

YAPI VE KREDİ BANKASI A.Ş.

**PUBLICLY ANNOUNCED UNCONSOLIDATED
FINANCIAL STATEMENTS
TOGETHER WITH REVIEW REPORT
AT 30 JUNE 2009**

**(Convenience Translation of Publicly Announced Unconsolidated
Financial Statements and Review Report
Originally Issued in Turkish,
See in Note I. of Section Three)**

**CONVENIENCE TRANSLATION OF THE INDEPENDENT AUDITOR'S
REVIEW REPORT ORIGINALLY PREPARED AND ISSUED IN TURKISH**

To the Board of Directors of Yapı ve Kredi Bankası A.Ş.

We have reviewed the accompanying unconsolidated balance sheet of Yapı ve Kredi Bankası A.Ş. ("the Bank") at 30 June 2009 and the related unconsolidated statements of income, cash flows and changes in shareholders' equity for the period then ended. These financial statements are the responsibility of the Bank's management. Our responsibility, as independent auditors is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Uniform Chart of Accounts of banks, accounting standards and the independent audit principles in conformity with Banking Law No. 5411. Those principles require that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries concerning the Bank's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated financial statements do not give a true and fair view of the financial position of Yapı ve Kredi Bankası A.Ş. at 30 June 2009 and the results of its operations and its cash flows for the period then ended in accordance with accounting principles and standards set out by regulations in conformity with Article 37 of Banking Law No. 5411 and other regulations, interpretations and circulars published by the Banking Regulation and Supervision Agency on accounting and financial reporting principles.

Additional paragraph for convenience translation:

As explained in Note I. of Section Three, the effects of differences between accounting principles and standards set out by regulations in conformity with Article 37 of Banking Law No. 5411, accounting principles generally accepted in countries in which the accompanying unconsolidated financial statements are to be distributed and International Financial Reporting Standards ("IFRS") have not been quantified in the accompanying unconsolidated financial statements. Accordingly, the accompanying unconsolidated financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

Başaran Nas Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.
a member of
PricewaterhouseCoopers

Zeynep Uras, SMMM
Partner

Istanbul, 4 August 2009

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED UNCONSOLIDATED
INTERIM FINANCIAL STATEMENTS AND REVIEW REPORT
ORIGINALLY ISSUED IN TURKISH, SEE IN NOTE I. OF SECTION THREE**

**THE UNCONSOLIDATED INTERIM FINANCIAL REPORT OF
YAPI VE KREDİ BANKASI A.Ş. AS OF 30 JUNE 2009**

Yapı ve Kredi Bankası A.Ş.
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The unconsolidated financial report includes the following sections in accordance with the “Communiqué on the Financial Statements and Related Explanation and Notes that will be Publicly Announced” as sanctioned by the Banking Regulation and Supervision Agency.

- **Section one** - GENERAL INFORMATION ABOUT THE BANK
- **Section two** - UNCONSOLIDATED FINANCIAL STATEMENTS
- **Section three** - EXPLANATIONS ON ACCOUNTING POLICIES
- **Section four** - INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK
- **Section five** - EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS
- **Section six** - OTHER EXPLANATIONS AND NOTES
- **Section seven** - EXPLANATIONS ON REVIEW REPORT

The accompanying unconsolidated financial statements and notes to these financial statements which are expressed, unless otherwise stated, in **thousands of Turkish Lira (“TL”)**, have been prepared and presented based on the accounting books of the Bank in accordance with the Regulation on the Principles and Procedures Regarding Banks’ Accounting and Keeping of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards, and related appendices and interpretations of these, and have been reviewed.

Tayfun BAYAZIT
Chairman of the
Board of Directors

H. Faik AÇIKALIN
Chief Executive Officer

Marco CRAVARIO
Chief Financial Officer

M. Gökmen UÇAR
Head of Financial
Reporting and
Accounting Groups

Federico GHIZZONI
President of Audit Committee

Vittorio G. M. OGLIENGO
Member of Audit Committee

Füsun Akkal BOZOK
Member of Audit Committee

Contact information of the personnel in charge of the addressing of questions about this financial report:

Name-Surname / Title: Aysel GÜRSOY / Head of Regulatory Reporting Section

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ANNOUNCED UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

YAPI VE KREDİ BANKASI A.Ş.

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2009

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

SECTION ONE

GENERAL INFORMATION ABOUT THE BANK

I. HISTORY OF THE BANK INCLUDING ITS INCORPORATION DATE, INITIAL LEGAL STATUS AND AMENDMENTS TO LEGAL STATUS, IF ANY:

Yapı ve Kredi Bankası A.Ş. (“the Bank” or “Yapı Kredi”), was established on 9 September 1944 with the permission of the Council of Ministers No. 3/6710 as a private capital commercial bank authorised to perform all banking, economic, financial and commercial activities which are allowed by the laws of the Turkish Republic. The statute of the Bank has not changed since its incorporation.

II. EXPLANATION ABOUT THE BANK’S CAPITAL STRUCTURE, SHAREHOLDERS OF THE BANK WHO ARE IN CHARGE OF THE MANAGEMENT AND/OR AUDITING OF THE BANK DIRECTLY OR INDIRECTLY, CHANGES IN THESE MATTERS (IF ANY) AND THE GROUP THE BANK BELONGS TO:

The Bank’s publicly traded shares are traded on the Istanbul Stock Exchange (“ISE”) since 1987 and the representatives of these shares, Global Depository Receipts, are quoted in London Stock Exchange. As of 30 June 2009, 18,20% of the shares of the Bank are publicly traded (31 December 2008: 18,20%). The remaining 81,80% being owned by Koç Finansal Hizmetler A.Ş. (“KFS”), a joint venture of UniCredit (“UCI”) and Koç Group.

KFS was established on 16 March 2001 to combine Koç Group finance companies under one organisation and it became the main shareholder of Koçbank in 2002. On 22 October 2002, Koç Group established a strategic partnership with UCI over KFS.

In 2005, the Bank’s shares that were owned by Çukurova Group Companies and the Saving Deposits Insurance Fund (“SDIF”) were purchased by Koçbank A.Ş. (“Koçbank”). In 2006, Koçbank purchased the shares of the Bank from ISE and an investment fund and, during the same year, all rights, receivables, debts and liabilities of Koçbank were transferred to the Bank pursuant the merger of the two banks. As a result of the merger, the share transfer procedures in 2007 and capital increase by TL920 million in 2008, KFS shares in the Bank increased 81,80%.

III. INFORMATION ON THE BOARD OF DIRECTORS, MEMBERS OF THE AUDIT COMMITTEE, CHIEF EXECUTIVE OFFICER AND EXECUTIVE VICE PRESIDENTS, CHANGES IN THESE MATTERS (IF ANY) AND SHARES OF THE BANK THEY POSSESS:

As of 30 June 2009, the Bank’s Board of Directors, Members of the Audit Committee and General Manager and Assistant General Managers:

**CONVENIENCE TRANSLATION OF PUBLICLY
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NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2009

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL").)

GENERAL INFORMATION ABOUT THE BANK (CONTINUED)

Board of Directors Members:

Name	Responsibility
Tayfun BAYAZIT	Chairman
Federico GHIZZONI	Vice Chairman
Hüseyin Faik AÇIKALIN	Chief Executive Officer
Alessandro M. DECIO	Deputy Chief Executive Officer
Ahmet F. ASHABOĞLU	Member
Füsün Akkal BOZOK	Member
Carlo VIVALDI ⁽¹⁾	Member
Vittorio Giovanni Maria OGLIENGO ⁽¹⁾	Member
Osman Turgay DURAK	Member
Stephan WINKELMEIER	Member

General Manager and Assistant General Managers:

Name	Responsibility
Hüseyin Faik AÇIKALIN	General Manager
Alessandro M. DECIO	Deputy General Manager
Mehmet Güray ALPKAYA	Corporate and Commercial Sales Management
Marco CRAVARIO	Financial Planning and Administration Management
Yakup DOĞAN	Alternative Distribution Channels
Mehmet Murat ERMERT	Corporate Identity and Communication Management
Massimiliano FOSSATI	Risk Management
Mert GÜVENEN	Corporate and Commercial Banking Management
Süleyman Cihangir KAVUNCU	Human Resources Management
Fahri ÖBEK	Information Technology Management
Erhan ÖZÇELİK	Private Banking and Asset Management
Mehmet Erkan ÖZDEMİR	Compliance Officer
Muzaffer ÖZTÜRK	Retail Sales Management
Stefano PERAZZINI	Internal Audit
Yüksel RİZELİ	Information Systems and Operation Management
Luca RUBAGA	Organization and Logistics Management
Cemal Aybars SANAL	Legal Activities Management
Zeynep Nazan SOMER	Retail Banking Management
Feza TAN	Corporate and Commercial Credit Management
Selim Hakkı TEZEL	Consumer and SME Credit Management
Mert YAZICIOĞLU	Treasury Management

Audit Committee Members:

Name	Responsibility
Vittorio Giovanni Maria OGLIENGO ⁽²⁾	Chairman
Füsün Akkal BOZOK	Member
Stephan WINKELMEIER ⁽²⁾	Member

**CONVENIENCE TRANSLATION OF PUBLICLY
ANNOUNCED UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
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YAPI VE KREDİ BANKASI A.Ş.

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2009

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL").)

GENERAL INFORMATION ABOUT THE BANK (CONTINUED)

Statutory auditors:

Name	Responsibility
Abdullah GEÇER	Auditor
Adil G. ÖZTOPRAK	Auditor

- ⁽¹⁾ According to the decision of the Board of Directors dated 15 May 2009, Ranieri De Marchis and Herbert Hangel have resigned their duty as member of Board of Directors and Vittorio Giovanni Maria Ogliengo and Carlo Vivaldi have been assigned as member of Board of Directors.
- ⁽²⁾ According to the decision of the Board of Directors dated 1 July 2009; Vittorio G. M. Ogliengo has resigned from his duty as Chairman of the Audit Committee and was appointed as member of the Audit Committee, Stephan Winkelmeier has resigned from his duty as member of the Audit Committee and Federico Ghizzoni has been appointed as member and Chairman of the Audit Committee.

The shares of the above individuals are insignificant in the Bank.

IV. INFORMATION ON QUALIFIED SHAREHOLDERS:

Name/Commercial title	Share Amounts (nominal)	Share percentage	Paid-in Capital (nominal)	Unpaid portion
Koç Finansal Hizmetler A.Ş.	3.555.712.396,07	81,80%	3.555.712.396,07	-

V. SUMMARY INFORMATION ON THE BANK'S ACTIVITIES AND SERVICES:

The Bank's activities summarized from the section 5 of the articles of association are as follows:

The Bank's purpose and subject matter in accordance with the Banking Law, regulations and existing laws include:

- The execution of all banking activities
- The execution of all economic and financial activities which are allowed by the regulation
- The execution of the representation, attorney and agency activities related to the subjects written above
- The purchase and sale of share certificates, bonds and all the capital market instruments, in accordance with Capital Market Law and regulations

In case of necessity for performing activities which are useful and required but that are not specified in the articles of association, a Board of Directors' proposal is to be presented to the General Assembly. With the approval of the General Assembly the proposal becomes applicable, subject to the obtainment of the authorizations required by law.

As of 30 June 2009, the Bank has 843 branches operating in Turkey and 1 branch in off-shore region (31 December 2008: 860 branches operating in Turkey, 1 branch in off-shore region). As of 30 June 2009, the Bank has 14.774 employees (31 December 2008: 14.795 employees).

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**YAPI VE KREDİ BANKASI A.Ş.
UNCONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2009 AND 31 DECEMBER 2008
(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)**

**SECTION TWO
UNCONSOLIDATED FINANCIAL STATEMENTS**

I. BALANCE SHEET	Note (Section Five)	(30/06/2009)			(31/12/2008)		
		TL	FC	Total	TL	FC	Total
ASSETS							
I. CASH BALANCES WITH CENTRAL BANK	I-a	1.820.361	2.289.524	4.109.885	1.854.691	2.663.952	4.518.643
II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT or (LOSS) (Net)	I-b	822.405	173.522	995.927	457.849	208.976	666.825
2.1 Trading Financial Assets		822.405	173.522	995.927	457.849	208.976	566.825
2.1.1 Government Debt Securities		216.291	111.667	327.958	80.161	162.545	242.706
2.1.2 Share Certificates		-	-	-	-	-	-
2.1.3 Trading Derivative Financial Assets		606.114	61.671	667.785	377.688	10.886	388.574
2.1.4 Other Marketable Securities		-	184	184	-	35.545	35.545
2.2 Financial Assets Designated at Fair Value Through Profit/(Loss)		-	-	-	-	-	-
2.2.1 Government Debt Securities		-	-	-	-	-	-
2.2.2 Share Certificates		-	-	-	-	-	-
2.2.3 Loans		-	-	-	-	-	-
2.2.4 Other Marketable Securities		-	-	-	-	-	-
III. BANKS	I-c	744.832	2.376.373	3.121.205	28.237	2.136.232	2.164.469
IV. MONEY MARKETS		30.543	-	30.543	40.358	-	40.358
4.1 Interbank Money Market Placements		-	-	-	-	-	-
4.2 Receivables from Istanbul Stock Exchange Money Market		30.543	-	30.543	40.358	-	40.358
4.3 Receivables from Reverse Repurchase Agreements		-	-	-	-	-	-
V. AVAILABLE-FOR-SALE FINANCIAL ASSETS (Net)	I-d	185.741	698.462	884.203	396.818	590.517	987.335
5.1 Share Certificates		894	1.422	2.316	894	21.992	22.886
5.2 Government Debt Securities		130.605	528.662	659.267	348.688	368.371	717.059
5.3 Other Marketable Securities		54.242	168.378	222.620	47.236	200.154	247.390
VI. LOANS	I-e	24.254.249	13.452.343	37.706.592	25.306.957	13.365.995	38.672.952
6.1 Loans		23.533.068	13.448.338	36.981.406	24.666.063	13.362.720	38.028.783
6.1.1 Bank's risk group		345.939	233.590	579.529	240.354	327.362	567.716
6.1.2 Government Debt Securities		-	-	-	-	-	-
6.1.3 Other		23.187.129	13.214.748	36.401.877	24.425.709	13.035.358	37.461.067
6.2 Loans under Follow-up		2.290.278	6.575	2.296.853	1.678.011	35.019	1.713.030
6.3 Specific Provisions (-)		(1.569.097)	(2.570)	(1.571.667)	(1.037.117)	(31.744)	(1.068.861)
VII. FACTORING RECEIVABLES		-	-	-	-	-	-
VIII. HELD-TO-MATURITY SECURITIES (Net)	I-f	5.393.038	5.755.457	11.148.495	5.694.224	5.834.785	11.529.009
8.1 Government Debt Securities		5.393.038	5.755.457	11.148.495	5.694.224	5.834.785	11.529.009
8.2 Other Marketable Securities		-	-	-	-	-	-
IX. INVESTMENTS IN ASSOCIATES (Net)	I-g	3.940	43.404	47.344	3.940	43.404	47.344
9.1 Consolidated Based on Equity Method		-	-	-	-	-	-
9.2 Unconsolidated		3.940	43.404	47.344	3.940	43.404	47.344
9.2.1 Financial Investments in Associates		3.940	43.404	47.344	3.940	43.404	47.344
9.2.2 Non-financial Investments in Associates		-	-	-	-	-	-
X. SUBSIDIARIES (Net)	I-h	1.422.377	389.148	1.811.525	1.422.377	389.148	1.811.525
10.1 Unconsolidated Financial Subsidiaries		1.420.077	389.148	1.809.225	1.420.077	389.148	1.809.225
10.2 Unconsolidated Non-financial Subsidiaries		2.300	-	2.300	2.300	-	2.300
XI. JOINT VENTURES (Net)		-	-	-	-	-	-
11.1 Accounted Based on Equity Method		-	-	-	-	-	-
11.2 Unconsolidated		-	-	-	-	-	-
11.2.1 Financial Joint Ventures		-	-	-	-	-	-
11.2.2 Non-financial Joint Ventures		-	-	-	-	-	-
XII. FINANCIAL LEASE RECEIVABLES		-	-	-	-	-	-
12.1 Financial Lease Receivables		-	-	-	-	-	-
12.2 Operating Lease Receivables		-	-	-	-	-	-
12.3 Other		-	-	-	-	-	-
12.4 Unearned Income (-)		-	-	-	-	-	-
XIII. HEDGING DERIVATIVE FINANCIAL ASSETS	I-i	87.865	1.515	89.380	-	-	-
13.1 Fair Value Hedge		87.865	1.515	89.380	-	-	-
13.2 Cash Flow Hedge		-	-	-	-	-	-
13.3 Foreign Net Investment Hedge		-	-	-	-	-	-
XIV. PROPERTY AND EQUIPMENT (Net)		1.108.803	-	1.108.803	1.142.676	-	1.142.676
XV. INTANGIBLE ASSETS (Net)	I-j	1.163.851	-	1.163.851	1.151.072	-	1.151.072
15.1 Goodwill		979.493	-	979.493	979.493	-	979.493
15.2 Other		184.358	-	184.358	171.579	-	171.579
XVI. INVESTMENT PROPERTY (Net)		-	-	-	-	-	-
XVII. TAX ASSET		146.724	-	146.724	186.906	-	186.906
17.1 Current Tax Asset		-	-	-	15.159	-	15.159
17.2 Deferred Tax Asset		146.724	-	146.724	171.747	-	171.747
XVIII. ASSETS HELD FOR RESALE AND RELATED TO DISCONTINUED OPERATIONS (Net)	I-k	84.907	-	84.907	88.332	-	88.332
18.1 Held for sale Purposes		84.907	-	84.907	88.332	-	88.332
18.2 Related to Discontinued Operations		-	-	-	-	-	-
XIX. OTHER ASSETS	I-l	606.462	183.848	790.310	435.067	280.620	715.687
TOTAL ASSETS		37.876.098	25.363.596	63.239.694	38.209.504	25.513.629	63.723.133

The accompanying explanations and notes form an integral part of these financial statements.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

YAPI VE KREDİ BANKASI A.Ş.

UNCONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2009 AND 31 DECEMBER 2008

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL").)

I. BALANCE SHEET	Note (Section Five)	(30/06/2009)			(31/12/2008)		
		TL	FC	Total	TL	FC	Total
LIABILITIES							
I. DEPOSITS	II-a	22.532.857	16.989.773	39.522.630	24.695.882	17.009.447	41.705.329
1.1 Deposits of Bank's risk group		1.205.674	1.916.090	3.121.764	1.602.990	2.599.818	4.202.808
1.2 Other		21.327.183	15.073.683	36.400.866	23.092.892	14.409.629	37.502.521
II. TRADING DERIVATIVE FINANCIAL LIABILITIES	II-b	189.584	29.776	219.360	177.384	24.722	202.106
III. BORROWINGS	II-c	1.231.886	4.475.105	5.706.991	1.162.959	5.000.877	6.163.836
IV. MONEY MARKETS		58.514	830.344	888.858	150.233	236.709	386.942
4.1 Funds from Interbank Money Market		-	-	-	-	-	-
4.2 Funds from Istanbul Stock Exchange Money Market		-	-	-	-	-	-
4.3 Funds Provided Under Repurchase Agreements		58.514	830.344	888.858	150.233	236.709	386.942
V. MARKETABLE SECURITIES ISSUED (Net)		-	-	-	-	-	-
5.1 Bonds		-	-	-	-	-	-
5.2 Asset Backed Securities		-	-	-	-	-	-
5.3 Bills		-	-	-	-	-	-
VI. FUNDS		-	-	-	-	-	-
6.1 Borrower funds		-	-	-	-	-	-
6.2 Other		-	-	-	-	-	-
VII. MISCELLANEOUS PAYABLES		2.609.308	500.204	3.109.512	2.335.129	241.210	2.576.339
VIII. OTHER LIABILITIES	II-d	675.830	736.418	1.412.248	474.130	1.013.190	1.487.320
IX. FACTORING PAYABLES		-	-	-	-	-	-
X. FINANCIAL LEASE PAYABLES		109	6.140	6.249	1.917	6.022	7.939
10.1 Financial Lease Payables	II-e	109	6.360	6.469	1.939	6.414	8.353
10.2 Operational Lease Payables		-	-	-	-	-	-
10.3 Other		-	-	-	-	-	-
10.4 Deferred Financial Lease Expenses (-)		-	(220)	(220)	(22)	(392)	(414)
XI. HEDGING DERIVATIVE FINANCIAL LIABILITIES	II-f	100.275	-	100.275	-	-	-
11.1 Fair Value Hedge		100.275	-	100.275	-	-	-
11.2 Cash Flow Hedge		-	-	-	-	-	-
11.3 Foreign Net Investment Hedge		-	-	-	-	-	-
XII. PROVISIONS	II-g	1.683.697	337.366	2.021.063	1.662.615	285.424	1.948.039
12.1 General Loan Loss Provision		457.234	295.465	752.699	408.036	247.396	655.432
12.2 Restructuring Provisions		-	-	-	-	-	-
12.3 Reserve for Employee Rights		141.531	-	141.531	138.307	-	138.307
12.4 Insurance Technical Provisions (Net)		-	-	-	-	-	-
12.5 Other Provisions		1.084.932	41.901	1.126.833	1.116.272	38.028	1.154.300
XIII. TAX LIABILITY	II-h	240.268	-	240.268	171.635	-	171.635
13.1 Current Tax Liability		240.268	-	240.268	171.635	-	171.635
13.2 Deferred Tax Liability		-	-	-	-	-	-
XIV. LIABILITIES FOR PROPERTY AND EQUIPMENT HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)		-	-	-	-	-	-
14.1 Held For Sale Purpose		-	-	-	-	-	-
14.2 Related to Discontinued Operations		-	-	-	-	-	-
XV. SUBORDINATED LOANS	II-i	-	2.212.770	2.212.770	-	2.220.601	2.220.601
XVI. SHAREHOLDERS' EQUITY	II-j	7.753.256	46.214	7.799.470	6.830.322	22.725	6.853.047
16.1 Paid-in Capital		4.347.051	-	4.347.051	4.347.051	-	4.347.051
16.2 Capital Reserves		616.569	46.214	662.783	573.937	22.725	596.662
16.2.1 Share Premium		543.881	-	543.881	543.881	-	543.881
16.2.2 Share Cancellation Profits		-	-	-	-	-	-
16.2.3 Marketable Securities Valuation Differences		-	-	-	-	-	-
16.2.4 Property and Equipment Revaluation Differences	II-k	10.719	46.214	56.933	11.543	22.725	34.268
16.2.5 Intangible Assets Revaluation Differences		-	-	-	-	-	-
16.2.6 Revaluation differences of Investment Property		-	-	-	-	-	-
16.2.7 Bonus Shares from Investments in Associates, Subsidiaries and Joint Ventures (business partners)		-	-	-	-	-	-
16.2.8 Hedging funds (Effective portion)		-	-	-	-	-	-
16.2.9 Value Increase in Property and Equipment Held for Sale and Related to Discontinued Operations		-	-	-	-	-	-
16.2.10 Other Capital Reserves		61.969	-	61.969	18.513	-	18.513
16.3 Profit Reserves		1.865.878	-	1.865.878	866.733	-	866.733
16.3.1 Legal Reserves		96.220	-	96.220	44.089	-	44.089
16.3.2 Status Reserves		-	-	-	-	-	-
16.3.3 Extraordinary Reserves		1.769.658	-	1.769.658	822.644	-	822.644
16.3.4 Other Profit Reserves		-	-	-	-	-	-
16.4 Income or (Loss)		923.758	-	923.758	1.042.601	-	1.042.601
16.4.1 Prior Years' Income or (Loss)		-	-	-	-	-	-
16.4.2 Current Year Income or (Loss)		923.758	-	923.758	1.042.601	-	1.042.601
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		37.075.584	26.164.110	63.239.694	37.662.206	26.060.927	63.723.133

The accompanying explanations and notes form an integral part of these financial statements.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**YAPI VE KREDİ BANKASI A.Ş.
UNCONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2009 AND 2008
(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)**

II. INCOME STATEMENTS				
INCOME AND EXPENSE ITEMS		Note (Section Five)	01/01-30/06/2009	01/01-30/06/2008
I.	INTEREST INCOME	III-a	3.623.778	3.189.842
1.1	Interest on Loans	III-a-1	2.800.214	2.308.278
1.2	Interest Received from Reserve Requirements		71.218	97.513
1.3	Interest Received from Banks	III-a-2	17.237	25.480
1.4	Interest Received from Money Market Transactions		27.195	6.294
1.5	Interest Received from Marketable Securities Portfolio	III-a-3	707.710	739.296
1.5.1	Trading Financial Assets		10.743	6.958
1.5.2	Financial Assets at Fair Value through Profit or (Loss)		-	-
1.5.3	Available-for-sale Financial Assets		43.884	13.575
1.5.4	Held to Maturity Investments		653.083	718.763
1.6	Financial Lease Income		-	-
1.7	Other Interest Income		204	12.981
II.	INTEREST EXPENSE	III-b	(1.959.968)	(1.995.551)
2.1	Interest on Deposits	III-b-3	(1.674.767)	(1.727.322)
2.2	Interest on Funds Borrowed	III-b-1	(237.034)	(203.155)
2.3	Interest Expense on Money Market Transactions		(47.527)	(63.589)
2.4	Interest on Securities Issued		-	-
2.5	Other Interest Expenses		(640)	(1.485)
III.	NET INTEREST INCOME (I + II)		1.663.810	1.194.291
IV.	NET FEES AND COMMISSIONS INCOME		669.209	581.631
4.1	Fees and Commissions Received		813.691	722.037
4.1.1	Non-cash Loans		96.958	72.556
4.1.2	Other		716.733	649.481
4.2	Fees and Commissions Paid		(144.482)	(140.406)
4.2.1	Non-cash Loans		(57)	(11)
4.2.2	Other		(144.425)	(140.395)
V.	DIVIDEND INCOME		142.686	168.302
VI.	TRADING INCOME/(LOSS) (Net)	III-c	386.602	25.637
6.1	Trading Gains/(Losses) on Securities		114.363	18.538
6.2	Derivative Financial Transactions Gains/(Losses)	III-d	346.736	96.078
6.3	Foreign Exchange Gains/(Losses)		(74.497)	(88.979)
VII.	OTHER OPERATING INCOME	III-e	155.395	328.161
VIII.	TOTAL OPERATING INCOME (III+IV+V+VI+VII)		3.017.702	2.298.022
IX.	PROVISION FOR LOAN LOSSES AND OTHER RECEIVABLES (-)	III-f	(763.768)	(245.915)
X.	OTHER OPERATING EXPENSES (-)	III-g	(1.114.740)	(1.150.075)
XI.	NET OPERATING INCOME/(LOSS) (VIII-IX-X)		1.139.194	902.032
XII.	EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER		-	-
XIII.	INCOME/(LOSS) FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED BASED ON EQUITY METHOD		-	-
XIV.	INCOME/(LOSS) ON NET MONETARY POSITION		-	-
XV.	INCOME/EXPENSE BEFORE TAXES FROM CONTINUING OPERATIONS (XI+XII+XIII+XIV)	III-h	1.139.194	902.032
XVI.	PROVISION FOR TAXES ON INCOME FROM CONTINUING OPERATIONS (±)	III-i	(215.436)	(182.496)
16.1	Current Tax Provision		(189.726)	(107.578)
16.2	Deferred Tax Provision		(25.710)	(74.918)
XVII.	NET PROFIT/LOSSES FROM CONTINUING OPERATIONS (XV±XVI)		923.758	719.536
XVIII.	INCOME FROM DISCONTINUED OPERATIONS		-	-
18.1	Income from Non-current Assets Held for Resale		-	-
18.2	Profit from Sales of Associates, Subsidiaries and Joint Ventures (business partners)		-	-
18.3	Other Income From Discontinued Operations		-	-
XIX.	EXPENSES FROM DISCONTINUED OPERATIONS (-)		-	-
19.1	Expenses for Non-current Assets Held for Resale		-	-
19.2	Loss from Sales of Associates, Subsidiaries and Joint Ventures (business partners)		-	-
19.3	Other Expenses From Discontinued Operations		-	-
XX.	PROFIT /LOSSES BEFORE TAXES FROM DISCONTINUED OPERATIONS (XVIII-XIX)		-	-
XXI.	PROVISION FOR INCOME TAXES FROM DISCONTINUED OPERATIONS (±)		-	-
21.1	Current tax provision		-	-
21.2	Deferred tax provision		-	-
XXII.	NET PROFIT/LOSSES FROM DISCONTINUED OPERATIONS (XX±XXI)		-	-
XXIII.	NET PROFIT/LOSSES (XV II+XXII)	III-j	923.758	719.536
	Earnings/(Loss) per share		0,0021	0,0021

The accompanying explanations and notes form an integral part of these financial statements.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**YAPIVE KREDİ BANKASI A.Ş.
UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIODS
FROM 1 APRIL TO 30 JUNE 2009 AND 2008**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

II. INCOME STATEMENTS				
INCOME AND EXPENSE ITEMS				
			01/04-30/06/2009	01/04-30/06/2008
I.	INTEREST INCOME		1.671.322	1.615.309
1.1	Interest on Loans		1.336.102	1.180.077
1.2	Interest Received from Reserve Requirements		29.541	50.293
1.3	Interest Received from Banks		8.739	16.681
1.4	Interest Received from Money Market Transactions		14.122	5.696
1.5	Interest Received from Marketable Securities Portfolio		282.647	349.610
1.5.1	Trading Financial Assets		5.746	3.604
1.5.2	Financial Assets at Fair Value through Profit or (Loss)		-	-
1.5.3	Available-for-sale Financial Assets		20.482	1.780
1.5.4	Held to Maturity Investments		256.419	344.226
1.6	Financial Lease Income		-	-
1.7	Other Interest Income		171	12.952
II.	INTEREST EXPENSE		(853.941)	(1.027.405)
2.1	Interest on Deposits		(721.994)	(904.899)
2.2	Interest on Funds Borrowed		(104.608)	(101.893)
2.3	Interest Expense on Money Market Transactions		(26.932)	(19.919)
2.4	Interest on Securities Issued		-	-
2.5	Other Interest Expenses		(407)	(694)
III.	NET INTEREST INCOME (I + II)		817.381	587.904
IV.	NET FEES AND COMMISSIONS INCOME		350.466	302.198
4.1	Fees and Commissions Received		422.583	376.109
4.1.1	Non-cash Loans		49.025	38.958
4.1.2	Other		373.558	337.151
4.2	Fees and Commissions Paid		(72.117)	(73.911)
4.2.1	Non-cash Loans		(28)	(4)
4.2.2	Other		(72.089)	(73.907)
V.	DIVIDEND INCOME		192	94
VI.	TRADING INCOME/(LOSS) (Net)		270.966	57.332
6.1	Trading Gains/(Losses) on Securities		91.295	13.518
6.2	Derivative Financial Transactions Gains/(Losses)		353.573	(37.720)
6.3	Foreign Exchange Gains/(Losses)		(173.902)	81.534
VII.	OTHER OPERATING INCOME		115.798	55.675
VIII.	TOTAL OPERATING INCOME (III+IV+V+VI+VII)		1.554.803	1.003.203
IX.	PROVISION FOR LOAN LOSSES AND OTHER RECEIVABLES (-)		(450.935)	(142.004)
X.	OTHER OPERATING EXPENSES (-)		(569.584)	(563.792)
XI.	NET OPERATING INCOME/(LOSS) (VIII-IX-X)		534.284	297.407
XII.	EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER		-	-
XIII.	INCOME/(LOSS) FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED BASED ON EQUITY METHOD		-	-
XIV.	INCOME/(LOSS) ON NET MONETARY POSITION		-	-
XV.	INCOME/EXPENSE BEFORE TAXES FROM CONTINUING OPERATIONS (XI+XII+XIII+XIV)		534.284	297.407
XVI.	PROVISION FOR TAXES ON INCOME FROM CONTINUING OPERATIONS (±)		(103.672)	(75.971)
16.1	Current Tax Provision		(78.402)	(62.241)
16.2	Deferred Tax Provision		(25.270)	(13.730)
XVII.	NET PROFIT/LOSSES FROM CONTINUING OPERATIONS (XV±XVI)		430.612	221.436
XVIII.	INCOME FROM DISCONTINUED OPERATIONS		-	-
18.1	Income from Non-current Assets Held for Resale		-	-
18.2	Profit from Sales of Associates, Subsidiaries and Joint Ventures (business partners)		-	-
18.3	Other Income From Discontinued Operations		-	-
XIX.	EXPENSES FROM DISCONTINUED OPERATIONS (-)		-	-
19.1	Expenses for Non-current Assets Held for Resale		-	-
19.2	Loss from Sales of Associates, Subsidiaries and Joint Ventures (business partners)		-	-
19.3	Other Expenses From Discontinued Operations		-	-
XX.	PROFIT /LOSSES BEFORE TAXES FROM DISCONTINUED OPERATIONS (XVIII-XIX)		-	-
XXI.	PROVISION FOR INCOME TAXES FROM DISCONTINUED OPERATIONS (±)		-	-
21.1	Current tax provision		-	-
21.2	Deferred tax provision		-	-
XXII.	NET PROFIT/LOSSES FROM DISCONTINUED OPERATIONS (XX±XXI)		-	-
XXIII.	NET PROFIT/LOSSES (XVII+XXII)		430.612	221.436
	Earnings/(Loss) per share		0,0010	0,0006

The accompanying explanations and notes form an integral part of these financial statements.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

**YAPI VE KREDİ BANKASI A.Ş.
UNCONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2009 AND 31 DECEMBER 2008
(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL").)**

III. OFF-BALANCE SHEET COMMITMENTS		Note (Section five)	(30/06/2009)			(31/12/2008)		
			TL	FC	Total	TL	FC	Total
A.	OFF-BALANCE SHEET COMMITMENTS (I+II+III)		31.310.657	33.195.100	64.505.757	26.640.877	22.759.301	49.400.178
I.	GUARANTEES AND WARRANTIES	IV-a,2,3	6.067.042	10.227.581	16.294.623	5.041.331	10.268.520	16.309.851
1.1	Letters of Guarantee		6.062.062	7.191.867	13.253.929	5.037.727	6.980.118	13.017.845
1.1.1	Guarantees Subject to State Tender Law		467.551	477.371	944.922	440.708	533.824	974.532
1.1.2	Guarantees Given for Foreign Trade Operations		683.786	6.714.496	7.398.282	662.959	6.446.294	7.109.253
1.1.3	Other Letters of Guarantee		4.910.725	-	4.910.725	4.934.060	-	4.934.060
1.2	Bank Acceptances		-	158.924	158.924	-	211.367	211.367
1.2.1	Import Letter of Acceptance		-	158.924	158.924	-	211.367	211.367
1.2.2	Other Bank Acceptances		-	-	-	-	-	-
1.3	Letters of Credit		1.357	2.486.257	2.487.614	547	2.635.375	2.635.922
1.3.1	Documentary Letters of Credit		1.357	2.486.257	2.487.614	547	2.635.375	2.635.922
1.3.2	Other Letters of Credit		-	-	-	-	-	-
1.4	Prefinancing Given as Guarantee		143	2.040	2.183	143	2.017	2.160
1.5	Endorsements		-	-	-	-	-	-
1.5.1	Endorsements to the Central Bank of the Republic of Turkey		-	-	-	-	-	-
1.5.2	Other Endorsements		-	-	-	-	-	-
1.6	Securities Issue Purchase Guarantees		-	-	-	-	-	-
1.7	Factoring Guarantees		-	-	-	-	-	-
1.8	Other Guarantees		2.980	149.778	152.758	2.914	250.224	253.138
1.9	Other Collaterals		500	238.715	239.215	-	189.419	189.419
II.	COMMITMENTS	IV-a-1	14.802.460	1.062.474	15.864.934	14.710.049	1.055.723	15.765.772
2.1	Irrevocable Commitments		14.802.460	1.062.474	15.864.934	14.710.049	1.055.723	15.765.772
2.1.1	Asset Purchase and Sale Commitments		-	597.152	597.152	-	446.310	446.310
2.1.2	Deposit Purchase and Sales Commitments		1.504	767	2.271	52.765	58.976	121.741
2.1.3	Share Capital Commitments to Associates and Subsidiaries		4.000	-	4.000	-	-	-
2.1.4	Loan Granting Commitments		2.110.161	453.716	2.563.877	1.914.608	542.492	2.457.100
2.1.5	Securities Issue Brokerage Commitments		-	-	-	-	-	-
2.1.6	Commitments for Reserve Deposit Requirements		-	-	-	-	-	-
2.1.7	Commitments for Cheques		1.463.588	-	1.463.588	1.391.826	-	1.391.826
2.1.8	Tax and Fund Liabilities from Export Commitments		42.748	-	42.748	40.495	-	40.495
2.1.9	Commitments for Credit Card Limits		11.154.331	-	11.154.331	11.244.536	-	11.244.536
2.1.10	Commitments for credit cards and banking services promotions		-	-	-	-	-	-
2.1.11	Receivables from short sale commitments of marketable securities		-	-	-	-	-	-
2.1.12	Payables for short sale commitments of marketable securities		-	-	-	-	-	-
2.1.13	Other irrevocable commitments		26.128	10.839	36.967	55.819	7.945	63.764
2.2	Revocable Commitments		-	-	-	-	-	-
2.2.1	Revocable Loan Granting Commitments		-	-	-	-	-	-
2.2.2	Other Revocable Commitments		-	-	-	-	-	-
III.	DERIVATIVE FINANCIAL INSTRUMENTS		10.441.155	21.905.045	32.346.200	5.889.497	11.435.058	17.324.555
3.1	Hedging Derivative Financial Instruments		699.629	730.982	1.430.611	-	-	-
3.1.1	Transactions for Fair Value Hedge		699.629	730.982	1.430.611	-	-	-
3.1.2	Transactions for Cash Flow Hedge		-	-	-	-	-	-
3.1.3	Transactions for Foreign Net Investment Hedge		-	-	-	-	-	-
3.2	Trading Transactions		9.741.526	21.174.063	30.915.589	5.889.497	11.435.058	17.324.555
3.2.1	Forward Foreign Currency Buy/Sell Transactions		1.625.912	3.537.827	5.163.739	1.256.956	2.828.652	4.085.608
3.2.1.1	Forward Foreign Currency Transactions-Buy		630.203	1.943.970	2.574.173	542.322	1.496.768	2.039.090
3.2.1.2	Forward Foreign Currency Transactions-Sell		995.709	1.593.857	2.589.566	714.634	1.331.884	2.046.518
3.2.2	Swap Transactions Related to Foreign Currency and Interest Rates		5.206.783	11.360.468	16.567.251	4.197.395	7.958.836	12.156.231
3.2.2.1	Foreign Currency Swap-Buy		3.969.301	1.710.741	5.680.042	3.185.007	674.435	3.859.442
3.2.2.2	Foreign Currency Swap-Sell		211.331	4.882.831	5.094.162	291.016	3.295.374	3.586.390
3.2.2.3	Interest Rate Swap-Buy		85.118	2.823.529	2.908.647	33.375	2.362.490	2.395.865
3.2.2.4	Interest Rate Swap-Sell		941.033	1.943.367	2.884.400	687.997	1.626.537	2.314.534
3.2.3	Foreign Currency, Interest Rate and Securities Options		2.432.531	4.049.018	6.481.549	435.146	642.300	1.077.446
3.2.3.1	Foreign Currency Options-Buy		732.892	1.752.190	2.485.082	118.700	265.772	384.472
3.2.3.2	Foreign Currency Options-Sell		828.191	1.677.812	2.506.003	156.254	229.088	385.342
3.2.3.3	Interest Rate Options-Buy		-	619.016	619.016	-	147.440	147.440
3.2.3.4	Interest Rate Options-Sell		662.400	-	662.400	119.000	-	119.000
3.2.3.5	Securities Options-Buy		75.268	-	75.268	17.816	-	17.816
3.2.3.6	Securities Options-Sell		133.780	-	133.780	23.376	-	23.376
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		476.300	2.226.750	2.703.050	-	5.270	5.270
B.	CUSTODY AND PLEDGES RECEIVED (IV+V+VI)		67.486.025	14.302.567	81.788.592	61.998.655	14.512.155	76.510.810
IV.	ITEMS HELD IN CUSTODY		41.360.231	1.352.013	42.712.244	38.544.205	1.469.385	40.013.590
4.1	Customer Fund and Portfolio Balances		-	107	107	-	106	106
4.2	Investment Securities Held in Custody		35.088.183	1.105.726	36.193.909	31.853.656	1.220.900	33.074.556
4.3	Checks Received for Collection		4.919.229	36.768	4.955.997	5.305.825	36.725	5.342.550
4.4	Commercial Notes Received for Collection		1.352.819	187.701	1.540.520	1.384.724	190.029	1.574.753
4.5	Other Assets Received for Collection		-	21.711	21.711	-	21.625	21.625
4.6	Assets Received for Public Offering		-	-	-	-	-	-
4.7	Other Items Under Custody		-	-	-	-	-	-
4.8	Custodians		-	-	-	-	-	-
V.	PLEDGES RECEIVED		25.159.590	12.315.661	37.475.251	22.453.712	12.365.927	34.819.639
5.1	Marketable Securities		211.070	165	211.235	183.456	184	183.640
5.2	Guarantee Notes		309.090	361.026	670.116	330.692	352.168	582.860
5.3	Commodity		11.329	-	11.329	11.280	-	11.280
5.4	Warranty		-	-	-	-	-	-
5.5	Immovable		16.210.855	8.296.454	24.507.309	14.200.107	8.152.065	22.352.172
5.6	Other Pledged Items		8.417.246	3.655.280	12.072.526	7.728.177	3.858.803	11.586.980
5.7	Pledged Items-Depository		-	2.736	2.736	-	2.707	2.707
VI.	ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES		966.204	634.893	1.601.097	1.000.738	676.843	1.677.581
TOTAL OFF-BALANCE SHEET COMMITMENTS (A+B)			98.796.682	47.497.667	146.294.349	88.639.532	37.271.456	125.910.988

The accompanying explanations and notes form an integral part of these financial statements.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
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**YAPI VE KREDİ BANKASI A.Ş.
UNCONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2009 AND 2008**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

IV. STATEMENT OF INCOME AND EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY		
INCOME AND EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY	(30/06/2009)	(30/06/2008)
I. ADDITIONS TO THE MARKETABLE VALUATION DIFFERENCES FROM THE AVAILABLE FOR SALE FINANCIAL ASSETS	28.465	(3.719)
II. PROPERTY AND EQUIPMENT REVALUATION DIFFERENCES	-	-
III. INTANGIBLE ASSETS REVALUATION DIFFERENCES	-	-
IV. CURRENCY TRANSLATION DIFFERENCES FOR FOREIGN CURRENCY TRANSACTIONS	258	2.289
V. PROFIT OR LOSS ON CASH FLOW HEDGE DERIVATIVE FINANCIAL ASSETS (Effective part of the fair value differences)	-	-
VI. PROFIT/LOSS FROM FOREIGN INVESTMENT HEDGE DERIVATIVE FINANCIAL ASSETS (Effective Part of Fair Value Changes)	-	-
VII. EFFECTS OF CHANGES IN ACCOUNTING POLICY AND ADJUSTMENT OF ERRORS	-	-
VIII. OTHER INCOME AND EXPENSE ITEMS ACCOUNTED UNDER SHAREHOLDERS' EQUITY ACCORDING TO TAS	-	-
IX. DEFERRED TAX RELATED TO VALUATION DIFFERENCES	(2.743)	(955)
X. NET PROFIT OR LOSS ACCOUNTED DIRECTLY UNDER SHAREHOLDERS' EQUITY (I+II+...+IX)	25.980	(2.385)
XI. CURRENT YEAR PROFIT/LOSS	3.315	18.155
11.1 Net change in fair value of marketable securities (transfer to profit-loss)	3.315	18.155
11.2 Reclassification of cash flow hedge transactions and presentation of the related under income statement	-	-
11.3 Reclassification of foreign net investment hedge transactions and presentation of the related part under income statement	-	-
11.4 Other	-	-
XII. TOTAL PROFIT/LOSS RELATED TO THE CURRENT PERIOD (X-XI)	22.665	(20.540)

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UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AT 30 JUNE 2008

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL").)

V. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY																		
	Note (Section Five)	Paid-in Capital	Adjustment to Share Capital	Share Premium	Share Cancellation Profits	Legal Reserves	Status Reserves	Extraord. Reserves	Other Reserves	Current Period Net Income/(Loss)	Prior Period Net Income/(Loss)	Marketable Securities Value Increase Fund	PPE and Intangible Assets Revaluation Fund	Bonus Shares From Investment in Associates and Subsidiaries	Hedging Transactions Funds	Held for Resale/ Discontinued Operations Revaluation Fund	Total Shareholders' Equity	
30 June 2008																		
I. Period Opening Balance		3.427.051		541.633	-	17.159	-	326.025	5.298	709.185	(170.577)	47.975	-	-	-	-	-	4.903.749
II. Changes in Accounting Policies according to TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Effects of Errors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effects of the Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. New Balance (I+II)		3.427.051		541.633	-	17.159	-	326.025	5.298	709.185	(170.577)	47.975	-	-	-	-	-	4.903.749
Changes in the Period																		
IV. Increase/Decrease due to the Merger		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V. Marketable Securities Valuation Differences		-	-	-	-	-	-	-	-	-	-	(20.540)	-	-	-	-	-	(20.540)
VI. Hedging Transactions Funds (Effective Parts)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.1 Cash Flow Hedge		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.2 Foreign Investment Hedge		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Property and Equipment Revaluation Differences		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Intangible Fixed Assets Revaluation Differences		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Bonus Shares from Investments in Associates, Subsidiaries and Joint Ventures		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Foreign Exchange Differences		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. Changes due to the Disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII. Changes due to the Reclassification of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII. Effect of the Changes in Investment in Associates' Equity to the Bank's Equity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV. Capital Increase		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.1 Cash increase		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.2 Internal Resources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV. Share Premium		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI. Share Cancellation Profits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII. Paid in-capital Adjustment Difference		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVIII. Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIX. Current Year Income or Loss		-	-	-	-	-	-	-	-	719.536	-	-	-	-	-	-	-	719.536
XX. Profit Distribution		-	-	-	-	26.930	-	496.619	15.059	(709.185)	170.577	-	-	-	-	-	-	-
20.1 Dividend Paid		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20.2 Transfers to Reserves		-	-	-	-	26.930	-	496.619	15.059	(709.185)	170.577	-	-	-	-	-	-	-
20.3 Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Period End Balance (III+.....+ XVIII+XIX+XX)		3.427.051		541.633	-	44.089	-	822.644	20.357	719.536	-	27.435	-	-	-	-	-	5.602.745

The accompanying explanations and notes form an integral part of these financial statements.

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UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AT 30 JUNE 2009

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL").)

V. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY																	
	Note (Section Five)	Paid-in Capital	Adjustment to Share Capital	Share Premium	Share Cancellation Profits	Legal Reserves	Status Reserves	Extraord. Reserves	Other Reserves	Current Period Net Income/(Loss)	Prior Period Net Income/(Loss)	Marketable Securities Value Increase Fund	PPE and Intangible Assets Revaluation Fund	Bonus Shares From Investment in Associates and Subsidiaries	Hedging Transactions Funds	Held for Resale/ Discontinued Operations/ Revaluation Fund	Total Shareholders' Equity
30 June 2009																	
I. Prior Period End Balance		4.347.051		543.881	-	44.089	-	822.644	18.513	1.042.601	-	34.268	-	-	-	-	6.853.047
Changes in the Period																	
II. Increase/Decrease due to the Merger																	
III. Marketable Securities Valuation Differences												22.665					22.665
IV. Hedging Transactions Funds (Effective Parts)																	
4.1 Cash Flow Hedge																	
4.2 Foreign Investment Hedge																	
V. Valuation Differences due to Revaluation of Property and Equipment																	
VI. Valuation Differences due to Revaluation of Intangible Assets																	
VII. Bonus Shares from Investments in Associates, Subsidiaries and Joint Ventures																	
VIII. Foreign Exchange Differences																	
IX. Changes due to the Disposal of Assets																	
X. Changes due to the Reclassification of Assets																	
XI. Effect of the Changes in Investment in Associates' Equity to the Bank's Equity																	
XII. Capital Increase																	
12.1 Cash increase																	
12.2 Internal Resources																	
XIII. Share Premium																	
XIV. Share Cancellation Profits																	
XV. Paid in-capital Adjustment Difference																	
XVI. Other																	
XVII. Current Year Income or Loss										923.758							923.758
XVIII. Profit Distribution						52.131		947.014	43.456	(1.042.601)							
18.1 Dividend Paid																	
18.2 Transfers to Reserves						52.131		947.014	43.456	(1.042.601)							
18.3 Other																	
Period End Balance (I+II+III+...+XVI+XVII+XVIII)		4.347.051		543.881	-	96.220	-	1.769.658	61.969	923.758		56.933					7.799.470

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YAPI VE KREDİ BANKASI A.Ş.

UNCONSOLIDATED STATEMENTS OF CASH FLOWS AT 30 JUNE 2009 AND 2008

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

VI. STATEMENT OF CASH FLOWS				
		Notes (Section Five)	(30/06/2009)	(30/06/2008)
A.	CASH FLOWS FROM BANKING OPERATIONS			
1.1	Operating profit before changes in operating assets and liabilities		1.403.449	68.166
1.1.1	Interest received		4.212.410	3.173.571
1.1.2	Interest paid		(2.056.237)	(1.973.064)
1.1.3	Dividend received		90.041	168.302
1.1.4	Fees and commissions received		800.578	711.387
1.1.5	Other income		100.228	387.334
1.1.6	Collections from previously written-off loans and other receivables		699.410	445.121
1.1.7	Payments to personnel and service suppliers		(435.754)	(433.078)
1.1.8	Taxes paid		(40.711)	(357.707)
1.1.9	Other		(1.966.516)	(2.053.700)
1.2	Changes in operating assets and liabilities		(1.053.805)	1.645.018
1.2.1	Net (increase)/decrease in trading securities		(18.222)	26.278
1.2.2	Net (increase)/decrease in fair value through profit/loss financial assets		-	-
1.2.3	Net decrease in banks		1.341.268	1.296.846
1.2.4	Net decrease/(increase) in loans		252.687	(5.224.648)
1.2.5	Net decrease/(increase) in other assets		(1.105.523)	(2.072.160)
1.2.6	Net increase/(decrease) in bank deposits		560.362	(1.711.565)
1.2.7	Net (decrease)/increase in other deposits		(2.115.688)	5.557.035
1.2.8	Net (decrease)/increase in funds borrowed		(493.870)	2.173.859
1.2.9	Net increase/(decrease) in payables		-	-
1.2.10	Net increase in other liabilities		525.181	1.599.373
I.	Net cash provided from banking operations		349.644	1.713.184
B.	CASH FLOWS FROM INVESTING ACTIVITIES			
II.	Net cash provided from investing activities		410.637	89.591
2.1	Cash paid for acquisition of investments, associates and subsidiaries (Business Partnerships)		-	(353.774)
2.2	Cash obtained from disposal of investments, associates and subsidiaries (Business Partnerships)		-	-
2.3	Purchases of property and equipment		(71.974)	(107.802)
2.4	Disposals of property and equipment		16.240	125.681
2.5	Cash paid for purchase of investments available-for-sale		-	(12.477)
2.6	Cash obtained from sale of investments available-for-sale		119.440	-
2.7	Cash paid for purchase of investment securities		-	(365.979)
2.8	Cash obtained from sale of investment securities		324.267	824.484
2.9	Other		22.664	(20.542)
C.	CASH FLOWS FROM FINANCING ACTIVITIES			
III.	Net cash provided from financing activities		(1.690)	(8.851)
3.1	Cash obtained from funds borrowed and securities issued		-	-
3.2	Cash used for repayment of funds borrowed and securities issued		-	-
3.3	Issued capital instruments		-	-
3.4	Dividends paid		-	-
3.5	Payments for finance leases		(1.690)	(8.851)
3.6	Other		-	-
IV.	Effect of change in foreign exchange rate on cash and cash equivalents		-	-
V.	Net increase in cash and cash equivalents (I+II+III+IV)		758.591	1.793.924
VI.	Cash and cash equivalents at beginning of the period	V-a	3.660.024	1.684.288
VII.	Cash and cash equivalents at end of the period	V-a	4.418.615	3.478.212

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NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2009

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

SECTION THREE

EXPLANATIONS ON ACCOUNTING POLICIES

I. BASIS OF PRESENTATION:

The Bank maintains its books of accounts in Turkish Lira in accordance with the Banking Act No. 5411 (“Banking Act”), which is effective from 1 November 2005, the Turkish Commercial Code (“TCC”), and Turkish tax legislation.

The unconsolidated financial statements are prepared in accordance with the “Regulation on the Principles and Procedures Regarding Banks’ Accounting Application and Keeping Documents” published in the Official Gazette No. 26333 dated 1 November 2006 by the BRSA which refers to “Turkish Accounting Standards/TAS” and “Turkish Financial Reporting Standards/TFRS” issued by the Turkish Accounting Standards Board (“TASB”) and other decrees, notes and explanations related to the accounting and financial reporting principles (all “Turkish Accounting Standards” or “TAS”) published by the BRSA. The format and the details of the publicly announced financial statements and related disclosures to these statements have been prepared in accordance with the “Communiqués Related to Publicly Announced Financial Statements of Banks and Explanations and Notes Related to these Financial Statements” published in the Official Gazette No. 26430 dated 10 February 2007.

The unconsolidated financial statements have been prepared in TL, under the historical cost convention as modified in accordance with inflation adjustments applied until 31 December 2004, except for the financial assets and liabilities carried at fair value.

The preparation of unconsolidated financial statements in conformity with TAS requires the use of certain critical accounting estimates by the Bank management to exercise its judgement on the assets and liabilities of the balance sheet and contingent issues as of the balance sheet date. These estimates are being reviewed regularly and, when necessary, suitable corrections are made and the effects of these corrections are reflected to the income statement.

The accounting policies and valuation principles applied in the preparation of these financial statements are defined and applied in accordance with TAS. Those accounting policies and valuation principles are explained in Notes II. to XXVII. below.

Additional paragraph for convenience translation into English:

The differences between accounting principles, as described in the preceding paragraphs, and accounting principles generally accepted in countries in which the accompanying unconsolidated financial statements are to be distributed and International Financial Reporting Standards (“IFRS”) have not been quantified in the accompanying unconsolidated financial statements. Accordingly, the accompanying unconsolidated financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

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(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL").)

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

II. EXPLANATIONS ON STRATEGY OF USING FINANCIAL INSTRUMENTS AND FOREIGN CURRENCY TRANSACTIONS:

The general strategy of the Bank in using financial instruments is to sustain an optimal balance between the yield of the instruments and their risks. The most important funding source of the Bank is deposits. The Bank can also sustain a lengthened liability structure by using long-term foreign currency borrowings from foreign financial institutions. Funds obtained from deposits and other sources are invested in high quality financial assets in order to keep currency, interest rate and liquidity risks within the limits determined by the asset-liability strategy. The currency, interest and liquidity risks of on-balance sheet and off-balance sheet assets and liabilities are managed accordingly within the risk limits accepted by the Bank and the related legal limits. Derivative instruments are mainly utilized for liquidity needs and for mitigating currency and interest rate risks. The position of the Bank as a result of foreign currency activities is being held at minimum levels and the exposed currency risk is followed within the determined levels by the Board of Directors, by considering the limits given by the Banking Law.

Foreign currency denominated monetary assets and liabilities are translated with the exchange rates prevailing at the balance sheet date. Gains and losses arising from such valuations are recognized in the income statement under the account of "Foreign exchange gains or losses", except for foreign currency investments, subsidiaries and non-performing loans valuation differences. Since the foreign currency investments and subsidiaries are considered as non-monetary items, they are translated with the exchange rates at the transaction date and therefore no foreign exchange differences are realized. Foreign currency non-performing loans are translated with the exchange rates at the date of transfer to non-performing loans account.

III. EXPLANATIONS ON INVESTMENTS IN ASSOCIATES, SUBSIDIARIES AND JOINT VENTURES:

Based on the "Turkish Accounting Standard for Consolidated and Separate Financial Statements" ("TAS 27"), Turkish Lira denominated investments in associates and subsidiaries are accounted at cost and are reflected to the unconsolidated financial statements after deducting the provision for impairment, if one exists.

Foreign currency denominated investments in associates and subsidiaries are accounted at their original foreign currency costs translated into Turkish Lira using the exchange rates prevailing at the transaction date and are reflected to the financial statements after deducting the provision for impairment, if one exists.

The Bank has no joint ventures as of 30 June 2009 and 31 December 2008.

IV. EXPLANATIONS ON FORWARD TRANSACTIONS, OPTIONS AND DERIVATIVE INSTRUMENTS:

The Bank's derivative transactions mostly include foreign money and interest rate swaps, foreign exchange purchase and sale transactions and options.

Derivative instruments are measured at fair value on initial recognition and subsequently re-measured at their fair values. The accounting method of the income or loss arising from derivative instruments depends on whether the derivative is being used for hedging purposes or not and depends on the type of item being hedged.

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(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

At the transaction date, the Bank documents the relation between hedge instruments and hedged items, together with the risk management policies and the strategies on hedging transactions. Besides, the Bank regularly documents the effectiveness of the hedging instruments in offsetting the changes in the fair value of the hedged items.

Changes in the fair value of derivative instruments subject to fair value hedges are recognized under profit or loss accounts together with the variation in the fair value of hedged items. In the balance sheet, changes in the fair value of hedged assets and liabilities, during the hedge accounting is effective, are shown with the related assets and liabilities. If the underlying hedge does not conform to the hedge accounting requirements, the corrections in the hedged item for which the effective interest rate is considered, is discounted within the time to maturity and recognized under the profit and loss accounts.

Certain derivative transactions, even though they provide effective economic hedges under the Bank’s risk management position, do not qualify for hedge accounting under the specific rules in “Turkish Accounting Standard for Financial Instruments: Recognition and Measurement (“TAS 39”)” and are therefore treated as “financial assets at fair value through profit or loss”.

“Financial assets at fair value through profit or loss” are measured at fair value. If the fair value of derivative financial instruments is positive, it is disclosed under the main account “financial assets at fair value through profit or loss” in “trading derivative financial assets” and if the fair value difference is negative, it is disclosed under “trading derivative financial liabilities”. Fair value changes are recorded under “Derivative Financial Transactions Gains/(Losses)” in income statement.

Differences in the fair value of fair value hedge derivative instruments are accounted under “Derivative Financial Transactions Gains/(Losses)” in the income statement.

The fair values of the derivative financial instruments are calculated using quoted market prices or by using discounted cash flow models.

Liabilities and receivables arising from the derivative instruments are followed in the off-balance sheet accounts from their contractual values.

V. EXPLANATIONS ON INTEREST INCOME AND EXPENSE:

Interest income and expenses are recognized in the income statement on an accrual basis using the effective interest method. The Bank ceases accrued interest income on non-performing loans and any interest income accruals from such receivables are reversed and no income is accounted until the collection is made according to the related regulation.

VI. EXPLANATIONS ON FEE AND COMMISSION INCOME AND EXPENSE:

All fees and commission income/expenses are recognized on an accrual basis, except for certain commission income and fees from various banking services which are recorded as income at the time of collection. Fees and commission expenses paid to the other institutions are recognized as operational costs and recorded using the effective interest method. Contract-based fees or fees received in return for services such as the purchase and sale of assets on behalf of a third or legal person are recognized as income at the time of collection.

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(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VII. EXPLANATIONS ON FINANCIAL ASSETS:

The Bank classifies and accounts its financial assets as “fair value through profit or loss”, “available-for-sale”, “loans and receivables” or “held-to-maturity”. Sales and purchases of the financial assets mentioned above are recognized at the “settlement dates”. The appropriate classification of financial assets of the Bank is determined at the time of purchase by the Bank management, taking into consideration the purpose of holding the investment.

a. Financial assets at fair value through profit or loss:

Financial assets, which are classified as “financial assets at fair value through profit or loss”, are trading financial assets and are either acquired for generating profit from short-term fluctuations in the price or dealer’s margin, or are the financial assets included in a portfolio in which a pattern of short-term profit making exists independent from the acquisition purpose.

Trading financial assets are initially recognized at fair value and are subsequently re-measured at their fair value. However, if fair values cannot be obtained from the fair market transactions, it is accepted that the fair value cannot be measured reliably and that the financial assets are carried at amortized cost using the effective interest method. All gains and losses arising from these evaluations are recognized in the income statement. Interest earned while holding financial assets is reported as interest income and dividends received are included separately in dividend income.

Derivative financial instruments are treated as trading financial assets unless they are not designated as hedge instruments. The principles regarding the accounting of derivative financial instruments are explained in detail in Note IV. of this section.

b. Held-to-maturity financial assets:

Held-to-maturity financial assets are non-derivative financial assets that are not classified under loans and receivables and are held-for-trading at the time of acquisition and are not included in available-for-sale financial assets, with fixed maturities and fixed or determinable payments where management has the intent and ability to hold the financial assets to maturity. Held-to-maturity financial assets are initially recognized at cost which is considered as their fair value. The fair values of held-to-maturity financial assets on initial recognition are either the transaction prices at acquisition or the market prices of similar financial instruments. Held-to-maturity securities are carried at “amortized cost” using the “effective interest method” after their recognition. Interest income related with held-to-maturity securities is recorded in “Interest income” and impairment arising from a decrease in cost or revalued values is recorded in “Provision for Loan Losses and Other Receivables” accounts.

There are no financial assets that were previously classified as held-to-maturity but cannot be subject to this classification for two years due to the contradiction of classification principles.

c. Loans and receivables:

Loans and receivables are financial assets which are created by providing money, service or goods to debtors. Loans and receivables originated by the Bank are carried initially at cost and subsequently recognized at the amortized cost value calculated using the “effective interest

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

method". The expenses incurred for the assets received as collateral are not considered as transaction costs and are recognized in the expense accounts.

The Bank provides general and specific provisions based on the assessments and estimates of the management, by considering the "Communiqué Related to Principles and Procedures on Determining the Qualifications of Banks' Loans and Other Receivables and the Provision for These Loans and Other Receivables" published in the Official Gazette No. 26333 dated 1 November 2006. In this context, the management estimates are determined, on the basis of the prudence principle and Bank credit risk policies, considering the general structure of the loan portfolio, the financial conditions of the customers, non-financial information and the economic conjuncture. General provisions are determined in accordance with the "incurred loss" model taking into consideration the factors listed above and the principles of TAS 39. As of 31 March 2008, as a result of the studies performed, the Bank revised the general loan loss provisions by considering new loss detection periods, which were formerly set as 1 year, differentiating them by segment/type of products. The general loan loss provision determined through this methodology is higher than the minimum amount required by the related regulations.

Provision expenses are deducted from the net income of the year. If there is a subsequent collection from a receivable that was already provisioned, the recovery amount is classified under "other operating income". Uncollectible receivables are written-off after all the legal procedures are finalized.

d. Available-for-sale financial assets:

Available-for-sale financial assets are defined as financial assets other than the ones classified as "Loans and receivables", "Held-to-maturity assets" or "Financial asset at fair value through profit or loss".

Available-for-sale financial assets are subsequently re-measured at fair value. When fair value calculations, based on market prices, cannot be obtained reliably, the available-for-sale financial assets are carried at amortized cost using the effective interest method. "Unrealized gains and losses" arising from changes in the fair value of financial assets classified as available-for-sale are recognized in the shareholders' equity as "Marketable securities valuation differences", until there is a permanent decline in the fair values of such assets or they are disposed of. When these financial assets are disposed of or impaired, the related fair value differences accumulated in the shareholders' equity are transferred to the income statement.

VIII. EXPLANATIONS ON IMPAIRMENT OF FINANCIAL ASSETS:

Where the estimated recoverable amount of the financial asset, being the present value of the expected future cash flows discounted based on the "effective interest method", or the fair value if one exists, is lower than its carrying value, then it is concluded that the asset under consideration is impaired. A provision is made for the diminution in value of the impaired financial asset and it is charged against the income for the year.

The principles for the accounting of provisions for loans are explained in detail in Note VII. of this section.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

IX. EXPLANATIONS ON OFFSETTING FINANCIAL ASSETS:

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when the Bank has a legally enforceable right to offset the recognized amounts and there is an intention to collect/pay related financial assets and liabilities on a net basis, or to realize the asset and settle the liability simultaneously.

X. EXPLANATIONS ON SALES AND REPURCHASE AGREEMENTS AND SECURITIES LENDING TRANSACTIONS:

Securities subject to repurchase agreements (“Repos”) are classified as “fair value difference through profit or loss”, “available-for-sale” and “held-to-maturity” according to the investment purposes of the Bank and measured according to the portfolio to which they belong. Funds obtained from repurchase agreements are accounted under “funds provided under repurchase agreements” in liabilities and the difference between the sale and repurchase price is accrued over the life of the repurchase agreements using the “effective interest method”. Interest expense on repo transactions are recorded under “interest expense on money market transactions” in the income statement.

Funds given against securities purchased under agreements (“Reverse Repo”) to resell are accounted under “receivables from reverse repurchase agreements” on the balance sheet. The difference between the purchase and determined resell price is accrued over the life of repurchase agreements using the effective interest method.

The Bank has no securities lending transactions.

XI. INFORMATION ON ASSETS HELD FOR RESALE AND RELATED TO DISCONTINUED OPERATIONS AND EXPLANATIONS ON LIABILITIES RELATED WITH THESE ASSETS:

A tangible asset (or a group of assets to be disposed) classified as “asset held for resale” is measured at lower of carrying value and fair value less costs to sell. An asset (or a group of assets to be disposed) is regarded as “asset held for sale” only when the sale is highly probable and the asset (or a group of assets to be disposed) 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 in the market at a price consistent with its fair value.

Additionally, assets that were acquired due to non-performing receivables are accounted in the financial statements in accordance with the “Communiqué Regarding the Principles and Procedures for the Disposals of Immovables and Commodities Acquired due to Receivables and for Trading of Precious Metal” published in the Official Gazette dated 1 November 2006, No. 26333 and classified as assets held for resale.

A discontinued operation is a part of the Bank’s business classified as sold or held for resale. The operating results of the discontinued operations are disclosed separately in the income statement.

The Bank has no discontinued operations.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XII. EXPLANATIONS ON GOODWILL AND OTHER INTANGIBLE ASSETS:

a. Goodwill:

The excess of the cost of an acquisition over the fair value of the Group's share of the identifiable assets, liabilities or contingent liabilities of the acquired subsidiary at the date of acquisition of the control is recorded as goodwill and represents a payment made by the acquirer in anticipation of future economic benefits from assets that are not capable of being individually identified and separately recognized. The acquirer also recognizes assets that are capable of being individually identified and separately recognized, intangible assets (i.e. credit card brand value, deposit base and customer portfolio) and contingent liabilities at fair value, irrespective of whether the asset had been recognized by the acquiree before the business combination, if it can be distinguished from the goodwill and if the asset's fair value can be measured reliably.

In line with "Turkish Financial Reporting Standard for Business Combinations" ("TFRS 3"), the goodwill is not subject to depreciation but is tested annually for impairment and carried at cost less accumulated impairment losses, if any, in line with "Turkish Accounting Standard for Impairment on Assets" ("TAS 36"). For the purpose of impairment testing, goodwill acquired in a business combination must be allocated from the acquisition date to each of the acquirer's cash generating units that are expected to benefit from the synergies of the business combination. The Bank allocated its goodwill to Retail Banking, Corporate and Commercial Banking, Private Banking and Wealth Management.

b. Other intangible assets:

Intangible assets are measured at cost on initial recognition and any directly attributable costs of setting the asset to work for its intended use are included in the initial measurement. Subsequently, intangible assets are carried at historical costs after the deduction of accumulated depreciation and the provision for value decreases.

When the book value of an other intangible asset exceeds the recoverable amount, the related asset is meant to be impaired. Some indicators of a possible loss out of impairment can be identified. If any of these indicators exists, the Bank develops a recoverable amount expectation. If not, there is no need to forecast the recoverable amount.

Intangibles are amortized over their estimated useful lives using the straight-line method. The useful life of the asset is determined by assessing the expected useful life of the asset, technical, technological and other kinds of obsolescence and all required maintenance expenses necessary to utilize the economic benefit from the asset. The rates are presented below:

Credit card brand value, deposit base and customer portfolio	10%
Other intangible assets	20%

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XIII. EXPLANATIONS ON PROPERTY AND EQUIPMENT:

Property and equipment is measured at its cost when initially recognized and any directly attributable costs of setting the asset in working order for its intended use are included in the initial measurement. Subsequently, property and equipment are carried at cost less accumulated depreciation and provision for value decrease.

Depreciation is calculated over the cost of property and equipment using the straight-line method. The expected useful lives are stated below:

Buildings	2%
Movables, Movables Acquired under Financial Leasing	20%

The depreciation charge for items remaining in property and equipment for less than the accounting period at the balance sheet date is calculated in proportion to the period the item remained in property and equipment.

Where the carrying amount of an asset is greater than its estimated “recoverable amount”, it is written down to its “recoverable amount” and the provision for the diminution in value is charged to the income statement.

Property and equipment has not been re-valued in order to be presented at fair value in the financial statements.

Gains and losses on the disposal of property and equipment are determined by deducting the net book value of the property and equipment from its sales revenue.

Expenditures for the repair and renewal of property and equipment are recognized as expense. The capital expenditures made in order to increase the capacity of the tangible asset or to increase its future benefits are capitalized on the cost of the tangible asset. The capital expenditures include the cost components which are used either to increase the useful life or the capacity of the asset or the quality of the product or to decrease the costs.

XIV. EXPLANATIONS ON LEASING TRANSACTIONS:

The Bank performs financial leasing operations in the capacity of lessee.

Financial Lease

The Bank includes the lower of the market value of the fixed asset subject to financial leasing in the beginning of the financial leasing or present value of the lease payments in property and equipment and records the liabilities arising from financial leasing in liabilities part. Financing costs arising due to leasing are spread through the lease period forming a fixed interest ratio. In addition, fixed assets that are obtained by the way of financial leasing are subject to amortization during their given useful lives. If a decrease in the value of fixed assets that are subject to financial leasing is noticed, impairment provision is recognized. The liabilities arising from financial leasing contracts accounted under “Financial Lease Payables”. Expenses arising from interest and exchange rate related to financial leasing affect the income statement. Lease payments are deducted from financial leasing payables. The Bank does not perform financial operations as “Lessor”.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

Operational Lease

Leases, in which the majority of risk and return of property belongs to lessor, are classified as operating lease. Payments that are made as operating leases, are accounted in income statements with linear method during the lease period.

XV. EXPLANATIONS ON PROVISIONS, CONTINGENT ASSET AND LIABILITIES:

Provisions and contingent liabilities, except for the specific and general provisions recognized for loans and other receivables, are accounted in accordance with the “Turkish Accounting Standard for Provisions, Contingent Liabilities and Contingent Assets” (“TAS 37”).

Provisions are recognized when the Bank has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provision for contingent liabilities arisen from past events should be recognized in the same period of occurrence in accordance with the “matching principle”. A provision is recognized when it is probable that the contingent event will occur and a reliable estimate can be made. When a reliable estimate of the amount of obligation cannot be made, it is considered that a “contingent” liability exists and it is disclosed in the related notes to the consolidated financial statements.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized. Contingent assets are disclosed where an inflow of economic benefits is probable. Contingent assets are assessed continually to ensure that developments are appropriately reflected in 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 in which the change occurs.

XVI. EXPLANATIONS ON OBLIGATIONS RELATED TO EMPLOYEE RIGHTS:

a. Employee Termination Benefit

Obligations related to employee termination and vacation rights are accounted for in accordance with “Turkish Accounting Standard for Employee Rights” (“TAS 19”) and are classified under “reserve for employee rights” account in the balance sheet.

Under the Turkish Labour Law, the Bank is required to pay a specific amount to the employees who have retired or whose employment is terminated other than for the reasons specified in the Turkish Labour Law. The reserve for employment termination benefits represents the present value of the estimated total reserve for the future probable obligation of the Bank arising from this liability.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

b. Pension Rights

The Bank's personnel are members of the Yapı ve Kredi Bankası Anonim Şirketi Mensupları Yardım ve Emekli Sandığı Vakfı ("the Fund") which was established in accordance with the 20th temporary article of the Social Security Law No.506. The technical financial statements of the Fund are audited in accordance with the Article 38 of the Insurance Supervision Law and the "Regulation regarding the Actuaries" by a registered independent actuary.

Temporary article 23 paragraph one of the Banking Act published in the Official Gazette dated 1 November 2005 numbered 25983 stated that foundations like the Fund are to be transferred to the Social Security Institution ("SSI") within three years beginning from the published date of the article.

Law article related to the transfer was cancelled (pursuant application by the President on 2 November 2005) by the decision of Constitutional Court (decision no: E.2005/39, K. 2007/33 dated 22 March 2007) published in the Official Gazette No. 26479 dated 31 March 2007, and the effect of the law article stopped from the date of the publication of the decision.

The reasoning of the Constitutional Court regarding the abrogation of the corresponding article was published in the Official Gazette dated 15 December 2007, No 26372. With the publication of the reasoning of the decision, the Grand National Assembly of Turkey ("GNAT") started to work on new legal arrangements regarding the transfer of the fund members to SSI and the related articles of the "Law Regarding the Changes in Social Insurance and General Health Insurance Law and Other Related Laws and Regulations" No 5754 ("the New Law") regulating the transfer of the funds were approved by the GNAT on 17 April 2008. The New Law was published in the Official Gazette dated 8 May 2008, numbered 26870 and came into force.

It has been decided to form a committee whose members are the representatives of the SSI, the Ministry of Finance, Turkish Treasury, State Planning Organization, BRSA and SDIF representing the Fund and one member representing the Fund members. This committee is in charge of the calculation of the value of the payment that would need to be made to SSI to settle the obligation using a technical interest rate of 9,8% taking into consideration the excess of salaries and income in accordance with the SSI arrangements over the income and expense of the insurance branches of the Funds related to the members of the Fund as of the date of the transfer including the members who have left the scheme and salaries and income of whom were paid by the Funds.

In accordance with the New Law, the social rights and payments of Fund members and their beneficiaries which are not provided although they are included in the Fund Title Deed will be provided by the Fund and the employers of the Fund members.

The main opposition party has applied to the Constitutional Court at 19 June 2008 for cancellation of some articles and requested them to be ineffective until the case of abrogation is finalized. As of the date of the publication of the financial statements, there is no decision of the Constitutional Court announced regarding the court case of abrogation. The Bank accounts a provision for the technical deficit based on the report prepared by a registered actuary in accordance with the rates determined by the New Law.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XVII. EXPLANATIONS ON TAXATION:

a. Current tax:

“Corporate Tax Law”(“New Tax Law”) No. 5520 was taken into effect after being published in the Official Gazette dated 21 June 2006 No.26205. Many clauses of the “New Tax Law” are effective from 1 January 2006. According to the New Tax Law, the corporate tax rate in Turkey is payable at the rate of 20% as of 1 January 2006. The corporate tax rate is calculated on the total income of the Bank after adjusting for certain disallowable expenses, exempt income and other allowances. No further tax is payable unless the profit is distributed.

Dividends paid to non-resident corporations, which have a place of business in Turkey or to resident corporations are not subject to withholding tax. Otherwise, dividends paid are subject to withholding tax at the rate of 15%. An increase in capital via issuing bonus shares is not considered as profit distribution and no withholding tax incurs in such a case.

Corporations are required to pay advance corporate tax quarterly at a rate of 20% on their corporate income. Advance tax is declared by the 14th and paid by the 17th day of the second month following each calendar quarter end. Advance tax paid by corporations for the current period is credited against the annual corporation tax calculated on the annual corporate income in the following year. Despite the offset, if there is temporary prepaid tax remaining, this balance can be refunded or used to offset any other financial liabilities to the government.

A 75% portion of the capital gains derived from the sale of equity investments and immovable properties held for at least two years is tax exempt, if such gains are added to paid-in capital or held in a special account under shareholder’s equity for five years.

Under the Turkish Corporate Tax Law, losses can be carried forward to offset against future taxable income for up to five years. Losses cannot be carried back to offset profits from previous periods.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Tax returns are required to be filled and delivered to the related tax office until the evening of the 25th of the fourth month following the balance sheet date and the accrued tax is paid until the end of the same month Tax returns are open for 5 years from the beginning of the year following the balance sheet date and during this period 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.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

b. Deferred tax:

The Bank calculates and accounts for deferred income taxes for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in these financial statements in accordance with "Turkish Accounting Standard for Income Taxes" ("TAS 12") and the related decrees of the BRSA concerning income taxes. In the deferred tax calculation, the enacted tax rate, in accordance with the tax legislation, is used as of the balance sheet date.

Deferred tax liabilities are recognized for all resulting temporary differences whereas deferred tax assets resulting from temporary differences are recognized to the extent that future taxable profit will be available against which the deferred tax asset can be utilised.

The calculated deferred tax asset and deferred tax liability are presented as net in these financial statements.

XVIII. EXPLANATIONS ON BORROWINGS:

Trading and derivative financial liabilities are valued with their fair values and the other financial liabilities are carried at "amortised cost" using the "effective interest method".

The Bank utilises various hedging techniques to minimise the currency, interest rate and liquidity risks of its financial liabilities. No convertible bonds have been issued by the Bank.

XIX. EXPLANATIONS ON ISSUANCE OF SHARE CERTIFICATES:

Transaction costs regarding the issuance of share certificates are accounted under shareholders' equity as share premium if issued shares are above their nominal value.

No dividend payments were announced after the balance sheet date.

XX. EXPLANATIONS ON AVALIZED DRAFTS AND ACCEPTANCES:

Avalized drafts and acceptances shown as liabilities against assets are included in the "off-balance sheet commitments".

XXI. EXPLANATIONS ON GOVERNMENT GRANTS:

As of 30 June 2009 and 31 December 2008, the Bank has no government grants.

XXII. PROFIT RESERVES AND PROFIT DISTRIBUTION:

Retained earnings as per the statutory financial statements other than legal reserves are available for distribution, subject to the legal reserve requirement referred to below. Legal reserves consist of first and second reserves as foreseen in the Turkish Commercial Code ("TCC"). The TCC specifies that the first legal reserve is appropriated at the rate of 5% until the total reserve is equal to 20% of paid-in capital and that the second legal reserve is appropriated at the rate of 10% of distributions in excess of 5% of paid-in capital; however holding companies are not subject to this application. According to the Turkish Commercial Code, legal reserves can only be used to compensate for accumulated losses and cannot be used for other purposes unless they exceed 50% of paid-in capital.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XXIII. EARNINGS PER SHARE:

Earnings per share disclosed in the income statement are calculated by dividing net profit for the year to the weighted average number of shares outstanding during the period concerned.

	30 June 2009	30 June 2008
Net Income/(Loss) to be Appropriated to Ordinary Shareholders	923.758	719.536
Weighted Average Number of Issued Ordinary Shares(Thousand)	434.705.128	342.705.100
Earnings Per Share (Disclosed in full TL)	0,0021	0,0021

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares (“bonus shares”) to existing shareholders from retained earnings. These bonus shares are treated as issued shares in earnings per share computations. For the purpose of earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of bonus shares issued without a corresponding change in resources by giving them a retroactive effect for the year in which they were issued and for each earlier period.

As of 30 June 2009, no bonus shares were issued during 2009. (31 December 2008: no bonus shares were issued).

XXIV. RELATED PARTIES:

For the purpose of these financial statements, shareholders, key management personnel and board members together with their families and companies controlled by/affiliated with them, and associated companies are considered and referred to as related parties in accordance with “Turkish Accounting Standard for Related Parties” (“TAS 24”). The transactions with related parties are disclosed in detail in Note VI. of Section Five.

XXV. CASH AND CASH EQUIVALENTS:

For the purposes of the cash flow statement, “Cash” includes cash, effectives, cash in transit, purchased cheques and demand deposits including balances with the Central Bank; and “Cash equivalents” include interbank money market placements and time deposits at banks with original maturity periods of less than three months.

XXVI. EXPLANATIONS ON OPERATING SEGMENTS:

Information about operating segments which are determined in line with “Turkish Accounting Standard about Segment Reporting” (“TAS 14”) together with organizational and internal reporting structure of the Bank, are disclosed in Note VII. of Section Four.

XXVII. RECLASSIFICATIONS:

Reclassifications have been made on comparative figures as of 31 December 2008 and 30 June 2008, to conform to changes in presentation in the 30 June 2009 financials.

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SECTION FOUR

INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK

I. EXPLANATIONS ON CAPITAL ADEQUACY RATIO:

- a. The capital adequacy ratio of the Bank is 17,06% (31 December 2008: 15,74%).
- b. The capital adequacy ratio of the Bank is calculated in accordance with the “Regulation Regarding the Measurement and Evaluation of Banks’ Capital Adequacy Ratio” and “Regulation Regarding Banks’ Shareholders Equity” published as of 1 November 2006 (together referred as “Regulation Regarding Capital Adequacy”). The following tables show the details of “risk weighted assets” and the calculation of “shareholders’ equity” for the capital adequacy ratio calculation.
- c. Information related to capital adequacy ratio:

	Risk Weights ⁽¹⁾					
	0%	20%	50%	100%	150%	200%
Amount subject to credit risk						
Balance sheet items (Net)	18.108.575	4.083.994	6.538.263	31.659.750	239.651	11.201
Cash	605.363	567	-	-	-	-
Matured marketable securities	-	-	-	-	-	-
The Central Bank of the Republic of Turkey	2.095.260	-	-	-	-	-
Domestic, foreign banks, head offices and branches abroad	-	3.089.362	-	29.805	-	-
Interbank money market placements	30.000	-	-	-	-	-
Receivables from reverse repurchase transactions	-	-	-	-	-	-
Reserve requirements	1.426.042	-	-	-	-	-
Loans	1.903.417	909.779	6.408.940	26.781.614	239.651	11.201
Non-performing receivables (Net)	-	-	-	725.186	-	-
Lease receivables	-	-	-	-	-	-
Available-for-sale financial assets	601.440	54.859	-	169.932	-	-
Held-to-maturity investments	10.821.712	-	-	-	-	-
Receivables from the disposal of assets	-	-	-	14.334	-	-
Miscellaneous receivables	-	135	-	143.857	-	-
Interest and income accruals	466.219	20.378	129.323	593.688	-	-
Investments in associates, subsidiaries and joint ventures (Net)	-	-	-	1.783.383	-	-
Fixed assets	-	-	-	1.086.864	-	-
Other assets	159.122	8.914	-	331.087	-	-
Off-balance sheet items	333.243	1.070.910	372.718	10.653.137	-	-
Non-cash loans and commitments	333.243	688.427	372.718	10.548.574	-	-
Derivative financial instruments	-	382.483	-	104.563	-	-
Non-risk weighted accounts	-	-	-	-	-	-
Total Risk Weighted Assets	18.441.818	5.154.904	6.910.981	42.312.887	239.651	11.201

⁽¹⁾ There are no assets weighted with 10% risk.

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INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

d. Summary information about capital adequacy ratio:

	30 June 2009	31 December 2008
Amount subject to credit risk (ASCR)	47.181.237	47.773.374
Amount subject to market risk (ASMR)	547.188	290.150
Amount subject to operational risk (ASOR)	6.209.003	4.839.316
Shareholders' equity	9.201.587	8.329.495
Shareholders' equity /((ASCR+ASMR+ASOR)*100	17,06	15,74

e. Information about shareholders' equity items:

	30 June 2009	31 December 2008⁽¹⁾
CORE CAPITAL		
Paid-in capital	4.347.051	4.347.051
Nominal capital	4.347.051	4.347.051
Capital commitments (-)	-	-
Inflation adjustment to share capital	-	-
Share premium	543.881	543.881
Share cancellation profits	-	-
Legal reserves	96.220	44.089
First legal reserve (Turkish Commercial Code 466/1)	96.220	44.089
Second legal reserve (Turkish Commercial Code 466/2)	-	-
Other legal reserve per special legislation	-	-
Status reserves	-	-
Extraordinary reserves	1.769.658	822.644
Reserves allocated by the General Assembly	1.769.658	822.644
Retained earnings	-	-
Accumulated loss	-	-
Foreign currency share capital exchange difference	-	-
Inflation adjustment of legal reserves, status reserves and extraordinary reserves	-	-
Profit	923.758	1.042.601
Current period net profit	923.758	1.042.601
Prior periods profit	-	-
Provisions for possible risks (up to 25% of core capital)	75.572	60.172
Profit on disposal of associates, subsidiaries and immovables to be transferred to share capital	61.969	18.513
Primary subordinated loans (up to 15% of core capital)	-	-
Uncovered portion of loss with reserves (-)	-	-
Current period net loss	-	-
Prior periods loss	-	-
Special costs (-) ⁽¹⁾	91.851	-
Prepaid expenses (-) ⁽¹⁾	166.473	166.355
Intangible Assets (-) ⁽¹⁾	1.163.851	1.151.072
Deferred tax asset amount exceeding 10% of core capital (-) ⁽¹⁾	-	-
Limit exceeding amount regarding the third clause of the article 56 of the Law (-)	-	-
Total Core Capital	6.395.934	5.561.524

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INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

SUPPLEMENTARY CAPITAL	30 June 2009	31 December 2008⁽¹⁾
General provisions	674.218	655.432
45% of the movables revaluation fund	-	-
45% of the immovables revaluation fund	-	-
Bonus shares of investment in associates, subsidiaries and joint	-	-
Primary Subordinated Loans that are not considered in the calculation of core capital	-	-
Secondary Subordinated Loans ⁽²⁾	2.196.594	2.172.900
45 % of Marketable Securities valuation fund	25.620	15.420
From investments in associates and subsidiaries	-	-
Available-for-Sale financial assets	25.620	15.420
Inflation adjustment of Capital Reserve, Profit Reserve and Prior Years' Income or Loss (Except inflation adjustment of Legal Reserves, Status Reserves and Extraordinary Reserves)	-	-
Total Supplementary Capital	2.896.432	2.843.752
TIER III CAPITAL	-	-
CAPITAL	9.292.366	8.405.276
DEDUCTIONS FROM THE CAPITAL	90.779	75.781
Investments in Unconsolidated Financial Institutions (Domestic, foreign) and Banks in which 10% or more equity interest exercised	75.486	75.486
Investments in Financial Institutions (Domestic, foreign) and Banks, in which less than 10% equity interest is exercised and that exceeds 10% and more of the total core and supplementary capital of the Bank	-	-
The Secondary Subordinated Loans extended to Banks, Financial Institutions (Domestic or Foreign) or Significant Shareholders of the Bank and the Debt Instruments That Have Primary or Secondary Subordinated Loan Nature Purchased From Them	298	295
Loans extended as contradictory to the articles 50 and 51 of the Law	-	-
The Net Book Value of Bank's Immovables That Are Over 50% of Shareholders' Equity and Immovables or Commodities That Are Received on behalf of the Receivables From Customers and are to be Disposed According to Banking Law article 57 as They have been Held for More Than Five Years From the Acquisition Date.	14.995	-
Other	-	-
TOTAL SHAREHOLDERS' EQUITY	9.201.587	8.329.495

(1) According to the temporary article 1 of the “Regulation Regarding Capital Adequacy” “Special Costs”, “Prepaid Expenses”, “Intangible Assets” and “Amount of deferred tax asset exceeding 10% of core capital” will be considered as “Deductions from the Capital” until 1 January 2009. In the current period, aforementioned amounts are included in the core capital in order to be consistent with the current period presentation.

(2) In accordance with the Regulation, the balance is disclosed net of the related bank receivables.

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INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

II. EXPLANATIONS ON MARKET RISK:

The Bank considers currency risk, liquidity risk and interest rate risk as the most important components of market risk. The Bank's market risk exposure is calculated on a daily and weekly basis with the "Value-at-Risk Method" on the basis of the marketable securities portfolio and net foreign currency position including the Bank's currency risk. The Bank monitors its position in terms of portfolio according to risk management policy and value-at-risk limits on a daily basis. All the Bank's on- and off-balance-sheet positions and exchange positions are taken into consideration in the value-at-risk calculations. The results are presented daily to the senior management and monthly to the Asset and Liability Committee. The below table represents the details of market risk calculation as of 30 June 2009 in accordance with Section 3 of the "Regulation Regarding Measurement and Evaluation of Banks' Capital Adequacy Ratio" published in the Official Gazette No. 26333 dated 1 November 2006, namely the "Calculation of Market Risk with Standard Method".

a. Information on Market Risk:

	30 June 2009	31 December 2008
(I) Capital to be Employed for General Market Risk - Standard Method	27.026	18.608
(II) Capital to be Employed for Specific Risk -Standard Method	4.717	2.564
(III) Capital to be Employed for Currency Risk - Standard Method	11.033	1.916
(IV)Capital to be Employed for Commodity Risk - Standard Method	-	123
(V) Capital to be Employed for Exchange Risk-Standard Method	-	-
(VI) Capital to be Employed for Market Risk Due to Options-Standard Method	999	1
(VII) Total Capital to be Employed for Market Risk for Banks Applying Risk Measurement Model	-	-
(VIII) Total Capital to be Employed for Market Risk (I+II+III+IV+V+VI+VII)	43.775	23.212
(IX) Amount Subject to Market Risk 12,5xVIII) or (12,5xVII)	547.188	290.150

III. EXPLANATIONS ON OPERATIONAL RISK:

The Bank calculates the amount subject to operational risk based on "Basic Indicator Method" by using 2008, 2007 and 2006 year-end gross income balances of the Bank, in accordance with Section 4 of the "Regulation Regarding Measurement and Evaluation of Banks' Capital Adequacy Ratio" effective from 1 June 2007, published in the Official Gazette No. 26333 dated 1 November 2006, namely "The Calculation of the Amount Subject to Operational Risk". As of 30 June 2009, the total amount subject to operational risk is TL6.209.003 thousand (31 December 2008: TL4.839.316 thousand) and the amount of the related capital requirement is TL496.720 thousand (31 December 2008: TL387.145 thousand).

IV. EXPLANATIONS ON CURRENCY RISK:

The difference between the Bank's foreign currency denominated and foreign currency indexed on- and off-balance sheet assets and liabilities is defined as the "Net Foreign Currency Position" and it is the basis of currency risk. Another important dimension of the currency risk is the change in the exchange rates of different foreign currencies in "Net Foreign Currency Position" (Cross Currency Risk).

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The Bank keeps the amount of exposed currency risk within the related legal limits and the follows the exchange position on a daily/momentary basis. Notwithstanding, the internal exchange position limit is the minimal required in terms of when compared to the related legal limit, internal position limits are not exceeded during the year. As a tool of currency risk management, futures such as swap and forward are used to abstain from risk whenever needed. In order to guard against extreme volatility during the year Stress tests are applied. All these applications signalizes the sensitivity of the Bank Management regarding the currency risk, meaning minimum influence from the exchange rate fluctuations caused by the recent global crisis.

The Bank's publicly announced foreign exchange bid rates as of the date of the financial statements and for the last five days prior to that date are as follows:

	USD	EUR	Yen
Balance Sheet Evaluation Rate	TL1,49180	TL2,09320	TL0,01560
29 June 2009 bid rate	TL1,49510	TL2,10190	TL0,01558
26 June 2009 bid rate	TL1,50900	TL2,10480	TL0,01562
25 June 2009 bid rate	TL1,51540	TL2,13460	TL0,01586
24 June 2009 bid rate	TL1,52800	TL2,12810	TL0,01599
23 June 2009 bid rate	TL1,51190	TL2,09450	TL0,01572

The simple arithmetic average of the Bank's foreign exchange bid rates for the last thirty days preceding the balance sheet date for major foreign currencies are shown below:

USD : TL1,50227
Euro : TL2,10597
Yen : TL0,01552

As of 31 December 2008;

	USD	EUR	Yen
Balance Sheet Evaluation Rate:	TL1,47440	TL2,08720	TL0,01631

Information on currency risk of the Bank:

The foreign currency position of the Bank is disclosed in terms of the material currencies in the following table. Foreign currency indexed assets, classified as Turkish Lira assets according to Uniform Chart of Accounts, are considered as foreign currency assets for the calculation of the Net Foreign Currency Position. In addition, foreign currency general provisions in the balance sheet, specific provision for non cash loans, trading derivative financial assets and liabilities, prepaid expenses, marketable securities valuation differences and non-performing loans are considered as Turkish Lira in the calculation of the Net Currency Position regarding the related regulation. Therefore, there is a difference between the sum of the foreign currency assets and the sum of liabilities in the following table and in the balance sheet. The Banks' real position, both in financial and economic terms, is presented in the table below:

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	EURO	USD	Yen	Other FC	Total
30 June 2009					
Assets					
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and Balances with The Central Bank of the Republic of Turkey	2.208.937	68.858	270	11.459	2.289.524
Banks	1.228.713	980.904	2.379	164.377	2.376.373
Financial Assets at Fair Value Through Profit or Loss	66.441	45.410	-	-	111.851
Interbank Money Market Placements	-	-	-	-	-
Available-for-Sale Financial Assets	14.903	683.559	-	-	698.462
Loans ⁽¹⁾	4.520.542	10.213.871	67.462	377.050	15.178.925
Investments in Associates, Subsidiaries and Joint Ventures	275.967	113.181	-	43.404	432.552
Held-to-Maturity Investments	422.347	5.333.110	-	-	5.755.457
Hedging Derivative Financial Assets	-	-	-	-	-
Tangible Assets	-	-	-	-	-
Intangible Assets	-	-	-	-	-
Other Assets	31.447	35.193	6	100.178	166.824
Total Assets	8.769.297	17.474.086	70.117	696.468	27.009.968
Liabilities					
Bank Deposits	81.088	174.163	1.139	166.792	423.182
Foreign Currency Deposits	5.461.711	10.671.979	32.748	400.153	16.566.591
Funds From Interbank Money Market	55.164	775.180	-	-	830.344
Funds Borrowed From Other Financial Institutions	2.133.655	2.339.716	456	1.278	4.475.105
Marketable Securities Issued	-	-	-	-	-
Miscellaneous Payables	187.542	300.274	156	12.232	500.204
Hedging Derivative Financial Liabilities	-	-	-	-	-
Other Liabilities	2.450.531	503.560	104	1.133	2.955.328
Total Liabilities	10.369.691	14.764.872	34.603	581.588	25.750.754
Net On-balance Sheet Position	(1.600.394)	2.709.214	35.514	114.880	1.259.214
Net Off-balance Sheet Position	1.610.537	(2.597.531)	(39.160)	(110.301)	(1.136.455)
Financial Derivative Assets	3.039.875	6.863.806	18.208	152.898	10.074.787
Financial Derivative Liabilities	1.429.338	9.461.337	57.368	263.199	11.211.242
Non-Cash Loans	3.539.495	6.149.415	366.178	172.493	10.227.581
31 December 2008					
Total Assets	9.068.677	17.591.698	92.110	684.991	27.437.476
Total Liabilities	9.417.156	15.769.429	19.392	522.079	25.728.056
Net On-balance Sheet Position	(348.479)	1.822.269	72.718	162.912	1.709.420
Net Off-balance Sheet Position	409.891	(1.713.691)	(69.893)	(162.341)	(1.536.034)
Financial Derivative Assets	983.185	3.799.780	139.604	26.943	4.949.512
Financial Derivative Liabilities	573.294	5.513.471	209.497	189.284	6.485.546
Non-Cash Loans	3.678.414	6.013.556	400.447	176.103	10.268.520

⁽¹⁾ Includes FX indexed loans amounting to TL1.730.587 thousand (31 December 2008: TL1.965.326 thousand) which have been disclosed as TL in the financial statements.

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INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

V. EXPLANATIONS ON INTEREST RATE RISK:

The monitoring of interest rate sensitive assets and liabilities and sensitivity analysis regarding the effect of interest rate fluctuations on the financial statements are performed by the risk management department for all interest sensitive instruments. The results are presented monthly to Asset and Liability Committee. By using sensitivity and scenario analyses, the possible loss effects on the equity are analyzed due to the interest rate volatility not only within the current year but also for the future periods.

Sensitivity analyses are also calculated daily within Market Risk reporting on the basis of maturity and foreign exchange types and reported to Senior Management by checking them against the determined limits.

The bank utilizes TL/Foreign Currency interest swap transactions in order to limit the interest risk arising from short-term deposit and long-term consumer loans within the TL balance sheet. Furthermore, in order to reduce maturity mismatch in the Foreign Currency balance sheet, Foreign Currency / Foreign Currency interest swaps were utilized.

a. Interest rate sensitivity of assets, liabilities and off-balance sheet items based on reprising dates:

30 June 2009	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non Interest Bearing	Total
Assets							
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and Balances with The Central Bank of the Republic of Turkey	1.411.391	-	-	-	-	2.698.494	4.109.885
Banks	2.139.987	162.142	3.032	-	-	816.044	3.121.205
Financial Assets at Fair Value Through Profit/Loss	170.701	176.245	517.690	116.483	14.808	-	995.927
Interbank Money Market Placements	30.543	-	-	-	-	-	30.543
Available-for-Sale Financial Assets	54.890	158.860	51.258	90.491	526.388	2.318	884.203
Loans	9.257.689	3.558.489	9.294.901	9.440.552	5.429.775	725.186	37.706.592
Held-to-Maturity Investments	885.020	3.652.883	1.180.114	1.885.294	3.545.184	-	11.148.495
Other Assets	57.044	59.044	-	-	-	5.126.756	5.242.844
Total Assets	14.007.265	7.767.663	11.046.995	11.532.820	9.516.155	9.368.796	63.239.694
Liabilities							
Bank Deposits	85.754	158.704	52.512	-	-	262.181	559.151
Other Deposits	28.221.097	3.572.825	962.075	9.591	-	6.197.891	38.963.479
Funds From Interbank Money Market	666.938	12.401	209.519	-	-	-	888.858
Miscellaneous Payables	2.235.958	-	-	-	-	873.554	3.109.512
Marketable Securities Issued	-	-	-	-	-	-	-
Funds Borrowed From Other Financial Institutions	716.379	3.548.729	359.504	886.551	195.828	-	5.706.991
Other Liabilities and Shareholders' Equity	81.456	48.920	2.398.189	10.089	-	11.473.049	14.011.703
Total Liabilities	32.007.582	7.341.579	3.981.799	906.231	195.828	18.806.675	63.239.694
Balance Sheet Long Position	-	426.084	7.065.196	10.626.589	9.320.327	-	27.438.196
Balance Sheet Short Position	(18.000.317)	-	-	-	-	(9.437.879)	(27.438.196)
Off-balance Sheet Long Position	534.574	466.547	-	82.999	-	-	1.084.120
Off-balance Sheet Short Position	-	-	(558.505)	-	-	-	(558.505)
Total Position	(17.465.743)	892.631	6.506.691	10.709.588	9.320.327	(9.437.879)	525.615

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31 December 2008	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non Interest Bearing	Total
Assets							
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and Balances with The Central Bank of the Republic of Turkey	1.429.556	-	-	-	-	3.089.087	4.518.643
Banks	844.610	193.854	6.407	-	-	1.119.598	2.164.469
Financial Assets at Fair Value Through Profit/Loss	97.311	112.816	331.359	84.738	40.601	-	666.825
Interbank Money Market Placements	40.358	-	-	-	-	-	40.358
Available-for-Sale Financial Assets	47.858	266.891	115.547	177.253	356.900	22.886	987.335
Loans	9.222.304	4.257.635	10.229.636	9.195.776	5.123.432	644.169	38.672.952
Held-to-Maturity Investments	899.153	3.737.343	1.133.205	1.778.975	3.980.333	-	11.529.009
Other Assets	130.584	-	-	-	-	5.012.958	5.143.542
Total Assets	12.711.734	8.568.539	11.816.154	11.236.742	9.501.266	9.888.698	63.723.133
Liabilities							
Bank Deposits	96.656	146.487	1.115	-	-	234.850	479.108
Other Deposits	30.268.366	4.691.796	732.403	12.091	-	5.521.565	41.226.221
Funds From Interbank Money Market	274.640	853	111.449	-	-	-	386.942
Miscellaneous Payables	1.982.154	-	-	-	-	594.185	2.576.339
Marketable Securities Issued	-	-	-	-	-	-	-
Funds Borrowed From Other Financial Institutions	385.942	4.064.901	567.940	949.139	195.914	-	6.163.836
Other Liabilities and Shareholders' Equity	118.319	1.124.865	1.185.859	1.605	-	10.460.039	12.890.687
Total Liabilities	33.126.077	10.028.902	2.598.766	962.835	195.914	16.810.639	63.723.133
Balance Sheet Long Position	-	-	9.217.388	10.273.907	9.305.352	-	28.796.647
Balance Sheet Short Position	(20.414.343)	(1.460.363)	-	-	-	(6.921.941)	(28.796.647)
Off-balance Sheet Long Position	46.683	43.423	279.252	-	-	-	369.358
Off-balance Sheet Short Position	-	-	-	(449)	-	-	(449)
Total Position	(20.367.660)	(1.416.940)	9.496.640	10.273.458	9.305.352	(6.921.941)	368.909

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b. Average interest rates for monetary financial instruments:

The following average interest rates have been calculated by weighting the rates with their principal amounts as of the balance sheet date.

30 June 2009	EURO	USD	Yen	TL
Assets	%	%	%	%
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Turkey	-	-	-	5,40
Banks	0,17	0,34	-	9,51
Financial Assets at Fair Value Through Profit/Loss	7,46	6,73	-	13,10
Interbank Money Market Placements	-	-	-	11,51
Available-for-sale Financial Assets	8,83	6,07	-	17,20
Loans ⁽¹⁾	6,82	5,49	5,42	20,60
Held-to-maturity Investments	4,91	6,87	-	16,84
Liabilities				
Bank Deposits	0,21	0,09	-	2,78
Other Deposits	2,65	2,64	0,01	10,86
Funds From Interbank Money Market	4,01	3,84	-	9,00
Miscellaneous Payables	-	-	-	-
Marketable Securities Issued	-	-	-	-
Funds Borrowed From Other Financial Institutions	2,93	1,62	2,35	16,80

31 December 2008	EURO	USD	Yen	TL
Assets	%	%	%	%
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Turkey	1,17	0,68	-	8,64
Banks	0,78	0,84	-	14,23
Financial Assets at Fair Value Through Profit/Loss	6,81	8,15	-	20,29
Interbank Money Market Placements	-	-	-	19,39
Available-for-sale Financial Assets	9,63	5,79	-	19,92
Loans ⁽¹⁾	7,31	5,79	4,06	24,22
Held-to-maturity Investments	5,68	7,30	-	20,09
Liabilities				
Bank Deposits	0,02	0,02	-	7,82
Other Deposits	3,25	4,48	0,01	20,30
Funds From Interbank Money Market	7,15	5,00	-	16,27
Miscellaneous Payables	-	-	-	-
Marketable Securities Issued	-	-	-	-
Funds Borrowed From Other Financial Institutions	5,58	3,07	2,23	14,59

⁽¹⁾ Does not include credit card loans.

VI. EXPLANATIONS ON LIQUIDITY RISK:

Liquidity risk comprises the risks arising from the inability to fund the increase in the assets, the inability to cover the liabilities due and the operations performed in illiquid markets. The liquidity risk is managed within the Asset and Liability Management strategy of the Bank in accordance with the policies of the market risk. In this scope, the funding sources are being diversified, and sufficient cash and cash equivalents are held, the liquidity position of the Bank in the short and long term is followed. During the monthly meetings of the ALCO, the liquidity position of the Bank is evaluated and it is ensured that the required actions are taken when considered necessary.

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Subordinated loans with a maturity of 10 years have been provided in order to extend the short-term funding structure in the banking sector. The liquidity risk according to the mismatching of assets and liabilities is decreased with the placement of these loans in the short-term derivatives and liquid treasury bills.

Breakdown of assets and liabilities according to their outstanding maturities:

	Demand	Up to 1 month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Unclassified (1),(2)	Total
30 June 2009								
Assets								
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Turkey	2.654.301	1.455.584	-	-	-	-	-	4.109.885
Banks	816.044	2.139.987	162.142	3.032	-	-	-	3.121.205
Financial Assets at Fair Value Through Profit or Loss	-	156.298	82.225	541.416	175.971	40.017	-	995.927
Interbank Money Market Placements	-	30.543	-	-	-	-	-	30.543
Available-for-sale Financial Assets	54.859	31	6	51.258	245.973	529.760	2.316	884.203
Loans	-	8.384.128	3.631.129	8.951.936	9.511.740	6.502.473	725.186	37.706.592
Held-to-maturity Investments	-	-	6.881	1.360.099	6.236.331	3.545.184	-	11.148.495
Other Assets (1)	386.889	211.412	2.389	10.751	89.379	-	4.542.024	5.242.844
Total Assets	3.912.093	12.377.983	3.884.772	10.918.492	16.259.394	10.617.434	5.269.526	63.239.694
Liabilities								
Bank Deposits	262.181	85.754	158.704	52.512	-	-	-	559.151
Other Deposits	6.197.891	28.221.097	3.572.825	962.075	9.591	-	-	38.963.479
Funds Borrowed From Other Financial Institutions	-	70.077	1.582.627	1.163.464	2.514.402	376.421	-	5.706.991
Funds From Interbank Money Market	-	666.938	12.401	209.519	-	-	-	888.858
Marketable Securities Issued	-	-	-	-	-	-	-	-
Miscellaneous Payables	418.649	2.690.863	-	-	-	-	-	3.109.512
Other Liabilities (2)	132.044	1.861.589	171.137	249.020	1.181.052	2.426.368	7.990.493	14.011.703
Total Liabilities	7.010.765	33.596.318	5.497.694	2.636.590	3.705.045	2.802.789	7.990.493	63.239.694
Net Liquidity Gap	(3.098.672)	(21.218.335)	(1.612.922)	8.281.902	12.554.349	7.814.645	(2.720.967)	-
31 December 2008								
Total Assets	4.291.594	11.158.193	4.324.558	10.779.528	15.590.990	12.321.781	5.256.489	63.723.133
Total Liabilities	6.094.309	35.291.342	5.681.633	3.100.478	3.511.748	3.016.704	7.026.919	63.723.133
Net Liquidity Gap	(1.802.715)	(24.133.149)	(1.357.075)	7.679.050	12.079.242	9.305.077	(1.770.430)	-

(1) Assets that are necessary for banking activities and that cannot be liquidated in the short-term, such as fixed and intangible assets, investments in associates, subsidiaries, stationery stocks, prepaid expenses and loans under follow-up, are classified in this column.

(2) Shareholders' equity is presented under the "Other liabilities" item in the "Unclassified" column.

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INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

VII. EXPLANATIONS ON OPERATING SEGMENTS:

Through its new organizational structure launched in February 2009 aimed at further enhancing the customer-focused divisionalised service model as well as supporting the performances of business units in closer collaboration with product factories, the Bank carries out its banking operations through three main business units: (1) Retail Banking (including credit cards and SME banking), (2) Corporate and Commercial Banking (3) Private Banking and Wealth Management.

The Bank's retail banking activities include credit cards, SME banking and individual banking. Retail Banking products and services offered to customers include credit cards, consumer loans (including general purpose loans, auto loans and mortgages), commercial installment loans, SME loans, time and demand deposits, investment accounts, life and non-life insurance products and payroll services. Credit card operations cover the management of products and services for member merchants as well as the sales and marketing operations for a variety of customer types. The clubs and programs under the umbrella of the World brand include Gold Club, Platinum Club, Crystal Club, Travel Club (Travel Program and VIP Travel Program), Adios Card, Play Club (Young Employees Program and Student Program), Business Club (Corporate Program, Trio Program, Company Program and SME Program), Share Program and Communication Program.

Corporate and Commercial Banking is organized into two sub-segments: commercial banking, which serves mid-sized companies; and corporate banking, which serves large multinational companies. Corporate and commercial banking provides products and services including working capital financing, foreign trade finance, project finance, domestic and international non-cash credit line facilities such as letters of credit and guarantees, cash management and e-banking services.

Through its Private Banking and Wealth Management activities, the Bank serves high net worth customers and delivers investment products to this customer segment. At the end of 2008, the Bank further strengthened its private banking services through the revision of the customer segmentation criteria resulting in the introduction of an enhanced service model. Among the products and services offered to private banking customers are time deposits, mutual funds, derivative products such as forwards, futures and options, personal loans, foreign exchange, gold and equity trading, pension plans, insurance products, safe deposit boxes and e-banking services. Private banking services are enhanced by investment advisory and portfolio management services provided by the Bank.

The Bank's widespread branch network and alternative distribution channels including ATMs, telephone banking, internet banking and mobile banking are utilized to serve customers in all segments.

Other operations mainly consist of Treasury transactions, operations of supporting business units and other unallocated transactions.

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Some balance sheet and income statement items based on operating segments:

	Retail Banking	Corporate and Commercial Banking	Private Banking and Wealth Management	Other	Total Operations of the Bank
30 June 2009					
Operating revenue	1.356.428	561.953	78.946	877.689	2.875.016
Operating expenses	(1.163.209)	(137.710)	(30.071)	(547.518)	(1.878.508)
Net Operating Profit	193.219	424.243	48.875	330.171	996.508
Dividend income				142.686	142.686
Profit before tax	193.219	424.243	48.875	472.857	1.139.194
Tax expense				(215.436)	(215.436)
Net Profit	193.219	424.243	48.875	257.421	923.758
Segment assets	18.096.369	18.783.463	228.960	24.272.033	61.380.825
Investments in associates, subsidiaries and joint ventures				1.858.869	1.858.869
Total Assets	18.096.369	18.783.463	228.960	26.130.902	63.239.694
Segment liabilities	19.915.480	11.957.749	10.059.721	13.507.274	55.440.224
Shareholders' equity				7.799.470	7.799.470
Total liabilities	19.915.480	11.957.749	10.059.721	21.306.744	63.239.694

	Retail Banking	Corporate and Commercial Banking	Private Banking and Wealth Management	Other	Total Operations of the Bank
31 December 2008					
Operating revenue ⁽¹⁾	1.066.365	409.987	62.678	590.690	2.129.720
Operating Expenses ⁽¹⁾	(667.788)	(46.495)	(36.176)	(645.531)	(1.395.990)
Net Operating Profit ⁽¹⁾	398.577	363.492	26.502	(54.841)	733.730
Dividend income ⁽¹⁾				168.302	168.302
Profit before tax ⁽¹⁾	398.577	363.492	26.502	113.461	902.032
Tax expense ⁽¹⁾				(182.496)	(182.496)
Net Profit ⁽¹⁾	398.577	363.492	26.502	(69.035)	719.536
Segment assets	18.367.894	19.425.679	120.513	23.950.178	61.864.264
Investments in associates, subsidiaries and joint ventures				1.858.869	1.858.869
Total Assets	18.367.894	19.425.679	120.513	25.809.047	63.723.133
Segment liabilities	19.367.453	14.959.444	8.380.277	14.162.912	56.870.086
Shareholders' equity				6.853.047	6.853.047
Total liabilities	19.367.453	14.959.444	8.380.277	21.015.959	63.723.133

⁽¹⁾ Income statement figures represent balances as of 30 June 2008.

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SECTION FIVE

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED
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I. EXPLANATIONS AND NOTES RELATED TO ASSETS

a. Information related to cash and the account of The Central Bank of the Republic of Turkey (the “CBRT”):

1. Information on cash and the account of the CBRT:

	30 June 2009		31 December 2008	
	TL	FC	TL	FC
Cash	408.591	149.884	425.081	172.147
The CBRT	1.411.770	2.139.073	1.429.610	2.491.433
Other		567	-	372
Total	1.820.361	2.289.524	1.854.691	2.663.952

2. Information on the account of the CBRT:

	30 June 2009		31 December 2008	
	TL	FC	TL	FC
Demand Unrestricted Account ⁽¹⁾	1.411.770	713.031	1.429.610	827.908
Time Unrestricted Account			-	-
Reserve Requirement		1.426.042	-	1.663.525
Total	1.411.770	2.139.073	1.429.610	2.491.433

⁽¹⁾ The TL reserve requirements has been classified in “Central Bank Demand Unrestricted Account” based on the correspondence with BRSA letter as of 3 January 2008.

3. Information on reserve requirements:

In accordance with the “Communiqué Regarding the Reserve Requirements” numbered 2005/1, and “Change in Communiqué Regarding the Reserve Requirements” numbered 2008/7 published in the Official Gazette numbered 27075 dated 5 December 2008, the banks operating in Turkey are supposed to place reserves in the CBRT for their TL liabilities by 6% and for their foreign currency liabilities by 9% as USD and/or EUR. As of 30 June 2009, the corresponding interest rate for TL is 7%, no interest is recognized on foreign currency reserve requirements.

b. Information on financial assets at fair value through profit and loss:

- As of 30 June 2009, financial assets at fair value through profit and loss subject to repo transactions amount to TL63.923 thousand (31 December 2008: TL106.454 thousand), and the Bank has no financial assets at fair value through profit and loss given as collateral/blocked amount (31 December 2008: None).

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2. Positive differences related to trading derivative financial assets:

	30 June 2009		31 December 2008	
	TL	FC	TL	FC
Forward Transactions	56.473	3.946	65.483	3.053
Swap Transactions	530.088	42.314	312.186	6.005
Futures Transactions	-	-	-	-
Options	19.553	15.411	19	1.828
Other	-	-	-	-
Total	606.114	61.671	377.688	10.886

c. Information on banks:

1. Information on banks:

	30 June 2009		31 December 2008	
	TL	FC	TL	FC
Banks	744.832	2.376.373	28.237	2.136.232
Domestic	614.352	150.456	18.042	11.593
Foreign	130.480	2.225.917	10.195	2.124.639
Head Quarters and Branches Abroad	-	-	-	-
Total	744.832	2.376.373	28.237	2.136.232

d. Information on available-for-sale financial assets:

1. Characteristics and carrying values of available-for-sale financial assets given as collateral:

As of 30 June 2009, available-for-sale financial assets given as collateral/blocked amount to TL164.733 thousand (31 December 2008: TL233.402 thousand). Available-for-sale financial assets subject to repo transactions amount to TL53.506 thousand (31 December 2008: None).

2. Information on available-for-sale financial assets:

	30 June 2009	31 December 2008
Debt Securities	827.773	928.302
Quoted on Stock Exchange ⁽¹⁾	660.013	728.768
Not Quoted	167.760	199.534
Share Certificates	44.119	64.688
Quoted on Stock Exchange	-	-
Not Quoted	44.119	64.688
Impairment Provision (-)	(42.548)	(53.501)
Other ⁽²⁾	54.859	47.846
Total	884.203	987.335

⁽¹⁾ As of 30 June 2009, Eurobonds amounting to TL510.912 thousand (31 December 2008: TL340.743 thousand) have been classified under debt securities quoted on stock exchange even though they are not publicly traded.

⁽²⁾ As of 30 June 2009, other available-for-sale financial assets include mutual funds amounting to TL54.859 thousand (31 December 2008: TL47.846 thousand).

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EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS
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e. Explanations on loans:

1. Information on all types of loans or advance balances given to shareholders and employees of the Bank:

	30 June 2009		31 December 2008	
	Cash	Non-cash	Cash	Non-cash
Direct Loans Granted to Shareholders	-	-	-	-
Corporate Shareholders	-	-	-	-
Real Person Shareholders	-	-	-	-
Indirect Loans Granted to Shareholders	8.576	84.452	128	64.690
Loans Granted to Employees	68.785	-	63.456	-
Total	77.361	84.452	63.584	64.690

2. Information on the first and second group loans, other receivables and loans that have been restructured or rescheduled and other receivables:

	Standard Loans and Other Receivables		Loans and Other Receivables Under Close Monitoring	
	Loans and Other Receivables	Restructured or Rescheduled	Loans and Other Receivables	Restructured or Rescheduled
Cash Loans				
Non-Specialised Loans	35.384.469	-	1.579.381	17.556
Discount and Purchase Notes	281.311	-	649	-
Export Loans	2.838.195	-	119.276	-
Import Loans	-	-	-	-
Loans Granted To Financial Sector	957.100	-	-	-
Foreign Loans	554.095	-	-	-
Consumer Loans	6.142.424	-	296.541	-
Credit Cards	6.854.689	-	341.529	-
Precious Metal Loans	256.522	-	-	-
Other ⁽¹⁾	17.500.133	-	821.386	17.556
Specialised Loans	-	-	-	-
Other Receivables	-	-	-	-
Total	35.384.469	-	1.579.381	17.556

⁽¹⁾ As explained in the Note Ii of Section V, TL17.931 thousand is classified under other loans.

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3. Information on consumer loans, individual credit cards, personnel loans and personnel credit cards:

	Short-term	Medium and Long-term	Total
Consumer Loans-TL	158.108	5.799.053	5.957.161
Real estate loans	5.379	3.161.167	3.166.546
Automotive loans	24.217	546.487	570.704
Consumer loans	128.512	2.091.399	2.219.911
Other	-	-	-
Consumer Loans-FC Indexed	5.593	361.407	367.000
Real estate loans	4.195	317.223	321.418
Automotive loans	431	22.036	22.467
Consumer loans	967	22.148	23.115
Other	-	-	-
Consumer Loans-FC	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Individual Credit Cards-TL	6.969.406	11.396	6.980.802
With installments	2.589.826	11.396	2.601.222
Without installments	4.379.580	-	4.379.580
Individual Credit Cards- FC	-	-	-
With installments	-	-	-
Without installments	-	-	-
Personnel Loans-TL	6.439	23.414	29.853
Real estate loans	4	2.013	2.017
Automotive loans	267	1.175	1.442
Consumer loans	6.168	20.226	26.394
Other	-	-	-
Personnel Loans-FC Indexed	8	138	146
Real estate loans	-	74	74
Automotive loans	-	-	-
Consumer loans	8	64	72
Other	-	-	-
Personnel Loans-FC	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	38.057	25	38.082
With installments	18.691	25	18.716
Without installments	19.366	-	19.366
Personnel Credit Cards-FC	-	-	-
With installments	-	-	-
Without installments	-	-	-
Credit Deposit Account-TL (Real Person)⁽¹⁾	84.805	-	84.805
Credit Deposit Account-FC (Real Person)	-	-	-
Total	7.262.416	6.195.433	13.457.849

(1) TL704 thousand of the credit deposit account belongs to the credits used by personnel.

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**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS
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4. Information on commercial instalment loans and corporate credit cards:

	Short-term	Medium and long-term	Total
Commercial Installments Loans-TL	373.344	2.163.063	2.536.407
Business Loans	1.906	257.070	258.976
Automotive Loans	56.519	939.141	995.660
Consumer Loans	314.919	966.852	1.281.771
Other	-	-	-
Commercial Installments Loans-FC Indexed	17.814	242.929	260.743
Business Loans	151	15.215	15.366
Automotive Loans	1.165	102.268	103.433
Consumer Loans	16.498	125.446	141.944
Other	-	-	-
Commercial Installments Loans-FC	-	-	-
Business Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Corporate Credit Cards-TL	177.330	4	177.334
With installment	31.117	4	31.121
Without installment	146.213	-	146.213
Corporate Credit Cards-FC	-	-	-
With installment	-	-	-
Without installment	-	-	-
Credit Deposit Account-TL (Legal Person)	141.041	-	141.041
Credit Deposit Account-FC (Legal Person)	-	-	-
Total	709.529	2.405.996	3.115.525

5. Distribution of domestic and foreign loans: Distribution has been disclosed based on the location where the customers operate.

	30 June 2009	31 December 2008
Domestic loans	36.427.311	37.422.357
Foreign loans	554.095	606.426
Total	36.981.406	38.028.783

6. Loans granted to investments in associates and subsidiaries:

	30 June 2009	31 December 2008
Direct loans granted to investments in associates and subsidiaries	183.003	172.412
Indirect loans granted to investments in associates and subsidiaries	-	-
Total	183.003	172.412

7. Specific provisions provided against loans:

	30 June 2009	31 December 2008
Loans and other receivables with limited collectibility	162.792	76.484
Loans and other receivables with doubtful collectibility	466.700	220.661
Uncollectible loans and other receivables	942.175	771.716
Total	1.571.667	1.068.861

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8. Information on non-performing loans (Net):

8 (i). Information on non-performing loans restructured or rescheduled, and other receivables:

	III. Group	IV. Group	V. Group
	Loans and other receivables with limited collectability	Loans and other receivables with doubtful collectability	Uncollectible loans and other receivables
30 June 2009			
(Gross amounts before specific reserves)	12.340	4.023	7.862
Restructured loans and other receivables	12.340	4.023	7.862
Rescheduled loans and other receivables	-	-	-
31 December 2008			
(Gross amounts before the specific reserves)	-	547	8.927
Restructured loans and other receivables	-	547	8.927
Rescheduled loans and other receivables	-	-	-

8 (ii). Information on the movement of total non-performing loans:

	III. Group	IV. Group	V. Group
	Loans and other receivables with limited collectability	Loans and other receivables with doubtful collectability	Uncollectible loans and other receivables
31 December 2008	401.249	424.195	887.586
Additions (+)	1.265.155	79.361	36.267
Transfers from other categories of non-performing loans (+)	-	767.057	426.021
Transfer to other categories of non-performing loans (-)	(767.057)	(426.021)	-
Collections (-)	(404.031)	(132.748)	(162.631)
Write-offs(-)	-	-	(97.550)
Corporate and Commercial Loans	-	-	(10.352)
Consumer Loans	-	-	(19.183)
Credit Cards	-	-	(67.328)
Other	-	-	(687)
30 June 2009	495.316	711.844	1.089.693
Special Provision (-)	(162.792)	(466.700)	(942.175)
Net Balance on Balance Sheet	332.524	245.144	147.518

At the Board of Directors Meeting held on 27 May 2009; it has been decided to sold out a non-performing loan portfolio amounting to TL77.424 thousand (excluding the write-offs) included in non-performing loan accounts at a price of TL26.525 thousand. This transaction has affected the financial statements as TL22.668 thousand of pretax income after legal expenses.

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8 (iii). Information on Non-performing loans granted as foreign currency loans:

	III. Group	IV. Group	V. Group
	Loans and other receivables with limited collectability	Loans and other receivables with doubtful collectability	Uncollectible loans and other receivables
30 June 2009			
Period end balance		4.302	2.273
Specific provision (-)		(297)	(2.273)
Net Balance on-balance sheet		4.005	-
31 December 2008			
Period end balance		32.746	2.273
Specific provision (-)		(29.471)	(2.273)
Net Balance on-balance sheet		3.275	-

8 (iv). Information on the gross and net amounts of the non-performing loans according to types of borrowers:

	III. Group	IV. Group	V. Group
	Loans and other receivables with limited collectability	Loans and other receivables with doubtful collectability	Uncollectible loans and other receivables
30 June 2009 (Net)	332.524	245.144	147.518
Loans granted to real persons and corporate entities (Gross)	495.316	711.844	1.005.681
Specific provision amount (-)	(162.792)	(466.700)	(858.163)
Loans granted to real persons and corporate entities (Net)	332.524	245.144	147.518
Banks (Gross)	-	-	-
Specific provision amount (-)	-	-	-
Banks (Net)	-	-	-
Other loans and receivables (Gross)	-	-	84.012
Specific provision amount (-)	-	-	(84.012)
Other loans and receivables (Net)	-	-	-
31 December 2008 (Net)	324.765	203.534	115.870
Loans granted to real persons and corporate entities (Gross)	401.249	391.449	802.600
Specific provision amount (-)	(76.484)	(191.190)	(686.730)
Loans granted to real persons and corporate entities (Net)	324.765	200.259	115.870
Banks (Gross)	-	-	-
Specific provision amount (-)	-	-	-
Banks (Net)	-	-	-
Other loans and receivables (Gross)	-	32.746	84.986
Specific provision amount (-)	-	(29.471)	(84.986)
Other loans and receivables (Net)	-	3.275	-

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f. Information on held-to-maturity investments:

1. Information on government debt securities held-to-maturity:

	30 June 2009	31 December 2008
Government Bond	11.148.495	11.529.009
Treasury Bill	-	-
Other debt securities	-	-
Total	11.148.495	11.529.009

2. Information on investment securities held-to-maturity:

	30 June 2009	31 December 2008
Debt Securities	11.202.103	11.573.300
Quoted to Stock Exchange ⁽¹⁾	11.202.103	11.573.300
Not Quoted	-	-
Impairment Provision (-)	(53.608)	(44.291)
Total	11.148.495	11.529.009

⁽¹⁾ Eurobonds amounting to TL4.902.516 thousand have been classified under debt securities quoted on stock exchange even though they are not publicly traded. (31 December 2008: TL4.974.422 thousand).

3. Movement of held-to-maturity investments within the year:

	30 June 2009	31 December 2008
Beginning balance	11.529.009	12.042.986
Foreign Currency differences on monetary assets ⁽¹⁾	(16.345)	1.342.689
Purchases during year	-	404.365
Disposals through sales and redemptions	(354.852)	(2.244.415)
Impairment provision (-)	(9.317)	(16.616)
Period end balance	11.148.495	11.529.009

⁽¹⁾ Includes the changes in the interest income accruals.

4. Characteristics and carrying values of held-to-maturity investments given as collateral:

As of 30 June 2009, held-to-maturity investments given as collateral amount to TL690.567 thousand (31 December 2008: TL1.948.317 thousand). Held-to-maturity investments subject to repo transactions amount to TL1.177.258 thousand (31 December 2008: TL354.910 thousand).

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g. Information on investments in associates (Net):

1. General information on unconsolidated investments in associates:

No	Description	Address (City/ Country)	Bank's share percentage if different voting percentage (%)	Bank's risk group share percentage(%)
1	Banque de Commerce et de Placements S.A. ⁽¹⁾	Geneva/ Switzerland	30,67	30,67
2	Kredi Kayıt Bürosu	Istanbul/Turkey	18,18	18,18
3	Bankalararası Kart Merkezi ⁽²⁾	Istanbul/Turkey	9,98	9,98

2. Main financial figures of the investments in associates in the order of the above table:

No	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income from Marketable Securities Portfolio	Current Period Profit / Loss	Prior Period Profit / Loss	Market value
1	2.372.934	145.316	5.806	28.418	2.786	21.805	18.748	-
2	24.079	18.140	1.998	1.400	-	4.571	2.720	-
3	14.426	12.455	5.104	284	-	(833)	1.139	-

Financial statement information disclosed above shows 30 June 2009 results.

(1) Financial statement information is disclosed in thousands of CHF. As of 30 June 2009, the evaluation rate for CHF is TL1,3691 (31 December 2008: TL1,3942).

(2) Financial statement information represents 31 March 2009 figures.

3. Movement of unconsolidated investments in associates:

	30 June 2009	31 December 2008
Balance at the beginning of the period	47.344	46.062
Movements during the period		1.282
Purchases	-	-
Transfers	-	1.282
Bonus shares obtained	-	-
Dividends from current year income	-	-
Sales	-	-
Revaluation (decrease)/increase	-	-
Impairment provision	-	-
Balance at the end of the period	47.344	47.344
Capital Commitments	-	-
Share percentage at the end of the period (%)	-	-

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4. Information on sectors and the carrying amounts of unconsolidated investments in associates:

	30 June 2009	31 December 2008
Banks	43.404	43.404
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	-	-
Finance Companies	-	-
Other Financial Investments	3.940	3.940
Total Financial Investments	47.344	47.344

5. Valuation of unconsolidated investments in associates:

	30 June 2009	31 December 2008
Valuation with cost	47.344	47.344
Valuation with fair value	-	-
Valuation with equity method	-	-
Total	47.344	47.344

6. The Bank has no investments in associates quoted on a stock exchange.

h. Information on subsidiaries (Net):

1. Information on subsidiaries:

No	Description	Address (City/ Country)	Bank's share percentage if different voting percentage (%)	Bank's risk group share percentage (%)
1	Yapı Kredi Portföy Yönetimi A.Ş.	Istanbul/Turkey	12,65	99,99
2	Yapı Kredi Holding B.V. ⁽¹⁾	Amsterdam/The Netherlands	100,00	100,00
3	Yapı Kredi Yatırım Menkul Değerler A.Ş.	Istanbul/ Turkey	99,98	99,99
4	Yapı Kredi Kültür Sanat Yayıncılık Tic.ve San.A.Ş.	Istanbul/ Turkey	99,99	100,00
5	Yapı Kredi Faktoring A.Ş.	Istanbul/ Turkey	99,95	100,00
6	Yapı Kredi Moscow ⁽²⁾	Moscow/Russia	99,84	100,00
7	Yapı Kredi Sigorta A.Ş. ⁽³⁾	Istanbul/Turkey	74,01	93,94
8	Yapı Kredi Finansal Kiralama A.O.	Istanbul/Turkey	98,85	99,58
9	Yapı Kredi - Koray Gayrimenkul Yatırım Ortaklığı A.Ş. ⁽³⁾	Istanbul/ Turkey	30,45	30,45
10	Yapı Kredi Yatırım Ortaklığı A.Ş.	Istanbul/ Turkey	11,09	56,07
11	Enternasyonal Turizm Yatırım A.Ş.	Istanbul/ Turkey	99,96	99,99
12	Yapı Kredi Azerbaycan ⁽⁴⁾	Baku/Azerbaijan	99,80	100,00
13	Yapı Kredi Nderland N.V. ⁽¹⁾	Amsterdam/The Netherlands	67,24	100,00

⁽¹⁾ Financial statement information is expressed in EUR thousands in Note 2.

⁽²⁾ Financial statement information is expressed in USD thousands in Note 2.

⁽³⁾ Financial statement information in Note 2 represents 31 March 2009 figures.

⁽⁴⁾ Financial statement information is expressed in AZM thousands in Note 2. As of 30 June 2009, the evaluation rate for AZM is TL1,8552 (31 December 2008: TL1,8407).

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2. Main financial figures of the subsidiaries in order of the above table:

No	Total Assets	Shareholder's Equity	Total Fixed Assets	Interest Income	Income From Marketable Securities Portfolio	Current Period Profit / Loss	Prior Period Profit /Loss	Market value ⁽¹⁾
1	103.861	55.307	698	6.176	2.141	25.575	23.279	-
2	45.464	45.447	-	-	-	(33)	(5.487)	-
3	373.333	227.371	17.173	19.733	14.326	57.231	44.360	-
4	9.191	6.896	207	336	-	(708)	(187)	-
5	1.257.386	90.311	701	64.151	-	18.545	9.581	-
6	175.560	48.313	5.850	9.415	938	4.330	2.546	-
7	736.316	313.242	21.700	10.467	5.771	13.485	3.083	644.000
8	2.519.448	590.600	1.155	133.187	-	38.301	67.873	990.400
9	133.648	91.666	2.556	343	7	(7.044)	(3.292)	56.000
10	66.146	65.255	28	3.178	2.231	11.377	(6.966)	23.900
11	37.134	13.280	4.070	41	-	404	592	-
12	150.570	41.101	2.843	4.086	1.860	2.628	2.168	-
13	1.520.558	162.870	352	45.821	17.327	6.597	7.190	-

Financial statement information disclosed above shows 30 June 2009 results.

⁽¹⁾ Calculated with the ISE market prices as of 30 June 2009 considering the total number of shares.

3. Movement schedule of subsidiaries:

	30 June 2009	31 December 2008
Balance at the beginning of the period	1.811.525	1.421.842
Movements during the period	-	389.683
Purchases ⁽¹⁾	-	389.683
Transfers	-	-
Bonus shares obtained	-	-
Dividends from current year income	-	-
Sales	-	-
Revaluation (decrease) / increase	-	-
Impairment provision	-	-
Balance at the end of the period	1.811.525	1.811.525
Capital commitments	-	-
Share percentage at the end of the period (%)	-	-

⁽¹⁾ As of 31 December 2008, nominal share capital amount of TL34.897.132,53 (35,28% of the capital), owned by KFS in Yapı Kredi Yatırım Menkul Değerler A.Ş. have been purchased by the Bank in return for USD158.754.689,63 and the cost of the share purchase has been paid to KFS as TL188.617 thousand converted with the CBRT exchange rate at 15 February 2008.

The nominal share capital amount of EUR32.672.880,00 (67,24% of the capital), owned by KFS in Yapı Kredi NV has been purchased by the Bank in return for EUR97.502.661,71 and the cost of the share purchase has been paid to KFS as TL165.063 thousand converted with the CBRT EUR exchange buying rate at 11 January 2008.

In addition, the Bank has participated in the capital increase of its foreign subsidiary, Yapı Kredi Bank Azerbaycan Closed Joint Stock Company, where the share of the Bank is 99,80% amounting to TL36.003 thousand.

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4. Sectoral information on financial subsidiaries and the related carrying amounts:

Subsidiaries	30 June 2009	31 December 2008
Banks	278.244	278.244
Insurance Companies	148.019	148.019
Factoring Companies	183.325	183.325
Leasing Companies	722.491	722.491
Finance Companies	-	-
Other Financial Subsidiaries	477.146	477.146
Total Financial Subsidiaries	1.809.225	1.809.225

5. Subsidiaries quoted to stock exchange:

	30 June 2009	31 December 2008
Quoted to domestic stock exchanges	904.240	904.240
Quoted to foreign stock exchanges	-	-

i. Information on hedging derivative financial assets:

	30 June 2009		31 December 2008	
	TL	FC	TL	FC
Fair Value Hedge	87.865	1.515	-	-
Cash Flow Hedge	-	-	-	-
Foreign Net Investment Hedge	-	-	-	-
Total	87.865	1.515	-	-

Starting from 1 March 2009, the Bank has hedged the possible fair value effects of changes in market interest rates on part of its fixed interest TL mortgage and car loan portfolios using cross-currency interest rate swaps. The net fair value of hedging instruments at 30 June 2009 is a liability amounting to TL10.895 thousand. At 30 June 2009, the fair value difference of the hedging instruments starting from the inception date is TL18.154 thousand and the fair value difference of the hedged item is TL17.931 thousand.

j. Information on intangible assets:

	30 June 2009	31 December 2008
Balance at the beginning of the period	1.151.072	1.187.125
Additions during the Period	35.058	33.547
Unused and Disposed Items (-)	(4.183)	(289)
Transfers	(280)	(30.524)
Impairment Charges on Income Statement (-)	-	-
Amortisation Expenses (-)	(17.816)	(38.787)
Balance at the end of the period	1.163.851	1.151.072

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k. Movement schedule of assets held for resale and related to discontinued operations:

	30 June 2009	31 December 2008
Balance at the beginning of the period	88.332	108.363
Additions	4.578	59.620
Disposals (-), net ⁽¹⁾	(13.583)	(120.129)
Impairment reversal	6.886	44.579
Impairment (-)	-	(515)
Depreciation (-)	(1.306)	(3.586)
Net Book Value at the end of period	84.907	88.332
Cost at the end of period	92.527	96.741
Depreciation at the end of period (-)	(7.620)	(8.409)
Net Book Value at the end of period	84.907	88.332

⁽¹⁾ By the decision of the Board of Directors at 3 October 2007; shares of Yapı Kredi Bank Deutschland A.G., which is owned 65,42% by the Bank and 34,58% by Yapı Kredi Holding BV, amounting to TL54.298 thousand is reclassified under assets held for sale according to the sale agreement with Avenue Europe Investment LP. The sale of Yapı Kredi Bank Deutschland AG finalized as of 29 February 2008.

As of 30 June 2009, the Bank booked impairment provision on assets held for resale with an amount of TL12.554 thousand (31 December 2008: TL19.440 thousand)

l. Information on other assets:

As of 30 June 2009, other assets do not exceed 10% of the total assets.

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II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES

a. Information on deposits:

1. Information on maturity structure of deposits/collected funds:

1 (i). 30 June 2009:

	Demand	Up to 1 Month	1-3 months	3-6 months	6 months- 1 year	1 year and over	Total
Saving Deposits	1.313.718	3.189.996	10.205.746	232.684	68.550	137.959	15.148.653
Foreign Currency Deposits	3.139.219	5.364.971	6.488.265	668.728	163.075	550.773	16.375.031
Residents in Turkey	3.050.465	5.251.204	5.875.436	628.169	148.621	479.562	15.433.457
Residents Abroad	88.754	113.767	612.829	40.559	14.454	71.211	941.574
Public Sector Deposits	341.397	9.422	18.546	224	-	3.144	372.733
Commercial Deposits	1.221.218	1.995.268	3.310.848	108.010	18.859	30.160	6.684.363
Other Institutions Deposits	22.305	35.765	128.137	188	3.203	1.541	191.139
Gold Vault	160.034	1.035	5.528	9.006	2.555	13.402	191.560
Bank Deposits	262.181	49.113	36.543	1.004	210.310	-	559.151
The CBRT	222	-	-	-	-	-	222
Domestic Banks	68.446	38.639	-	-	-	-	107.085
Foreign Banks	169.595	10.474	36.543	1.004	210.310	-	427.926
Special Financial Institutions	23.910	-	-	-	-	-	23.910
Other	8	-	-	-	-	-	8
Total	6.460.072	10.645.570	20.193.613	1.019.844	466.552	736.979	39.522.630

1 (ii). 31 December 2008:

	Demand	Up o 1 Month	1-3 months	3-6 months	6 months- 1 year	1 year and over	Total
Saving Deposits	1.043.963	3.170.548	11.323.811	146.823	30.531	61.535	15.777.211
Foreign Currency Deposits	2.886.468	5.920.008	6.391.203	676.108	165.502	562.436	16.601.725
Residents in Turkey	2.796.741	5.802.897	5.891.909	637.966	151.402	492.943	15.773.858
Residents Abroad	89.727	117.111	499.294	38.142	14.100	69.493	827.867
Public Sector Deposits	250.889	63.322	98.567	336	661	307	414.082
Commercial Deposits	1.190.299	2.250.655	3.956.410	455.238	34.570	11.015	7.898.187
Other Institutions Deposits	20.134	33.702	336.288	234	103	365	390.826
Gold Vault	129.812	10.285	223	595	940	2.335	144.190
Bank Deposits	234.850	54.567	43.084	-	145.492	1.115	479.108
The CBRT	85.483	-	-	-	-	-	85.483
Domestic Banks	7.572	41.267	8.120	-	-	-	56.959
Foreign Banks	43.053	13.300	34.964	-	145.492	1.115	237.924
Special Financial Institutions	98.742	-	-	-	-	-	98.742
Other	-	-	-	-	-	-	-
Total	5.756.415	11.503.087	22.149.586	1.279.334	377.799	639.108	41.705.329

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2. Information on saving deposits insurance:

2 (i). Information on saving deposits under the guarantee of the saving deposits insurance fund and exceeding the limit of deposit insurance fund:

Saving Deposits	Under the guarantee of deposit insurance		Exceeding limit of the deposit insurance	
	30 June 2009	31 December 2008	30 June 2009	31 December 2008
Saving Deposits	7.783.074	7.804.232	7.318.517	7.911.087
Foreign Currency Savings Deposit	2.613.805	2.553.090	6.111.898	5.637.303
Other Deposits in the Form of Savings deposits	32.322	7.237	148.840	123.113
Foreign Branches' Deposits Under Foreign Authorities' Insurance	-	-	-	-
Off-shore Banking Regions' Deposits Under Foreign Authorities' Insurance	-	-	-	-

2 (ii). Saving deposits, which are not under the guarantee of the saving deposits insurance fund:

	30 June 2009	31 December 2008
Saving Deposits in Foreign Branches	-	-
Saving Deposits in Off-shore Banking Regions	106.799	142.047
Total	106.799	142.047

2 (iii). Saving deposits which are not under the guarantee of saving deposit insurance fund of real persons:

	30 June 2009	31 December 2008
Foreign Branches' Deposits and other accounts	-	-
Saving Deposits and Other Accounts of Controlling Shareholders and Deposits of their Mother, Father, Spouse, Children in care	-	-
Saving Deposits and Other Accounts of President and Members of Board of Directors, CEO and Vice Presidents and Deposits of their Mother, Father, Spouse, Children in care	20.359	18.747
Saving Deposits and Other Accounts in Scope of the Property Holdings Derived from Crime Defined in Article 282 of Turkish Criminal Law No:5237 dated 26.09.2004	-	-
Saving Deposits in Deposit Bank Which Established in Turkey in Order to Engage in Off-shore Banking Activities Solely	106.799	142.047

b. Information on trading derivative financial liabilities:

	30 June 2009		31 December 2008	
	TL	FC	TL	FC
Forward Transactions	64.735	530	69.595	931
Swap Transactions	105.097	11.591	107.785	23.274
Futures Transactions	-	-	-	-
Options	19.752	17.655	4	517
Other	-	-	-	-
Total	189.584	29.776	177.384	24.722

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c. Information on borrowings:

1. Information on borrowings:

	30 June 2009		31 December 2008	
	TL	FC	TL	FC
The CBRT Borrowings			-	-
From Domestic Banks and Institutions	172.511	130.370	216.788	125.668
From Foreign Banks, Institutions and Funds	1.059.375	4.344.729	946.171	4.875.209
Total	1.231.886	4.475.105	1.162.959	5.000.877

2. Information on maturity structure of borrowings:

	30 June 2009		31 December 2008	
	TL	FC	TL	FC
Short-term	175.428	967.643	266.592	939.805
Medium and Long-term	1.056.458	3.507.462	896.367	4.061.072
Total	1.231.886	4.475.105	1.162.959	5.000.877

3. Repayment schedule of securitisation credits:

The Bank has a securitisation borrowing deal from Standard Chartered Bank and Unicredit Markets and Investment Banking amounting to equivalent of TL1.756.782 thousand using Yapı Kredi Diversified Payment Rights Finance Company (“Special Purpose Entity”) as an intermediary and Assured Guarantee, MBIA, Radian, Ambac, FGIC and XL Capital as guarantors. The interest rate of this borrowing ranges between Euribor/Libor+ 0,18% and 0,35%, and the maturity ranges between 7 and 8 years; the repayments will begin in the first period of 2010.

	30 June 2009	31 December 2008
2010	337.190	369.495
2011	359.069	399.927
2012	359.069	399.927
2013	359.069	399.927
2014	316.552	357.538
2015	21.878	30.431
Interest Expense Accrual	3.955	9.053
Total	1.756.782	1.966.298

d. Information on other liabilities:

As of 30 June 2009, other liabilities do not exceed 10% of the total balance sheet commitments.

e. Information on financial leasing agreements:

	30 June 2009		31 December 2008	
	Gross	Net	Gross	Net
Less than 1 year	6.441	6.249	8.313	7.937
Between 1-4 years	28	-	40	2
More than 4 years	-	-	-	-
Total	6.469	6.249	8.353	7.939

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f. Information on hedging derivative financial liabilities:

	30 June 2009		31 December 2008	
	TL	FC	TL	FC
Fair Value Hedge	100.275	-	-	-
Cash Flow Hedge	-	-	-	-
Foreign Net Investment Hedge	-	-	-	-
Total	100.275	-	-	-

g. Information on provisions:

1. Information on general provisions:

	30 June 2009	31 December 2008
Provisions for Group I loans and receivables	513.474	444.508
Provisions for Group II loans and receivables	109.319	71.419
Provisions for non cash loans	99.405	111.410
Other	30.501	28.095
Total	752.699	655.432

2. Information on reserve for employment termination benefits:

In accordance with Turkish Labour Law, the reserve for employment termination benefits is calculated over today's possible liability of the Bank in case of the retirement of employees. TAS 19 necessitates the actuarial valuation methods to calculate the liabilities of enterprises.

The following actuarial assumptions were used in the calculation of total liabilities.

	30 June 2009	31 December 2008
Discount rate (%)	6,26	6,26
The Rate Used Related to Retirement Expectation (%)	94,78	95,53

The principal actuarial assumption is that the maximum liability will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the effects of future inflation. As the maximum liability is revised semi-annually, the maximum amount of TL2.365,16 (1 July 2008: TL2.173,19) effective from 1 July 2009 has been taken into consideration in calculating the reserve for employment termination benefits.

Movement of employment termination benefits liability in the balance sheet:

	30 June 2009	31 December 2008
Prior period ending balance	85.025	88.549
Provisions recognized during the period	4.288	12.512
Paid during the period	(5.517)	(16.036)
Balance at the end of the period	83.796	85.025

In addition, the Bank has accounted for unused vacation rights provision amounting to TL57.735 thousand as of 30 June 2009 (31 December 2008: TL53.282 thousand).

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3. Other provisions:

	30 June 2009	31 December 2008
Pension fund provision	815.947	774.366
Tax risk provision ⁽¹⁾	55.658	40.273
Non-cash loan provision	66.757	62.288
Provisions on credit cards and promotion campaigns related to banking services	46.570	56.674
Provision on export commitment estimated liability	42.748	40.495
Legal risk provision ⁽¹⁾	19.914	19.899
Other	79.239	160.305
Total	1.126.833	1.154.300

⁽¹⁾ Considered as provisions for possible risks.

4. Information on provisions related with the foreign currency difference of foreign indexed loans:

As of 30 June 2009, the provision related to the foreign currency difference of foreign currency indexed loans amounts to TL44.478 thousand (31 December 2008: TL10.498 thousand).

h. Information on taxes payable:

(i) Information on taxes payable:

	30 June 2009	31 December 2008
Corporate Tax Payable	78.401	-
Taxation of Marketable Securities	99.654	106.717
Property Tax	1.075	997
Banking Insurance Transaction Tax (“BITT”)	32.522	39.835
Foreign Exchange Transaction Tax	-	-
Value Added Tax Payable	649	2.155
Other	14.285	16.518
Total	226.586	166.222

(ii) Information on premium payables:

	30 June 2009	31 December 2008
Social Security Premiums – Employee	-	-
Social Security Premiums – Employer	-	-
Bank Pension Fund Premiums – Employee	-	-
Bank Pension Fund Premiums – Employer	-	-
Pension Fund Deposit and Provisions – Employee	6.062	1.936
Pension Fund Deposit and Provisions – Employer	6.323	2.207
Unemployment Insurance – Employee	432	423
Unemployment Insurance – Employer	865	847
Other	-	-
Total	13.682	5.413

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i. Information on subordinated loans:

	30 June 2009		31 December 2008	
	TL	FC	TL	FC
From Domestic Banks	-	-	-	-
From Other Domestic Institutions	-	-	-	-
From Foreign Banks	-	2.212.770	-	2.220.601
From Other Foreign Institutions	-	-	-	-
Total	-	2.212.770	-	2.220.601

At 30 March 2006, Yapı Kredi obtained a subordinated loan amounting to EUR500 million, with 10 years maturity and a repayment option at the end of five years. The interest rate was determined as EURIBOR+2% for the first five years. The loan was obtained from Merrill Lynch Capital Corporation with UniCredito Italiano S.p.A. as guarantor. In addition, the subordinated loan obtained by Koçbank on 28 April 2006 amounting to EUR350 million, with 10 years maturity and a repayment option at the end of 5 years has been transferred to the Bank. The interest rate is determined as EURIBOR+2,25% for the first five years. The loan was obtained with decrees from Goldman Sachs International Bank with Unicredit S.p.A. as guarantor. In addition, the Bank obtained a subordinated loan on 25 June 2007 amounting to EUR200 million, with 10 years maturity and a repayment option at the end of 5 years. The interest rate is determined as EURIBOR+1,85% for the first 5 years. The loan was obtained from Citibank, N.A., London Branch with Unicredito Italiano SpA as guarantor. With the written approvals of the BRSA dated 3 April 2006, 2 May 2006 and 19 June 2007, the loans have been approved as subordinated loans and can be taken into consideration as supplementary capital within the limits of the Capital Adequacy Regulation.

j. Information on shareholders' equity:

1. Presentation of paid-in capital (as nominal; inflation unadjusted balances):

	30 June 2009	31 December 2008
Common Stock	4.347.051	4.347.051
Preferred Stock	-	-

2. Paid-in capital amount, explanation as to whether the registered share capital system is applied and if so, amount of registered share capital ceiling (As nominal; inflation unadjusted balances):

The Bank's paid-in-capital is amounting to TL4.347.051 thousand and in accordance with the decision taken in the Ordinary General Assembly at 7 April 2008, the Bank has switched to the registered capital system and the registered share capital ceiling is TL5.000.000 thousand.

3. Information on the share capital increases during the period and the sources:

As of 30 June 2009, the Bank has no capital increase. In 2008, the Bank increased its issued capital by TL920.000.000 from TL3.427.051.284 to TL4.347.051.284 all in cash within the Bank's registered capital ceiling of TL5.000.000.000.

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4. Information on transfers from revaluation funds to capital during the current period: None.
5. Information on capital commitments, until the end of the fiscal year and the subsequent interim period: None.
6. Information on privileges given to shares representing the capital by considering the banks income profitability, prior period indicators on liquidity and uncertainty on these indicators:

The interest, liquidity, and foreign exchange risk on on-balance sheet and off-balance sheet assets and liabilities are managed by the Bank within several risk and legal limits.
7. Privilege on the corporate stock: None.

k. Information on marketable securities value increase fund:

	30 June 2009		31 December 2008	
	TL	FC	TL	FC
From Investments in Associates, Subsidiaries, and Joint Ventures	-	-	-	-
Valuation Difference	10.719	46.214	11.543	22.725
Foreign Currency Difference	-	-	-	-
Total	10.719	46.214	11.543	22.725

III. EXPLANATIONS AND NOTES RELATED TO INCOME STATEMENT:

a. Information on interest income:

1. Information on interest income on loans:

	30 June 2009		30 June 2008	
	TL	FC	TL	FC
Short-term Loans ⁽¹⁾	1.542.878	212.783	1.342.283	123.635
Medium/Long-term Loans ⁽¹⁾	792.489	217.964	605.888	183.173
Interest on Loans Under Follow-up	33.987	113	47.400	5.899
Premiums Received from Resource Utilisation Support Fund	-	-	-	-
Total	2.369.354	430.860	1.995.571	312.707

⁽¹⁾ Includes fees and commissions received for cash loans.

2. Information on interest income on banks:

	30 June 2009		30 June 2008	
	TL	FC	TL	FC
From the CBRT ⁽¹⁾	-	-	-	-
From Domestic Banks	3.554	119	4.184	2.557
From Foreign Banks	1.840	11.724	2.208	16.531
Headquarters and Branches Abroad	-	-	-	-
Total	5.394	11.843	6.392	19.088

⁽¹⁾ Excludes interest received from reserve requirements.

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3. Information on interest income on marketable securities:

	30 June 2009		30 June 2008	
	TL	FC	TL	FC
From Trading Financial Assets	3.019	7.724	427	6.531
From Financial Assets At Fair Value Through Profit or Loss	-	-	-	-
From Available-for-sale Financial Assets	19.794	24.090	10.474	3.101
From Held-to-maturity investments	435.006	218.077	511.404	207.359
Total	457.819	249.891	522.305	216.991

4. Information on interest income received from investments in associates and subsidiaries:

	30 June 2009	30 June 2008
Interests Received From Investments in Associates and Subsidiaries	7.672	484

b. Information on interest expense:

1. Information on interest expense on borrowings:

	30 June 2009		30 June 2008	
	TL	FC	TL	FC
Banks	99.722	137.200	14.135	162.459
The CBRT	-	-	-	-
Domestic Banks	14.903	2.952	12.778	3.117
Foreign Banks	84.819	134.248	1.357	159.342
Headquarters and Branches Abroad	-	-	-	-
Other Institutions	-	112	-	26.561
Total ⁽¹⁾	99.722	137.312	14.135	189.020

⁽¹⁾ Includes fees and commissions related to borrowings.

2. Information on interest expense given to investments in associates and subsidiaries:

	30 June 2009	30 June 2008
Interests paid to Investments in Associates and Subsidiaries	17.363	17.783

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3. Maturity structure of the interest expense on deposits:

Account Name	Demand Deposit	Time Deposit					Cumulative Deposit	Total	30 June 2008
		Up to 1 Month	Up to 3 Month	Up to 6 Month	Up to 1 Year	More Than 1 year			
TL									
Bank Deposit	1.014	309	4.494	-	-	-	5.817	9.960	
Saving Deposit	477	239.398	680.731	14.386	3.044	6.885	944.921	938.238	
Public Sector Deposit	-	1.333	1.895	67	2	422	3.719	9.686	
Commercial Deposit	8.749	152.636	220.500	27.543	1.404	1.530	412.362	518.655	
Other Deposit	-	2.407	15.085	5.361	85	77	23.015	27.397	
Deposit With 7 Days Notification	-	-	-	-	-	-	-	-	
Total	10.240	396.083	922.705	47.357	4.535	8.914	1.389.834	1.503.936	
FC									
Foreign Currency Deposit	2.016	125.507	125.119	14.629	3.278	10.684	281.233	220.622	
Bank Deposit With 7 Days Notification	-	1.657	-	-	1.903	-	3.560	2.664	
Gold Vault	-	66	2	5	9	58	140	100	
Total	2.016	127.230	125.121	14.634	5.190	10.742	284.933	223.386	
Grand Total	12.256	523.313	1.047.826	61.991	9.725	19.656	1.674.767	1.727.322	

c. Information on trading loss/income (Net):

	30 June 2009	30 June 2008
Income	6.424.739	4.825.473
Income from Capital Market Transactions	122.837	30.107
Derivative Financial Transactions	3.707.419	2.315.072
Foreign Exchange Gains	2.594.483	2.480.294
Loss(-)	(6.038.137)	(4.799.836)
Loss from Capital Market Transactions	(8.474)	(11.569)
Derivative Financial Transactions	(3.360.683)	(2.218.994)
Foreign Exchange Loss	(2.668.980)	(2.569.273)
Net Gain/Loss	386.602	25.637

d. Information on loss/income from derivative financial operations:

	30 June 2009	30 June 2008
Effect of the change in foreign exchange on loss/income	389.605	66.541
Effect of the change in interest rate on loss/income	(42.869)	29.537
Total	346.736	96.078

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e. Information on other operating income:

Other operating income mainly consists of collections from provisions recorded as expense in the previous years and sale of loans under follow-up.

f. Provision expenses related to loans and other receivables :

	30 June 2009	30 June 2008
Specific provisions for loans and other receivables	636.510	159.100
III. Group Loans and Receivables	52.701	10.462
IV. Group Loans and Receivables	312.281	30.963
V. Group Loans and Receivables	271.528	117.675
General Provision Expenses	98.427	33.704
Provision Expense for Possible Risks	19.194	47.851
Marketable Securities Impairment Expenses	320	16
Financial Assets at Fair Value Through Profit or Loss	-	-
Available-for-Sale Financial Assets	320	16
Investments in Associates, Subsidiaries and Held-to-maturity Securities Value Decrease	9.317	5.244
Investments in Associates	-	-
Subsidiaries	-	-
Joint Ventures	-	-
Held-to-maturity Investments	9.317	5.244
Other	-	-
Total	763.768	245.915

g. Information related to other operational expenses:

	30 June 2009	30 June 2008
Personnel Expenses	435.754	433.078
Reserve For Employee Termination Benefits	-	-
Provision Expense for Pension Fund	41.581	131.441
Impairment Expenses of Fixed Assets	-	1.895
Depreciation Expenses of Fixed Assets	68.413	55.086
Impairment Expenses of Intangible Assets	-	-
Goodwill Impairment Expenses	-	-
Amortisation Expenses of Intangible Assets	17.816	20.754
Impairment Expenses of Equity Participations for which Equity Method Applied	-	-
Impairment Expenses of Assets Held For Resale	-	515
Depreciation Expenses of Assets Held for Resale	1.306	2.150
Impairment Expenses of Fixed Assets Held for Sale	-	-
Other Operating Expenses	370.805	350.072
Operational Lease Expenses	53.366	39.148
Maintenance Expenses	11.274	11.422
Advertising Expenses	34.317	38.630
Other Expense	271.848	260.872
Loss on Sales of Assets	218	606
Other	178.847	154.478
Total	1.114.740	1.150.075

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h. Explanations on profit and loss from continuing operations before tax:

Profit and loss before tax consists of net interest income amounting to TL1.663.810 thousand (30 June 2008: TL1.194.291 thousand), net fee and commission income amounting to TL669.209 thousand (30 June 2008: TL581.631 thousand) and total other operating expense amounting TL1.114.740 thousand (30 June 2008: TL1.150.075 thousand).

i. Provision for taxes on income from continuing operations:

As of 30 June 2009, the Bank has current tax expense amounting to TL189.726 thousand (30 June 2008: TL107.578 thousand) and deferred tax expense amounting to TL25.710 thousand (30 June 2008: TL74.918 thousand deferred tax income).

As of 30 June 2008, the Bank made an agreement with local tax authorities in relation to the corporate tax declarations for the periods 2003/2005 and gave up the legal process against Boğaziçi Kurumlar Vergi Dairesi according to Law Numbered 5736 which came into force on 27 February 2008 and published in the Official Gazette numbered 26800. In relation to the agreement, a payment amounting to TL49.064 thousand was made to the related tax office and has been accounted under deferred tax expense account in 2008.

j. Information on net income/loss for the period:

- 1) The characteristics, dimension and recurrence of income or expense items arising from ordinary banking transactions do not require any additional explanation to understand the Bank's current period performance. (30 June 2008: Other than provision expense for the actuarial deficit of the Pension Fund amounting to TL131 million, tax expense amounting to TL49 million related to the compromise with the tax office and provision reversal income amounting to TL185 million related with the revised general loan loss provision calculation the characteristics, dimension and recurrence of income or expense items arising from ordinary banking transactions do not require any additional explanation to understand the Bank's current period performance)
- 2) Information on any change in the accounting estimates concerning the current period or consequent periods: None

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

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IV. EXPLANATIONS AND NOTES RELATED TO OFF-BALANCE SHEET ACCOUNTS

a. Information on off balance sheet commitments:

1. The amount and type of non-cash loans including guarantees, bank acceptances, collaterals and others that are accepted as financial commitments:

	30 June 2009	31 December 2008
Commitments on credit cards limits	11.154.331	11.244.536
Loan granting commitments	2.563.877	2.457.100
Commitments for cheque books	1.463.588	1.391.826
Total	15.181.796	15.093.462

2. Type and amount of probable losses and obligations arising from off-balance sheet items:

There are no material probable losses and obligations arising from off-balance sheet items. Obligations arising from off-balance sheet are disclosed in "Off-balance sheet commitments".

- 2 (i). Non-cash loans including guarantees, bank avalized and acceptance loans, collaterals that are accepted as financial commitments and other letter of credits:

	30 June 2009	31 December 2008
Bank acceptance loans	158.924	211.367
Letter of credits	2.487.614	2.635.922
Other guarantees and collaterals	394.156	444.717
Total	3.040.694	3.292.006

- 2 (ii). Revocable, irrevocable guarantees, contingencies and other similar commitments:

	30 June 2009	31 December 2008
Temporary letter of guarantees	567.941	565.241
Definite letter of guarantees	9.478.245	9.215.573
Advance letter of guarantees	2.261.077	2.244.072
Letter of guarantees given to customs	623.175	599.021
Other letter of guarantees	323.491	393.938
Total	13.253.929	13.017.845

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3 (i). Total amount of non-cash loans:

	30 June 2009	31 December 2008
Non-cash Loans Given Against Cash Loans	189.544	249.928
With Original Maturity of 1 Year or Less Than 1 Year	50.120	69.564
With Original Maturity of More Than 1 Year	139.424	180.364
Other Non-cash Loans	16.105.079	16.059.923
Total	16.294.623	16.309.851

3 (ii). Information on non-cash loans classified in Group I and Group II:

30 June 2009	Group I		Group II	
	TL	FC	TL	FC
Non-cash Loans				
Letters of Guarantee	5.947.753	7.013.590	114.309	178.277
Bank Acceptances	-	158.665	-	259
Letters of Credit	1.357	2.484.559	-	1.698
Endorsements	-	-	-	-
Underwriting Commitments	-	-	-	-
Factoring Guarantees	-	-	-	-
Other Commitments and Contingencies	3.623	380.030	-	10.503
Total	5.952.733	10.036.844	114.309	190.737

31 December 2008	Group I		Group II	
	TL	FC	TL	FC
Non-cash Loans				
Letters of Guarantee	5.940.501	6.723.077	97.226	257.041
Bank Acceptances	-	211.367	-	-
Letters of Credit	547	2.620.571	-	14.804
Endorsements	-	-	-	-
Underwriting Commitments	-	-	-	-
Factoring Guarantees	-	-	-	-
Other Commitments and Contingencies	3.057	415.122	-	26.538
Total	5.944.105	9.970.137	97.226	298.383

b. Information on contingent liabilities:

Outstanding legal cases against the Bank have been considered as contingent liabilities and an TL19.914 thousand (31 December 2008: TL19.899 thousand) provision against these legal cases has been accounted for in the financial statements under the “Other provisions” account.

c. Information on services in the name of others’ names and accounts:

The Bank’s activities of saving and depositing in the name of real and legal persons are not considered as material.

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V. EXPLANATIONS AND NOTES RELATED TO STATEMENT OF CASH FLOWS

a. Information on cash and cash equivalent assets:

1. Components of cash and cash equivalents and the accounting policy applied in their determination:

Cash and foreign currency together with demand deposits at banks including the CBRT are defined as "Cash"; interbank money market and time deposits in banks with original maturities of less than three months are defined as "Cash Equivalents".

2. Effect of a change on the accounting policies: None.
3. Reconciliation of cash and cash equivalent items with balance sheet and cash flow statements:

- 3 (i). Cash and cash equivalents at the beginning of period:

	30 June 2009	30 June 2008
Cash	2.545.161	1.330.660
Cash and Effectives	597.600	439.766
Demand Deposits in Banks	1.947.561	890.894
Cash Equivalents	1.114.863	353.628
Interbank Money Market	40.000	-
Deposits in Bank	1.074.863	353.628
Total Cash and Cash Equivalents	3.660.024	1.684.288

The total amount from the operations occurring in the prior period is the total cash and cash equivalents amount at the beginning of the current period.

- 3 (ii). Cash and cash equivalents at the end of the period:

	30 June 2009	30 June 2008
Cash	2.088.493	1.678.655
Cash and Effectives	559.042	488.927
Demand Deposits in Banks	1.529.451	1.189.728
Cash equivalents	2.330.122	1.799.557
Interbank Money Market	30.000	-
Time Deposits in Banks	2.300.122	1.799.557
Total Cash and Cash Equivalents	4.418.615	3.478.212

b. Information on cash and cash equivalents that are not in use due to legal limitations and other reasons:

None.

c. The effects of the change in foreign exchange rates on cash and cash equivalents:

None.

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VI. EXPLANATIONS AND NOTES RELATED TO BANK'S RISK GROUP

a. The volume of transactions relating to the Bank's risk group, outstanding loan and deposit transactions and profit and loss of the period:

1. 30 June 2009:

Banks' Risk Group ^{(1), (2)}	Associates, subsidiaries and joint ventures		Direct and indirect shareholders of the Bank		Other real and legal persons that have been included in the risk group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and Other Receivables						
Balance at the Beginning of the Period	172.412	42.608	210.162	64.690	524.365	567.881
Balance at the End of the Period	183.003	62.945	10.809	84.452	414.192	564.118
Interest and Commission Income Received	7.672	310	1.807	454	28.507	1.551

(1) Defined in the 49th article of subsection 2 of the Banking Act No.5411.

(2) The information in table above includes due from banks and marketable securities as well as loans.

31 December 2008:

Banks' Risk Group ^{(1), (2)}	Associates, subsidiaries and joint ventures		Direct and indirect shareholders of the Bank		Other real and legal persons that have been included in the risk group	
	Cash	Non- Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and Other Receivables						
Balance at the Beginning of the Period	68.445	114.701	4.875	48.446	353.576	626.500
Balance at the End of the Period	172.412	42.608	210.162	64.690	524.365	567.881
Interest and Commission Income Received ⁽³⁾	484	264	3.810	323	24.324	937

(1) Defined in the 49th article of subsection 2 of the Banking Act No. 5411.

(2) The information in table above includes banks and marketable securities as well as loans.

(3) Income statement figures represents balances as of 30 June 2008.

2. Information on deposits of the Bank's risk group:

Banks' Risk Group ^{(1), (2)}	Associates, subsidiaries and joint ventures		Direct and indirect shareholders of the Bank		Other real and legal persons that have been included in the risk group	
	30 June 2009	31 December 2008	30 June 2009	31 December 2008	30 June 2009	31 December 2008
Deposit						
Beginning of the Period	219.118	195.652	3.191.069	1.213.219	1.565.139	1.657.176
End of the Period	396.110	219.118	1.992.581	3.191.069	1.133.434	1.565.139
Interest Expense on Deposits ⁽³⁾	17.363	17.783	101.882	60.231	76.905	107.619

(1) Defined in the 49th article of subsection 2 of the Banking Act No. 5411.

(2) The information in table above includes borrowings as well as deposits.

(3) 31 December 2008 columns represent balances of 30 June 2008.

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3. Information on forward and option agreements and other derivative instruments with the Bank's risk group:

Banks' Risk Group ⁽¹⁾	Associates , subsidiaries and joint ventures		Direct and indirect shareholders of the Bank		Other real and legal persons that have been included in the risk group	
	30 June 2009	31 December 2008	30 June 2009	31 December 2008	30 June 2009	31 December 2008
Transactions at Fair Value Through Profit or Loss⁽²⁾						
Beginning of the Period ⁽³⁾	659.622	844.729	171.366	45.124	540.506	216.171
End of the Period ⁽³⁾	1.010.474	659.622	29.930	171.366	745.953	540.506
Total Profit/(Loss)⁽⁴⁾	(7.587)	13.566	(458)	2.374	21.403	(205)
Transactions for hedging purposes						
Beginning of the Period ⁽³⁾	-	-	-	-	-	-
End of the Period ⁽³⁾	-	-	-	-	-	-
Total Profit/(Loss) (4)	-	-	-	-	-	-

(1) Defined in the 49th article of subsection 2 of the Banking Act No. 5411.

(2) The Bank's derivative instruments are classified as "Financial Assets at Fair Value Through Profit or Loss" according to TAS 39.

(3) The balances at the beginning and end of the periods are disclosed as the total of purchase and sell amounts of derivative financial instruments.

(4) 31 December 2008 columns represent balances as of 30 June 2008.

b. With respect to the Bank's risk group:

1. The relations with entities that are included in the Bank's risk group and controlled by the Bank irrespective of the relationship between the parties:

The Bank performs various transactions with group companies during its banking activities. These are commercial transactions realised with market prices.

2. Type of transaction, the amount and its ratio to total transaction volume, the amount of significant items and their ratios to total items, pricing policy and other issues:

Total Risk Group	30 June 2009	31 December 2008
Loans	579.529	567.716
Banks	25.103	262.925
Marketable Securities	3.372	76.298
Interest Income Received ⁽¹⁾	37.986	28.618
Non- Cash Loans	711.515	675.179
Commission Income Received ⁽¹⁾	2.315	1.524
Deposit	3.121.764	4.202.808
Borrowings	400.361	772.518
Interest Expense Paid ⁽¹⁾	196.150	185.633
Trading Transactions	1.786.357	1.371.494
Trading Transactions (Loss) / Income, net ⁽¹⁾	13.358	15.735

(1) 31 December 2008 column represents balances as of 30 June 2008.

**CONVENIENCE TRANSLATION OF PUBLICLY
ANNOUNCED UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

YAPI VE KREDİ BANKASI A.Ş.

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2009

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL").)

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

3. Information regarding benefits provided to the Bank's top management:

Salaries paid to the Bank's top management amount to TL17.339 thousand (30 June 2008: TL16.308 thousand) as of 30 June 2009.

VII. EXPLANATIONS AND NOTES RELATED TO SUBSEQUENT EVENTS

1. According to the decision of the Board of Directors dated 1 July 2009; Vittorio G. M. Ogliengo has resigned from his duty as Chairman of the Audit Committee and signed as member of the Audit Committee, Stephan Winkelmeier has been resigned his duty as member of the Audit Committee and Federico Ghizzoni has been signed as Chairman of the Audit Committee.
2. As a result of the Extraordinary General Assembly Meetings, dated 30 June 2009, of Yapı Kredi Yatırım Menkul Değerler A.Ş. ("YK Yatırım"), which is the Bank's subsidiary with a shareholding of 99,98%, and of UniCredit Menkul Değerler A.Ş. ("UCM"), which is 99,99% the subsidiary of Koç Finansal Hizmetler A.Ş., the Bank's main shareholder, the following decisions were taken:

- that YK Yatırım's intermediary activities function, which serves corporate clients, be added to UCM as capital in-kind through a partial spin-off over its book values included in the balance sheet at 31 December 2008,

- that the Spin-off Agreement, which was entered into between UCM and YK Yatırım on 10 June 2009 and fell within the scope of approval from the Capital Markets Board ("CMB") as of 22 June 2009, be approved, and

- in accordance with the Spin-off Agreement, which was approved by the expert group on 20 May 2009 appointed by the 11th Commercial Court of First Instance with file No. 2009/1215 D.İş and which was permitted by the CMB and General Directorate of Domestic Trade under Ministry of Commerce; that the share capital of YK Yatırım be decreased by TL1.660.886, that the share capital be increased from internal resources without charge at the amount of share capital decrease simultaneously with the decrease, and that share capital of UCM be increased by TL2.345.375.

As a result of these operations no changes have occurred in the Bank's share and ratio in YK Yatırım's share capital. According to the spin-off agreement, the decision was taken to increase UCM share capital from TL19.500.000 to TL21.845.375 and the Bank has acquired a share of TL2.344.819 (10,734%) in UCM share capital.

**CONVENIENCE TRANSLATION OF PUBLICLY
ANNOUNCED UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE NOTE I. OF SECTION THREE**

YAPI VE KREDİ BANKASI A.Ş.
NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2009
(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

**SECTION SIX
OTHER EXPLANATIONS AND NOTES**

I. OTHER EXPLANATIONS ON THE BANK’S OPERATIONS

None.

**SECTION SEVEN
EXPLANATIONS ON REVIEW REPORT**

I. EXPLANATIONS ON REVIEW REPORT

The unconsolidated interim financial statements for the period ended 30 June 2009 have been reviewed by Başaran Nas Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (a member of PricewaterhouseCoopers). The review report dated 4 August 2009 is presented prior to the unconsolidated financial statements.

II. EXPLANATIONS AND NOTES PREPARED BY INDEPENDENT AUDITOR

None.

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