposits	3,333,920	-	2,620,879	6,182,267	1,671,196	454,944	253,146	-	14,516,352
Other	61,757	-	33,902	335,530	141,156	1,932	388	-	574,665
Precious Metal Deposits	2,411,788	-	3,288	-	-	4,603	954	-	2,420,633
Bank Deposits	363,740	-	107,827	641,465	178,754	925,408	4,595	-	2,221,789
Central Bank of Turkey	-	-	-	-	-	-	-	-	-
Domestic Banks	1,051	-	40,482	5,643	-	5,288	-	-	52,464
Foreign Banks	126,389	-	67,172	629,970	178,754	920,120	4,595	-	1,927,000
Special Financial Institutions	236,300	-	173	5,852	-	-	-	-	242,325
Other	-	-	-	-	-	-	-	-	-
Total	15,716,223	-	11,256,932	41,524,826	5,116,201	4,169,506	2,595,393	89,988	80,469,069

Prior Period

	Demand	7 Days Notice	Up to 1 Month	1-3 Months	3-6 Months	6-12 Months	1 Year and Over	Accumulating Deposit Accounts	Total
Saving Deposits	2,433,586	-	6,603,455	16,495,091	943,863	216,655	136,973	770	26,830,393
Foreign Currency Deposits	5,186,989	-	7,124,092	10,836,514	931,365	1,854,241	1,157,416	87,013	27,177,630
Residents in Turkey	4,887,105	-	6,831,438	10,435,652	815,581	636,228	823,096	85,730	24,514,830
Residents in Abroad	299,884	-	292,654	400,862	115,784	1,218,013	334,320	1,283	2,662,800
Public Sector Deposits	520,469	-	2,154	23,302	355	1,985	-	-	548,265
Commercial Deposits	3,091,199	-	3,393,199	6,966,337	926,007	217,079	137,756	-	14,731,577
Other	58,853	-	20,830	292,764	115,900	155	5,077	-	493,579
Precious Metal Deposits	464,651	-	4	-	-	4,010	-	-	468,665
Bank Deposits	757,565	-	1,174,213	450,096	7,800	18,636	-	-	2,408,310
Central Bank of Turkey	-	-	-	-	-	-	-	-	-
Domestic Banks	2,876	-	338,279	30,317	-	-	-	-	371,472
Foreign Banks	310,346	-	835,934	419,779	7,800	18,636	-	-	1,592,495
Special Financial Institutions	444,343	-	-	-	-	-	-	-	444,343
Other	-	-	-	-	-	-	-	-	-
Total	12,513,312	-	18,317,947	35,064,104	2,925,290	2,312,761	1,437,222	87,783	72,658,419

5.2.1.1 Saving deposits and other deposit accounts insured by Saving Deposit Insurance Fund

Saving deposits covered by deposit insurance and total amount of deposits exceeding insurance coverage limit:

	Covered by Deposit Insurance		Over Deposit Insurance Limit	
	Current Period	Prior Period	Current Period	Prior Period
Saving Deposits	11,432,397	11,528,555	16,948,546	15,125,137
Foreign Currency Saving Deposits	3,125,914	3,128,715	11,213,143	9,950,009
Other Saving Deposits	1,133,462	204,524	1,165,879	243,956
Deposits held at Foreign Branches Under Foreign Insurance Coverage	-	-	-	-
Deposits held at Off-Shore Branches Under Foreign Insurance Coverage	-	-	-	-

5.2.1.2 Saving deposits at domestic branches of foreign banks in Turkey under the coverage of foreign insurance

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.2.1.3 Saving deposits not covered by insurance limits

	Current Period	Prior Period
Deposits and Other Accounts held at Foreign Branches	409,788	375,362
Deposits and Other Accounts held by Shareholders and their Relatives	-	-
Deposits and Other Accounts of the Chairman and Members of Board of Directors, Chief Executive Officer, Senior Executive Officers and their Relatives	286,106	186,298
Deposits and Other Accounts held as Assets subject to the Crime defined in the Article 282 of the Turkish Criminal Code no. 5237 dated 26 September 2004	-	-
Deposits at Depository Banks established for Off-Shore Banking Activities in Turkey	-	-

5.2.2 Negative differences on derivative financial liabilities held for trading

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward transactions	60,156	22,283	29,650	10,340
Swap transactions	610,461	215,300	167,674	171,750
Futures	-	296	-	1,846
Options	115,496	22,059	46,225	34,058
Other	-	-	-	-
Total	786,113	259,938	243,549	217,994

5.2.3 Funds borrowed

	Current Period		Prior Period	
	TL	FC	TL	FC
Central Bank of Turkey	-	-	-	-
Domestic Banks and Institutions	295,021	220,466	155,150	122,359
Foreign Banks, Institutions and Funds	4,648,796	16,225,164	4,958,723	11,397,080
Total	4,943,817	16,445,630	5,113,873	11,519,439

5.2.3.1 Maturities of funds borrowed

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	834,585	6,524,452	700,423	4,139,314
Medium and Long-Term	4,109,232	9,921,178	4,413,450	7,380,125
Total	4,943,817	16,445,630	5,113,873	11,519,439

5.2.3.2 Disclosures for concentration areas of bank's liabilities

Not prepared in compliance with the Article 25 of the communique "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

5.2.4 Other external funds

5.2.4.1 Securities issued

	TL		FC	
	Short-Term	Medium and Long-Term	Short-Term	Medium and Long-Term
Nominal	2,500,000	-	-	1,280,000
Cost	2,370,225	-	-	1,272,688
Carrying Value (*)	2,034,451	-	-	1,591,709

(*) The Bank repurchased its own TL securities with total nominal value of TL 434,277 thousands and netted off such securities in the accompanying financial statement.

5.2.4.2 Funds provided through repurchase transactions:

	Current Period		Prior Period	
	TL	FC	TL	FC
Domestic Transactions	10,815,235	-	10,180,670	-
Financial Institutions and Organizations	10,767,042	-	10,115,836	-
Other Institutions and Organizations	18,192	-	19,318	-
Individuals	30,001	-	45,516	-
Foreign Transactions	239,344	3,982,545	156,569	883,398
Financial Institutions and Organizations	238,978	3,982,545	155,900	883,398
Other Institutions and Organizations	270	-	284	-
Individuals	96	-	385	-
Total	11,054,579	3,982,545	10,337,239	883,398

5.2.5 Lease payables (Net)

5.2.5.1 Financial lease payables

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Up to 1 Year	8	7	377	353
1-4 Years	2	2	4	4
More than 4 Years	-	-	-	-
Total	10	9	381	357

5.2.5.2 Operational lease agreements

The operational leasing agreements are signed for some branches and ATM's. The agreements are prepared annually and annual rents are paid in advance and recorded as prepaid expense in "other assets". The Bank does not have any commitments arising on the existing operational lease agreements.

5.2.6 Derivative financial liabilities held for risk management

Derivative Financial Liabilities held for Risk Management	Current Period		Prior Period	
	TL	FC	TL	FC
Fair value hedges	-	-	-	-
Cash flow hedges	-	1,205	-	2,347
Net foreign investment hedges	-	-	-	-
Total	-	1,205	-	2,347

5.2.7 Provisions

5.2.7.1 General provisions

	Current Period	Prior Period
General Provision for	936,792	622,265
Loans and Receivables in Group I	814,667	533,544
Loans and Receivables in Group II	48,215	34,862
Non-Cash Loans	73,910	53,859
Other	-	-

As per the amendment to the Regulation on Procedures and Principles for Determination of Qualifications of Loans and Other Receivables and Provisions to Be Set Aside dated 28 May 2011, an additional provision of TL 54,861 thousands has been made for the loans and other receivables classified under Group I and II.

5.2.7.2 Provisions for foreign exchange differences on foreign currency indexed loans and financial lease receivables

	Current Period	Prior Period
Short-Term Loans	6,497	4,027
Medium and Long-Term Loans	994	7,429
Total	7,491	11,456

Foreign exchange differences on foreign currency indexed loans are netted with loans on the asset side.

5.2.7.3 Provisions for non-cash loans that are not indemnified or converted into cash

Not prepared in compliance with the Article 25 of the communique "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

5.2.7.4 Other provisions

5.2.7.4.1 General reserves for possible losses

	Current Period	Prior Period
General Reserves for Possible Losses	420,000	330,000

5.2.7.4.2 Other provisions

	Current Period	Prior Period
Reserve for Employee Benefits	275,365	285,708
Provision for Promotion Expenses of Credit Cards (*)	40,097	46,488
Provision for Lawsuits	11,146	5,357
Other Provisions	26,582	13,343
Total	353,190	350,896

(*) The Bank provides full allowance for the committed promotion expenses of credit cards as of the balance sheet date.

Recognized liability for defined benefit plan obligations

The Bank obtained an actuarial report dated 18 January 2011 from an independent actuary reflecting the principles and procedures on determining the application of transfer transactions in accordance with the Law and it is determined that the assets of the Plan are above the amount that will be required to be paid to transfer the obligation and the asset surplus amounts to TL 951,896 thousands at 31 December 2010 as details are given in the table below.

Furthermore, an actuarial report was prepared as of 31 December 2010 as per the requirements of the Law explained in Note 3.17, the accounting policies related with “employee benefits” for the benefits transferable to the SSF and as per TAS 19 for other benefits not transferable to the SSF and arising from other social rights and payments covered by the existing trust indenture of the Fund and medical benefits provided for employees. Based on the actuary’s 18 January 2011 dated report, the asset surplus over the fair value of the plan assets to be used for the payment of the obligations also fully covers the benefits not transferable and still a surplus of TL 504,338 thousands remains as of 31 December 2010 as details are given in the table below.

The Bank’s management, acting prudently, did not consider the health premium surplus amounting TL 266,382 thousands as stated above and resulted from the present value of medical benefits and health premiums transferable to SSF. However, despite this treatment there are no excess obligation that needs to be provided against.

	31 December 2010
Transferable Pension and Medical Benefits:	
Net present value of pension benefits transferable to SSF	(315,823)
Net present value of medical benefits and health premiums transferable to SSF	266,382
General administrative expenses	(19,046)
Present Value of Pension and Medical Benefits Transferable to SSF (1)	(68,487)
Fair Value of Plan Assets (2)	1,020,383
Asset Surplus over Transferable Benefits ((2)-(1)=(3))	951,896
Non-Transferable Benefits:	
Other pension benefits	(242,307)
Other medical benefits	(205,251)
Total Non-Transferable Benefits (4)	(447,558)
Asset Surplus over Total Benefits ((3)-(4)=(5))	504,338
Net Present Value of Medical Benefits and Health Premiums Transferable to SSF – but not considered acting prudently (6)	(266,382)
Present Value of Asset Surplus/(Defined Benefit Obligation) ((5)-(6))	237,956

The major actuarial assumptions used in the calculation of other benefits not transferable to SSF in compliance with TAS 19 are as follows:

	31 December 2010
	%
Discount Rate	10.00
Inflation Rate	5.10
Future Real Salary Increase Rate	1.5
Medical Cost Trend Rate	24.70-2.80
Future Pension Increase Rates	5.10

Assumptions regarding future mortality are based on published statistics and mortality tables. The average life expectancy of an individual retiring at age 60 is 17 for males, and at age 58 for females is 23.

5.2.8 Tax liability

5.2.8.1 Current tax liability

5.2.8.1.1 Tax liability

As of 30 September 2011, the Bank had a current tax liability of TL 93,961 thousands (31 December 2010: TL 204,102 thousands) after offsetting with prepaid taxes.

5.2.8.1.2 Taxes payable

	Current Period	Prior Period
Corporate Taxes Payable	93,961	204,102
Taxation on Securities Income	74,866	58,218
Taxation on Real Estates Income	1,904	1,536
Banking Insurance Transaction Tax	40,568	29,377
Foreign Exchange Transaction Tax	23	25
Value Added Tax Payable	1,035	2,642
Others	16,818	27,544
Total	229,175	323,444

5.2.8.1.3 Premiums

	Current Period	Prior Period
Social Security Premiums-Employees	-	-
Social Security Premiums-Employer	-	-
Bank Pension Fund Premium-Employees	23	34
Bank Pension Fund Premium-Employer	34	17
Pension Fund Membership Fees and Provisions-Employees	-	-
Pension Fund Membership Fees and Provisions-Employer	-	-
Unemployment Insurance-Employees	516	514
Unemployment Insurance-Employer	975	966
Others	7	4
Total	1,555	1,535

5.2.8.2 Deferred tax liability

None.

5.2.9 Liabilities for assets held for sale and assets of discontinued operations

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.2.10 Subordinated debts

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.2.11 Shareholders’ equity

5.2.11.1 Paid-in capital

	Current Period	Prior Period
Common Shares	4,200,000	4,200,000
Preference Shares	-	-

5.2.11.2 Registered share capital system

Capital	Paid-in Capital	Ceiling per Registered Share Capital
Registered Shares	4,200,000	7,000,000

5.2.11.3 Capital increases in current period

None.

5.2.11.4 Capital increases from capital reserves in current period

None.

5.2.11.5 Capital commitments for current and future financial periods

None.

5.2.11.6 Possible effect of estimations made for the parent bank’s revenues, profitability and liquidity on equity considering prior period indicators and uncertainties

None.

5.2.11.7 Information on privileges given to stocks representing the capital

None.

5.2.11.8 Securities value increase fund

	Current Period		Prior Period	
	TL	FC	TL	FC
Investments in Associates, Subsidiaries and Joint-Ventures	46,393	409,053	66,777	267,610
Valuation difference	14,076	409,053	34,460	267,610
Exchange rate difference	32,317	-	32,317	-
Securities Available-for-Sale	599,934	13,169	1,488,655	150,768
Valuation difference	599,934	13,169	1,488,655	150,768
Exchange rate difference	-	-	-	-
Total	646,327	422,222	1,555,432	418,378

5.2.11.9 Revaluation surplus

	Current Period		Prior Period	
	TL	FC	TL	FC
Movables	-	-	-	-
Real Estates	2,140	-	2,140	-
Gain on Sale of Investments in Associates and Subsidiaries and Real Estates to be used for Capital Increases	596,813	-	596,047	-
Revaluation Surplus on Leasehold Improvements			-	-

5.2.11.10 Bonus shares of associates, subsidiaries and joint-ventures

	Current Period	Prior Period
Garanti Yatırım Menkul Değerler AŞ	942	942
Eureko Sigorta AŞ	-	561
Kredi Kartları Bürosu AŞ	481	481
Garanti Ödeme Sistemleri AŞ	401	401
Tat Konserve AŞ	36	36
Doğuş Gayrimenkul Yatırım Ortaklığı AŞ	22	23
Yatırım Finansman Menkul Değerler AŞ	9	9
Total	1,891	2,453

5.2.11.11 Legal reserves

	Current Period	Prior Period
I. Legal Reserve	648,074	489,166
II. Legal Reserve	75,290	39,290
Special Reserves	-	-

5.2.11.12 Extraordinary reserves

	Current Period	Prior Period
Legal reserves that was allocated to be in compliance with the decisions made on the Annual General Assembly	7,612,215	5,268,509
Retained Earnings	-	-
Accumulated Losses	-	-
Exchange Rate Difference on Foreign Currency Capital	-	-

5.2.12 Accrued interest and expenses

The details of accrued interest and expenses allocated to the related items on the liability side of the balance sheet are as follows:

	Current Period		Prior Period	
	TL	FC	TL	FC
Deposits	198,771	126,791	222,174	66,580
Funds Borrowed	193,456	78,744	209,226	52,818
Interbank Money Markets	10,345	19,067	24,477	671
Other Accruals	44,049	172,389	23,698	319
Total	446,621	396,991	479,575	120,388

5.3 Off-Balance Sheet Items

5.3.1 Off-balance sheet contingencies

5.3.1.1 Irrevocable credit commitments

The Bank has asset purchase and sale commitments of TL 4,481,942 thousands (31 December 2010: TL 1,789,413 thousands), commitments for cheque payments of TL 2,177,578 thousands (31 December 2010: TL 1,910,095 thousands) and commitments for credit card limits of TL 13,240,546 thousands (31 December 2010: TL 12,467,191 thousands).

5.3.1.2 Possible losses, commitments and contingencies resulted from off-balance sheet items

	Current Period	Prior Period
Letters of Guarantee in Foreign Currency	8,454,407	7,155,138
Letters of Guarantee in TL	5,764,116	4,951,727
Letters of Credit	4,806,898	3,362,064
Bills of Exchange and Acceptances	345,434	164,105
Prefinancings	-	-
Other Guarantees	68,581	56,746
Total	19,439,436	15,689,780

A specific provision of TL 54,794 thousands (31 December 2010: TL 57,287 thousands) is made for unliquidated non-cash loans of TL 118,261 thousands (31 December 2010: TL 96,013 thousands) recorded under the off-balance sheet items in the accompanying financial statements.

The detailed information for commitments, guarantees and sureties are provided under the statement of “off-balance sheet items”.

As of 30 September 2011, in the Bank’s “other irrevocable commitments”, there are commitments for “credit linked notes” with a total face value of USD 425,000,000 (31 December 2010: USD 775,000,000).

5.3.1.3 Non-cash loans

	Current Period	Prior Period
Non-Cash Loans against Cash Risks	1,238,699	883,442
With Original Maturity of 1 Year or Less	288,703	39,865
With Original Maturity of More Than 1 Year	949,996	843,577
Other Non-Cash Loans	18,200,737	14,806,338
Total	19,439,436	15,689,780

5.3.1.4 Sectoral risk concentration of non-cash loans

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.3.1.5 Non-cash loans classified under Group I and II

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.3.2 Financial derivative instruments

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.3.3 Contingent liabilities and assets

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.3.4 Services rendered on behalf of third parties

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.4 Income Statement

5.4.1 Interest Income

5.4.1.1 Interest income from loans (*)

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-term loans	1,511,829	123,378	1,471,744	100,565
Medium and long-term loans	1,910,861	1,105,772	1,526,684	781,543
Loans under follow-up	56,741	7	41,825	-
Premiums received from Resource Utilization Support Fund	-	-	-	-
Total	3,479,431	1,229,157	3,040,253	882,108

(*) Includes also the fee and commission income on cash loans

5.4.1.2 Interest income from banks

	Current Period		Prior Period	
	TL	FC	TL	FC
Central Bank of Turkey	-	-	2,983	150
Domestic Banks	6,304	547	2,571	322
Foreign Banks	117,211	52,232	124,036	38,687
Foreign Head Offices and Branches	-	-	-	-
Total	123,515	52,779	129,590	39,159

5.4.1.3 Interest income from securities portfolio

	Current Period		Prior Period	
	TL	FC	TL	FC
Financial Assets Held for Trading	16,098	2,986	38,715	664
Financial Assets Valued at Fair Value through Profit or Loss	-	-	-	-
Financial Assets Available-for-Sale	1,789,497	89,913	1,875,864	111,437
Investments Held-to-Maturity	350,168	78,120	579,737	72,086
Total	2,155,763	171,019	2,494,316	184,187

5.4.1.4 Interest income received from associates and subsidiaries

	Current Period	Prior Period
Interest received from Investments in Associates and Subsidiaries	62,096	28,075

5.4.2 Interest Expenses

5.4.2.1 Interest expenses on funds borrowed (*)

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks	405,255	233,701	328,833	151,802
Central Bank of Turkey	-	-	-	-
Domestic Banks	14,980	4,533	10,816	3,469
Foreign Banks	390,275	229,168	318,017	148,333
Foreign Head Offices and Branches	-	-	-	-
Other Institutions	-	53,006	-	46,456
Total	405,255	286,707	328,833	198,258

(*) Includes also the fee and commission expenses on borrowings

5.4.2.2 Interest expenses paid to associates and subsidiaries

	Current Period	Prior Period
Interest paid to Investments in Associates and Subsidiaries	25,457	20,540

5.4.2.3 Interest expenses on securities issued

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.4.2.4 Maturity structure of interest expense on deposits

Account Description	Demand Deposits	Time Deposits					Accumulating Deposit Accounts	Total
		Up to 1 Month	1-3 Months	3-6 Months	6-12 Months	1 Year and Over		
Turkish Lira								
Bank Deposits	177	24,045	-	-	-	-	-	24,222
Saving Deposits	312	248,535	1,183,799	70,556	13,713	12,883	-	1,529,798
Public Sector Deposits	-	645	1,739	63	2	-	-	2,449
Commercial Deposits	283	173,216	371,408	83,157	8,775	11,500	-	648,339
Other	13	1,989	12,877	4,541	10,668	296	-	30,384
“7 Days Notice” Deposits	-	-	-	-	-	-	-	-
Total TL	785	448,430	1,569,823	158,317	33,158	24,679	-	2,235,192
Foreign Currency								
Foreign Currency Deposits	504	132,891	365,414	32,734	10,923	43,717	1,285	587,468
Bank Deposits	-	22,283	-	-	-	-	-	22,283
“7 Days Notice” Deposits	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	-	-	-	87	8	-	95
Total FC	504	155,174	365,414	32,734	11,010	43,725	1,285	609,846
Grand Total	1,289	603,604	1,935,237	191,051	44,168	68,404	1,285	2,845,038

5.4.2.5 Interest expense on repurchase agreements

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.4.2.6 Financial lease expenses

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.4.2.7 Interest expenses on factoring payables

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.4.3 Dividend income

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.4.4 Trading income/losses (Net)

	Current Period	Prior Period
Income	67,408,976	48,287,585
Trading Account Income	374,012	218,114
Gains from Derivative Financial Instruments	2,432,594	2,495,390
Foreign Exchange Gains	64,602,370	45,574,081
Losses (-)	67,150,295	47,939,151
Trading Account Losses	52,074	16,942
Losses from Derivative Financial Instruments	2,328,981	2,499,194
Foreign Exchange Losses	64,769,240	45,423,015
Total	258,681	348,434

TL 3,800,519 thousands (30 September 2010: TL 2,046,486 thousands) of foreign exchange gains and TL 3,546,780 thousands (30 September 2010: TL 2,466,123 thousands) of foreign exchange losses are resulted from the exchange rate changes of derivative financial transactions.

5.4.5 Other operating income

The items under “other operating income” consists of collection or reversals of prior year provisions, banking services related costs charged to customers and income in custody services.

A part of the Bank’s non-performing loan portfolio amounting to TL 483,876 thousands was sold to a local asset management company at a sale price of TL 53,925 thousands. The sale price is fully recognized as income under other operating income as such receivables were fully provided against in the Bank’s financial statements before the sale.

The income from the sale of the Bank’s shares in Visa and Mastercard amounting to TL 79,595 thousands is recognised under “Other Operating Income”.

The income from the sale of the Bank’s shares in Eureka Sigorta AŞ amounting to TL 147,358 thousands is recognised under “Other Operating Income”.

5.4.6 Provision for losses on loans or other receivables

	Current Period	Prior Period
Specific Provisions for Loans and Other Receivables	161,482	337,424
<i>Loans and receivables in Group III</i>	20,641	19,261
<i>Loans and receivables in Group IV</i>	80,283	133,122
<i>Loans and receivables in Group V</i>	60,558	185,041
General Provisions	308,810	122,011
Provision for Possible Losses	100,000	-
Impairment Losses on Securities	2,493	388
<i>Financial assets at fair value through profit or loss</i>	2,426	388
<i>Financial assets available-for-sale</i>	67	-
Impairment Losses on Associates, Subsidiaries and Investments Held-to-Maturity	-	-
<i>Associates</i>	-	-
<i>Subsidiaries</i>	-	-
<i>Joint Ventures</i>	-	-
<i>Investments Held-to-Maturity</i>	-	-
Others	25,987	8,598
Total	598,772	468,421

5.4.7 Other operating expenses

	Current Period	Prior Period
Personnel Costs	821,225	814,240
Reserve for Employee Termination Benefits	15,766	3,648
Deficit Provision for Pension Fund	-	-
Impairment Losses on Tangible Assets	-	-
Depreciation Expenses of Tangible Assets	119,865	115,809
Impairment Losses on Intangible Assets	-	-
Impairment Losses on Goodwill	-	-
Amortisation Expenses of Intangible Assets	7,709	5,041
Impairment Losses on Investments Accounted under Equity Method	-	-
Impairment Losses on Assets to be Disposed	1,884	2,027
Depreciation Expenses of Assets to be Disposed	948	606
Impairment Losses on Assets Held for Sale	-	-
Other Operating Expenses	930,286	940,209
<i>Operational Lease related Expenses</i>	134,158	114,478
<i>Repair and Maintenance Expenses</i>	17,453	19,798
<i>Advertisement Expenses</i>	56,997	86,276
<i>Other Expenses</i>	721,678	719,657
Loss on Sale of Assets	900	1,527
Others (*)	280,915	329,309
Total	2,179,498	2,212,416

(*) In the current period, this item includes a provision amounting TL 97,350 thousands (30 September 2010: TL 151,685 thousands) for short-term employee benefits.

5.4.8 Information on profit/loss before taxes from continued and discontinued operations

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.4.9 Information on provision for taxes from continued and discontinued operations

As of 30 September 2011, the Bank recorded a tax charge of TL 326,279 thousands (30 September 2010: TL 722,670 thousands) and a deferred tax expense of TL 292,455 thousands (30 September 2010: a deferred tax benefit of TL 109,503 thousands).

Deferred tax benefit/charge on timing differences:

Deferred tax benefit/(charge) on timing differences	Current Period
Increase in tax deductible timing differences (+)	38,090
Decrease in tax deductible timing differences (-)	259,606
Increase in taxable timing differences (-)	82,038
Decrease in taxable timing differences (+)	11,099
Total	(292,455)

Deferred tax benefit/charge in the income statement arising on timing differences, tax losses and tax deductions and exemptions:

Deferred tax benefit/(charge) arising on timing differences, tax losses and tax deductions and exemptions	Current Period
Increase/(decrease) in tax deductible timing differences (net)	(221,516)
Increase/(decrease) in taxable timing differences (net)	(70,939)
Increase/(decrease) in tax losses (net)	-
Increase/(decrease) in tax deductions and exemptions (net)	-
Total	(292,455)

5.4.10 Net operating profit/loss after taxes including net profit/loss from discontinued operations

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.4.11 Net profit/loss

5.4.11.1 Any further explanation on operating results needed for better understanding of the Bank’s performance

None.

5.4.11.2 Any changes in estimations that might have a material effect on current and subsequent period results

None.

5.4.12 Components of other items in income statement

Other items do not exceed 10% of the total of income statement.

5.5 Statement of Changes in Shareholders' Equity

Not prepared in compliance with the Article 25 of the communique "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

5.6 Statement of Cash Flows

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.7 Related Party Risks

5.7.1 Transactions with the Bank's risk group; lendings and deposits and other related party transactions outstanding at period end and income and expenses from such transactions incurred during the period

5.7.1.1 Loans and other receivables

Current Period

Bank's Risk Group	Associates, Subsidiaries and Joint-Ventures		Bank's Direct and Indirect Shareholders		Other Components in Risk Group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Loans and Other Receivables						
Balance at beginning of period	3,475,734	757,091	14	4,831	232,831	358,273
Balance at end of period	3,510,112	1,364,102	-	27,654	235,825	521,553
Interest and Commission Income	138,254	145	1	4	11,181	1,032

Prior Period

Bank's Risk Group	Associates, Subsidiaries and Joint-Ventures		Bank's Direct and Indirect Shareholders		Other Components in Risk Group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Loans and Other Receivables						
Balance at beginning of period	1,454,678	23,581	2	920	214,868	299,669
Balance at end of period	3,475,734	757,091	14	4,831	232,831	358,273
Interest and Commission Income	80,115	124	7	7	8,933	2,439

5.7.1.2 Deposits

Bank's Risk Group	Associates, Subsidiaries and Joint-Ventures		Bank's Direct and Indirect Shareholders		Other Components in Risk Group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Deposits						
Balance at beginning of period	571,953	231,523	207,006	359,876	389,333	323,665
Balance at end of period	354,272	571,953	1,609,340	207,006	302,681	389,333
Interest Expense	25,457	20,540	41,222	18,845	11,118	9,192

5.7.1.3 Derivative transactions

Bank's Risk Group	Associates, Subsidiaries and Joint-Ventures		Bank's Direct and Indirect Shareholders		Other Components in Risk Group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Transactions for Trading:						
Balance at beginning of period	707,375	303,015	-	-	3,992	3,326
Balance at end of period	901,180	707,375	15,905	-	67,693	3,992
Total Profit/(Loss)	5,823	134,589	299	-	12,224	1,465
Transactions for Hedging:						
Balance at beginning of period	-	-	-	-	-	-
Balance at end of period	-	-	-	-	-	-
Total Profit/(Loss)	-	-	-	-	-	-

5.7.2 The Bank's risk group

5.7.2.1 *Relations with companies in risk group of/or controlled by the Bank regardless of nature of current transactions*

Transactions with the risk group, are held under arm's-length conditions; terms are set according to the market conditions and in compliance with the Banking Law. The Bank's policy is to keep the balances and transaction volumes with the risk group at reasonable levels preventing any high concentration risk on balance sheet.

5.7.2.2 *Concentration of transaction volumes and balances with risk group and pricing policy*

The cash loans of the risk group amounting TL 1,362,017 thousands (31 December 2010: TL 1,425,195 thousands) compose 1.68% (31 December 2010: 2.20%) of the Bank's total cash loans and 0.92% (31 December 2010: 1.15%) of the Bank's total assets. The total loans and similar receivables amounting TL 3,745,937 thousands (31 December 2010: TL 3,708,578 thousands) compose 2.52% (31 December 2010: TL 2.99%) of the Bank's total assets. The non-cash loans of the risk group amounting TL 1,913,309 thousands (31 December 2010: TL 1,120,261 thousands) compose 9.84% (31 December 2010: 7.14%) of the Bank's total non-cash loans. The deposits of the risk group amounting TL 2,266,293 thousands (31 December 2010: TL 1,168,292 thousands) compose 2.82% (31 December 2010: 1.61%) of the Bank's total deposits. The pricing in transactions with the risk group companies is set on an arms-length basis.

The Bank has a total lease payable of TL 9 thousands (31 December 2010: TL 357 thousands) from the transactions carried out with related parties. As a result of these transactions, a leasing expense of TL 24 thousands (30 September 2010: TL 418 thousands) is recorded. Furthermore, there is a credit card (POS) payable amounting TL 48,154 thousands (31 December 2010: TL 53,634 thousands) to related parties.

Operating expenses of TL 5,128 thousands (30 September 2010: TL 4,003 thousands) for IT services and rent income of TL 2,142 thousands (30 September 2010: TL 1,221 thousands) for the real estates rented to related parties, are recorded.

The Bank made a total payment of TL 64,598 thousands to its top management considered as key management as of 30 September 2011 (30 September 2010: TL 53,721 thousands).

5.7.2.3 *Other matters not required to be disclosed*

None.

5.7.2.4 *Transactions accounted for under equity method*

Please refer to Note 5.1.8.

5.7.2.5 *All kind of agreements signed like asset purchases/sales, service rendering, agencies, leasing, research and development, licences, funding, guarantees, management services*

The Bank has agency contracts with Garanti Yatırım Menkul Kıymetler AŞ and Garanti Emeklilik ve Hayat AŞ. Accordingly, all the branches of the Bank serve as agencies to sell the products of these entities to customers. Agency services for trading of securities on behalf of customers are rendered by the Bank's specialised branches (Investment Centers).

Purchase of equipments for the Bank's internal use are partly arranged through financial leasing.

5.8 Domestic, Foreign and Off-Shore Branches or Investments and Foreign Representative Offices

Not prepared in compliance with the Article 25 of the communique “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

5.9 Significant Events and Matters Arising Subsequent to Balance Sheet Date

None.

5.10 Other Disclosures on Activities of the Bank

5.10.1 The Bank's latest international risk ratings

MOODY'S (January 2011*)

Long Term FC Deposit	Ba3
Long Term TL Deposit	Baa1
Short Term TL Deposit	Prime-2
Short Term FC Deposit	NP
Long Term FC Deposit Outlook	Positive
Financial Strength Rate (FSR)	C-
FSR Outlook	Stable
Long Term National	Aa1.tr
Short Term National	TR-1

STANDARD AND POORS (January 2011*)

Long Term FC Obligations	BB
Long Term TL Deposit	BB
Outlook	Positive

FITCH RATINGS (December 2010*)

Foreign Currency	
Long Term	BBB-
Short Term	F3
Outlook	Positive
Individual Support	C 3
Turkish Lira	
Long Term	BBB-
Short Term	F3
Outlook	Positive
National	AAA (Trk)
Outlook	Stable

CAPITAL INTELLIGENCE (December 2010*)

Long Term FC Obligations	BB
Short Term FC Obligations	B
Domestic Strength	BBB+
Support	2
Outlook	Stable

(*) Latest dates in risk ratings or outlooks.

JCR EURASIA RATINGS (May 2011*)

Long Term International FC	BBB- (Stable)
Long Term International TL	BBB (Stable)
Long Term National	AAA (Trk) (Stable)
Short Term International FC	A-3 (Stable)
Short Term International TL	A-3 (Stable)
Short Term National	A-1+ (Trk) (Stable)
Support	1
Independency from Shareholders	A

(*) Latest dates in risk ratings or outlooks.

5.10.2 Dividends

At the annual general assembly dated 31 March 2011, it was decided to distribute the profit of the year 2010 as follows:

2010 PROFIT DISTRIBUTION TABLE	
2010 Net Profit	3,145,233
A – I. Legal reserve (Turkish Commercial Code 466/1) at 5%	(157,262)
Undistributable funds	(20,996)
B – First dividend at 5% of the paid-in capital	(210,000)
C – Extraordinary reserves at 5% after above deductions	(137,849)
D – Second dividend to the shareholders	(360,000)
E – Extraordinary reserves	(2,223,126)
F – II. Legal reserve (Turkish Commercial Code 466/2)	(36,000)

Dividend payments to shareholders started on 11 April 2011.

6 Independent Accountants' Limited Review Report

6.1 Disclosure on independent accountants' limited review report

The unconsolidated interim financial statements of the Bank as of 30 September 2011, have been reviewed by DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik AŞ (a member of Deloitte Touche Tohmatsu Limited). It was noted in their limited review report dated 3 November 2011 that except for the effect of the matter described in the third paragraph on the financial statements, nothing material has come to their attention that caused them to believe that the accompanying unconsolidated interim financial statements do not give a true and fair view of the Bank's financial position and results of its operations as of 30 September 2011.

6.2 Disclosures and footnotes prepared by independent accountants

None.

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