

YAPI VE KREDİ BANKASI A.Ş.

**PUBLICLY ANNOUNCED UNCONSOLIDATED
FINANCIAL STATEMENTS
TOGETHER WITH INDEPENDENT AUDITOR'S REPORT
AT 31 DECEMBER 2009**

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

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

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

We have audited the accompanying unconsolidated balance sheet of Yapı ve Kredi Bankası A.Ş. ("the Bank") at 31 December 2009 and the related unconsolidated statements of income, cash flows and changes in shareholders' equity for the year then ended and a summary of significant accounting policies and other explanatory notes to the financial statements.

Disclosure for the responsibility of the Bank's Board of Directors:

The Bank's Board of Directors is responsible for establishing and maintaining effective internal control over financial reporting to prevent the misstatements caused by error or fraud, that are material to the financial statements; and for selecting and applying appropriate accounting policies in compliance with the "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published on the Official Gazette No.26333 dated 1 November 2006, Turkish Accounting Standards, Turkish Financial Reporting Standards and other regulations, interpretations and circulars published by the Banking Regulation and Supervision Agency (the "BRSA") on accounting and financial reporting principles.

Disclosure for the Responsibility of the Authorized Audit Firm:

Our responsibility, as independent auditors, is to express an opinion on these financial statements based on our audit. Our independent audit is conducted in accordance with "Regulation on Authorisation and Activities of Institutions to Conduct Independent Audit in Banks" published on the Official Gazette No.26333 dated 1 November 2006. We planned and conducted our audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. Our audit includes using the audit techniques for the purpose of obtaining evidence supporting the amounts and disclosures in the financial statements; the selection of these audit techniques is made in accordance with our professional judgment by taking the effectiveness of the controls over financial reporting process into consideration and assessing the appropriateness of the applied accounting policies. We believe that our audit provides a reasonable basis for our opinion.

Independent Auditors' Opinion:

In our opinion, the accompanying unconsolidated financial statements present fairly, in all material respects, the financial position of Yapı ve Kredi Bankası A.Ş. as of 31 December 2009 and the results of its operations and its cash flows for the year then ended in accordance with accounting principles and standards set out by regulations in conformity with article 37 of the Banking Act No. 5411 and other regulations, communiques, interpretations and circulars published by the BRSA on accounting and financial reporting principles.

Additional Paragraph for Convenience Translation:

As explained in detail 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 the Banking Act 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, 2 March 2010

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT ORIGINALLY ISSUED IN TURKISH,
SEE IN NOTE I. OF SECTION THREE**

**THE UNCONSOLIDATED FINANCIAL REPORT OF
YAPI VE KREDİ BANKASI A.Ş. AS OF 31 DECEMBER 2009**

Yapı ve Kredi Bankası A.Ş.
Head Quarters
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The unconsolidated financial report includes the following sections in accordance with “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
- **Section seven** - INDEPENDENT AUDITOR'S REPORT

The accompanying unconsolidated financial statements and notes to these financial statements which are expressed, unless otherwise stated, in **thousands of Turkish Lira** 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 independently audited.

Tayfun BAYAZIT
Chairman of the
Board of Directors

H. Faik AÇIKALIN
Chief Executive Officer

Marco CRAVARIO
Chief Financial Officer

M. Gökmen UÇAR
Financial Reporting and
Accounting Vice President

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 addressing questions about this financial report:

Name-Surname / Title: Aysel Gürsoy / Regulatory Reporting Manager

Telephone Number : 0212 339 63 29 / 0212 339 78 20

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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	1
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	1
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	1
IV.	Information on qualified shareholders	3
V.	Summary information on the Bank's activities and services	3

SECTION TWO

The Bank's Unconsolidated Financial Statements

I.	Balance sheet	4
II.	Income statements	6
III.	Off-balance sheet commitments	7
IV.	Statement of income and expense items accounted under shareholders' equity	8
V.	Statement of changes in shareholders' equity	9
VI.	Statement of cash flows	11
VII.	Profit appropriation statement	12

SECTION THREE

Explanations on Accounting Policies

I.	Basis of presentation	13
II.	Explanations on strategy of using financial instruments and foreign currency transactions	14
III.	Explanations on investments in associates, subsidiaries and joint ventures	14
IV.	Explanations on forward transactions, options and derivative instruments	14
V.	Explanations on interest income and expense	15
VI.	Explanations on fee and commission income and expense	15
VII.	Explanations on financial assets	16
VIII.	Explanations on impairment of financial assets	17
IX.	Explanations on offsetting financial assets	18
X.	Explanations on sales and repurchase agreements and securities lending transactions	18
XI.	Information on assets held for resale and related to discontinued operations and explanations on liabilities related with these assets	18
XII.	Explanations on goodwill and other intangible assets	19
XIII.	Explanations on property and equipment	20
XIV.	Explanations on leasing transactions	20
XV.	Explanations on provisions, contingent asset and liabilities	21
XVI.	Explanations on obligations related to employee rights	21
XVII.	Explanations on taxation	22
XVIII.	Explanations on borrowings	23
XIX.	Explanations on issuance of share certificates	24
XX.	Explanations on avalized drafts and acceptances	24
XXI.	Explanations on government grants	24
XXII.	Profit reserves and profit distribution	24
XXIII.	Earnings per share	24
XXIV.	Related parties	25
XXV.	Cash and cash equivalents	25
XXVI.	Explanations on operating segments	25
XXVII.	Reclassifications	25

SECTION FOUR

Explanations Related to Financial Position of the Bank

I.	Explanations on capital adequacy ratio	26
II.	Explanations on credit risk	29
III.	Explanations on market risk	33
IV.	Explanations on operational risk	34
V.	Explanations on currency risk	34
VI.	Explanations on interest rate risk	37
VII.	Explanations on liquidity risk	39
VIII.	Explanations on the presentation of financial assets and liabilities at their fair values	41
IX.	Explanations on the activities carried out on behalf and on account of other parties	43
X.	Explanations on operating segments	43

SECTION FIVE

Explanations and Notes Related to Unconsolidated Financial Statements

I.	Explanations and notes related to assets	45
II.	Explanations and notes related to liabilities	62
III.	Explanations and notes related to income statement	69
IV.	Explanations and notes related to off-balance sheet accounts	74
V.	Explanations and notes related to changes in shareholders' equity	79
VI.	Explanations and notes related to statement of cash flows	80
VII.	Explanations and notes related to Bank's risk group	81
VIII.	Explanations and notes related to the domestic, foreign, off-shore branches and foreign representatives of the Bank	83
IX.	Explanations and notes related to subsequent events	83

SECTION SIX

Other Explanations and Notes

I.	Other explanations on the Bank's operations	83
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SECTION SEVEN

Explanations on Auditor's Report

I.	Explanations on independent audit or's report	83
II.	Explanations and notes prepared by independent auditor	83

YAPIVE KREDİ BANKASI A.Ş.

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 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 shares have been 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 31 December 2009, 18,20% of the shares of the Bank are publicly traded (2008: 18,20%). The remaining 81,80% being owned by Koç Finansal Hizmetler A.Ş. ("KFS"), a joint venture of UniCredit ("UCT") 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. As of 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 additional shares of the Bank 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 to 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 31 December 2009, the Bank's Board of Directors, Members of the Audit Committee and Executive President and Vice Presidents are as follows.

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

YAPIVE KREDİ BANKASI A.Ş.

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 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
H. Faik AÇIKALIN	Chief Executive Officer
Alessandro M. DECIO	Deputy Chief Executive Officer
Ahmet F. ASHABOĞLU	Member
Füsun Akkal BOZOK	Member
Carlo VIVALDI	Member
Vittorio G. M. OGLIENGO	Member
O. Turgay DURAK	Member
Stephan WINKELMEIER	Member

General Manager and Vice General Managers:

Name	Responsibility
H. 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 Communication Management
Massimiliano FOSSATI	Risk Management
Mert GÜVENEN	Corporate and Commercial Banking Management
Süleyman Cihangir KAVUNCU	Human Resources Management
Fahri ÖBEK ⁽¹⁾	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
Federico GHIZZONI	Chairman
Füsun Akkal BOZOK	Member
Vittorio G. M. OGLIENGO	Member

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
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IN TURKISH, SEE NOTE I. OF SECTION THREE**

YAPIVE KREDİ BANKASI A.Ş.

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 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⁾ As of 30 January 2010, Fahri Öbek has resigned from his duty as vice president of Information Technology Management.

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 includes:

- all banking activities
- all economic and financial activities which are allowed by law and regulation
- the execution of the representation, attorney and agency activities related to the subjects referred to above
- purchase and sale of share certificates, bonds and all the capital market instruments, as part of Capital Market Law and regulations

In case of necessity to perform 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 authorisations required by law.

As of 31 December 2009, the Bank has 837 branches operating in Turkey, 1 branch in off-shore region (2008: 860 branches operating in Turkey, 1 branch in off-shore region) and 14.333 employees (2008: 14.795 employees).

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
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IN TURKISH, SEE NOTE I. OF SECTION THREE**

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

**SECTION TWO
THE BANK’S UNCONSOLIDATED FINANCIAL STATEMENTS**

I. BALANCE SHEET	Note (Section Five)	(31/12/2009)			(31/12/2008)		
		TL	FC	Total	TL	FC	Total
ASSETS							
I. CASH BALANCES WITH CENTRAL BANK	I-a	1.784.268	2.190.797	3.975.065	1.854.691	2.663.952	4.518.643
II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT or (LOSS) (Net)	I-b	665.087	168.811	833.898	457.849	208.976	666.825
2.1 Trading Financial Assets		665.087	168.811	833.898	457.849	208.976	666.825
2.1.1 Government Debt Securities		117.747	109.402	227.149	80.161	162.545	242.706
2.1.2 Share Certificates		-	-	-	-	-	-
2.1.3 Trading Derivative Financial Assets		547.340	59.219	606.559	377.688	10.886	388.574
2.1.4 Other Marketable Securities		-	190	190	-	35.545	35.545
2.2 Financial Assets Designated at Fair Value through Profit or (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	409.144	1.240.512	1.649.656	28.237	2.136.232	2.164.469
IV. MONEY MARKETS		1.530.286	-	1.530.286	40.358	-	40.358
4.1 Interbank Money Market Placements		1.500.271	-	1.500.271	-	-	-
4.2 Receivables from Istanbul Stock Exchange Money Market		30.015	-	30.015	40.358	-	40.358
4.3 Receivables from Reverse Repurchase Agreements		-	-	-	-	-	-
V. AVAILABLE-FOR-SALE FINANCIAL ASSETS (Net)	I-d	570.377	693.914	1.264.291	396.818	590.517	987.335
5.1 Share Certificates		5.400	2.083	7.483	894	21.992	22.886
5.2 Government Debt Securities		520.530	652.026	1.172.556	348.688	368.371	717.059
5.3 Other Marketable Securities		44.447	39.805	84.252	47.236	200.154	247.390
VI. LOANS	I-e	24.725.350	13.132.466	37.857.816	25.306.957	13.365.995	38.672.952
6.1 Loans		24.328.531	13.126.626	37.455.157	24.666.063	13.362.720	38.028.783
6.1.1 Bank’s risk group		466.589	150.558	617.147	240.354	327.362	567.716
6.1.2 Government Debt Securities		-	-	-	-	-	-
6.1.3 Other		23.861.942	12.976.068	36.838.010	24.425.709	13.035.358	37.461.067
6.2 Loans under Follow-up		2.569.983	11.022	2.581.005	1.678.011	35.019	1.713.030
6.3 Specific Provisions (-)		(2.173.164)	(5.182)	(2.178.346)	(1.037.117)	(31.744)	(1.068.861)
VII. FACTORING RECEIVABLES		-	-	-	-	-	-
VIII. HELD-TO-MATURITY SECURITIES (Net)	I-f	5.841.634	6.173.158	12.014.792	5.694.224	5.834.785	11.529.009
8.1 Government Debt Securities		5.841.634	6.173.158	12.014.792	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	1.417.392	389.148	1.806.540	1.422.377	389.148	1.811.525
10.1 Unconsolidated Financial Subsidiaries		1.415.092	389.148	1.804.240	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 (Net)		-	-	-	-	-	-
12.1 Financial Lease Receivables		-	-	-	-	-	-
12.2 Operating Lease Receivables		-	-	-	-	-	-
12.3 Other		-	-	-	-	-	-
12.4 Unearned Income (-)		-	-	-	-	-	-
XIII. HEDGING DERIVATIVE FINANCIAL ASSETS	I-i	127.678	953	128.631	-	-	-
13.1 Fair Value Hedge		127.678	953	128.631	-	-	-
13.2 Cash Flow Hedge		-	-	-	-	-	-
13.3 Foreign Net Investment Hedge		-	-	-	-	-	-
XIV. PROPERTY AND EQUIPMENT (Net)	I-j	1.086.374	-	1.086.374	1.142.676	-	1.142.676
XV. INTANGIBLE ASSETS (Net)	I-k	1.186.024	-	1.186.024	1.151.072	-	1.151.072
15.1 Goodwill		979.493	-	979.493	979.493	-	979.493
15.2 Other		206.531	-	206.531	171.579	-	171.579
XVI. INVESTMENT PROPERTY (Net)		-	-	-	-	-	-
XVII. TAX ASSET		211.670	-	211.670	186.906	-	186.906
17.1 Current Tax Asset		-	-	-	15.159	-	15.159
17.2 Deferred Tax Asset	I-l	211.670	-	211.670	171.747	-	171.747
XVIII. ASSETS HELD FOR RESALE AND RELATED TO DISCONTINUED OPERATIONS (Net)	I-m	86.966	-	86.966	88.332	-	88.332
18.1 Held for sale Purposes		86.966	-	86.966	88.332	-	88.332
18.2 Related to Discontinued Operations		-	-	-	-	-	-
XIX. OTHER ASSETS	I-n	428.958	452.101	881.059	435.067	280.620	715.687
TOTAL ASSETS		40.075.148	24.485.264	64.560.412	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 31 DECEMBER 2009 AND 2008

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

I. BALANCE SHEET	Note (Section Five)	(31/12/2009)			(31/12/2008)		
		TL	FC	Total	TL	FC	Total
LIABILITIES							
I. DEPOSITS	II-a	22.998.513	17.834.824	40.833.337	24.695.882	17.009.447	41.705.329
1.1 Deposits of Bank's risk group		1.860.251	2.497.743	4.357.994	1.602.990	2.599.818	4.202.808
1.2 Other		21.138.262	15.337.081	36.475.343	23.092.892	14.409.629	37.502.521
II. TRADING DERIVATIVE FINANCIAL LIABILITIES	II-b	222.091	45.286	267.377	177.384	24.722	202.106
III. BORROWINGS	II-c	757.536	4.551.003	5.308.539	1.162.959	5.000.877	6.163.836
IV. MONEY MARKETS		64.764	861.631	926.395	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		64.764	861.631	926.395	150.233	236.709	386.942
V. MARKETABLE SECURITIES ISSUED (Net)		-	-	-	-	-	-
5.1 Bills		-	-	-	-	-	-
5.2 Asset Backed Securities		-	-	-	-	-	-
5.3 Bonds		-	-	-	-	-	-
VI. FUNDS		-	-	-	-	-	-
6.1 Borrower funds		-	-	-	-	-	-
6.2 Other		-	-	-	-	-	-
VII. MISCELLANEOUS PAYABLES		2.637.294	354.417	2.991.711	2.335.129	241.210	2.576.339
VIII. OTHER LIABILITIES	II-d	501.690	374.678	876.368	474.130	1.013.190	1.487.320
IX. FACTORING PAYABLES		-	-	-	-	-	-
X. FINANCIAL LEASE PAYABLES (Net)		-	5.593	5.593	1.917	6.022	7.939
10.1 Financial Lease Payables	II-e	-	5.800	5.800	1.939	6.414	8.353
10.2 Operational Lease Payables		-	-	-	-	-	-
10.3 Other		-	-	-	-	-	-
10.4 Deferred Financial Lease Expenses (-)		-	(207)	(207)	(22)	(392)	(414)
XI. HEDGING DERIVATIVE FINANCIAL LIABILITIES	II-f	357.513	100	357.613	-	-	-
11.1 Fair Value Hedge		357.513	100	357.613	-	-	-
11.2 Cash Flow Hedge		-	-	-	-	-	-
11.3 Foreign Net Investment Hedge		-	-	-	-	-	-
XII. PROVISIONS	II-g	1.942.146	391.390	2.333.536	1.662.615	285.424	1.948.039
12.1 General Loan Loss Provision		552.701	339.212	891.913	408.036	247.396	655.432
12.2 Restructuring Provisions		-	-	-	-	-	-
12.3 Reserve for Employee Rights		149.789	-	149.789	138.307	-	138.307
12.4 Insurance Technical Provisions (Net)		-	-	-	-	-	-
12.5 Other Provisions		1.239.656	52.178	1.291.834	1.116.272	38.028	1.154.300
XIII. TAX LIABILITY	II-h	168.553	-	168.553	171.635	-	171.635
13.1 Current Tax Liability		168.553	-	168.553	171.635	-	171.635
13.2 Deferred Tax Liability		-	-	-	-	-	-
XIV. LIABILITIES FOR PROPERTY AND EQUIPMENT HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS		-	-	-	-	-	-
14.1 Held for sale purpose		-	-	-	-	-	-
14.2 Related to discontinued operations		-	-	-	-	-	-
XV. SUBORDINATED LOANS	II-i	-	2.224.023	2.224.023	-	2.220.601	2.220.601
XVI. SHAREHOLDERS' EQUITY	II-j	8.179.769	87.598	8.267.367	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		612.063	87.598	699.661	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	6.213	87.598	93.811	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)		1.354.777	-	1.354.777	1.042.601	-	1.042.601
16.4.1 Prior Years' Income or (Loss)		-	-	-	-	-	-
16.4.2 Current Year Income or (Loss)		1.354.777	-	1.354.777	1.042.601	-	1.042.601
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		37.829.869	26.730.543	64.560.412	37.662.206	26.060.927	63.723.133

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

YAPI VE KREDİ BANKASI A.Ş.

UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 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)	01/01-31/12/2009	01/01-31/12/2008
I. INTEREST INCOME		III-a	6.715.401	7.040.595
1.1 Interest on Loans		III-a-1	5.178.170	5.206.590
1.2 Interest Received from Reserve Requirements			114.043	217.121
1.3 Interest Received from Banks		III-a-2	26.053	67.070
1.4 Interest Received from Money Market Transactions			86.512	40.792
1.5 Interest Received from Marketable Securities Portfolio		III-a-3	1.309.271	1.492.078
1.5.1 Trading Financial Assets			23.851	17.298
1.5.2 Financial Assets at Fair Value through Profit or (Loss)			-	-
1.5.3 Available-for-sale Financial Assets			100.805	48.630
1.5.4 Held to Maturity Investments			1.184.615	1.426.150
1.6 Financial Lease Income			-	-
1.7 Other Interest Income			1.352	16.944
II. INTEREST EXPENSE		III-b	(3.237.076)	(4.608.669)
2.1 Interest on Deposits		III-b-3	(2.796.451)	(4.039.528)
2.2 Interest on Funds Borrowed		III-b-1	(382.226)	(472.600)
2.3 Interest Expense on Money Market Transactions			(57.247)	(94.337)
2.4 Interest on Securities Issued			-	-
2.5 Other Interest Expenses			(1.152)	(2.204)
III. NET INTEREST INCOME (I + II)			3.478.325	2.431.926
IV. NET FEES AND COMMISSIONS INCOME			1.436.423	1.262.736
4.1 Fees and Commissions Received			1.691.820	1.552.002
4.1.1 Non-cash Loans			187.898	151.400
4.1.2 Other			1.503.922	1.400.602
4.2 Fees and Commissions Paid			(255.397)	(289.266)
4.2.1 Non-cash Loans			(108)	(85)
4.2.2 Other			(255.289)	(289.181)
V. DIVIDEND INCOME		III-c	142.688	205.969
VI. TRADING INCOME/(LOSS) (Net)		III-d	340.090	(5.164)
6.1 Trading Gains/(Losses) on Securities			136.701	35.535
6.2 Derivative Financial Transactions Gains/(Losses)		III-e	300.163	(268.699)
6.3 Foreign Exchange Gains/(Losses)			(96.774)	(309.398)
VII. OTHER OPERATING INCOME		III-f	194.960	367.180
VIII. TOTAL OPERATING INCOME (III+IV+V+VI+VII)			5.592.486	4.262.647
IX. PROVISION FOR LOAN LOSSES AND OTHER RECEIVABLES (-)		III-g	(1.565.106)	(569.392)
X. OTHER OPERATING EXPENSES (-)		III-h	(2.313.477)	(2.358.590)
XI. NET OPERATING INCOME/(LOSS) (VIII-IX-X)			1.713.903	1.334.665
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-i	1.713.903	1.334.665
XVI. PROVISION FOR TAXES ON INCOME FROM CONTINUING OPERATIONS (±)		III-j	(359.126)	(292.064)
16.1 Current Tax Provision			(397.268)	(207.854)
16.2 Deferred Tax Provision			38.142	(84.210)
XVII. NET PROFIT/LOSSES FROM CONTINUING OPERATIONS (XV±XVI)			1.354.777	1.042.601
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)		III-k	1.354.777	1.042.601
Earnings/(Loss) per share			0,0031	0,0030

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

II. OFF-BALANCE SHEET COMMITMENTS		Note (Section five)	(31/12/2009)			(31/12/2008)		
			TL	FC	Total	TL	FC	Total
A	OFF-BALANCE SHEET COMMITMENTS (I-II+III)		33.515.201	39.708.236	73.223.437	28.456.797	24.993.369	53.450.166
I.	GUARANTEES AND WARRANTIES	IV-a-2,3	6.224.437	9.921.476	16.145.913	5.041.331	10.268.520	16.309.851
1.1	Letters of Guarantee		6.219.586	6.784.084	13.003.670	5.037.727	6.980.118	13.017.845
1.1.1	Guarantees Subject to State Tender Law		477.787	441.239	919.026	440.708	533.824	974.532
1.1.2	Guarantees Given for Foreign Trade Operations		683.494	6.342.845	7.026.339	662.959	6.446.294	7.109.253
1.1.3	Other Letters of Guarantee		5.058.305	-	5.058.305	4.934.060	-	4.934.060
1.2	Bank Acceptances		-	151.669	151.669	-	211.367	211.367
1.2.1	Import Letter of Acceptance		-	151.669	151.669	-	211.367	211.367
1.2.2	Other Bank Acceptances		-	-	-	-	-	-
1.3	Letters of Credit		1.410	2.589.754	2.591.164	547	2.635.375	2.635.922
1.3.1	Documentary Letters of Credit		1.410	2.589.754	2.591.164	547	2.635.375	2.635.922
1.3.2	Other Letters of Credit		-	-	-	-	-	-
1.4	Prefinancing Given as Guarantee		143	2.008	2.151	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		2.398	197.374	199.772	2.914	250.224	253.138
1.9	Other Collaterals		900	196.587	197.487	-	189.419	189.419
II.	COMMITMENTS	IV-a-1	16.411.945	2.996.032	19.407.977	16.525.969	3.289.791	19.815.760
2.1	Irrevocable Commitments		16.411.945	2.996.032	19.407.977	16.525.969	3.289.791	19.815.760
2.1.1	Asset Purchase and Sale Commitments		-	517.280	517.280	-	446.310	446.310
2.1.2	Deposit Purchase and Sales Commitments		5.419	-	5.419	62.765	58.976	121.741
2.1.3	Share Capital Commitments to Associates and Subsidiaries		2.000	-	2.000	-	-	-
2.1.4	Loan Granting Commitments		2.693.259	376.669	3.069.928	1.914.608	542.492	2.457.100
2.1.5	Securities Issue Brokerage Commitments		-	-	-	-	-	-
2.1.6	Commitments for Reserve Deposit Requirements		1.209.483	2.088.453	3.297.936	1.815.920	2.234.068	4.049.988
2.1.7	Commitments for Cheques		1.468.823	-	1.468.823	1.391.826	-	1.391.826
2.1.8	Tax and Fund Liabilities from Export Commitments		38.261	-	38.261	40.495	-	40.495
2.1.9	Commitments for Credit Card Limits		10.952.962	-	10.952.962	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		41.738	13.630	55.368	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	IV-b,c	10.878.819	26.790.728	37.669.547	5.889.497	11.435.058	17.324.555
3.1	Hedging Derivative Financial Instruments		1.957.152	2.011.741	3.968.893	-	-	-
3.1.1	Transactions for Fair Value Hedge		1.957.152	2.011.741	3.968.893	-	-	-
3.1.2	Transactions for Cash Flow Hedge		-	-	-	-	-	-
3.1.3	Transactions for Foreign Net Investment Hedge		-	-	-	-	-	-
3.2	Trading Transactions		8.921.667	24.778.987	33.700.654	5.889.497	11.435.058	17.324.555
3.2.1	Forward Foreign Currency Buy/Sell Transactions		2.047.518	2.894.878	4.942.396	1.256.956	2.828.652	4.085.608
3.2.1.1	Forward Foreign Currency Transactions-Buy		964.150	1.501.122	2.465.272	542.322	1.496.768	2.039.090
3.2.1.2	Forward Foreign Currency Transactions-Sell		1.083.368	1.393.756	2.477.124	714.634	1.331.884	2.046.518
3.2.2	Swap Transactions Related to Foreign Currency and Interest Rates		5.410.890	17.149.577	22.560.467	4.197.395	7.958.836	12.156.231
3.2.2.1	Foreign Currency Swap-Buy		3.654.273	3.325.886	6.980.159	3.185.007	674.435	3.859.442
3.2.2.2	Foreign Currency Swap-Sell		288.901	6.184.316	6.473.217	291.016	3.295.374	3.586.390
3.2.2.3	Interest Rate Swap-Buy		185.118	4.354.343	4.539.461	33.375	2.362.490	2.395.865
3.2.2.4	Interest Rate Swap-Sell		1.282.598	3.285.032	4.567.630	687.997	1.626.537	2.314.534
3.2.3	Foreign Currency, Interest rate and Securities Options		1.463.259	4.209.477	5.672.736	435.146	642.300	1.077.446
3.2.3.1	Foreign Currency Options-Buy		530.200	1.279.554	1.809.754	118.700	265.772	384.472
3.2.3.2	Foreign Currency Options-Sell		653.793	1.168.323	1.822.116	156.254	229.088	385.342
3.2.3.3	Interest Rate Options-Buy		16.194	880.800	896.994	119.000	147.440	266.440
3.2.3.4	Interest Rate Options-Sell		16.194	880.800	896.994	-	-	-
3.2.3.5	Securities Options-Buy		129.092	-	129.092	17.816	-	17.816
3.2.3.6	Securities Options-Sell		117.786	-	117.786	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		-	525.055	525.055	-	5.270	5.270
B.	CUSTODY AND PLEDGES RECEIVED (IV+V+VI)		70.610.465	17.464.080	88.074.545	61.998.655	14.512.155	76.510.810
IV.	ITEMS HELD IN CUSTODY		43.161.556	3.411.481	46.573.037	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		36.727.671	3.133.759	39.861.430	31.853.656	1.220.900	33.074.556
4.3	Checks Received for Collection		4.983.674	37.425	5.021.099	5.305.825	36.725	5.342.550
4.4	Commercial Notes Received for Collection		1.450.211	218.405	1.668.616	1.384.724	190.029	1.574.753
4.5	Other Assets Received for Collection		-	21.785	21.785	-	21.625	21.625
4.6	Assets Received for Public Offering		-	-	-	-	-	-
4.7	Other Items Under Custody		-	-	-	-	-	-
4.8	Custodians		-	-	-	-	-	-
V.	PLEDGES RECEIVED		26.604.251	13.446.313	40.050.564	22.453.712	12.365.927	34.819.639
5.1	Marketable Securities		199.083	163	199.246	183.456	184	183.640
5.2	Guarantee Notes		303.643	355.528	659.171	330.692	352.168	682.860
5.3	Commodity		11.329	-	11.329	11.280	-	11.280
5.4	Warranty		-	-	-	-	-	-
5.5	Immovable		17.764.131	9.292.461	27.056.592	14.200.107	8.152.065	22.352.172
5.6	Other Pledged Items		8.326.065	3.795.462	12.121.527	7.728.177	3.858.803	11.586.980
5.7	Pledged Items-Depository		-	2.699	2.699	-	2.707	2.707
VI.	ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES		844.658	606.286	1.450.944	1.000.738	676.843	1.677.581
TOTAL OFF-BALANCE SHEET COMMITMENTS (A+B)			104.125.666	57.172.316	161.297.982	90.455.452	39.505.524	129.960.976

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**YAPI VE KREDİ BANKASI A.Ş.
UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 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	(31/12/2009)	(31/12/2008)
I. ADDITIONS TO THE MARKETABLE VALUATION DIFFERENCES FROM THE AVAILABLE FOR SALE FINANCIAL ASSETS	64.434	1.679
II. PROPERTY AND EQUIPMENT REVALUATION DIFFERENCES	-	-
III. INTANGIBLE ASSETS REVALUATION DIFFERENCES	-	-
IV. CURRENCY TRANSLATION DIFFERENCES FOR FOREIGN CURRENCY TRANSACTIONS	(84)	12.843
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	-	(1.844)
IX. DEFERRED TAX RELATED TO VALUATION DIFFERENCES	1.778	(3.430)
X. NET PROFIT OR LOSS ACCOUNTED DIRECTLY UNDER SHAREHOLDERS' EQUITY (I+II+...+IX)	66.128	9.248
XI. CURRENT YEAR PROFIT/LOSS	6.585	24.799
11.1 Net change in fair value of marketable securities (transfer to profit-loss)	6.585	24.799
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)	59.543	(15.551)

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YAPI VE KREDİ BANKASI A.Ş.

UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AT 31 DECEMBER 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	Extraordina- ry 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
31 December 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												(13.707)					(13.707)
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	II-j-3	920.000															920.000
14.1	Cash increase		920.000															920.000
14.2	Internal Resources																	
XV.	Share Premium				2.248													2.248
XVI.	Share Cancellation Profits																	
XVII.	Paid in-capital Adjustment Difference																	
XVIII.	Other									(1.844)								(1.844)
XIX.	Current Year Income or Loss										1.042.601							1.042.601
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)		4.347.051		543.881		44.089		822.644	18.513	1.042.601		34.268					6.853.047

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 STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AT 31 DECEMBER 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	Extraordina- ry 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
31 DECEMBER 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		-	-	-	-	-	-	-	-	-	-	59,543	-	-	-	-	59,543
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	II-j-3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	1,354,777	-	-	-	-	-	-	1,354,777
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	1,354,777	-	93,811	-	-	-	-	8,267,367

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

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

YAPI VE KREDİ BANKASI A.Ş.

UNCONSOLIDATED STATEMENTS OF CASH FLOWS AT 31 DECEMBER 2009 AND 2008

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

VI. STATEMENT OF CASH FLOWS				
		Notes (Section Five)	(31/12/2009)	(31/12/2008)
A.	CASH FLOWS FROM BANKING OPERATIONS			
1.1	Operating profit before changes in operating assets and liabilities		2.292.092	(778.971)
1.1.1	Interest received		6.993.066	6.591.334
1.1.2	Interest paid		(3.471.383)	(4.476.232)
1.1.3	Dividend received		142.688	205.969
1.1.4	Fees and commissions received		1.690.404	1.557.678
1.1.5	Other income		527.399	253.406
1.1.6	Collections from previously written-off loans and other receivables		1.704.907	837.602
1.1.7	Payments to personnel and service suppliers		(1.983.805)	(2.113.096)
1.1.8	Taxes paid		(436.833)	(378.215)
1.1.9	Other		(2.974.351)	(3.257.417)
1.2	Changes in operating assets and liabilities		(1.031.573)	1.581.449
1.2.1	Net decrease/(increase) in trading securities		106.037	(63.947)
1.2.2	Net (increase)/decrease in fair value through profit/loss financial assets		-	-
1.2.3	Net decrease in banks		1.307.672	1.332.948
1.2.4	Net (increase) in loans		(545.946)	(10.000.272)
1.2.5	Net (increase) in other assets		(804.650)	(1.450.664)
1.2.6	Net increase/(decrease) in bank deposits		739.692	(1.469.336)
1.2.7	Net (decrease)/increase in other deposits		(898.721)	9.533.285
1.2.8	Net (decrease)/increase in funds borrowed		(791.077)	2.793.432
1.2.9	Net increase/(decrease) in payables		-	-
1.2.10	Net (decrease)/increase in other liabilities		(144.580)	906.003
I.	Net cash provided from banking operations		1.260.519	802.478
B.	CASH FLOWS FROM INVESTING ACTIVITIES			
II.	Net cash provided from investing activities		(486.511)	(250.570)
2.1	Cash paid for acquisition of investments, associates and subsidiaries (Business Partnerships)		-	(389.683)
2.2	Cash obtained from disposal of investments, associates and subsidiaries (Business Partnerships)		-	-
2.3	Purchases of property and equipment		(192.503)	(212.873)
2.4	Disposals of property and equipment		57.371	164.579
2.5	Cash paid for purchase of investments available-for-sale		(736.935)	(859.831)
2.6	Cash obtained from sale of investments available-for-sale		527.877	189.818
2.7	Cash paid for purchase of investment securities		(908.825)	(365.947)
2.8	Cash obtained from sale of investment securities		701.978	1.125.894
2.9	Other		64.526	97.473
C.	CASH FLOWS FROM FINANCING ACTIVITIES			
III.	Net cash provided from financing activities		(2.346)	906.593
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		-	922.248
3.4	Dividends paid		-	-
3.5	Payments for finance leases		(2.346)	(15.655)
3.6	Other		-	-
IV.	Effect of change in foreign exchange rate on cash and cash equivalents		26.118	517.235
V.	Net increase/(decrease) in cash and cash equivalents (I+II+III+IV)		797.780	1.975.736
VI.	Cash and cash equivalents at beginning of the period	VI-a	3.660.024	1.684.288
VII.	Cash and cash equivalents at end of the period	VI-a	4.457.804	3.660.024

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

YAPI VE KREDİ BANKASI A.Ş.

PROFIT APPROPRIATION STATEMENTS AT 31 DECEMBER 2009 AND 2008

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

VII. PROFIT APPROPRIATION STATEMENT ⁽¹⁾		
	(31/12/2009)	(31/12/2008)
I. DISTRIBUTION OF CURRENT YEAR INCOME		
1.1 Current Year Income	1.713.903	1.334.665
1.2 Taxes And Duties Payable (-)	(359.126)	(292.064)
1.2.1 Corporate Tax (Income tax)	(397.268)	(207.854)
1.2.2 Income withholding tax	-	-
1.2.3 Other taxes and duties	38.142	(84.210)
A. NET INCOME FOR THE YEAR (1.1-1.2)	1.354.777	1.042.601
1.3 Prior Year Losses (-)	-	-
1.4 First Legal Reserves (-)	-	52.131
1.5 Other Statutory Reserves (-)	-	-
B. NET INCOME AVAILABLE FOR DISTRIBUTION [(A)-(1.3+1.4+1.5)]	1.354.777	990.470
1.6 First Dividend To Shareholders (-)	-	-
1.6.1 To Owners Of Ordinary Shares	-	-
1.6.2 To Owners Of Privileged Shares	-	-
1.6.3 To Owners Of Preferred Shares	-	-
1.6.4 To Profit Sharing Bonds	-	-
1.6.5 To Holders Of Profit And Loss Sharing Certificates	-	-
1.7 Dividends To Personnel (-)	-	-
1.8 Dividends To Board Of Directors (-)	-	-
1.9 Second Dividend To Shareholders (-)	-	-
1.9.1 To Owners Of Ordinary Shares	-	-
1.9.2 To Owners Of Privileged Shares	-	-
1.9.3 To Owners Of Preferred Shares	-	-
1.9.4 To Profit Sharing Bonds	-	-
1.9.5 To Holders Of Profit And Loss Sharing Certificates	-	-
1.10 Second Legal Reserves (-)	-	-
1.11 Statutory Reserves (-)	-	-
1.12 Extraordinary Reserves	-	947.014
1.13 Other Reserves	-	-
1.14 Special Funds	-	43.456
II. DISTRIBUTION OF RESERVES	-	-
2.1 Appropriated Reserves	-	-
2.2 Second Legal Reserves (-)	-	-
2.3 Dividends To Shareholders (-)	-	-
2.3.1 To Owners Of Ordinary Shares	-	-
2.3.2 To Owners Of Privileged Shares	-	-
2.3.3 To Owners Of Preferred Shares	-	-
2.3.4 To Profit Sharing Bonds	-	-
2.3.5 To Holders Of Profit And Loss Sharing Certificates	-	-
2.4 Dividends To Personnel (-)	-	-
2.5 Dividends To Board Of Directors (-)	-	-
III. EARNINGS PER SHARE	-	-
3.1 To Owners Of Ordinary Shares	0,0031	0,0030
3.2 To Owners Of Ordinary Shares (%)	-	-
3.3 To Owners Of Privileged Shares	-	-
3.4 To Owners Of Privileged Shares (%)	-	-
IV. DIVIDEND PER SHARE	-	-
4.1 To Owners Of Ordinary Shares	-	-
4.2 To Owners Of Ordinary Shares (%)	-	-
4.3 To Owners Of Privileged Shares	-	-
4.4 To Owners Of Privileged Shares (%)	-	-

⁽¹⁾ Authorised body for profit appropriation of the current period is General Assembly. On the preparation date of these financial statements, yearly ordinary meeting of the General Assembly has not been held yet. Since the profit appropriation proposal for the year 2009 has not been prepared by the Board of Directors, only net profit related to the year 2009, which is base for the profit appropriation calculation, has been disclosed. The aforementioned amount also includes 75% of gains on sales of property and equipment, and share certificates amounting to TL18.153 thousand which are not going to be distributed and are going to be held in reserves according to the article 5.e of Corporate Tax Law No. 5520.

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.

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 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 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.

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.

**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 31 DECEMBER 2009

(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 utilised 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 recognised in the income statement under the account of "Foreign exchange gains or losses", except for foreign currency investments, investment in associates and 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 realised. Foreign currency non-performing loans are translated with the exchange rate 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 rate prevailing at the transaction date and are reflected to the financial statements after deducting the provision for impairment, if one exists. To comply with the current period evaluation policies, the effect of the related change has been reflected to the previous period's financial statements.

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

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

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

Derivative instruments are measured at fair value on initial recognition and subsequently re-valued 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.

**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 31 DECEMBER 2009

(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 recognised 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 recognised 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 recognised 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 recognised as income at the time of collection.

**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 31 DECEMBER 2009

(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 recognised 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 recognised 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 amortised cost using the effective interest method. All gains and losses arising from these evaluations are recognised 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 not 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 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

**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 31 DECEMBER 2009

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

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 amortised cost using the effective interest method. "Unrealised gains and losses" arising from changes in the fair value of financial assets classified as available-for-sale are recognised in the shareholders' equity as "Marketable securities value increase fund", 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.

**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 31 DECEMBER 2009

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

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 recognised amounts and there is an intention to collect/pay related financial assets and liabilities on a net basis, or to realise 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-sale. The operating results of the discontinued operations are disclosed separately in the income statement.

The Bank has no discontinued operations.

**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 31 DECEMBER 2009

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

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 recognised. The acquirer also recognises assets that are capable of being individually identified and separately recognised, 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 recognised 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, Private Banking, Corporate Banking and Credit Card operations.

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 amortised 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 utilise 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%

**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 31 DECEMBER 2009

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XIII. EXPLANATIONS ON PROPERTY AND EQUIPMENT:

Property and equipment is measured at its cost when initially recognised 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 an 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 recognised as expense. The capital expenditures made in order to increase the capacity of the tangible asset or to increase its future benefits are capitalised 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".

**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 31 DECEMBER 2009

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

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 recognised 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 recognised 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 recognised in the same period of occurrence in accordance with the "matching principle". A provision is recognised 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.

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.

**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 31 DECEMBER 2009

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

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.

In the New Law, 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 finalised. 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 provided provision for the technical deficit based on the report prepared by a registered actuary in accordance with the rates determined by the New Law.

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.

**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 31 DECEMBER 2009

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

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.

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.

**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 31 DECEMBER 2009

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XIX. EXPLANATIONS ON ISSUANCE OF SHARE CERTIFICATES:

Transaction costs regarding the issuance of share certificates are accounted under shareholders' equity.

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 31 December 2009 and 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.

XXIII. EARNINGS PER SHARE:

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

	31 December 2009	31 December 2008
Net Income to be Appropriated to Ordinary Shareholders	1.354.777	1.042.601
Weighted Average Number of Issued Ordinary Shares(Thousand)	434.705.128	346.538.433
Earnings Per Share (Disclosed in full TL)	0,0031	0,0030

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings. 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.

During 2009, no bonus shares were issued (2008: None).

**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 31 DECEMBER 2009

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

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 VII. 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 Operating Segments" ("TFRS 8") together with organisational and internal reporting structure of the Bank, are disclosed in Note X. of Section Four.

XXVII. RECLASSIFICATIONS:

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

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 31 DECEMBER 2009

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

SECTION FOUR

EXPLANATIONS RELATED TO FINANCIAL POSITION OF THE BANK

I. EXPLANATIONS ON CAPITAL ADEQUACY RATIO:

- a. The capital adequacy ratio of the Bank is 17,78% (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)	21.128.149	2.307.216	5.994.695	32.327.459	316.733	26.319
Cash	807.169	183	-	-	-	-
Matured marketable securities	-	-	-	-	-	-
The Central Bank of the Republic of Turkey	1.963.677	-	-	-	-	-
Domestic, foreign banks, head offices and branches abroad	-	1.639.604	-	8.702	-	-
Interbank money market placements	1.530.000	-	-	-	-	-
Receivables from reverse repurchase transactions	-	-	-	-	-	-
Reserve requirements with the Central Bank of the Republic of Turkey	1.356.548	-	-	-	-	-
Loans	1.987.136	599.415	5.876.694	27.918.339	316.733	26.319
Non-performing receivables (Net)	-	-	-	402.659	-	-
Lease receivables	-	-	-	-	-	-
Available-for-sale financial assets	1.063.441	45.053	-	46.232	-	-
Held-to-maturity investments	11.767.728	-	-	-	-	-
Receivables from the disposal of assets	-	-	-	12.805	-	-
Miscellaneous receivables	-	204	-	306.828	-	-
Interest and income accruals	428.099	13.369	118.001	561.053	-	-
Investments in associates, subsidiaries and joint ventures (Net)	-	-	-	1.781.951	-	-
Fixed assets	-	-	-	1.065.938	-	-
Other assets	224.351	9.388	-	222.952	-	-
Off-balance sheet items	927.111	1.381.135	369.635	10.519.021	-	-
Non-cash loans and commitments	927.111	635.575	369.635	10.426.301	-	-
Derivative financial instruments	-	745.560	-	92.720	-	-
Non-risk weighted accounts	-	-	-	-	-	-
Total Risk Weighted Assets	22.055.260	3.688.351	6.364.330	42.846.480	316.733	26.319

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

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 31 DECEMBER 2009

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

INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

d. Summary information about capital adequacy ratio ("CAR"):

	31 December 2009	31 December 2008
Amount subject to credit risk (ASCR)	47.294.053	47.773.374
Amount subject to market risk (ASMR)	1.029.475	290.150
Amount subject to operational risk (ASOR)	6.209.003	4.839.316
Shareholders' equity	9.697.491	8.329.495
Shareholders' equity /(ASCR+ASMR+ASOR) *100	17,78	15,74

e. Information about shareholders' equity items:

	31 December 2009	31 December 2008
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	1.354.777	1.042.601
Current period net profit	1.354.777	1.042.601
Prior periods profit	-	-
Provisions for possible risks (up to 25% of core capital)	89.004	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⁾	91.257	-
Prepaid expenses (-) ⁽¹⁾	131.956	166.355
Intangible Assets (-) ⁽¹⁾	1.186.024	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	6.853.323	5.561.524

**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 31 DECEMBER 2009

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

INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

SUPPLEMENTARY CAPITAL	31 December 2009	31 December 2008
General provisions	681.657	655.432
45% of the movables revaluation fund	-	-
45% of the immovables revaluation fund	-	-
Bonus shares of investment in associates, subsidiaries and joint ventures	-	-
Primary Subordinated Loans that are not considered in the calculation of core capital	-	-
Secondary Subordinated Loans ⁽²⁾	2.208.374	2.172.900
45 % of Marketable Securities valuation fund	42.215	15.420
From investments in associates and subsidiaries	-	-
Available-for-Sale financial assets	42.215	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	2.932.246	2.843.752
TIER III CAPITAL	-	-
CAPITAL	9.785.569	8.405.276
DEDUCTIONS FROM THE CAPITAL ⁽¹⁾	88.078	75.781
Investments in Unconsolidated Financial Institutions (Domestic, foreign) and Banks in which 10% or more equity interest exercised	71.933	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	-	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.	16.145	-
Other	-	-
TOTAL SHAREHOLDERS' EQUITY	9.697.491	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.

**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 31 DECEMBER 2009

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

INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

II. EXPLANATIONS ON CREDIT RISK:

- a. Credit risk is the loss or the risk of the Bank in case a counterparty can not fulfil its obligations stated in agreements where the Bank is at a side. The Bank identifies loan limits for each customer considering statutory regulations, the internal scoring system, financial analysis reports and geographical and industry concentration and considering credit policies determined by Board of Directors each year. The limits defined by the Board of Directors for each correspondent bank are followed-up daily by Treasury Management for the transactions related with placements with domestic and correspondent banks or treasury operations such as forward buy and sell transactions. Moreover, daily positions and limit controls of each Treasury and Fund Management employee who is authorised for transactions in the market are controlled by the system. In the loan granting process, liquid collaterals are obtained to the greatest extent possible. Long term projections of the companies are analysed both by financial analysis specialists and head office when granting long-term and project finance loans. Since credit and interest risks are higher in long-term commitments, their pricing is coordinated with Treasury Management.

Corporate and commercial loan customers (excluding construction companies and financial institutions which are monitored separately) are followed-up in the system with risk scores and relatively more risky customers are closely monitored by the Credit Management - Risk Monitoring Department.

In case of SME, risk scores generated by the credit rating system are used in the SME loans rating approval authorization system. By this system, high graded clients are approved by the branches while low graded clients are directed to the higher authorization levels for approval.

The Bank calculates the probability of default for the customers with its rating system for various types of customers. The rating concentration of the corporate and commercial loans that are rated by the Bank's internal rating system are disclosed below:

	31 December 2009	31 December 2008
Above average (1-4)	30,3%	32,7%
Average (5+ -6)	47,9%	48,3%
Below Average (7+ -9)	21,8%	19,0%

- b. The Bank has control limits over the positions of forwards, options and similar agreements.
- c. When necessary, derivative instruments are exercised to control and to offset credit risks that can especially originate from foreign exchange and interest rate fluctuations.
- d. In line with the Regulation on provisions, if the cash risk of a customer classified as non performing, the non-cash is classified as non performing under the same group where the cash risks were already followed and specific provision is reserved.

Restructured loans are also classified and followed up according to the regulation on provisions considering the Bank's credit risk policies. Accordingly, the financial position and commercial operations of related customers monitored and their principle and interest payments are followed up with a restructured repayment schedule and the necessary precautions are taken.

- e. Banking activities in foreign countries and credit transactions are subject to periodical follow-up in terms of the economic conditions of the related countries and the evaluation of the creditworthiness of the customers and financial institutions and no material risks have been observed in scope of these operations.

**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 31 DECEMBER 2009

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

INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

- f. 1. The proportion of the Bank's top 100 cash loan balances in total cash loans is 22% (2008: 22%).
2. The proportion of the Bank's top 100 non-cash loan balances in total non-cash loans is 45% (2008: 44%).
3. The proportion of the Bank's cash and non-cash loan balances with the first 100 customers comprises of 22% of total cash loans and non-cash loans (2008: 22%).
- g. The Bank provided a general loan loss provision amounting to TL891.913 thousand (2008: TL655.432 thousand).
- h. Loans concentration according to the type of borrowers:

	Loans granted to real persons and corporate entities		Loans granted to Banks and other financial Institutions		Marketable Securities ⁽¹⁾		Other Loans ⁽²⁾		Off Balance Sheet Liabilities ⁽²⁾	
	31 December 2009	31 December 2008	31 December 2009	31 December 2008	31 December 2009	31 December 2008	31 December 2009	31 December 2008	31 December 2009	31 December 2008
Loans concentration according to the type of borrowers										
Private Sector	20.962.638	22.075.711	679.025	608.677	72.970	11.107	590.914	339.030	16.814.032	16.611.002
Public Sector	1.229.222	1.380.437	-	-	13.414.497	12.488.774	-	-	3.069.928	2.471.665
Banks	-	-	446.493	624.876	11.472	271.828	3.796.081	2.530.253	4.669.143	5.724.402
Individual Customers	14.540.438	13.983.251	-	-	-	-	18.267	844	11.000.787	11.318.542
Share certificates	-	-	-	-	7.483	22.886	1.853.884	1.858.869	-	-
Total	36.732.298	37.439.399	1.125.518	1.233.553	13.506.422	12.794.595	6.259.146	4.728.996	35.553.890	36.125.611
Information according to geographical concentration										
Domestic	36.414.509	37.093.937	1.114.387	921.678	13.449.563	12.532.612	4.390.616	1.841.702	34.003.151	34.430.748
European Union Countries	192.454	230.128	3.665	299.304	12.053	147.683	1.659.316	1.903.826	782.547	1.067.383
OECD Countries ⁽³⁾	27.478	26.234	-	-	-	-	8.879	264.672	294.193	335.121
Off-shore banking regions	3.067	-	-	-	27.916	76.298	143	90	10.636	6.996
USA, Canada	688	184	-	-	16.890	38.002	191.615	570.725	124.318	34.479
Other Countries	94.102	88.916	7.466	12.571	-	-	8.577	147.981	339.045	250.884
Total	36.732.298	37.439.399	1.125.518	1.233.553	13.506.422	12.794.595	6.259.146	4.728.996	35.553.890	36.125.611

(1) Contains Trading Financial Assets, Available-for-sale Financial Assets and Held-to-maturity Investments.

(2) Contains the items defined as loan in Article 48 of the Banking Act No. 5411 other than those listed in first three columns of Uniform Chart of Accounts.

(3) OECD countries other than EU countries, USA and Canada.

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 31 DECEMBER 2009

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

INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

i. Information on amounts that are exposed to credit risk:

	31 December 2009	31 December 2008
Balance sheet items that are exposed to credit risk:		
Bank placements	1.649.656	2.164.469
Loans and advances to customers	37.857.816	38.672.952
-Credit cards	7.521.878	7.632.866
-Consumer loans	7.018.560	6.350.385
-Corporate, commercial and other loans	23.317.378	24.689.701
Trading securities	833.898	666.825
-Government securities	227.149	242.706
-Other marketable securities	190	35.545
-Derivative financial instruments	606.559	388.574
Investment securities	13.279.083	12.516.344
-Government debt securities	13.187.348	12.246.068
-Share certificates	7.483	22.886
-Other marketable securities	84.252	247.390
Other assets	881.059	715.687
Credit risk exposures relating to off-balance sheet items:		
Financial guarantees	15.594.834	15.653.767
Loan commitments and other credit related liabilities	551.079	656.084

**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 31 DECEMBER 2009

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

INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

j. Debt securities, treasury bills and other eligible bills:

31 December 2009	Financial Assets At Fair Value Through Profit Or Loss (Net)	Available-for-sale Financial Assets (Net)	Held to Maturity Investments (Net)	Total
Moody's Credit Rating				
Aaa	-	14.974	-	14.974
Aa2	190	11.282	-	11.472
A	-	-	-	-
Baa	-	-	-	-
Ba2 ⁽¹⁾	227.149	1.157.582	12.014.792	13.399.523
Ba3	-	27.917	-	27.917
Unrated	-	45.053	-	45.053
Total	227.339	1.256.808	12.014.792	13.498.939

31 December 2008	Financial Assets At Fair Value Through Profit Or Loss (Net)	Available-for-sale Financial Assets (Net)	Held to Maturity Investments (Net)	Total
Moody's Credit Rating				
Aaa	-	16.173	-	16.173
Aa	-	147.683	-	147.683
A	-	-	-	-
Baa	35.364	40.934	-	76.298
Ba3 ⁽¹⁾	242.706	700.886	11.529.009	12.472.601
Unrated	181	58.773	-	58.954
Total	278.251	964.449	11.529.009	12.771.709

⁽¹⁾ Securities consist of Republic of Turkey government bonds and treasury bills.

k. Information according to geographical concentration:

	Assets	Liabilities ⁽²⁾	Non-Cash Loans	Capital Expenditures	Net profit ⁽³⁾
31 December 2009					
Domestic	60.448.210	46.714.889	14.595.173	192.503	1.354.777
European Union Countries	1.859.118	8.137.574	782.547	-	-
OECD Countries ⁽¹⁾	37.363	763.523	294.193	-	-
Off-shore banking regions	31.126	14.745	10.636	-	-
USA, Canada	214.661	453.719	124.319	-	-
Other Countries	116.050	208.595	339.045	-	-
Subsidiaries, Investments and Joint Ventures	1.853.884	-	-	-	-
Unallocated Assets/Liabilities	-	-	-	-	-
Total	64.560.412	56.293.045	16.145.913	192.503	1.354.777
31 December 2008					
Domestic	58.520.773	47.426.897	14.614.988	212.873	1.042.601
European Union Countries	2.256.834	8.524.872	1.067.383	-	-
OECD Countries ⁽¹⁾	247.350	401.451	335.121	-	-
Off-shore banking regions	77.801	22	6.996	-	-
USA, Canada	609.159	76.354	34.479	-	-
Other Countries	152.347	440.490	250.884	-	-
Subsidiaries, Investments and Joint Ventures	1.858.869	-	-	-	-
Unallocated Assets/Liabilities	-	-	-	-	-
Total	63.723.133	56.870.086	16.309.851	212.873	1.042.601

⁽¹⁾ OECD Countries other than EU countries, USA and Canada.

⁽²⁾ Shareholders' Equity is not included.

⁽³⁾ The net profit could not be distributed according to geographical concentration.

**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 31 DECEMBER 2009

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

INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

I. Sectoral concentrations for cash loans:

	31 December 2009				31 December 2008			
	TL	(%)	FC	(%)	TL	(%)	FC	(%)
Agricultural	649.935	2,67	171.918	1,31	410.199	1,66	160.955	1,20
Farming and Raising Livestock	579.470	2,38	142.770	1,09	328.387	1,33	129.842	0,97
Forestry	53.172	0,22	4.366	0,03	68.300	0,28	6.378	0,05
Fishing	17.293	0,07	24.782	0,19	13.512	0,05	24.735	0,19
Manufacturing	4.710.605	19,36	6.903.230	52,59	4.571.070	18,53	7.052.321	52,78
Mining	81.687	0,34	702.445	5,35	109.180	0,44	354.700	2,65
Production	4.502.761	18,51	4.857.066	37,00	4.369.276	17,71	5.841.044	43,71
Electric, Gas and Water	126.157	0,52	1.343.719	10,24	92.614	0,38	856.577	6,41
Construction	969.272	3,98	1.085.520	8,27	893.721	3,62	1.079.266	8,08
Services	3.606.703	14,82	3.309.994	25,22	2.990.729	12,12	3.144.983	23,54
Wholesale and Retail Trade	1.430.268	5,88	340.234	2,59	1.457.709	5,91	421.036	3,15
Hotel Food and Beverage Services	205.506	0,84	621.219	4,73	170.680	0,69	551.347	4,13
Transportation and Telecommunication	551.146	2,27	1.985.178	15,12	527.678	2,14	1.526.875	11,43
Financial Institutions	900.911	3,70	224.607	1,71	460.779	1,87	460.899	3,45
Real Estate and Leasing Services	228.199	0,94	86.281	0,66	131.356	0,53	96.436	0,72
Self Employment Services	-	-	-	-	-	-	-	-
Education Services	35.831	0,15	3.369	0,03	22.909	0,09	3.436	0,03
Health and Social Services	254.842	1,05	49.106	0,37	219.618	0,89	84.954	0,64
Other	14.392.016	59,16	1.655.964	12,62	15.800.344	64,06	1.925.195	14,41
Total	24.328.531	100,00	13.126.626	100,00	24.666.063	100,00	13.362.720	100,00

III. 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 31 December 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".

**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 31 DECEMBER 2009

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

INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

a. Information on Market Risk:

	31 December 2009	31 December 2008
(I) Capital to be Employed for General Market Risk - Standard Method	64.833	18.608
(II) Capital to be Employed for Specific Risk - Standard Method	6.206	2.564
(III) Capital to be Employed for Currency Risk – Standard Method	11.126	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	193	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)	82.358	23.212
(IX) Amount Subject to Market Risk 12,5xVIII) or (12,5xVII)	1.029.475	290.150

b. Average Market Risk Table of Calculated Market Risk At the Month Ends:

	31 December 2009			31 December 2008		
	Average	Maximum	Minimum	Average	Maximum	Minimum
Interest Rate Risk	44.825	81.596	21.670	16.754	23.153	19.177
Share Premium Risk	5.111	5.553	2.083	4.236	2.364	1.995
Currency Risk	5.059	2.735	121	8.998	11.959	1.917
Commodity Risk	21	-	-	45	1	123
Exchange Risk	-	-	-	-	-	-
Option Risk	-	-	-	-	-	-
Total Amount Subject to Risk	687.700	1.123.550	298.425	375.413	468.463	290.150

IV. 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 31 December 2009, the total amount subject to operational risk is TL6.209.003 thousand (2008: TL4.839.316 thousand) and the amount of the related capital requirement is TL496.720 thousand (2008: TL387.145 thousand).

V. 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).

**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 31 DECEMBER 2009

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

INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

The Bank keeps the amount of exposed currency risk within the related legal limits and the following of exchange position realized is followed on a daily/momentary basis. Notwithstanding, even the internal exchange position limit is the minimal required in terms of when compared to the related legal limit, during the year internal position limits are not exceeded. 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:	TL1,46800	TL2,10620	TL0,01589
30 December 2009 bid rate	TL1,46500	TL2,11380	TL0,01595
29 December 2009 bid rate	TL1,46880	TL2,11430	TL0,01602
28 December 2009 bid rate	TL1,46750	TL2,11590	TL0,01605
25 December 2009 bid rate	TL1,46930	TL2,11380	TL0,01606
24 December 2009 bid rate	TL1,48060	TL2,11120	TL0,01610

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 : TL1,46155
Euro : TL2,13935
Yen : TL0,01629

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 below:

**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 31 DECEMBER 2009

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

INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

	EURO	USD	Yen	Other FC	Total
31 December 2009					
Assets					
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and Balances with The Central Bank of the Republic of Turkey	2.101.563	83.645	556	5.033	2.190.797
Banks	728.849	443.951	3.070	64.642	1.240.512
Financial Assets at Fair Value Through Profit or Loss	65.365	44.227	-	-	109.592
Interbank Money Market Placements	-	-	-	-	-
Available-for-Sale Financial Assets	20.891	673.023	-	-	693.914
Loans ⁽¹⁾	4.537.459	9.752.557	59.043	371.137	14.720.196
Investments in Associates, Subsidiaries and Joint Ventures	275.967	113.181	-	43.404	432.552
Held-to-Maturity Investments	429.636	5.743.522	-	-	6.173.158
Hedging Derivative Financial Assets	-	-	-	-	-
Tangible Assets	-	-	-	-	-
Intangible Assets	-	-	-	-	-
Other Assets	136.689	105.166	5	190.555	432.415
Total Assets	8.296.419	16.959.272	62.674	674.771	25.993.136
Liabilities					
Bank Deposits	168.249	178.616	908	184.994	532.767
Foreign Currency Deposits	5.806.247	10.918.041	25.548	552.221	17.302.057
Funds From Interbank Money Market	116.368	745.263	-	-	861.631
Funds Borrowed From Other Financial Institutions	2.555.853	1.994.597	-	553	4.551.003
Marketable Securities Issued	-	-	-	-	-
Miscellaneous Payables	134.730	205.160	141	14.386	354.417
Hedging Derivative Financial Liabilities	-	-	-	-	-
Other Liabilities	2.464.939	142.324	687	438	2.608.388
Total Liabilities	11.246.386	14.184.001	27.284	752.592	26.210.263
Net On-balance Sheet Position	(2.949.967)	2.775.271	35.390	(77.821)	(217.127)
Net Off-balance Sheet Position	2.973.373	(2.601.197)	(38.335)	107.377	441.218
Financial Derivative Assets	3.985.289	9.326.291	14.865	289.528	13.615.973
Financial Derivative Liabilities	1.011.916	11.927.488	53.200	182.151	13.174.755
Non-Cash Loans	3.354.765	6.123.306	315.590	127.815	9.921.476
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 TL1.593.570 thousand (2008: TL1.965.326 thousand) which have been disclosed as TL in the 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.

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2009

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

INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

VI. 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 repricing dates:

31 December 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	1.302.424	-	-	-	-	2.672.641	3.975.065
Banks	986.918	185.850	36.870	-	-	440.018	1.649.656
Financial Assets at Fair Value Through Profit/Loss	137.021	450.720	73.039	154.701	18.417	-	833.898
Interbank Money Market Placements	1.530.286	-	-	-	-	-	1.530.286
Available-for-Sale Financial Assets	304.701	128.945	82.455	91.046	649.661	7.483	1.264.291
Loans	8.858.288	4.266.184	8.963.150	9.945.374	5.422.161	402.659	37.857.816
Held-to-Maturity Investments	1.235.458	3.347.635	1.313.963	2.110.168	4.007.568	-	12.014.792
Other Assets	214.174	127.839	28	84	-	5.092.483	5.434.608
Total Assets	14.569.270	8.507.173	10.469.505	12.301.373	10.097.807	8.615.284	64.560.412
Liabilities							
Bank Deposits	162.110	180.681	2.041	-	-	371.059	715.891
Other Deposits	26.626.419	4.788.729	1.399.410	16.272	-	7.286.616	40.117.446
Funds From Interbank Money Market	410.728	466.328	49.339	-	-	-	926.395
Miscellaneous Payables	2.132.082	-	-	-	-	859.629	2.991.711
Marketable Securities Issued	-	-	-	-	-	-	-
Funds Borrowed From Other Financial Institutions	873.212	3.665.984	730.713	38.630	-	-	5.308.539
Other Liabilities and Shareholders' Equity	147.164	1.122.409	1.212.604	323.803	48.626	11.645.824	14.500.430
Total Liabilities	30.351.715	10.224.131	3.394.107	378.705	48.626	20.163.128	64.560.412
Balance Sheet Long Position	-	-	7.075.398	11.922.668	10.049.181	-	29.047.247
Balance Sheet Short Position	(15.782.445)	(1.716.958)	-	-	-	(11.547.844)	(29.047.247)
Off-balance Sheet Long Position	32.818	368.162	5.746	128.475	-	-	535.201
Off-balance Sheet Short Position	-	-	-	-	(14.283)	-	(14.283)
Total Position	(15.749.627)	(1.348.796)	7.081.144	12.051.143	10.034.898	(11.547.844)	520.918

**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 31 DECEMBER 2009

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

INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

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

Interest rate sensitivity analysis:

The table below represents the effect of 1% change of interest rates (both increase and decrease) on total equity excluding the tax effects.

	31 December 2009	31 December 2008
Change in Interest Rate	Value Effect	Value Effect
(+) %1	(468.288)	(385.324)
(-) %1	515.509	423.525

**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 31 DECEMBER 2009

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

INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

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.

31 December 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	-	-	-	3,78
Banks	0,24	0,36	-	6,87
Financial Assets at Fair Value Through Profit/Loss	7,41	6,43	-	8,51
Interbank Money Market Placements	-	-	-	6,72
Available-for-sale Financial Assets	6,48	7,13	-	10,05
Loans ⁽¹⁾	5,87	4,97	4,58	17,90
Held-to-maturity Investments	4,79	6,72	-	11,37
Liabilities				
Bank Deposits	0,03	0,09	-	1,91
Other Deposits	1,63	1,87	0,01	7,83
Funds From Interbank Money Market	3,13	1,62	-	6,41
Miscellaneous Payables	-	-	-	-
Marketable Securities Issued	-	-	-	-
Funds Borrowed From Other Financial Institutions	2,52	1,52	-	14,95

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.

VII. 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 within the determined limits. 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 periodically, The Bank's liquidity strength is measured with stress tests against potential risks. 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.

**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 31 DECEMBER 2009

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

INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

The mismatching of payments, asset and liabilities with interest rates is followed via daily and monthly liquidity gap reports and any effects of incompliance investigated. Subordinated loans with long-term maturity have been provided in order to extend the short-term funding structure in the banking sector and off-balance sheet derivative financial instruments have been used. 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
31 December 2009								
Assets								
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Turkey	2.601.248	1.373.817	-	-	-	-	-	3.975.065
Banks	440.018	986.918	185.850	36.870	-	-	-	1.649.656
Financial Assets at Fair Value Through Profit or Loss	-	122.518	444.435	74.476	167.423	25.046	-	833.898
Interbank Money Market Placements	-	1.530.286	-	-	-	-	-	1.530.286
Available-for-sale Financial Assets	45.053	-	98.812	84.672	351.865	676.405	7.483	1.264.291
Loans	-	8.033.303	3.816.074	8.400.143	10.445.586	6.760.051	402.659	37.857.816
Held-to-maturity Investments	-	105.407	676.303	1.826.287	5.399.227	4.007.568	-	12.014.792
Other Assets ⁽¹⁾	401.936	322.750	2.134	9.633	128.460	142	4.569.553	5.434.608
Total Assets	3.488.255	12.475.000	5.223.608	10.432.081	16.492.561	11.469.212	4.979.695	64.560.412
Liabilities								
Bank Deposits	371.059	162.110	180.681	2.041	-	-	-	715.891
Other Deposits	7.286.616	26.626.419	4.788.729	1.399.410	16.272	-	-	40.117.446
Funds Borrowed From Other Financial Institutions	-	220.001	157.869	2.544.253	1.957.093	429.323	-	5.308.539
Funds From Interbank Money Market	-	410.728	466.328	49.339	-	-	-	926.395
Marketable Securities Issued	-	-	-	-	-	-	-	-
Miscellaneous Payables	375.956	2.615.755	-	-	-	-	-	2.991.711
Other Liabilities ⁽²⁾	113.073	1.302.446	228.680	261.520	1.532.354	2.540.092	8.522.265	14.500.430
Total Liabilities	8.146.704	31.337.459	5.822.287	4.256.563	3.505.719	2.969.415	8.522.265	64.560.412
Net Liquidity Gap	(4.658.449)	(18.862.459)	(598.679)	6.175.518	12.986.842	8.499.797	(3.542.570)	-
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 can not 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.

**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 31 DECEMBER 2009

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

INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

Breakdown of financial liabilities according to their remaining contractual maturities:

31 December 2009	Demand and Up to 1 month	1-3 Months	3-12 Months	1-5 Years	Above 5 years
Liabilities					
Deposit	34.509.425	4.993.969	1.445.634	16.940	-
Funds Borrowed From Other Financial Institutions	223.174	186.901	2.720.152	2.438.215	299.715
Funds From Interbank Money Market	411.410	467.406	49.906	-	-
Total	35.144.009	5.648.276	4.215.692	2.455.155	299.715

31 December 2008	Demand and Up to 1 month	1-3 Months	3-12 Months	1-5 Years	Above 5 years
Liabilities					
Deposit	36.279.862	4.910.289	761.893	13.588	-
Funds Borrowed From Other Financial Institutions	391.147	677.189	2.307.534	2.768.844	1.115.647
Funds From Interbank Money Market	275.205	870	113.880	-	-
Total	36.946.214	5.588.348	3.183.307	2.782.432	1.115.647

**VIII. EXPLANATIONS ON THE PRESENTATION OF FINANCIAL ASSETS AND LIABILITIES
AT THEIR FAIR VALUES:**

The following table summarises the carrying values and fair values of some financial assets and liabilities of the Bank. The carrying value represents the acquisition costs and accumulated interest accruals of corresponding financial assets or liabilities.

	Carrying Value		Fair Value	
	31 December 2009	31 December 2008	31 December 2009	31 December 2008
Financial Assets	54.316.841	53.394.123	56.146.453	53.285.339
Due From Interbank Money Market	1.530.286	40.358	1.531.075	40.744
Banks	1.649.656	2.164.469	1.650.361	2.168.213
Available-for-sale Financial Assets	1.264.291	987.335	1.264.291	987.335
Held-to-maturity Investments	12.014.792	11.529.009	12.618.273	11.355.415
Loans	37.857.816	38.672.952	39.082.453	38.733.632
Financial Liabilities	49.133.587	50.445.504	49.184.971	50.536.256
Bank Deposits	715.891	479.108	716.040	480.006
Other Deposits	40.117.446	41.226.221	40.117.446	41.226.221
Funds Borrowed From Other Financial Institutions	5.308.539	6.163.836	5.359.774	6.253.690
Marketable Securities Issued	-	-	-	-
Miscellaneous Payables	2.991.711	2.576.339	2.991.711	2.576.339

The fair values of bank deposits, banks and funds borrowed from other financial institutions are determined by calculating the discounted cash flows using the current market interest rates.

**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 31 DECEMBER 2009

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

INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

The fair value of held-to-maturity assets is determined based on market prices or when this price is not available, based on market prices quoted for other securities subject to the same redemption qualifications in terms of interest, maturity and other similar conditions.

The expected fair value of loans and receivables are determined by calculating the discounted cash flows using the current market interest rates for the fixed loans with fixed interest rates. For the loans with floating interest rates (such as overdrafts and credit card receivables), it is assumed that the carrying value approaches to the fair value.

The expected fair value of the other deposits is determined by adding the cost and the interest expense discounts.

TFRS 7, "Financial Instruments: Disclosures", requires classification of line items at fair value presented at the financial statements according to the defined levels. These levels depend on the observability of data used for fair value calculations. Classification for fair value is generated as followed below:

Level 1: Assets or liabilities with prices recorded (unadjusted) in active markets

Level 2: Assets or liabilities that are excluded in the Level 1 of recorded prices directly observable by prices or indirectly observable derived through prices observable from similar assets or liabilities

Level 3: Assets and liabilities where no observable market data can be used for valuation

According to these classification principles stated, the Bank's classification of financial assets and liabilities carried at their fair value are as follows:

31 December 2009	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value Through Profit or (Loss) (Net)	227.149	735.380	-	962.529
Government Debt Securities	227.149	-	-	227.149
Share Certificates	-	-	-	-
Trading Derivative Financial Assets	-	606.559	-	606.559
Hedging Derivative Financial Assets	-	128.631	-	128.631
Other Marketable Securities	-	190	-	190
Available-for-Sale Financial Assets (Net)	1.219.526	39.199	5.566	1.264.291
Government Debt Securities	1.172.556	-	-	1.172.556
Other Marketable Securities ⁽¹⁾	46.970	39.199	5.566	91.735
Total Assets	1.446.675	774.579	5.566	2.226.820
Trading Derivative Financial Liabilities	-	267.377	-	267.377
Hedging Derivative Financial Liabilities	-	357.613	-	357.613
Total Liabilities	-	624.990	-	624.990

⁽¹⁾ As presented in Level 3 column, according to TAS 39, non-public investment in associates and subsidiaries are presented at acquisition costs.

**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 31 DECEMBER 2009

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

INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

IX. EXPLANATIONS ON THE ACTIVITIES CARRIED OUT ON BEHALF AND ON ACCOUNT OF OTHER PARTIES:

The Bank carries out trading, custody, management and consulting services on behalf of customers and on their account. The Bank has no trust transactions.

X. 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 instalment 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. 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.

**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 31 DECEMBER 2009

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

INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK (Continued)

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
31 December 2009					
Operating revenue	2.775.312	1.092.280	152.929	1.429.277	5.449.798
Operating expense	(2.356.880)	(357.756)	(61.122)	(1.102.825)	(3.878.583)
Net Operating Profit	418.432	734.524	91.807	326.452	1.571.215
Dividend income				142.688	142.688
Profit before tax	418.432	734.524	91.807	469.140	1.713.903
Tax expense				(359.126)	(359.126)
Net Profit	418.432	734.524	91.807	110.014	1.354.777
Segment assets	19.207.596	19.097.026	217.725	24.184.181	62.706.528
Investments in associates, subsidiaries and joint ventures				1.853.884	1.853.884
Total Assets	19.207.596	19.097.026	217.725	26.038.065	64.560.412
Segment liabilities	20.518.455	12.836.441	9.794.385	13.143.764	56.293.045
Shareholders' equity				8.267.367	8.267.367
Total liabilities	20.518.455	12.836.441	9.794.385	21.411.131	64.560.412

	Retail Banking	Corporate and Commercial Banking	Private Banking and Wealth Management	Other	Total Operations of the Bank
31 December 2008					
Operating revenue	2.329.407	886.554	127.409	713.308	4.056.678
Operating expense	(1.299.166)	(216.669)	(65.306)	(1.346.841)	(2.927.982)
Net Operating Profit	1.030.241	669.885	62.103	(633.533)	1.128.696
Dividend income				205.969	205.969
Profit before tax	1.030.241	669.885	62.103	(427.564)	1.334.665
Tax expense				(292.064)	(292.064)
Net Profit	1.030.241	669.885	62.103	(719.628)	1.042.601
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

**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 31 DECEMBER 2009

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

**SECTION FIVE
EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL
STATEMENTS**

I. EXPLANATIONS AND NOTES RELATED TO ASSETS

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

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

	31 December 2009		31 December 2008	
	TL	FC	TL	FC
Cash	481.580	155.808	425.081	172.147
The CBRT	1.302.688	2.034.806	1.429.610	2.491.433
Other	-	183	-	372
Total	1.784.268	2.190.797	1.854.691	2.663.952

2. Information on the account of the CBRT:

	31 December 2009		31 December 2008	
	TL	FC	TL	FC
Demand Unrestricted Amount ⁽¹⁾	1.302.688	678.258	1.429.610	827.908
Time Unrestricted Amount	-	-	-	-
Reserve Requirement	-	1.356.548	-	1.663.525
Total	1.302.688	2.034.806	1.429.610	2.491.433

⁽¹⁾ The TL reserve requirement booked as average has been classified in "Central Bank Demand Unrestricted Account" based on the correspondence with BRSA 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 (5%) and for their foreign currency liabilities (9%) as USD and/or EUR. As of 31 December 2009, the interest rate on reserves held with CBRT is 5,2% for TL, no interest is recognized on foreign currency reserve requirements.

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

- As of 31 December 2009, financial assets at fair value through profit and loss subject to repo transactions amount to TL66.654 thousand (2008: TL106.454 thousand), and the Bank has no financial assets at fair value through profit and loss those given as collateral/blocked amount (2008: TL1 thousand).

**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 31 DECEMBER 2009

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

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

2. Positive differences related to trading derivative financial assets:

	31 December 2009		31 December 2008	
	TL	FC	TL	FC
Forward Transactions	38.924	1.625	65.483	3.053
Swap Transactions	503.759	30.800	312.186	6.005
Futures Transactions	-	-	-	-
Options	4.657	26.794	19	1.828
Other	-	-	-	-
Total	547.340	59.219	377.688	10.886

c. Information on banks:

1. Information on banks:

	31 December 2009		31 December 2008	
	TL	FC	TL	FC
Banks	409.144	1.240.512	28.237	2.136.232
Domestic	365.856	62.144	18.042	11.593
Foreign	43.288	1.178.368	10.195	2.124.639
Head Quarters and Branches Abroad	-	-	-	-
Other Financial Institutions	-	-	-	-
Total	409.144	1.240.512	28.237	2.136.232

2. Information on foreign banks account:

	Unrestricted Amount		Restricted Amount	
	31 December 2009	31 December 2008	31 December 2009	31 December 2008
EU Countries	1.025.945	1.314.128	-	-
USA, Canada	178.136	570.730	-	-
OECD Countries ⁽¹⁾	8.855	215.892	-	-
Off-shore Banking Regions	143	90	-	-
Other	8.577	33.994	-	-
Total	1.221.656	2.134.834	-	-

⁽¹⁾ OECD countries except EU countries, USA and Canada

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

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

As of 31 December 2009, available-for-sale financial assets given as collateral/blocked amount to TL14.974 thousand (2008: TL233.402 thousand). Available-for-sale financial assets subject to repo transactions amount to TL17.585 thousand (2008: None).

**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 31 DECEMBER 2009

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

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

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

	31 December 2009	31 December 2008
Debt Securities	1.213.485	928.302
Quoted on Stock Exchange ⁽¹⁾	1.174.286	728.768
Not Quoted	39.199	199.534
Share Certificates	49.283	64.688
Quoted on Stock Exchange	-	-
Not Quoted	49.283	64.688
Impairment Provision (-)	(43.530)	(53.501)
Other ⁽²⁾	45.053	47.846
Total	1.264.291	987.335

(1) As of 31 December 2009, Eurobonds amounting to TL634.835 thousand (2008: TL340.743 thousand) have been classified under debt securities quoted on stock exchange even though they are not publicly traded.

(2) As of 31 December 2009, other available-for-sale financial assets include mutual funds amounting to TL45.053 thousand (2008: TL47.846 thousand).

e. Explanations on loans:

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

	31 December 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	58.004	54.926	128	64.690
Loans Granted to Employees	76.602	-	63.456	-
Total	134.606	54.926	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	35.203.002	-	2.088.154	164.001
Discount and Purchase Notes	321.143	-	1.754	-
Export Loans	2.904.059	-	200.431	-
Import Loans	-	-	-	-
Loans Granted To Financial Sector	1.114.388	-	-	-
Foreign Loans	44.726	-	-	-
Consumer Loans	6.525.766	-	361.959	-
Credit Cards	7.082.946	-	276.472	135.028
Precious Metal Loans	257.213	-	4.612	-
Other ⁽¹⁾	16.952.761	-	1.242.926	28.973
Specialised Loans	-	-	-	-
Other Receivables	-	-	-	-
Total	35.203.002	-	2.088.154	164.001

(1) As explained in the Note I.i of Section V, TL140.137 thousand is classified under other loans.

**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 31 DECEMBER 2009

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

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

3. Loans according to their maturity structure:

	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
Short-term Loans and Other Receivables	18.203.849	-	825.819	26.570
Non-specialised Loans	18.203.849	-	825.819	26.570
Specialised Loans	-	-	-	-
Other Receivables	-	-	-	-
Medium And Long-Term Loans and Other Receivables	16.999.153	-	1.262.335	137.431
Non-Specialised Loans	16.999.153	-	1.262.335	137.431
Specialised Loans	-	-	-	-
Other Receivables	-	-	-	-

4. (i) Information on loans by types and specific provisions:

31 December 2009	Corporate, Commercial and Other Loans	Consumer Loans	Credit Cards	Total
Standard loans	21.594.290	6.525.766	7.082.946	35.203.002
Watch listed	1.478.696	361.959	411.500	2.252.155
Loans under legal follow-up	1.286.554	490.707	803.744	2.581.005
Specific Provisions (-)	(1.042.162)	(359.872)	(776.312)	(2.178.346)
Total	23.317.378	7.018.560	7.521.878	37.857.816

31 December 2008	Corporate, Commercial and Other Loans	Consumer Loans	Credit Cards	Total
Standard loans	23.568.194	5.951.238	7.050.502	36.569.934
Watch listed	813.328	250.613	394.908	1.458.849
Loans under legal follow-up	973.373	245.837	493.820	1.713.030
Specific Provisions (-)	(665.194)	(97.303)	(306.364)	(1.068.861)
Total	24.689.701	6.350.385	7.632.866	38.672.952

(ii) Fair value of collaterals (Loans and advances given to customers):

	Corporate, Commercial and Other Loans	Consumer Loans	Credit Cards	Total
31 December 2009				
Watch listed	407.741	180.037	-	587.778
Loans under legal follow-up	338.988	173.030	-	512.018
Total	746.729	353.067	-	1.099.796
	Corporate, Commercial and Other Loans	Consumer Loans	Credit Cards	Total
31 December 2008				
Watch Listed	301.121	190.007	-	491.128
Loans under legal follow-up	252.701	77.044	-	329.745
Total	553.822	267.051	-	820.873

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 31 DECEMBER 2009

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

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS
(Continued)

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

	Short- term	Medium and Long-term	Total
Consumer Loans-TL	178.671	6.261.167	6.439.838
Real estate loans	6.253	3.535.133	3.541.386
Automotive loans	18.513	556.424	574.937
Consumer loans	153.905	2.169.610	2.323.515
Other	-	-	-
Consumer Loans-FC Indexed	2.182	312.613	314.795
Real estate loans	1.654	280.739	282.393
Automotive loans	103	13.430	13.533
Consumer loans	425	18.444	18.869
Other	-	-	-
Consumer Loans-FC	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Individual Credit Cards-TL	7.123.535	139.048	7.262.583
With installments	3.111.938	26.091	3.138.029
Without installments	4.011.597	112.957	4.124.554
Individual Credit Cards- FC	-	-	-
With installments	-	-	-
Without installments	-	-	-
Personnel Loans-TL	7.949	28.787	36.736
Real estate loans	8	1.517	1.525
Automotive loans	133	1.156	1.289
Consumer loans	7.808	26.114	33.922
Other	-	-	-
Personnel Loans-FC Indexed	-	57	57
Real estate loans	-	36	36
Automotive loans	-	-	-
Consumer loans	-	21	21
Other	-	-	-
Personnel Loans-FC	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	38.850	85	38.935
With installments	20.122	85	20.207
Without installments	18.728	-	18.728
Personnel Credit Cards-FC	-	-	-
With installments	-	-	-
Without installments	-	-	-
Credit Deposit Account-TL (Real Person)⁽¹⁾	96.299	-	96.299
Credit Deposit Account-FC (Real Person)	-	-	-
Total	7.447.486	6.741.757	14.189.243

⁽¹⁾ TL874 thousand of the credit deposit account belongs to the credits used by personnel.

**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 31 DECEMBER 2009

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

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

6. Information on commercial instalment loans and corporate credit cards:

	Short-term	Medium and long-term	Total
Commercial Installments Loans-TL	233.370	2.235.094	2.468.464
Business Loans	1.271	249.175	250.446
Automotive Loans	39.130	759.933	799.063
Consumer Loans	192.969	1.225.986	1.418.955
Other	-	-	-
Commercial Installments Loans-FC Indexed	13.069	234.887	247.956
Business Loans	-	14.446	14.446
Automotive Loans	1.490	80.947	82.437
Consumer Loans	11.579	139.494	151.073
Other	-	-	-
Commercial Installments Loans-FC	-	-	-
Business Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Corporate Credit Cards-TL	192.328	600	192.928
With installment	41.044	600	41.644
Without installment	151.284	-	151.284
Corporate Credit Cards-FC	-	-	-
With installment	-	-	-
Without installment	-	-	-
Credit Deposit Account-TL (Legal Person)	125.729	-	125.729
Credit Deposit Account-FC (Legal Person)	-	-	-
Total	564.496	2.470.581	3.035.077

7. Loans according to types of borrowers:

	31 December 2009	31 December 2008
Public	1.229.222	1.380.437
Private	36.225.935	36.648.346
Total	37.455.157	38.028.783

8. Distribution of domestic and foreign loans:

	31 December 2009	31 December 2008
Domestic loans	37.410.431	37.422.357
Foreign loans	44.726	606.426
Total	37.455.157	38.028.783

9. Loans granted to investments in associates and subsidiaries:

	31 December 2009	31 December 2008
Direct loans granted to investments in associates and subsidiaries	115.865	172.412
Indirect loans granted to investments in associates and subsidiaries	-	-
Total	115.865	172.412

**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 31 DECEMBER 2009

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

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

10. Specific provisions provided against loans:

	31 December 2009	31 December 2008
Loans and other receivables with limited collectibility	263.805	76.484
Loans and other receivables with doubtful collectibility	609.948	220.661
Uncollectible loans and other receivables	1.304.593	771.716
Total	2.178.346	1.068.861

2009	Corporate, Commercial and Other Loans	Consumer Loans	Credit Cards	Total
1 January	665.194	97.303	306.364	1.068.861
Allowance for impairment	718.402	647.101	860.770	2.226.273
Amount recovered during the period	(311.890)	(360.343)	(302.991)	(975.224)
Loans written off during the period as uncollectible	(29.544)	(24.189)	(87.831)	(141.564)
31 December	1.042.162	359.872	776.312	2.178.346

2008	Corporate, Commercial and Other Loans	Consumer Loans	Credit Cards	Total
1 January	1.037.628	52.762	301.869	1.392.259
Allowance for impairment	241.843	195.427	360.999	798.269
Amount recovered during the period	(118.951)	(148.536)	(171.159)	(438.646)
Loans written off during the period as uncollectible	(495.326)	(2.350)	(185.345)	(683.021)
31 December	665.194	97.303	306.364	1.068.861

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

11 (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
31 December 2009			
(Gross amounts before specific reserves)	5.348	47.329	12.941
Restructured loans and other receivables	5.348	47.329	12.941
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	-	-	-

**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 31 DECEMBER 2009

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

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

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

	III. Group	IV. Group	V. Group
	Loans and other receivables with limited collectibility	Loans and other receivables with doubtful collectibility	Uncollectible loans and other receivables
31 December 2008	401.249	424.195	887.586
Additions (+)	2.346.116	206.791	161.539
Transfers from other categories of non-performing loans (+)	-	1.540.554	1.135.886
Transfer to other categories of non-performing loans (-)	(1.540.554)	(1.135.886)	-
Collections (-)	(849.035)	(355.429)	(500.443)
Write-offs(-)	-	-	(141.564)
Corporate and Commercial Loans	-	-	(27.276)
Consumer Loans	-	-	(24.189)
Credit Cards	-	-	(87.831)
Other	-	-	(2.268)
31 December 2009	357.776	680.225	1.543.004
Special Provision (-)	(263.805)	(609.948)	(1.304.593)
Net Balance on Balance Sheet	93.971	70.277	238.411

At the Board of Directors Meeting held on 27 May 2009; it has been decided to sell 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.

11 (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
31 December 2009			
Period end balance	-	1.283	9.739
Specific provision (-)	-	(184)	(4.998)
Net Balance on-balance sheet	-	1.099	4.741
31 December 2008			
Period end balance	-	32.746	2.273
Specific provision (-)	-	(29.471)	(2.273)
Net Balance on-balance sheet	-	3.275	-

**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 31 DECEMBER 2009

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

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

11 (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 collectibility	Loans and other receivables with doubtful collectibility	Uncollectible loans and other receivables
31 December 2009 (Net)	93.971	70.277	238.411
Loans granted to real persons and corporate entities (Gross)	357.776	680.225	1.458.992
Specific provision amount (-)	(263.805)	(609.948)	(1.220.581)
Loans granted to real persons and corporate entities (Net)	93.971	70.277	238.411
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	-

**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 31 DECEMBER 2009

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

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

12. Policy followed-up for the collection of uncollectible loans and other receivables:

The loans and receivables classified as "Uncollectible loans and other receivables" in accordance with the provisioning communiqué, are liquidated through restructuring and/or the collection of collaterals by will or legal procedures as other follow-up accounts (i.e. the "Loans and other receivables with limited collectability" and "Loans and other receivables with doubtful collectability"). The policy of the Bank regarding the write-off of the loans under legal follow up is as write-off the ones that is proved as uncollectible by legal follow-up.

f. Information on held-to-maturity investments:

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

	31 December 2009	31 December 2008
Government Bond	12.014.792	11.529.009
Treasury Bill	-	-
Other Debt Securities	-	-
Total	12.014.792	11.529.009

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

	31 December 2009	31 December 2008
Debt Securities	12.082.289	11.573.300
Quoted to Stock Exchange ⁽¹⁾	12.082.289	11.573.300
Not Quoted	-	-
Impairment Provision (-)	(67.497)	(44.291)
Total	12.014.792	11.529.009

⁽¹⁾ Eurobonds amounting to TL5.333.387 thousand have been classified under debt securities quoted on stock exchange even though they are not publicly traded. (2008: TL4.974.422 thousand).

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

	31 December 2009	31 December 2008
Beginning balance	11.529.009	12.042.986
Foreign Currency differences on monetary assets ⁽¹⁾	(231.600)	1.342.689
Purchases during year	1.442.567	404.365
Disposals through sales and redemptions	(701.978)	(2.244.415)
Impairment provision (-)	(23.206)	(16.616)
Period end balance	12.014.792	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 31 December 2009, held-to-maturity investments given as collateral amount to TL919.450 thousand (2008: TL1.948.317 thousand). Held-to-maturity investments subject to repo transactions amount to TL1.054.305 thousand (2008: TL354.910 thousand).

**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 31 DECEMBER 2009

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

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

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	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	2.522.056	137.016	5.448	49.600	9.743	13.505	11.593	-
2	29.833	22.673	1.879	2.412	9	9.103	6.559	-
3	18.206	14.400	6.640	911	-	1.607	1.139	-

Financial statement information disclosed above shows 31 December 2009 results.

⁽¹⁾ Financial statement information is disclosed in thousands of CHF. As of 31 December 2009, the evaluation rate for CHF is TL1,4129 (2008: TL1,3942).

3. Movement of unconsolidated investments in associates:

	31 December 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 (%)	-	-

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

	31 December 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

**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 31 DECEMBER 2009

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

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

5. Valuation of unconsolidated investments in associates:

	31 December 2009	31 December 2008
Valuation at cost	47.344	47.344
Valuation at 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. (Yapı Kredi Portföy)	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.	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.	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 ⁽³⁾	Baku/Azerbaijan	99,80	100,00
13	Yapı Kredi Nederland 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 is expressed in AZM thousands in Note 2. As of 31 December 2009, the evaluation rate for AZM is TL1,8279 (2008: TL1,8407).

**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 31 DECEMBER 2009

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

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

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	90.698	82.262	641	9.885	2.868	52.530	47.206	-
2	45.430	44.374	-	-	-	(1.106)	(5.387)	-
3	425.651	239.971	15.403	27.592	17.971	71.216	52.094	-
4	10.681	8.412	207	47	-	806	759	-
5	1.499.269	99.131	658	123.644	-	27.365	19.037	-
6	207.828	55.484	5.874	18.892	1.975	7.332	355	-
7	752.854	289.990	23.065	46.897	14.553	(11.930)	54.384	856.000
8	2.346.846	700.503	1.537	256.296	-	150.133	132.799	1.076.200
9	88.043	80.302	1.920	5.167	20	(18.400)	(11.648)	77.200
10	74.027	72.993	24	3.848	1.122	19.115	(6.123)	40.500
11	15.954	21.679	4.045	280	-	8.804	1.361	-
12	153.366	43.029	4.269	8.566	2.751	4.656	5.292	-
13	1.560.689	171.575	292	86.715	34.352	15.361	14.535	-

Financial statement information disclosed above shows 31 December 2009 results.

⁽¹⁾ Calculated with the ISE market prices as of 31 December 2009 considering the total number of shares.

3. Movement schedule of subsidiaries:

	31 December 2009	31 December 2008
Balance at the beginning of the period	1.811.525	1.421.842
Movements during the period	(4.985)	389.683
Purchases ⁽¹⁾	-	389.683
Transfers ⁽²⁾	(1.432)	-
Bonus shares obtained	-	-
Dividends from current year income	-	-
Sales	-	-
Revaluation (decrease) / increase	-	-
Impairment provision	(3.553)	-
Balance at the end of the period	1.806.540	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. was purchased by the Bank 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 was purchased by the Bank 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 Azerbaijan Closed Joint Stock Company, where the share of the Bank is 99,80% amounting to TL36.003 thousand.

⁽²⁾ As a result of the Extraordinary General Assembly Meetings, dated 30 June 2009, of Yapı Kredi Yatırım Menkul Değerler A.Ş. ("YK Yatırım"), and of Unicredit Menkul Değerler A.Ş. ("UCM") it has been decided that YK Yatırım's intermediary activities function, which serves corporate clients, was added to UCM's capital as capital in-kind through a partial spin-off over its book values at 31 December 2008. As a result of this operation, the share of YKB in YK Yatırım's capital did not change. According to the spin-off agreement, the Bank has acquired a share in UCM share capital (10,73%). The fair value of this business line was TL1.432 thousand and classified as share certificates under available for sale portfolio.

**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 31 DECEMBER 2009

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

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

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

Financial Subsidiaries	31 December 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	472.161	477.146
Total Financial Subsidiaries	1.804.240	1.809.225

5. Subsidiaries quoted to stock exchange:

	31 December 2009	31 December 2008
Quoted to domestic stock exchanges	900.687	904.240
Quoted to foreign stock exchanges	-	-

i. Information on hedging derivative financial assets:

	31 December 2009		31 December 2008	
	TL	FC	TL	FC
Fair Value Hedge	127.678	953	-	-
Cash Flow Hedge	-	-	-	-
Foreign Net Investment Hedge	-	-	-	-
Total	127.678	953	-	-

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 31 December 2009 is a liability amounting to TL228.982 thousand. At 31 December 2009, the fair value difference of the hedging instruments starting from the inception date is TL147.649 thousand and the fair value difference of the hedged item is TL140.137 thousand.

**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 31 DECEMBER 2009

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

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

j. Information on property and equipment: (Net)

	Immovables	Leased Fixed Assets	Vehicles	Other Tangible Fixed Assets	Total
31 December 2008					
Cost	2.191.845	301.624	4.909	717.586	3.215.964
Accumulated depreciation (-)	(1.382.839)	(174.950)	(4.569)	(510.930)	(2.073.288)
Net book value	809.006	126.674	340	206.656	1.142.676
31 December 2009					
Net book value at beginning of the Period	809.006	126.674	340	206.656	1.142.676
Additions	36.622	12.388	-	65.677	114.687
Transfers from intangible assets	-	-	-	281	281
Disposals (-), net	(34.354)	(436)	(3)	(1.197)	(35.990)
Reversal of impairment, net	2.541	-	-	-	2.541
Impairment (-)	-	-	-	-	-
Depreciation (-)	(43.530)	(40.283)	(126)	(53.882)	(137.821)
Net book value at beginning of the Period	770.285	98.343	211	217.535	1.086.374
Cost at the end of the period	2.090.170	312.504	4.215	735.800	3.142.689
Accumulated depreciation at the period end (-)	(1.319.885)	(214.161)	(4.004)	(518.265)	(2.056.315)
31 December 2009	770.285	98.343	211	217.535	1.086.374

As of 31 December 2009, the Bank had total provision for impairment on immovables amounting to TL597.904 thousand (2008: TL600.445 thousand) for the property and equipment.

**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 31 DECEMBER 2009

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

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

k. Information on intangible assets:

	31 December 2009	31 December 2008
Balance at the beginning of the period	1.151.072	1.187.125
Additions during the Period	77.816	33.547
Unused and Disposed Items (-)	(6.083)	(289)
Transfers	(281)	(30.524)
Impairment Charges on Income Statement (-)	-	-
Amortisation Expenses (-)	(36.500)	(38.787)
Balance at the end of the period	1.186.024	1.151.072

l. Information on deferred tax asset:

	31 December 2009		31 December 2008	
	Tax Base	Deferred Tax	Tax Base	Deferred Tax
Reserves for employment termination benefit	149.789	29.958	138.307	27.661
Provision for the actuarial deficit of the pension fund	864.059	172.812	774.366	154.873
Derivative financial liabilities	621.694	124.339	202.106	40.421
Subsidiaries, investment in associates and share certificates	122.647	24.530	119.094	23.819
Other	353.990	70.798	214.181	42.838
Total deferred tax asset	2.112.179	422.437	1.448.054	289.612
Derivative financial assets	(872.941)	(174.588)	(388.574)	(77.715)
Valuation difference of securities portfolio	(34.423)	(6.886)	(29.704)	(5.941)
Property, equipment and intangibles , net	(271.705)	(29.293)	(294.547)	(33.832)
Other	-	-	(1.884)	(377)
Total deferred tax liability	(1.179.069)	(210.767)	(714.709)	(117.865)
Deferred Tax Asset, net	933.110	211.670	733.345	171.747

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 31 DECEMBER 2009

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

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS
(Continued)

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

	31 December 2009	31 December 2008
Balance at the beginning of the period	88.332	108.363
Additions	16.656	59.620
Disposals (-), net ⁽¹⁾	(21.381)	(120.129)
Impairment reversal	6.986	44.579
Impairment (-)	(1.012)	(515)
Depreciation (-)	(2.615)	(3.586)
Net Book Value at the end of the period	86.966	88.332
Cost at the end of the period	95.307	96.741
Depreciation at the end of the period (-)	(8.341)	(8.409)
Net Book Value at the end of the period	86.966	88.332

⁽¹⁾ By the decision of the board of directors at 3 October 2007; shares of Yapı Kredi Bank (Deutschland), 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 31 December 2009, the Bank booked impairment provision on assets held for resale with an amount of TL13.466 thousand (2008:TL19.440 thousand).

n. Information on other assets:

As of 31 December 2009, other assets do not exceed 10% of the total assets excluding off-balance sheet commitments.

**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 31 DECEMBER 2009

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

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

II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES

a. Information on deposits:

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

1 (i). 31 December 2009:

	Demand	Up to 1 Month	1-3 months	3-6 months	6 months- 1 year	1 year and over	Total
Saving Deposits	1.440.221	3.879.871	9.369.577	166.126	181.555	171.049	15.208.399
Foreign Currency Deposits	3.605.782	4.597.556	6.029.799	1.629.319	184.052	969.451	17.015.959
Residents in Turkey	3.446.312	4.470.630	5.124.194	1.602.166	169.358	815.516	15.628.176
Residents Abroad	159.470	126.926	905.605	27.153	14.694	153.935	1.387.783
Public Sector Deposits	278.166	8.313	43.792	391	112	2.810	333.584
Commercial Deposits	1.722.633	2.517.774	2.684.370	103.796	32.449	24.470	7.085.492
Other Institutions Deposits	25.543	24.902	135.425	373	72	1.599	187.914
Gold Vault	214.271	-	37.018	17.041	9.089	8.679	286.098
Bank Deposits	371.059	154.804	38	2.028	187.962	-	715.891
The CBRT	-	-	-	-	-	-	-
Domestic Banks	63.139	90.059	-	2.028	7.282	-	162.508
Foreign Banks	179.141	64.745	38	-	180.680	-	424.604
Special Financial Institutions	128.766	-	-	-	-	-	128.766
Other	13	-	-	-	-	-	13
Total	7.657.675	11.183.220	18.300.019	1.919.074	595.291	1.178.058	40.833.337

1 (ii). 31 December 2008:

	Demand	Up to 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

**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 31 DECEMBER 2009

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

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

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:

	Under the guarantee of deposit insurance		Exceeding limit of the deposit insurance	
	31 December 2009	31 December 2008	31 December 2009	31 December 2008
Saving Deposits				
Saving Deposits	7.738.057	7.804.232	7.431.249	7.911.087
Foreign Currency Savings Deposit	2.596.806	2.553.090	5.973.850	5.637.303
Other Deposits in the Form of Savings deposits	71.411	7.237	194.074	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:

	31 December 2009	31 December 2008
Saving Deposits in Foreign Branches	-	-
Saving Deposits in Off-shore Banking Regions	88.283	142.047
Total	88.283	142.047

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

	31 December 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	23.864	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	88.283	142.047

b. Information on trading derivative financial liabilities:

	31 December 2009		31 December 2008	
	TL	FC	TL	FC
Forward Transactions	51.540	141	69.595	931
Swap Transactions	166.185	17.699	107.785	23.274
Futures Transactions	-	-	-	-
Options	4.366	27.446	4	517
Other	-	-	-	-
Total	222.091	45.286	177.384	24.722

**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 31 DECEMBER 2009

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

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

c. Information on borrowings:

1. Information on borrowings:

	31 December 2009		31 December 2008	
	TL	FC	TL	FC
The CBRT Borrowings	-	-	-	-
From Domestic Banks and Institutions	108.822	123.661	216.788	125.668
From Foreign Banks, Institutions and Funds	648.714	4.427.342	946.171	4.875.209
Total	757.536	4.551.003	1.162.959	5.000.877

2. Information on maturity structure of borrowings:

	31 December 2009		31 December 2008	
	TL	FC	TL	FC
Short-term	240.630	2.335.168	266.592	939.805
Medium and Long-term	516.906	2.215.835	896.367	4.061.072
Total	757.536	4.551.003	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 TL1.743.760 thousand using Yapı Kredi Diversified Payment Rights Finance Company ("Special Purpose Entity") as an intermediary and Assured Guaranty, 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.

	31 December 2009	31 December 2008
2010	334.875	369.495
2011	356.560	399.927
2012	356.560	399.927
2013	356.560	399.927
2014	314.722	357.538
2015	21.685	30.431
Interest Expense Accrual	2.798	9.053
Total	1.743.760	1.966.298

d. Information on other liabilities:

As of 31 December 2009, miscellaneous payables do not exceed 10% of the total balance sheet excluding off-balance sheet commitments.

e. Information on financial leasing agreements:

	31 December 2009		31 December 2008	
	Gross	Net	Gross	Net
Less than 1 year	5.793	5.593	8.313	7.937
Between 1-4 years	7	-	40	2
More than 4 years	-	-	-	-
Total	5.800	5.593	8.353	7.939

**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 31 DECEMBER 2009

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

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

f. Information on hedging derivative financial liabilities:

	31 December 2009		31 December 2008	
	TL	FC	TL	FC
Fair Value Hedge	357.513	100	-	-
Cash Flow Hedge	-	-	-	-
Foreign Net Investment Hedge	-	-	-	-
Total	357.513	100	-	-

g. Information on provisions:

1. Information on general provisions:

	31 December 2009	31 December 2008
Provisions for Group I loans and receivables	551.067	444.508
Provisions for Group II loans and receivables	199.616	71.419
Provisions for non cash loans	100.860	111.410
Other	40.370	28.095
Total	891.913	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.

	31 December 2009	31 December 2008
Discount rate (%)	5,92	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 TL2.427,04 (1 January 2009: TL2.260,05) effective from 1 January 2010 has been taken into consideration in calculating the reserve for employment termination benefits.

Movement of employment termination benefits liability in the balance sheet:

	31 December 2009	31 December 2008
Prior period ending balance	85.025	88.549
Changes during the period	16.994	12.512
Paid during the period	(12.214)	(16.036)
Balance at the end of the period	89.805	85.025

In addition, the Bank has accounted for unused vacation rights provision amounting to TL59.984 thousand as of 31 December 2009 (2008: TL53.282 thousand).

**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 31 DECEMBER 2009

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

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

3. Other provisions:

	31 December 2009	31 December 2008
Pension fund provision	864.059	774.366
Tax risk provision ⁽¹⁾	69.090	40.273
Non-cash loan provision	78.250	62.288
Provisions on credit cards and promotion campaigns related to banking services	48.469	56.674
Provision on export commitment estimated liability	38.261	40.495
Legal risk provision ⁽¹⁾	19.914	19.899
Other	173.791	160.305
Total	1.291.834	1.154.300

⁽¹⁾ Represents provisions for possible risks.

i) Pension Fund provision:

The Bank provided provision amounting to TL864.059 thousand for the technical deficit based on the report prepared by a registered actuary in accordance with the technical interest rate of 9,8% determined by the New Law and CSO 1980 mortality table. In the financial statements of the Bank prepared as of 31 December 2008, the provision for the technical deficit calculated using a technical interest rate 9,8% amounts to TL774.366 thousand.

	31 December 2009	31 December 2008
Income statement charge	89.693	170.088

The amounts recognised in the balance sheet are determined as follows:

	31 December 2009	31 December 2008
Present value of funded obligations	1.239.133	1.063.181
- Pension benefits transferable to SSI	1.077.965	1.036.138
- Post employment medical benefits transferable to SSI	161.168	27.043
Fair value of plan assets	(375.074)	(288.815)
Provision for the actuarial deficit of the pension fund	864.059	774.366

The principal actuarial assumptions used were as follows:

	31 December 2009	31 December 2008
Discount rate		
- Pension benefits transferable to SSI	9,80%	9,80%
- Post employment medical benefits transferable to SSI	9,80%	9,80%

Mortality rate: Average life expectation is defined according to the mortality table based on statistical data, as 15 years for men and 19 years for women who retire at the age of 64 and 63, respectively.

**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 31 DECEMBER 2009

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

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

Plan assets are comprised as follows:

	31 December 2009		31 December 2008	
	Amount	%	Amount	%
Government bonds and treasury bills	180.519	48	144.207	50
Premises and equipment	113.826	30	94.596	33
Bank placements	29.328	8	17.240	6
Short term receivables	26.907	7	7.662	3
Other	24.494	7	25.110	8
Total	375.074	100	288.815	100

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

As of 31 December 2009, the provision related to the foreign currency differences on foreign indexed loans amounts to TL36.290 thousand (2008: TL10.498 thousand).

h. Information on taxes payable:

- (i) Information on taxes payable:

	31 December 2009	31 December 2008
Corporate Tax Payable	52.269	-
Taxation of Marketable Securities	52.221	106.717
Property Tax	1.185	997
Banking Insurance Transaction Tax (BITT)	28.048	39.835
Foreign Exchange Transaction Tax	-	-
Value Added Tax Payable	2.449	2.155
Other	18.030	16.518
Total	154.202	166.222

- (ii) Information on premium payables:

	31 December 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	6.356	1.936
Pension Fund Deposit and Provisions – Employer	6.635	2.207
Unemployment Insurance – Employee	453	423
Unemployment Insurance – Employer	907	847
Other	-	-
Total	14.351	5.413

**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 31 DECEMBER 2009

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

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

i. Information on subordinated loans:

	31 December 2009		31 December 2008	
	TL	FC	TL	FC
From Domestic Banks	-	-	-	-
From Other Domestic Institutions	-	-	-	-
From Foreign Banks	-	2.224.023	-	2.220.601
From Other Foreign Institutions	-	-	-	-
Total	-	2.224.023	-	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):

	31 December 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:

There is no capital increase in the current period. 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.

**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 31 DECEMBER 2009

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

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

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 Bank's 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:

	31 December 2009		31 December 2008	
	TL	FC	TL	FC
From Investments in Associates, Subsidiaries, and Joint Ventures	-	-	-	-
Valuation Difference	6.213	87.598	11.543	22.725
Foreign Currency Difference	-	-	-	-
Total	6.213	87.598	11.543	22.725

III. EXPLANATIONS AND NOTES RELATED TO INCOME STATEMENT:

a. Information on interest income:

1. Information on interest income on loans:

	31 December 2009		31 December 2008	
	TL	FC	TL	FC
Short-term Loans ⁽¹⁾	2.752.236	380.279	3.048.339	291.733
Medium/Long-term Loans ⁽¹⁾	1.566.893	415.993	1.376.199	403.684
Interest on Loans Under Follow-up	62.295	474	80.483	6.152
Premiums Received from Resource Utilisation Support Fund	-	-	-	-
Total ⁽¹⁾	4.381.424	796.746	4.505.021	701.569

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

**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 31 DECEMBER 2009

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

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

2. Information on interest income on banks:

	31 December 2009		31 December 2008	
	TL	FC	TL	FC
From the CBRT ⁽¹⁾	-	-	-	-
From Domestic Banks	6.588	341	8.351	3.876
From Foreign Banks	4.618	14.506	6.074	48.769
Headquarters and Branches Abroad	-	-	-	-
Total	11.206	14.847	14.425	52.645

⁽¹⁾ Excludes interest received from reserve requirements.

3. Information on interest income on marketable securities:

	31 December 2009		31 December 2008	
	TL	FC	TL	FC
From Trading Financial Assets	12.378	11.473	3.124	14.174
From Financial Assets At Fair Value Through Profit or Loss	-	-	-	-
From Available-for-sale Financial Assets	55.540	45.265	34.129	14.501
From Held-to-maturity investments	769.263	415.352	1.025.831	400.319
Total	837.181	472.090	1.063.084	428.994

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

	31 December 2009	31 December 2008
Interests Received From Investments in Associates and Subsidiaries	13.886	6.529

b. Information on interest expense:

1. Information on interest expense on borrowings:

	31 December 2009		31 December 2008	
	TL	FC	TL	FC
Banks	153.188	228.795	79.668	354.756
The CBRT	-	-	2	-
Domestic Banks	23.167	5.882	27.330	6.025
Foreign Banks	130.021	222.913	52.336	348.731
Headquarters and Branches Abroad	-	-	-	-
Other Institutions	-	243	-	38.176
Total ⁽¹⁾	153.188	229.038	79.668	392.932

⁽¹⁾ Includes fees and commissions related to borrowings.

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

	31 December 2009	31 December 2008
Interests paid to Investments in Associates and Subsidiaries	30.810	40.119

**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 31 DECEMBER 2009

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

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

3. Maturity structure of the interest expense on deposits:

Account Name	Demand Deposit	Time Deposit					Cumulative Deposit	Total	31 December 2008
		Up to 1 Month	Up to 3 Month	Up to 6 Month	Up to 1 Year	More Than 1 year			
TL									
Bank Deposit	1.900	6.335	6	318	794	318	-	9.671	16.940
Saving Deposit	999	406.449	1.148.895	25.322	12.167	16.277	-	1.610.109	2.213.068
Public Sector Deposit	-	1.867	3.780	93	3	610	-	6.353	14.849
Commercial Deposit	14.288	240.042	353.723	32.898	3.543	3.394	-	647.888	1.184.621
Other Deposit	-	4.371	30.847	6.466	264	170	-	42.118	67.859
Deposit With 7 Days Notification	-	-	-	-	-	-	-	-	-
Total	17.187	659.064	1.537.251	65.097	16.771	20.769	-	2.316.139	3.497.337
FC									
Foreign Currency Deposit	6.003	188.979	217.188	31.594	6.080	22.937	-	472.781	536.304
Bank Deposit	-	2.798	-	-	4.383	-	-	7.181	5.696
Deposit With 7 Days Notification	-	-	-	-	-	-	-	-	-
Gold Vault	-	206	13	12	19	100	-	350	191
Total	6.003	191.983	217.201	31.606	10.482	23.037	-	480.312	542.191
Grand Total	23.190	851.047	1.754.452	96.703	27.253	43.806	-	2.796.451	4.039.528

c. Information on dividend income:

	31 December 2009	31 December 2008
Trading Financial Assets	-	-
Financial Assets at Fair Value Through Profit or Loss	-	-
Available-for-Sale Financial Assets	229	38.298
Subsidiaries and associates	142.459	167.671
Total	142.688	205.969

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

	31 December 2009	31 December 2008
Income	13.189.437	10.870.296
Income from Capital Market Transactions	158.220	53.664
Derivative Financial Transactions	8.198.825	5.312.097
Foreign Exchange Gains	4.832.392	5.504.535
Loss(-)	(12.849.347)	(10.875.460)
Loss from Capital Market Transactions	(21.519)	(18.129)
Derivative Financial Transactions	(7.898.662)	(5.043.398)
Foreign Exchange Loss	(4.929.166)	(5.813.933)
Net Gain/Loss	340.090	(5.164)

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

	31 December 2009	31 December 2008
Effect of the change in foreign exchange on loss/income	634.092	193.394
Effect of the change in interest rate on loss/income	(333.929)	75.305
Total	300.163	268.699

**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 31 DECEMBER 2009

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

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

f. 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.

g. Provision expenses related to loans and other receivables of the Bank:

	31 December 2009	31 December 2008
Specific provisions for loans and other receivables	1.266.759	378.512
III. Group Loans and Receivables	153.715	46.376
IV. Group Loans and Receivables	455.531	99.979
V. Group Loans and Receivables	657.513	232.157
General Provision Expenses	237.642	133.357
Provision Expense for Possible Risks	33.330	40.714
Marketable Securities Impairment Expenses	616	193
Financial Assets at Fair Value Through Profit or Loss	-	-
Available-for-Sale Financial Assets	616	193
Investments in Associates, Subsidiaries and Held-to-maturity Securities		
Value Decrease	26.759	16.616
Investments in Associates	-	-
Subsidiaries	3.553	-
Joint Ventures	-	-
Held-to-maturity Investments	23.206	16.616
Other	-	-
Total	1.565.106	569.392

h. Information related to other operational expenses:

	31 December 2009	31 December 2008
Personnel Expenses	882.564	873.717
Reserve For Employee Termination Benefits	4.780	913
Provision Expense for Pension Fund	89.693	170.088
Impairment Expenses of Fixed Assets	-	1.895
Depreciation Expenses of Fixed Assets	137.821	117.757
Impairment Expenses of Intangible Assets	-	-
Goodwill Impairment Expenses	-	-
Amortisation Expenses of Intangible Assets	36.500	38.787
Impairment Expenses of Equity Participations for which Equity Method Applied	-	-
Impairment Expenses of Assets Held For Resale	1.012	515
Depreciation Expenses of Assets Held for Resale	2.615	3.586
Impairment Expenses of Fixed Assets Held for Sale	-	-
Other Operating Expenses	753.231	747.466
Operational Lease Expenses	106.672	87.213
Maintenance Expenses	25.744	33.184
Advertising Expenses	59.052	85.009
Other Expense	561.763	542.060
Loss on Sales of Assets	284	606
Other	404.977	403.260
Total	2.313.477	2.358.590

**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 31 DECEMBER 2009

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

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

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

Profit and loss before tax consists of net interest income amounting to TL3.478.325 thousand (2008: TL2.431.926 thousand), net fee and commission income amounting to TL1.436.423 thousand (2008: TL1.262.736 thousand) and total other operating expense amounting TL2.313.477 thousand (2008: TL2.358.590 thousand).

j. Provision for taxes on income from continuing operations:

As of 31 December 2009, the Bank has current tax expense amounting to TL397.268 thousand (2008: TL207.854 thousand) and deferred tax income amounting to TL38.142 thousand (2008: TL84.210 thousand deferred tax expense).

In 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.

k. 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 (2008: Other than provision expense for the actuarial deficit of the Pension Fund amounting to TL170 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

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

**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 31 DECEMBER 2009

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

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

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:

	31 December 2009	31 December 2008
Commitments on credit cards limits	10.952.962	11.244.536
Loan granting commitments	3.069.928	2.457.100
Commitments for cheque books	1.468.823	1.391.826
Total	15.491.713	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:

	31 December 2009	31 December 2008
Bank acceptance loans	151.669	211.367
Letter of credits	2.591.164	2.635.922
Other guarantees and collaterals	399.410	444.717
Total	3.142.243	3.292.006

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

	31 December 2009	31 December 2008
Temporary letter of guarantees	563.652	565.241
Definite letter of guarantees	9.596.903	9.215.573
Advance letter of guarantees	1.887.521	2.244.072
Letter of guarantees given to customs	653.319	599.021
Other letter of guarantees	302.275	393.938
Total	13.003.670	13.017.845

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

	31 December 2009	31 December 2008
Non-cash Loans Given Against Cash Loans	166.263	249.928
With Original Maturity of 1 Year or Less Than 1 Year	52.974	69.564
With Original Maturity of More Than 1 Year	113.289	180.364
Other Non-cash Loans	15.979.650	16.059.923
Total	16.145.913	16.309.851

**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 31 DECEMBER 2009

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

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

3 (ii). Information on sectoral concentration of non-cash loans:

	31 December 2009				31 December 2008			
	TL	(%)	FC	(%)	TL	(%)	FC	(%)
Agricultural	112.666	1,81	352.875	3,56	78.450	1,30	163.120	1,59
Farming and Raising Livestock	78.469	1,26	348.639	3,51	53.093	0,88	154.492	1,50
Forestry	27.409	0,44	3.684	0,04	19.613	0,32	7.369	0,07
Fishing	6.788	0,11	552	0,01	5.744	0,10	1.259	0,01
Manufacturing	2.680.123	43,06	4.498.204	45,34	2.426.845	40,17	4.481.042	43,64
Mining	149.203	2,40	637.763	6,43	116.861	1,93	91.652	0,89
Production	2.151.742	34,57	3.221.177	32,47	2.060.256	34,10	3.857.760	37,57
Electric, Gas and Water	379.178	6,09	639.264	6,44	249.728	4,13	531.630	5,18
Construction	1.633.745	26,25	2.689.845	27,11	1.610.566	26,66	2.774.448	27,02
Services	1.699.781	27,31	1.885.471	19,00	1.804.141	29,86	1.875.687	18,27
Wholesale and Retail Trade	860.116	13,82	241.168	2,43	894.521	14,81	312.625	3,04
Hotel, Food and Beverage Services	69.689	1,12	108.175	1,09	68.778	1,14	83.354	0,81
Transportation and Telecommunication	218.483	3,51	239.090	2,41	238.312	3,94	324.751	3,16
Financial Institutions	329.371	5,29	837.160	8,44	358.538	5,93	630.361	6,14
Real Estate and Leasing Services	55.102	0,89	100.495	1,01	92.220	1,53	168.488	1,64
Self-Employment Services	-	-	-	-	-	-	-	-
Education Services	14.001	0,22	14.497	0,15	10.017	0,17	2.894	0,03
Health and Social Services	153.019	2,46	344.886	3,48	141.755	2,35	353.214	3,44
Other	98.122	1,58	495.081	4,99	121.329	2,01	974.223	9,49
Total	6.224.437	100,00	9.921.476	100,00	6.041.331	100,00	10.268.520	100,00

**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 31 DECEMBER 2009

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

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

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

31 December 2009	Group I		Group II	
	TL	FC	TL	FC
Non-cash Loans				
Letters of Guarantee	6.119.383	6.739.738	100.203	44.346
Bank Acceptances	-	151.616	-	53
Letters of Credit	1.410	2.589.468	-	286
Endorsements	-	-	-	-
Underwriting Commitments	-	-	-	-
Factoring Guarantees	-	-	-	-
Other Commitments and Contingencies	3.441	390.095	-	5.874
Total	6.124.234	9.870.917	100.203	50.559

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

3 (iv). Maturity distribution of non cash loans:

31 December 2009 ⁽¹⁾	Indefinite	Up to 1 year	1-5 Years	Above 5 years	Total
Letter of Credit	1.395.290	796.931	398.943	-	2.591.164
Letter of Guarantee	7.204.048	2.030.731	3.061.366	707.525	13.003.670
Bank Acceptances	151.669	-	-	-	151.669
Other	100.362	77.980	200.309	20.759	399.410
Total	8.851.369	2.905.642	3.660.618	728.284	16.145.913

31 December 2008 ⁽¹⁾	Indefinite	Up to 1 year	1-5 Years	Above 5 years	Total
Letter of Credit	1.418.078	758.646	459.198	-	2.635.922
Letter of Guarantee	7.081.551	1.920.125	3.313.023	703.146	13.017.845
Bank Acceptances	211.367	-	-	-	211.367
Other	27.379	34.442	327.493	55.403	444.717
Total	8.738.375	2.713.213	4.099.714	758.549	16.309.851

⁽¹⁾ The distribution is based on the original maturities.

**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 31 DECEMBER 2009

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

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

b. Information on derivative financial instruments:

	31 December 2009	31 December 2008
Types of Trading Transactions		
Foreign currency related derivative transactions (I)	22.027.642	12.301.254
FC trading forward transactions	4.942.396	4.085.608
Trading swap transactions	13.453.376	7.445.832
Futures transactions	-	-
Trading option transactions	3.631.870	769.814
Interest related derivative transactions (II)	10.901.079	4.976.839
Forward interest rate agreements	-	-
Interest rate swaps	9.107.091	4.710.399
Interest rate options	1.793.988	266.440
Interest rate futures	-	-
Other trading derivative transactions (III)	771.933	46.462
A. Total trading derivative transactions (I+II+III)	33.700.654	17.324.555
Types of hedging transactions		
Transactions for fair value hedge	3.968.893	-
Cash flow hedges	-	-
Transactions for foreign net investment hedge	-	-
B. Total hedging related derivatives	3.968.893	-
Total derivative transactions (A+B)	37.669.547	17.324.555

**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 31 DECEMBER 2009

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

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

c. Breakdown of derivative instruments according to their remaining contractual maturities:

31 December 2009 ⁽¹⁾	Up to 1 month	1-3 Months	3-12 Months	1-5 Years	Above 5 years	Total
Derivatives held for trading						
Foreign exchange derivatives	32.385	368.149	7.317	86.184	-	494.035
– Inflow	7.680.490	2.705.019	645.040	353.728	262.528	11.646.805
– Outflow	(7.648.105)	(2.336.870)	(637.723)	(267.544)	(262.528)	(11.152.770)
Interest rate derivatives	(4.266)	(4.283)	(109.391)	(268.337)	(35.527)	(421.804)
– Inflow	94.622	893.260	358.828	3.266.780	987.070	5.600.560
– Outflow	(98.888)	(897.543)	(468.219)	(3.535.117)	(1.022.597)	(6.022.364)
Derivatives held for hedging						
Foreign exchange derivatives	-	-	-	-	-	-
– Inflow	-	-	-	-	-	-
– Outflow	-	-	-	-	-	-
Interest rate derivatives	(9.395)	(12.904)	(131.221)	(259.909)	(22.295)	(435.724)
– Inflow	452	865	8.057	1.806.284	213.395	2.029.053
– Outflow	(9.847)	(13.769)	(139.278)	(2.066.193)	(235.690)	(2.464.777)
Total inflow	7.775.564	3.599.144	1.011.925	5.426.792	1.462.993	19.276.418
Total outflow	(7.756.840)	(3.248.182)	(1.245.220)	(5.868.854)	(1.520.815)	(19.639.911)

31 December 2008 ⁽¹⁾	Up to 1 month	1-3 Months	3-12 Months	1-5 Years	Above 5 years	Total
Derivatives held for trading						
Foreign exchange derivatives	(2.560)	(11.416)	273.631	(405)	-	259.250
– Inflow	3.146.772	526.737	2.588.476	41.498	-	6.303.483
– Outflow	(3.149.332)	(538.153)	(2.314.845)	(41.903)	-	(6.044.233)
Interest rate derivatives	12.896	2.124	43.213	22.332	-	80.565
– Inflow	101.717	2.392	329.646	2.121.945	-	2.555.700
– Outflow	(88.821)	(268)	(286.433)	(2.099.613)	-	(2.475.135)
Derivatives held for hedging						
Foreign exchange derivatives	-	-	-	-	-	-
– Inflow	-	-	-	-	-	-
– Outflow	-	-	-	-	-	-
Interest rate derivatives	-	-	-	-	-	-
– Inflow	-	-	-	-	-	-
– Outflow	-	-	-	-	-	-
Total inflow	3.248.489	529.129	2.918.122	2.163.443	-	8.859.183
Total outflow	(3.238.153)	(538.421)	(2.601.278)	(2.141.516)	-	(8.519.368)

⁽¹⁾ In table above no amortisation of the notional amount has been taken into consideration.

**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 31 DECEMBER 2009

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

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

d. Information on contingent liabilities:

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

e. 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.

V. EXPLANATIONS AND NOTES RELATED TO CHANGES IN SHAREHOLDERS' EQUITY

a. Information on dividends:

None.

b. Information on available for sale financial assets:

"Unrealised gain/loss" arising from changes in the fair value of securities classified as available-for-sale are not recognized in current year profit and loss statement but recognized in the "Marketable securities valuation differences" account under equity, until the financial assets are derecognised, sold, disposed or impaired.

c. Information on increase/decrease amounts result from the merger:

None.

d. Information on share issue premium:

Explained in details in Note XIX of Section Three.

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 31 DECEMBER 2009

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

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS
(Continued)

VI. 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:

	31 December 2009	31 December 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:

	31 December 2009	31 December 2008
Cash	1.756.111	2.545.161
Cash and Effectives	637.571	597.600
Demand Deposits in Banks	1.118.540	1.947.561
Cash equivalents	2.701.693	1.114.863
Interbank Money Market	1.530.000	40.000
Time Deposits in Banks	1.171.693	1.074.863
Total Cash and Cash Equivalents	4.457.804	3.660.024

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:

Decrease in "Other Account" amounting to TL2.974.351 thousand (2008: TL3.257.417 thousand) which is classified under "Operating profit before changes in operating assets and liabilities" basically includes Fee and Commissions, Other Operating Expenses excluding Personel Expenses, Foreign Exchange Gains/Losses as well as Provision and Depreciation that does not cause cash in/outflow.

Decrease in "Net increase/decrease in other liabilities" amounting to TL144.580 thousand (2008: TL906.003 thousand increase) which is classified under "Operating profit before changes in operating assets and liabilities" includes Miscellaneous Payables, Other Liabilities, Taxes Payable, Charges, Duties and Premiums.

The effects of the change in foreign exchange rates on cash and cash equivalents is calculated approximately TL26.118 thousand as of 31 December 2009.

**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 31 DECEMBER 2009

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

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

To conform to changes in presentation of financial statements as of 31 December 2009, the effects of the change in foreign exchange rates on cash and cash equivalents has been calculated as TL517.235 thousand and related reclassifications have been made on comparative figures as of 31 December 2008.

VII. 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. 31 December 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	115.865	31.375	59.325	54.926	470.383	550.070
Interest and Commission Income Received	13.886	648	13.347	1.187	49.292	2.981

(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	6.529	474	19.040	614	63.653	1.960

(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.

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	
	31 December 2009	31 December 2008	31 December 2009	31 December 2008	31 December 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	384.711	219.118	2.131.632	3.191.069	2.343.771	1.565.139
Interest Expense on Deposits	30.810	40.119	172.096	209.217	139.045	219.445

(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.

**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 31 DECEMBER 2009

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

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

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	
	31 December 2009	31 December 2008	31 December 2009	31 December 2008	31 December 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⁾	1.002.431	659.622	378.174	171.366	710.040	540.506
Total Profit / (Loss)	(10.721)	(6.031)	(3.395)	(285)	19.959	(6.842)
Transactions for hedging purposes						
Beginning of the Period	-	-	-	-	-	-
End of the Period	-	-	-	-	-	-
Total Profit / (Loss)	-	-	-	-	-	-

(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.

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 and the amount:

Total Risk Group	31 December 2009	31 December 2008
Loans	617.147	567.716
Banks	6.067	262.925
Marketable Securities	22.359	76.298
Interest Income Received	76.525	89.222
Non- Cash Loans	636.371	675.179
Commission Income Received	4.816	3.048
Deposit	4.357.994	4.202.808
Borrowings	502.120	772.518
Interest Expense Paid	341.951	468.781
Trading Transactions	2.090.645	1.371.494
Trading Transactions (Loss) / Income, net	5.843	(13.158)

**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 31 DECEMBER 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 key management:

Salaries paid to the Bank's key management amount to TL25.684 thousand as of 31 December 2009 (2008: TL25.471 thousand).

VIII. EXPLANATIONS AND NOTES RELATED TO THE DOMESTIC, FOREIGN, OFF-SHORE BRANCHES AND FOREIGN REPRESENTATIVES OF THE BANK

	Number	Employee number			
Domestic Branch	837	14 328			
			Country of Incorporation		
Foreign Rep. Office	-	-	-		
				Total Asset	Statutory Share capital
Foreign Branch	-	-		-	-
Off-Shore Banking Region Branch	1	5	1-Bahrain	10.240.963	-

IX. EXPLANATIONS AND NOTES RELATED TO SUBSEQUENT EVENTS

None.

**SECTION SIX
OTHER EXPLANATIONS AND NOTES**

I. OTHER EXPLANATIONS ON THE BANK'S OPERATIONS

None.

**SECTION SEVEN
EXPLANATIONS ON INDEPENDENT AUDITOR'S REPORT**

I. EXPLANATIONS ON INDEPENDENT AUDITOR'S REPORT

The unconsolidated financial statements for the period ended 31 December 2009 have been audited by Başaran Nas Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (a member of PricewaterhouseCoopers). The independent auditor's report dated 2 March 2010 is presented prior to the unconsolidated financial statements.

II. EXPLANATIONS AND NOTES PREPARED BY INDEPENDENT AUDITOR

None.

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