

**TURKLAND BANK ANONİM ŐİRKETİ**

**INDEPENDENT AUDITOR'S LIMITED REVIEW REPORT,  
UNCONSOLIDATED FINANCIAL STATEMENTS AND NOTES  
FOR THE PERIOD ENDED JUNE 30, 2011**

*Translated into English from the original Turkish report and  
financial statements*

**Translated into English from the original Turkish report and financial statements**

**Turkland Bank Anonim Şirketi**

**Independent auditor's limited review report  
for the period ended June 30, 2011**

To the Board of Directors of  
Turkland Bank Anonim Şirketi

We have reviewed the accompanying balance sheet of Turkland Bank Anonim Şirketi ("The Bank") as at June 30, 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 auditors our responsibility is to issue a report on these financial statements based on our review.

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 consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial statements do not give a true and fair view of the financial position of the Bank as of June 30, 2011, and of the results of its operations and its cash flows, for the period then ended 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, circulars and pronouncements made by the Banking Regulation and Supervision Agency in respect of accounting and financial reporting.

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.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi  
A member firm of Ernst&Young Global Limited

Selim Elhadeif, Partner  
İstanbul, Turkey  
August 12, 2011

**Translated into English from the original Turkish report and financial statements**

**THE UNCONSOLIDATED FINANCIAL REPORT OF TURKLANDBANK A.Ş.  
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2011**

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The unconsolidated financial report for six months designed by the Banking Regulation and Supervision Agency in line with Communiqué on Financial Statements to be Publicly Announced and the Related Policies and Disclosures consists of the sections listed below:

- GENERAL INFORMATION ABOUT THE BANK
- UNCONSOLIDATED FINANCIAL STATEMENTS OF THE BANK
- EXPLANATIONS ON THE ACCOUNTING POLICIES APPLIED IN THE RELEVANT PERIOD
- INFORMATION ON FINANCIAL STRUCTURE OF THE BANK
- EXPLANATORY DISCLOSURES AND FOOTNOTES ON UNCONSOLIDATED FINANCIAL STATEMENTS
- LIMITED REVIEW REPORT

The unconsolidated interim financial statements and the explanatory footnotes and disclosures, unless otherwise indicated, are prepared in thousands of Turkish Lira, in accordance with the Communiqué on Banks' Accounting Practice and Maintaining Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards, related communiqués and the Bank's records, have been independently reviewed and presented as attached.

July 29, 2011

Nehme SABBAGH	A. Dinçer ALPMAN	Mehmet ÖZGÜNER	Gülçin SU
Chairman of the Board of Directors	General Manager	Executive Vice President	Manager Financial Affairs
Mehmet Behçet PERİM	Mohamed Ali BEYHUM	Amin Rasheed Sa'id HUSSEINI	
Member of Audit Committee	Member of Audit Committee	Member of Audit Committee	

Information related to responsible personnel for the questions that can be raised about financial statements:

Name-Surname / Title: Sevgi Üstün / Assistant Manager

Telephone Number: (0212) 368 37 24  
Fax Number: (0212) 368 35 35

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**Translated into English from the original Turkish report and financial statements**

**TURKLAND BANK ANONİM ŞİRKETİ  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2011**

(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

**SECTION ONE**

**GENERAL INFORMATION**

**I. Bank's Incorporation Date, Beginning Statue, Changes in the Existing Statue**

Turkland Bank Anonim Şirketi ("the Bank"), was established in 1991 in İstanbul under the name of "Bahreyn ve Kuveyt Bankası Anonim Şirketi" (BB&K). Its name was changed as "Tasarruf ve Kredi Bankası Anonim Şirketi" with its acquisition by Doğuş Group in 1992. After the change in the name of the bank as "Garanti Yatırım ve Ticaret Bankası Anonim Şirketi" in 1994, Mehmet Nazif Günel (the main shareholder of MNG Group Companies) has acquired the Bank in 1997 and the name of the Bank has been changed as "MNG Bank Anonim Şirketi".

An agreement has been made with Arab Bank and BankMed for the sale of 91% of MNG Bank's shares in mid of 2006 and this agreement was approved by Banking Regulation and Supervision Agency (BRSA) on December 29, 2006. In this regard, while Arab Bank and BankMed purchasing 50% and 41% of MNG bank shares respectively, Mehmet Nazif Günel retained 9% of the shares. Transfer of the Bank was made on January 29, 2007. The title of the Bank was changed as "Turkland Bank Anonim Şirketi" with the amendment to the Articles of Association by the decision of the Extraordinary General Assembly at the meeting on March 22, 2007.

On April 3, 2007, "MNG BANK Anonim Şirketi" title of the bank was registered as "TURKLAND BANK Anonim Şirketi".

According to the Share Sale and Purchase Agreement and Board of Directors' Decision dated February 26, 2010 and July 15, 2010 respectively, Mehmet Nazif Günel's 153 million shares with TRY 15,300 thousand nominal value were purchased by BankMed SAL. As of July 22, 2010 the share transfer was realized.

**II. Explanations Regarding Bank's Shareholding Structure, Shareholders Holding Directly or Indirectly, Collectively or Individually, the Managing and Controlling Power and Changes in Current Year, if any and Explanations on the Controlling Group of the Bank**

As of June 30, 2011, the shareholders' structure and their ownerships are summarized as follows:

Name of shareholders	Share Amount	Share Ratios %	Paid up Shares	Unpaid Shares
ARAB BANK PLC	84,999.99	50%	84,999.99	-
BANKMED, SAL	84,999.99	50%	84,999.99	-
OTHERS	<1	0%	<1	-
Total	170,000.00	100%	170,000.00	-

As of June 30, 2011 the nominal value of the Bank's paid-in-capital amounting to TRY 170,000 Thousand consists of 1,700 million shares.

According to the Extraordinary General Assembly decision dated May 30, 2011, it is decided to increase the Bank's capital from TRY 170,000 Thousand to TRY 300,000 Thousand.

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**TURKLAND BANK ANONİM ŞİRKETİ**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED JUNE 30, 2011**

(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

**III. Explanations Regarding the Chairman and the Members of Board of Directors, Audit Committee, General Manager and Assistants and Their Shares and Areas of Responsibility in the Bank**

<u>Title:</u>	<u>Name and Surname:</u>	<u>Responsibility</u>	<u>Education:</u>
Chairman of the Board of Directors	NEHME SABBAGH	Chairman	Master Degree
Members of the Board of Directors	AMIN RASHEED SAID HUSSEINI	Vice Chairman and Member of Audit Committee	Master Degree
	MEHMET BEHÇET PERİM	Member of Audit Committee	Master Degree
	MOHAMED ALI BEYHUM	Member of Audit Committee	Master Degree
	HENRI MARIE RENE JACQUAND	Member	Master Degree
	MUSTAFA SELÇUK TAMER	Member	Bachelor's Degree
	RIAD BURHAN TAHER KAMAL	Member	Master Degree
	NADYA NABIL TAWFIK TALHOUNI	Member	Bachelor's Degree
	FATEN MATAR	Member	Master Degree
General Manager and Member of the Board of Directors	A.DİNÇER ALPMAN	Chief Executive Officer	Bachelor's Degree
Assistant General Managers	MEHMET ÖZGÜNER	Finance	Bachelor's Degree
	MÜNEVVER ERÖZ	Treasury and Financial Institutions	Master Degree
	DORUK PARMAN	Marketing Sales	PHD Degree
	İLHAN ZEKİ KÖROĞLU	Operation and Information Technologies	Bachelor's Degree
	YURDAKUL ÖZDOĞAN	Credit & Follow up	Bachelor's Degree
	HAKKI YILDIRMAZ	Human Resources	PHD Degree
Statutory Auditors	ÖZGÜR ÇELİK	Auditor	Bachelor's Degree
	OSMAN BAYDOĞAN	Auditor	Bachelor's Degree

(\*) The above stated persons do not have Bank shares.

**IV. Information About The Persons and Institutions That Have Qualified Shares:**

Information about the persons and institutions that have qualified shares as of June 30, 2011:

<u>Name/ Commercial Name</u>	<u>Share Amount</u>	<u>Share Ratios %</u>	<u>Paid up Shares</u>	<u>Unpaid Shares</u>
ARAB BANK PLC	84,999.99	50%	84,999.99	-
BANKMED. SAL	84,999.99	50%	84,999.99	-
<b>Total</b>	<b>169,999.98</b>	<b>100%</b>	<b>169,999.98</b>	<b>-</b>

**TURKLAND BANK ANONİM ŞİRKETİ**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED JUNE 30, 2011**

(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

**V. Summary on the Bank's Functions and Areas of Activity**

The Bank has 27 branches and 495 personnel. The Bank has no subsidiaries in the financial sector. (December 31, 2010: 27 branches, 510 personnel)

The Bank was established with private capital, has the authority to accept deposits and its operations are mostly based on retail and corporate banking transactions. As it is indicated in Articles of Association, the Bank is mainly dealing in the transactions below:

- a. Acceptance of Deposit
- b. Corporate and Retail Banking
- c. Foreign Trade
- d. Capital Market Transactions
- e. Bank Assurance

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## **SECTION TWO**

### **UNCONSOLIDATED FINANCIAL STATEMENTS**

- I. Balance Sheet
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**TURKLAND BANK ANONİM ŞİRKETİ**

**BALANCE SHEETS AS OF JUNE 30, 2011 AND DECEMBER 31, 2010**

(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

**I. BALANCE SHEET – ASSETS (STATEMENT OF FINANCIAL POSITION)**

	Note Ref (Section Five)	Reviewed Current Period 30.06.2011			Audited Prior Period 31.12.2010		
		TRY	FC	Total	TRY	FC	Total
<b>I. CASH AND BALANCES WITH THE CENTRAL BANK</b>	I-1	<b>113,103</b>	<b>87,981</b>	<b>201,084</b>	<b>48,291</b>	<b>65,119</b>	<b>113,410</b>
<b>II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS (Net)</b>	I-2	<b>268</b>	<b>111</b>	<b>379</b>	<b>432</b>	<b>12</b>	<b>444</b>
2.1 Financial assets held for trading		268	111	379	432	12	444
2.1.1 Public sector debt securities		268	-	268	432	-	432
2.1.2 Share certificates		-	-	-	-	-	-
2.1.3 Derivative financial assets held for trading		-	111	111	-	12	12
2.1.4 Other marketable securities		-	-	-	-	-	-
2.2 Financial assets at fair value through profit and loss		-	-	-	-	-	-
2.2.1 Public sector debt securities		-	-	-	-	-	-
2.2.2 Share certificates		-	-	-	-	-	-
2.2.3 Loans		-	-	-	-	-	-
2.2.4 Other marketable securities		-	-	-	-	-	-
<b>III. BANKS</b>	I-3	<b>61</b>	<b>80,919</b>	<b>80,980</b>	<b>22</b>	<b>79,914</b>	<b>79,936</b>
<b>IV. MONEY MARKET PLACEMENTS</b>		-	-	-	<b>14,003</b>	-	<b>14,003</b>
4.1 Interbank money market placements		-	-	-	-	-	-
4.2 Istanbul Stock Exchange money market placements		-	-	-	-	-	-
4.3 Receivables from reverse repurchase agreements		-	-	-	14,003	-	14,003
<b>V. FINANCIAL ASSETS AVAILABLE FOR SALE (Net)</b>	I-4	<b>228,085</b>	<b>39,795</b>	<b>267,880</b>	<b>181,199</b>	<b>38,915</b>	<b>220,114</b>
5.1 Share certificates		75	-	75	75	-	75
5.2 Public sector debt securities		228,010	39,795	267,805	181,124	38,915	220,039
5.3 Other marketable securities		-	-	-	-	-	-
<b>VI. LOANS AND RECEIVABLES</b>	I-5	<b>965,356</b>	<b>210,494</b>	<b>1,175,850</b>	<b>799,095</b>	<b>204,127</b>	<b>1,003,222</b>
6.1 Loans and receivables		939,919	210,494	1,150,413	776,105	204,127	980,232
6.1.1 Loans to risk group of the Bank		-	-	-	-	-	-
6.1.2 Public sector debt securities		-	-	-	-	-	-
6.1.3 Other		939,919	210,494	1,150,413	776,105	204,127	980,232
6.2 Non-performing loans		43,309	-	43,309	40,136	-	40,136
6.3 Specific provisions (-)		(17,872)	-	(17,872)	(17,146)	-	(17,146)
<b>VII. FACTORING RECEIVABLES</b>		-	-	-	-	-	-
<b>VIII. HELD TO MATURITY INVESTMENTS (Net)</b>	I-6	<b>44,619</b>	-	<b>44,619</b>	<b>47,882</b>	-	<b>47,882</b>
8.1 Public sector debt securities		44,619	-	44,619	47,882	-	47,882
8.2 Other marketable securities		-	-	-	-	-	-
<b>IX. INVESTMENTS IN ASSOCIATES (Net)</b>	I-7	-	-	-	-	-	-
9.1 Accounted for under equity method		-	-	-	-	-	-
9.2 Unconsolidated associates		-	-	-	-	-	-
9.2.1 Financial investments		-	-	-	-	-	-
9.2.2 Non-financial investments		-	-	-	-	-	-
<b>X. INVESTMENTS IN SUBSIDIARIES (Net)</b>	I-8	-	-	-	-	-	-
10.1 Unconsolidated financial subsidiaries		-	-	-	-	-	-
10.2 Unconsolidated non-financial subsidiaries		-	-	-	-	-	-
<b>XI. JOINTLY CONTROLLED ENTITIES (JOINT VENTURES) (Net)</b>	I-9	-	-	-	-	-	-
11.1 Accounted for under equity method		-	-	-	-	-	-
11.2 Unconsolidated		-	-	-	-	-	-
11.2.1 Financial subsidiaries		-	-	-	-	-	-
11.2.2 Non-financial subsidiaries		-	-	-	-	-	-
<b>XII. LEASE RECEIVABLES (Net)</b>	I-10	-	-	-	-	-	-
12.1 Finance lease receivables		-	-	-	-	-	-
12.2 Operating lease receivables		-	-	-	-	-	-
12.3 Other		-	-	-	-	-	-
12.4 Unearned income (-)		-	-	-	-	-	-
<b>XIII. DERIVATIVE FINANCIAL ASSETS FOR HEDGING PURPOSES</b>	I-11	-	-	-	-	-	-
13.1 Fair value hedge		-	-	-	-	-	-
13.2 Cash flow hedge		-	-	-	-	-	-
13.3 Hedge of net investment in foreign operations		-	-	-	-	-	-
<b>XIV. TANGIBLE ASSETS (Net)</b>		<b>13,135</b>	-	<b>13,135</b>	<b>14,070</b>	-	<b>14,070</b>
<b>XV. INTANGIBLE ASSETS (Net)</b>		<b>717</b>	-	<b>717</b>	<b>864</b>	-	<b>864</b>
15.1 Goodwill		-	-	-	-	-	-
15.2 Other		717	-	717	864	-	864
<b>XVI. INVESTMENT PROPERTY (Net)</b>	I-12	-	-	-	-	-	-
<b>XVII. TAX ASSET</b>		<b>1,912</b>	-	<b>1,912</b>	<b>780</b>	-	<b>780</b>
17.1 Current tax asset		2	-	2	-	-	-
17.2 Deferred tax asset		1,910	-	1,910	780	-	780
<b>XVIII. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)</b>	I-13	-	-	-	-	-	-
18.1 Held for sale		-	-	-	-	-	-
18.2 Discontinued operations		-	-	-	-	-	-
<b>XIX. OTHER ASSETS</b>		<b>24,817</b>	<b>223</b>	<b>25,040</b>	<b>14,850</b>	<b>199</b>	<b>15,049</b>
<b>TOTAL ASSETS</b>		<b>1,392,073</b>	<b>419,523</b>	<b>1,811,596</b>	<b>1,121,488</b>	<b>388,286</b>	<b>1,509,774</b>

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

Translated into English from the original Turkish report and financial statements

**TURKLAND BANK ANONİM ŞİRKETİ**  
**BALANCE SHEETS AS OF JUNE 30, 2011 AND DECEMBER 31, 2010**

(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

**I. BALANCE SHEET – LIABILITIES AND EQUITY (STATEMENT OF FINANCIAL POSITION)**

	Note Ref. (Section Five)	Reviewed Current Period 30.06.2011			Audited Prior Period 31.12.2010		
		TRY	FC	Total	TRY	FC	Total
<b>I. DEPOSITS</b>	II-1	<b>787,517</b>	<b>566,383</b>	<b>1,353,900</b>	<b>659,358</b>	<b>483,723</b>	<b>1,143,081</b>
1.1 Deposits from risk group of the Bank		16,240	670	16,910	10,540	394	10,934
1.2 Other		771,277	565,713	1,336,990	648,818	483,329	1,132,147
<b>II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING</b>	II-2	<b>53</b>	<b>325</b>	<b>378</b>	-	-	-
<b>III. FUNDS BORROWED</b>	II-3	<b>30,012</b>	<b>92,621</b>	<b>122,633</b>	<b>15,469</b>	<b>76,795</b>	<b>92,264</b>
<b>IV. MONEY MARKET BALANCES</b>		<b>57,127</b>	-	<b>57,127</b>	<b>17</b>	-	<b>17</b>
4.1 Interbank money market takings		-	-	-	-	-	-
4.2 Istanbul Stock Exchange money market takings		-	-	-	-	-	-
4.3 Funds provided under repurchase agreements		57,127	-	57,127	17	-	17
<b>V. MARKETABLE SECURITIES ISSUED (Net)</b>		-	-	-	-	-	-
5.1 Bills		-	-	-	-	-	-
5.2 Asset backed securities		-	-	-	-	-	-
5.3 Bonds		-	-	-	-	-	-
<b>VI. FUNDS</b>		-	-	-	-	-	-
6.1 Borrower funds		-	-	-	-	-	-
6.2 Other		-	-	-	-	-	-
<b>VII. SUNDRY CREDITORS</b>		<b>8,400</b>	<b>740</b>	<b>9,140</b>	<b>9,060</b>	<b>519</b>	<b>9,579</b>
<b>VIII. OTHER LIABILITIES</b>	II-4	<b>30,682</b>	<b>476</b>	<b>31,158</b>	<b>22,542</b>	<b>925</b>	<b>23,467</b>
<b>IX. FACTORING PAYABLES</b>		-	-	-	-	-	-
<b>X. LEASE PAYABLES (Net)</b>	II-5	-	<b>4</b>	<b>4</b>	-	<b>10</b>	<b>10</b>
10.1 Finance lease payables		-	4	4	-	10	10
10.2 Operating lease payables		-	-	-	-	-	-
10.3 Other		-	-	-	-	-	-
10.4 Deferred finance lease expenses ( - )		-	-	-	-	-	-
<b>XI. DERIVATIVE FINANCIAL LIABILITIES FOR HEDGING PURPOSES</b>	II-6	-	-	-	-	-	-
11.1 Fair value hedge		-	-	-	-	-	-
11.2 Cash flow hedge		-	-	-	-	-	-
11.3 Hedge of net investment in foreign operations		-	-	-	-	-	-
<b>XII. PROVISIONS</b>	II-7	<b>20,459</b>	-	<b>20,459</b>	<b>17,146</b>	<b>851</b>	<b>17,997</b>
12.1 General loan loss provisions		11,298	-	11,298	9,713	-	9,713
12.2 Restructuring reserves		-	-	-	-	-	-
12.3 Reserve for employee benefits		4,281	-	4,281	3,649	-	3,649
12.4 Insurance technical reserves (Net)		-	-	-	-	-	-
12.5 Other provisions		4,880	-	4,880	3,784	851	4,635
<b>XIII. TAX LIABILITY</b>	II-8	<b>3,794</b>	-	<b>3,794</b>	<b>4,103</b>	-	<b>4,103</b>
13.1 Current tax liability		3,794	-	3,794	4,103	-	4,103
13.2 Deferred tax liability		-	-	-	-	-	-
<b>XIV. PAYABLES RELATED TO ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS</b>		-	-	-	-	-	-
14.1 Held for sale		-	-	-	-	-	-
14.2 Discontinued operations		-	-	-	-	-	-
<b>XV. SUBORDINATED LOANS</b>		-	-	-	-	-	-
<b>XVI. SHAREHOLDERS' EQUITY</b>	II-9	<b>213,712</b>	<b>(709)</b>	<b>213,003</b>	<b>218,998</b>	<b>258</b>	<b>219,256</b>
16.1 Paid-in capital		170,000	-	170,000	170,000	-	170,000
16.2 Supplementary capital		24,768	(709)	24,059	32,920	258	33,178
16.2.1 Share premium		-	-	-	-	-	-
16.2.2 Share cancellation profits		-	-	-	-	-	-
16.2.3 Marketable securities value increase fund		(664)	(709)	(1,373)	7,488	258	7,746
16.2.4 Tangible assets revaluation differences		-	-	-	-	-	-
16.2.5 Intangible assets revaluation differences		-	-	-	-	-	-
16.2.6 Investment property revaluation differences		-	-	-	-	-	-
16.2.7 Bonus shares obtained from associates, subsidiaries and jointly controlled entities (joint vent.)		-	-	-	-	-	-
16.2.8 Hedging funds (Effective portion)		-	-	-	-	-	-
16.2.9 Accumulated valuation differences from assets held for sale and from discontinued operations		-	-	-	-	-	-
16.2.10 Other capital reserves		25,432	-	25,432	25,432	-	25,432
16.3 Profit reserves		16,078	-	16,078	13,615	-	13,615
16.3.1 Legal reserves		789	-	789	666	-	666
16.3.2 Statutory reserves		-	-	-	-	-	-
16.3.3 Extraordinary reserves		12,543	-	12,543	10,203	-	10,203
16.3.4 Other profit reserves		2,746	-	2,746	2,746	-	2,746
16.4 Profit or loss		2,866	-	2,866	2,463	-	2,463
16.4.1 Prior years' income/ (losses)		-	-	-	-	-	-
16.4.2 Current year income/ (loss)		2,866	-	2,866	2,463	-	2,463
16.5 Minority shares		-	-	-	-	-	-
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>1,151,756</b>	<b>659,840</b>	<b>1,811,596</b>	<b>946,693</b>	<b>563,081</b>	<b>1,509,774</b>

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

Translated into English from the original Turkish report and financial statements

**TURKLAND BANK ANONİM ŞİRKETİ**  
**STATEMENTS OF OFF-BALANCE SHEET CONTINGENCIES AND COMMITMENTS**  
**AS OF JUNE 30, 2011 AND DECEMBER 31, 2010**

(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

**II. STATEMENT OF OFF-BALANCE SHEET CONTINGENCIES AND COMMITMENTS**

	Note Ref. (Section Five)	Reviewed Current Period 30.06.2011			Audited Prior Period 31.12.2010		
		TRY	FC	Total	TRY	FC	Total
<b>A. OFF BALANCE SHEET CONTINGENCIES AND COMMITMENTS (I-II+III)</b>		<b>5,748,701</b>	<b>523,379</b>	<b>6,272,080</b>	<b>5,351,853</b>	<b>468,966</b>	<b>5,820,819</b>
<b>I. GUARANTEES</b>	III-2-3	<b>627,077</b>	<b>406,505</b>	<b>1,033,582</b>	<b>613,456</b>	<b>362,445</b>	<b>975,901</b>
1.1. Letters of guarantee		626,908	145,156	722,064	613,287	146,926	760,213
1.1.1. Guarantees subject to State Tender Law		36,004	12,038	48,042	39,058	10,377	49,435
1.1.2. Guarantees given for foreign trade operations		-	65,341	65,341	-	68,268	68,268
1.1.3. Other letters of guarantee		590,904	67,777	658,681	574,229	68,281	642,510
1.2. Bank loans		-	17,810	17,810	-	17,310	17,310
1.2.1. Import letter of acceptance		-	17,810	17,810	-	17,310	17,310
1.2.2. Other bank acceptances		-	-	-	-	-	-
1.3. Letters of credit		-	122,966	122,966	-	107,318	107,318
1.3.1. Documentary letters of credit		-	122,966	122,966	-	107,318	107,318
1.3.2. Other letters of credit		-	-	-	-	-	-
1.4. Prefinancing given as guarantee		-	-	-	-	-	-
1.5. Endorsements		-	-	-	-	-	-
1.5.1. Endorsements to the Central Bank of Turkey		-	-	-	-	-	-
1.5.2. Other endorsements		-	-	-	-	-	-
1.6. Securities issue purchase guarantees		-	-	-	-	-	-
1.7. Factoring guarantees		-	-	-	-	-	-
1.8. Other guarantees		169	120,573	120,742	169	90,891	91,060
1.9. Other collaterals		-	-	-	-	-	-
<b>II. COMMITMENTS</b>	III-1	<b>5,112,002</b>	<b>30,248</b>	<b>5,142,250</b>	<b>4,738,038</b>	<b>106,159</b>	<b>4,844,197</b>
2.1. Irrevocable commitments		107,071	30,248	137,319	86,213	106,159	192,372
2.1.1. Forward asset purchase and sales commitments		4,468	30,248	34,716	850	106,159	107,009
2.1.2. Forward deposit purchase and sales commitments		-	-	-	-	-	-
2.1.3. Share capital commitment to associates and subsidiaries		-	-	-	-	-	-
2.1.4. Loan granting commitments		36,723	-	36,723	26,748	-	26,748
2.1.5. Securities underwriting commitments		-	-	-	-	-	-
2.1.6. Commitments for reserve deposit requirements		-	-	-	-	-	-
2.1.7. Payment commitment for checks		65,880	-	65,880	57,043	-	57,043
2.1.8. Tax and fund liabilities from export commitments		-	-	-	-	-	-
2.1.9. Commitments for credit card expenditure limits		-	-	-	1,572	-	1,572
2.1.10. Commitments for promotions related with credit cards and banking activities		-	-	-	-	-	-
2.1.11. Receivables from short sale commitments		-	-	-	-	-	-
2.1.12. Payables for short sale commitments		-	-	-	-	-	-
2.1.13. Other irrevocable commitments		-	-	-	-	-	-
2.2. Revocable commitments		5,004,931	-	5,004,931	4,651,825	-	4,651,825
2.2.1. Revocable loan granting commitments		5,004,931	-	5,004,931	4,651,825	-	4,651,825
2.2.2. Other revocable commitments		-	-	-	-	-	-
<b>III. DERIVATIVE FINANCIAL INSTRUMENTS</b>		<b>9,622</b>	<b>86,626</b>	<b>96,248</b>	<b>359</b>	<b>362</b>	<b>721</b>
3.1. Derivative financial instruments for hedging purposes		-	-	-	-	-	-
3.1.1. Fair value hedge		-	-	-	-	-	-
3.1.2. Cash flow hedge		-	-	-	-	-	-
3.1.3. Hedge of net investment in foreign operations		-	-	-	-	-	-
3.2. Held for trading transactions		9,622	86,626	96,248	359	362	721
3.2.1. Forward foreign currency buy/sell transactions		9,622	18,984	28,606	359	362	721
3.2.1.1. Forward foreign currency transactions-buy		4,999	9,327	14,326	-	362	362
3.2.1.2. Forward foreign currency transactions-sell		4,623	9,657	14,280	359	-	359
3.2.2. Swap transactions related to foreign currency, and interest rates		-	67,642	67,642	-	-	-
3.2.2.1. Foreign currency swaps-buy		-	33,663	33,663	-	-	-
3.2.2.2. Foreign currency swaps-sell		-	33,979	33,979	-	-	-
3.2.2.3. Interest rate swaps-buy		-	-	-	-	-	-
3.2.2.4. Interest rate swaps-sell		-	-	-	-	-	-
3.2.3. Foreign currency, interest rate and securities options		-	-	-	-	-	-
3.2.3.1. Foreign currency options-buy		-	-	-	-	-	-
3.2.3.2. Foreign currency options-sell		-	-	-	-	-	-
3.2.3.3. Interest rate options-buy		-	-	-	-	-	-
3.2.3.4. Interest rate options-sell		-	-	-	-	-	-
3.2.3.5. Securities options-buy		-	-	-	-	-	-
3.2.3.6. Securities options-sell		-	-	-	-	-	-
3.2.4. Foreign currency futures		-	-	-	-	-	-
3.2.4.1. Foreign currency futures-buy		-	-	-	-	-	-
3.2.4.2. Foreign currency futures-sell		-	-	-	-	-	-
3.2.5. Interest rate futures		-	-	-	-	-	-
3.2.5.1. Interest rate futures-buy		-	-	-	-	-	-
3.2.5.2. Interest rate futures-sell		-	-	-	-	-	-
3.2.6. Other		-	-	-	-	-	-
<b>B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)</b>		<b>5,440,993</b>	<b>1,068,251</b>	<b>6,509,244</b>	<b>4,780,302</b>	<b>951,361</b>	<b>5,731,663</b>
<b>IV. ITEMS HELD IN CUSTODY</b>		<b>364,758</b>	<b>43,363</b>	<b>408,121</b>	<b>298,293</b>	<b>39,383</b>	<b>337,676</b>
4.1. Assets under management		-	-	-	-	-	-
4.2. Investment securities held in custody		25,530	172	25,702	26,925	226	27,151
4.3. Checks received for collection		331,267	38,822	370,089	267,969	33,802	301,771
4.4. Commercial notes received for collection		7,961	3,825	11,786	3,399	3,734	7,133
4.5. Other assets received for collection		-	544	544	-	336	336
4.6. Assets received for public offering		-	-	-	-	-	-
4.7. Other items under custody		-	-	-	-	1,285	1,285
4.8. Custodians		-	-	-	-	-	-
<b>V. PLEDGED ITEMS</b>		<b>5,076,235</b>	<b>1,024,888</b>	<b>6,101,123</b>	<b>4,482,009</b>	<b>911,978</b>	<b>5,393,987</b>
5.1. Marketable securities		-	-	-	-	-	-
5.2. Guarantee notes		11,043	7,063	18,106	5,553	4,727	10,280
5.3. Commodities		-	-	-	-	-	-
5.4. Warrants		-	-	-	-	-	-
5.5. Properties		1,328,947	207,101	1,536,048	1,271,140	188,298	1,459,438
5.6. Other pledged items		3,736,245	810,724	4,546,969	3,205,316	718,953	3,924,269
5.7. Pledged items-depository		-	-	-	-	-	-
<b>VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL OFF BALANCE SHEET ACCOUNTS (A+B)</b>		<b>11,189,694</b>	<b>1,591,630</b>	<b>12,781,324</b>	<b>10,132,155</b>	<b>1,420,327</b>	<b>11,552,482</b>

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

Translated into English from the original Turkish report and financial statements

**TURKLAND BANK ANONİM ŞİRKETİ**  
**STATEMENTS OF INCOME FOR THE PERIODS**  
**ENDED JUNE 30, 2011 AND 2010**

(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

**III. STATEMENT OF INCOME**

		Reviewed Current Period 01.01-30.06.2011	Reviewed Current Period 01.04-30.06.2011	Reviewed Prior Period 01.01-30.06.2010	Reviewed Prior Period 01.04-30.06.2010
	Note Ref (Section 5)				
<b>I.</b>	<b>INTEREST INCOME</b>	<b>69,697</b>	<b>38,118</b>	<b>55,687</b>	<b>28,714</b>
1.1	Interest on loans	58,293	31,122	43,025	21,892
1.2	Interest received from reserve deposits	-	-	647	334
1.3	Interest received from banks	145	50	102	25
1.4	Interest received from money market placements	13	-	1,029	383
1.5	Interest received from marketable securities portfolio	10,404	6,186	10,733	6,001
1.5.1	Held-for-trading financial assets	9	4	32	11
1.5.2	Financial assets at fair value through profit and loss	-	-	-	-
1.5.3	Available-for-sale financial assets	8,496	5,237	8,421	4,806
1.5.4	Investments held-to-maturity	1,899	945	2,280	1,184
1.6	Finance lease income	-	-	-	-
1.7	Other interest income	842	760	151	79
<b>II.</b>	<b>INTEREST EXPENSE</b>	<b>(41,886)</b>	<b>(23,359)</b>	<b>(28,933)</b>	<b>(15,752)</b>
2.1	Interest on deposits	(37,498)	(20,824)	(26,697)	(14,535)
2.2	Interest on funds borrowed	(2,515)	(1,403)	(1,237)	(663)
2.3	Interest on money market borrowings	(1,766)	(1,132)	(273)	(134)
2.4	Interest on securities issued	-	-	-	-
2.5	Other interest expense	(107)	-	(726)	(420)
<b>III.</b>	<b>NET INTEREST INCOME (I - II)</b>	<b>27,811</b>	<b>14,759</b>	<b>26,754</b>	<b>12,962</b>
<b>IV.</b>	<b>NET FEES AND COMMISSIONS INCOME</b>	<b>9,983</b>	<b>4,513</b>	<b>7,974</b>	<b>4,083</b>
4.1	Fees and commissions received	10,397	4,739	8,316	4,271
4.1.1	Non-cash loans	5,349	2,546	4,373	2,432
4.1.2	Other	5,048	2,193	3,943	1,839
4.2	Fees and commissions paid	(414)	(226)	(342)	(188)
4.2.1	Non-cash loans	(22)	(11)	(22)	(11)
4.2.2	Other	(392)	(215)	(320)	(177)
<b>V.</b>	<b>DIVIDEND INCOME</b>	<b>5</b>	<b>5</b>	<b>2</b>	<b>2</b>
<b>VI.</b>	<b>NET TRADING INCOME</b>	<b>5,568</b>	<b>723</b>	<b>6,503</b>	<b>(266)</b>
6.1	Securities trading gains/ (losses)	5,732	937	6,820	6
6.2	Gain/(losses) from derivative financial instruments	(2,588)	(1,032)	(9,258)	(5,126)
6.3	Foreign exchange gains/ (losses)	2,424	818	8,941	4,854
<b>VII.</b>	<b>OTHER OPERATING INCOME</b>	<b>2,067</b>	<b>691</b>	<b>4,389</b>	<b>2,527</b>
<b>VIII.</b>	<b>NET OPERATING INCOME (III+IV+V+VI-VII)</b>	<b>45,434</b>	<b>20,691</b>	<b>45,622</b>	<b>19,308</b>
<b>IX.</b>	<b>PROVISION FOR LOAN LOSSES AND OTHER RECEIVABLES (-)</b>	<b>(3,665)</b>	<b>(1,743)</b>	<b>(3,932)</b>	<b>(2,409)</b>
<b>X.</b>	<b>OTHER OPERATING EXPENSES (-)</b>	<b>(37,753)</b>	<b>(19,163)</b>	<b>(33,411)</b>	<b>(17,566)</b>
<b>XI.</b>	<b>NET OPERATING INCOME/(LOSS) (VIII-IX-X)</b>	<b>4,016</b>	<b>(215)</b>	<b>8,279</b>	<b>(667)</b>
<b>XII.</b>	<b>AMOUNT IN EXCESS RECORDED AS GAIN AFTER MERGER</b>	-	-	-	-
<b>XIII.</b>	<b>PROFIT / (LOSS) ON INVESTMENTS ACCOUNTED FOR UNDER THE EQUITY METHOD</b>	-	-	-	-
<b>XIV.</b>	<b>GAIN / (LOSS) ON NET MONETARY POSITION</b>	-	-	-	-
<b>XV.</b>	<b>PROFIT/(LOSS) FROM CONTINUED OPERATIONS BEFORE TAXES (XI+...+XIV)</b>	<b>4,016</b>	<b>(215)</b>	<b>8,279</b>	<b>(667)</b>
<b>XVI.</b>	<b>TAX PROVISION FOR CONTINUED OPERATIONS (±)</b>	<b>(1,150)</b>	<b>(107)</b>	<b>(1,717)</b>	<b>411</b>
16.1	Provision for current income taxes	-	-	-	412
16.2	Provision for deferred taxes	(1,150)	(107)	(1,717)	(1)
<b>XVII.</b>	<b>NET PROFIT/(LOSS) FROM CONTINUED OPERATIONS (XV±XVI)</b>	<b>2,866</b>	<b>(322)</b>	<b>6,562</b>	<b>(256)</b>
<b>XVIII.</b>	<b>INCOME ON DISCONTINUED OPERATIONS</b>	-	-	-	-
18.1	Income on assets held for sale	-	-	-	-
18.2	Income on sale of associates, subsidiaries and jointly controlled entities (Joint ventures)	-	-	-	-
18.3	Income on other discontinued operations	-	-	-	-
<b>XIX.</b>	<b>LOSS FROM DISCONTINUED OPERATIONS (-)</b>	-	-	-	-
19.1	Loss from assets held for sale	-	-	-	-
19.2	Loss on sale of associates, subsidiaries and jointly controlled entities (Joint ventures)	-	-	-	-
19.3	Loss from other discontinued operations	-	-	-	-
<b>XX.</b>	<b>PROFIT / (LOSS) ON DISCONTINUED OPERATIONS BEFORE TAXES (XVIII-XIX)</b>	-	-	-	-
<b>XXI.</b>	<b>TAX PROVISION FOR DISCONTINUED OPERATIONS (±)</b>	-	-	-	-
21.1	Provision for current income taxes	-	-	-	-
21.2	Provision for deferred taxes	-	-	-	-
<b>XXII.</b>	<b>NET PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS (XX±XXI)</b>	-	-	-	-
<b>XXIII.</b>	<b>NET PROFIT/(LOSS) (XVII+XXII)</b>	<b>2,866</b>	<b>(322)</b>	<b>6,562</b>	<b>(256)</b>
23.1	Group's profit/loss	-	-	-	-
23.2	Minority shares	-	-	-	-
	Earnings per share	-	-	-	-

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

(\*) As of June 30, 2010 TRY 261 Thousand repurchase agreement interest expense in "Other interest expense" has been reclassified to "Interest on Money market borrowings"

Translated into English from the original Turkish report and financial statements

**TURKLAND BANK ANONİM ŞİRKETİ**  
**STATEMENTS OF PROFIT LOSS ACCOUNTED FOR UNDER EQUITY**  
**FOR THE PERIODS ENDED JUNE 30, 2011 AND 2010**

(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

**IV. STATEMENT OF PROFIT AND LOSS ACCOUNTED FOR UNDER EQUITY**

	Reviewed Current Period 01.01-30.06.2011	Reviewed Prior Period 01.01-30.06.2010
<b>I.</b>		
<b>Additions to marketable securities revaluation differences for available for sale financial assets</b>	(6,725)	(1,102)
<b>II.</b>		
<b>Tangible assets revaluation differences</b>	-	-
<b>III.</b>		
<b>Intangible assets revaluation differences</b>	-	-
<b>IV.</b>		
<b>Foreign currency translation differences for foreign currency transactions</b>	-	-
<b>V.</b>		
<b>Profit/Loss from derivative financial instruments for cash flow hedge purposes (Effective portion of fair value differences)</b>	-	-
<b>VI.</b>		
<b>Profit/Loss from derivative financial instruments for hedge of net investment in foreign operations (Effective portion of fair value differences)</b>	-	-
<b>VII.</b>		
<b>The effect of corrections of errors and changes in accounting policies</b>	-	-
<b>VIII.</b>		
<b>Other profit loss items accounted for under equity due to TAS</b>	-	-
<b>IX.</b>		
<b>Deferred tax of valuation differences</b>	2,280	1,627
<b>X.</b>		
<b>Total Net Profit/Loss accounted under equity (I+II+...+IX)</b>	(4,445)	525
<b>XI.</b>		
<b>Profit/Loss</b>	(1,808)	(475)
1.1		
Change in fair value of marketable securities (Transfer to Profit/Loss)	(4,674)	(7,037)
1.2		
Reclassification and transfer of derivatives accounted for cash flow hedge purposes to Statement of Income	-	-
1.3		
Transfer hedge of net investments in foreign operations to Statement of Income	-	-
1.4		
Other	2,866	6,562
<b>XII.</b>		

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