

TÜRKİYE HALK BANKASI A.Ş. UNCONSOLIDATED BALANCE SHEET

| THOUSANDS OF TRY | | | | | | | |
|--|-------|-------------------|------------------|-------------------|-------------------|------------------|-------------------|
| ASSETS | Disc. | Reviewed | | | Audited | | |
| | | CURRENT PERIOD | | | PRIOR PERIOD | | |
| | | TRY | FC | Total | TRY | FC | Total |
| I. CASH AND BALANCES WITH THE CENTRAL BANK | (1) | 1.710.148 | 1.305.475 | 3.015.623 | 2.545.734 | 925.444 | 3.471.178 |
| II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS (Net) | (2) | 399.324 | 107.854 | 507.178 | 335.397 | 144.775 | 480.172 |
| 2.1. Trading Financial Assets | | 399.324 | 92.124 | 491.448 | 335.397 | 137.998 | 473.395 |
| 2.1.1. Public Sector Debt Securities | | 398.249 | 92.037 | 490.286 | 334.322 | 137.915 | 472.237 |
| 2.1.2. Share Certificates | | - | - | - | - | - | - |
| 2.1.3. Other Marketable Securities | | 1.075 | 87 | 1.162 | 1.075 | 83 | 1.158 |
| 2.2. Financial Assets at Fair Value Through Profit and Loss | | - | - | - | - | - | - |
| 2.2.1. Public Sector Debt Securities | | - | - | - | - | - | - |
| 2.2.2. Share Certificates | | - | - | - | - | - | - |
| 2.2.3. Other Marketable Securities | | - | - | - | - | - | - |
| 2.3. Derivative Financial Assets Held for Trading | | - | 15.730 | 15.730 | - | 6.777 | 6.777 |
| III. BANKS AND OTHER FINANCIAL INSTITUTIONS | (3) | 266.387 | 551.532 | 817.919 | 32.068 | 1.129.517 | 1.161.585 |
| IV. MONEY MARKET PLACEMENTS | | 75.042 | - | 75.042 | 50.025 | - | 50.025 |
| 4.1. Interbank Money Market Placements | | - | - | - | - | - | - |
| 4.2. Istanbul Stock Exchange Money Market Placements | | - | - | - | - | - | - |
| 4.3. Receivables from Reverse Repurchase Agreements | | 75.042 | - | 75.042 | 50.025 | - | 50.025 |
| V. FINANCIAL ASSETS AVAILABLE FOR SALE (Net) | (4) | 7.907.567 | 2.187.280 | 10.094.847 | 6.675.654 | 1.751.354 | 8.427.008 |
| 5.1. Share Certificates | | 4.217 | 6.481 | 10.698 | 4.206 | 5.769 | 9.975 |
| 5.2. Public Sector Debt Securities | | 7.903.350 | 2.180.799 | 10.084.149 | 6.671.448 | 1.745.585 | 8.417.033 |
| 5.3. Other Marketable Securities | | - | - | - | - | - | - |
| VI. LOANS | (5) | 18.026.750 | 4.622.837 | 22.649.587 | 15.137.058 | 2.984.020 | 18.121.078 |
| 6.1. Loans | | 17.927.507 | 4.622.837 | 22.550.344 | 15.123.169 | 2.984.020 | 18.107.189 |
| 6.1.1. Loans Extended to Risk Group of the Bank | | - | 61.324 | 61.324 | - | 43.902 | 43.902 |
| 6.1.2. Other | | 17.927.507 | 4.561.513 | 22.489.020 | 15.123.169 | 2.940.118 | 18.063.287 |
| 6.2. Loans under follow-up | | 1.043.000 | - | 1.043.000 | 1.032.742 | - | 1.032.742 |
| 6.3. Specific provisions (-) | | 943.757 | - | 943.757 | 1.018.853 | - | 1.018.853 |
| VII. FACTORING RECEIVABLES | | - | - | - | - | - | - |
| VIII. HELD TO MATURITY INVESTMENTS (Net) | (6) | 7.202.471 | - | 7.202.471 | 7.037.420 | - | 7.037.420 |
| 8.1. Public Sector Debt Securities | | 7.202.471 | - | 7.202.471 | 7.037.420 | - | 7.037.420 |
| 8.2. Other Marketable Securities | | - | - | - | - | - | - |
| IX. INVESTMENTS IN ASSOCIATES (Net) | (7) | 39.175 | 249.724 | 288.899 | 39.322 | 249.724 | 289.046 |
| 9.1. Accounted with Equity Method | | - | 249.724 | 249.724 | - | 249.724 | 249.724 |
| 9.2. Unconsolidated Associates | | 39.175 | - | 39.175 | 39.322 | - | 39.322 |
| 9.2.1. Financial Investments | | 38.122 | - | 38.122 | 38.269 | - | 38.269 |
| 9.2.2. Non-financial Investments | | 1.053 | - | 1.053 | 1.053 | - | 1.053 |
| X. INVESTMENTS IN SUBSIDIARIES (Net) | (8) | 57.801 | - | 57.801 | 57.801 | - | 57.801 |
| 10.1. Unconsolidated Financial Subsidiaries | | 57.801 | - | 57.801 | 57.801 | - | 57.801 |
| 10.2. Unconsolidated Non-financial Subsidiaries | | - | - | - | - | - | - |
| XI. JOINT VENTURES (Net) | (9) | - | - | - | - | - | - |
| 11.1. Accounted with Equity Method | | - | - | - | - | - | - |
| 11.2. Unconsolidated Joint Ventures | | - | - | - | - | - | - |
| 11.2.1. Financial Joint Ventures | | - | - | - | - | - | - |
| 11.2.2. Non-financial Joint Ventures | | - | - | - | - | - | - |
| XII. FINANCE LEASE RECEIVABLES (Net) | (10) | - | - | - | - | - | - |
| 12.1. Finance Lease Receivables | | - | - | - | - | - | - |
| 12.2. Operating Lease Receivables | | - | - | - | - | - | - |
| 12.3. Other | | - | - | - | - | - | - |
| 12.4. Unearned Income (-) | | - | - | - | - | - | - |
| XIII. DERIVATIVE FINANCIAL ASSETS FOR HEDGING PURPOSES | (11) | - | - | - | - | - | - |
| 13.1. Fair Value Risk Hedging | | - | - | - | - | - | - |
| 13.2. Cash Flow Risk Hedging | | - | - | - | - | - | - |
| 13.3. Net Abroad Investment Risk Hedging | | - | - | - | - | - | - |
| XIV. TANGIBLE ASSETS (Net) | (12) | 656.217 | 48 | 656.265 | 641.499 | 43 | 641.542 |
| XV. INTANGIBLE ASSETS (Net) | (13) | 24.012 | - | 24.012 | 16.785 | - | 16.785 |
| 15.1. Goodwill | | - | - | - | - | - | - |
| 15.2. Other | | 24.012 | - | 24.012 | 16.785 | - | 16.785 |
| XVI. REAL ESTATES FOR INVESTMENT PURPOSE (Net) | (14) | - | - | - | - | - | - |
| XVII. TAX ASSET | (15) | 75.832 | - | 75.832 | 63.924 | - | 63.924 |
| 17.1. Current Assets for Tax | | - | - | - | - | - | - |
| 17.2. Deferred Assets for Tax | | 75.832 | - | 75.832 | 63.924 | - | 63.924 |
| XVIII. ASSETS HELD FOR SALE AND HELD FROM TERMINATED OPERATIONS (Net) | (16) | 101.771 | - | 101.771 | 90.371 | - | 90.371 |
| 18.1. Held for Sale Purpose | | 101.771 | - | 101.771 | 90.371 | - | 90.371 |
| 18.2. Held from Terminated Operations | | - | - | - | - | - | - |
| XIX. OTHER ASSETS | (17) | 338.391 | 104.326 | 442.717 | 265.867 | 60.652 | 326.519 |
| TOTAL ASSETS | | 36.880.888 | 9.129.076 | 46.009.964 | 32.988.925 | 7.245.529 | 40.234.454 |

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

TÜRKİYE HALK BANKASI A.Ş. UNCONSOLIDATED BALANCE SHEET

| LIABILITIES AND EQUITY | | THOUSANDS OF TRY | | | | | | |
|--|------|-------------------|--------------------------------|-------------------|-------------------|------------------------------|-------------------|--|
| | | Disc. | Reviewed | | | Audited | | |
| | | | CURRENT PERIOD (30/06/2008) | | | PRIOR PERIOD (31/12/2007) | | |
| | | TRY | FC | Total | TRY | FC | Total | |
| I. DEPOSITS | (1) | 25.673.472 | 11.240.306 | 36.913.778 | 22.250.594 | 8.590.317 | 30.840.911 | |
| 1.1. Deposits Held by the Risk Group of the Bank | | 79.476 | 4.761 | 84.237 | 79.943 | 3.425 | 83.368 | |
| 1.2. Other | | 25.593.996 | 11.235.545 | 36.829.541 | 22.170.651 | 8.586.892 | 30.757.543 | |
| II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING | (2) | 53.364 | 73.235 | 126.599 | 32.799 | 64.289 | 97.088 | |
| III. BORROWING FUNDING LOANS | (3) | 416.904 | 923.746 | 1.340.650 | 386.853 | 550.175 | 937.028 | |
| IV. MONEY MARKET BALANCES | | 530.778 | 771.874 | 1.302.652 | 1.286.287 | 416.538 | 1.702.825 | |
| 4.1. Inter-bank Money Market Takings | | - | - | - | - | - | - | |
| 4.2. Istanbul Stock Exchange Takasbank Takings | | - | - | - | - | - | - | |
| 4.3. Funds From Repurchase Agreements | | 530.778 | 771.874 | 1.302.652 | 1.286.287 | 416.538 | 1.702.825 | |
| V. MARKETABLE SECURITIES ISSUED (Net) | | - | - | - | - | - | - | |
| 5.1. Bills | | - | - | - | - | - | - | |
| 5.2. Asset-backed Securities | | - | - | - | - | - | - | |
| 5.3. Bonds | | - | - | - | - | - | - | |
| VI. FUNDS | (4) | 1.054.517 | 65 | 1.054.582 | 1.041.107 | 1.229 | 1.042.336 | |
| 6.1. Borrower Funds | | 146.128 | - | 146.128 | 153.656 | - | 153.656 | |
| 6.2. Other | | 908.389 | 65 | 908.454 | 887.451 | 1.229 | 888.680 | |
| VII. SUNDRY CREDITORS | | 413.261 | 6.044 | 419.305 | 347.020 | 5.307 | 352.327 | |
| VIII. OTHER LIABILITIES | (5) | 286.807 | 54.177 | 340.984 | 263.130 | 11.570 | 274.700 | |
| IX. FACTORING PAYABLES | | - | - | - | - | - | - | |
| X. FINANCE LEASE PAYABLES (Net) | (6) | - | 1.562 | 1.562 | - | 5,557 | 5,557 | |
| 10.1. Finance Lease Payables | | - | 1,562 | 1,562 | - | 5,557 | 5,557 | |
| 10.2. Operating Lease Payables | | - | - | - | - | - | - | |
| 10.3. Other | | - | - | - | - | - | - | |
| 10.4. Deferred Finance Lease Expenses (-) | | - | - | - | - | - | - | |
| XI. DERIVATIVE FINANCIAL LIABILITIES FOR HEDGING | (7) | - | - | - | - | - | - | |
| 11.1. Fair Value Risk Hedging | | - | - | - | - | - | - | |
| 11.2. Cash Flow Risk Hedging | | - | - | - | - | - | - | |
| 11.3. Net Abroad Investment Risk Hedging | | - | - | - | - | - | - | |
| XII. PROVISIONS | (8) | 480.038 | 10.193 | 490.231 | 420.069 | 18.936 | 439.005 | |
| 12.1. General Loan Provisions | | 185.095 | - | 185.095 | 138.506 | - | 138.506 | |
| 12.2. Restructuring Provisions | | - | - | - | - | - | - | |
| 12.3. Employee Benefits Provisions | | 223.817 | - | 223.817 | 208.401 | - | 208.401 | |
| 12.4. Insurance Technical Reserves (Net) | | - | - | - | - | - | - | |
| 12.5. Other Provisions | | 71.126 | 10.193 | 81.319 | 73.162 | 18.936 | 92.098 | |
| XIII. TAX LIABILITY | (9) | 167.622 | 1 | 167.623 | 159.602 | 1 | 159.603 | |
| 13.1. Current Tax Liability | | 167.622 | 1 | 167.623 | 159.602 | 1 | 159.603 | |
| 13.2. Deferred Tax Liability | | - | - | - | - | - | - | |
| XIV. LIABILITIES FOR PROPERTY AND EQUIPMENT HELD FOR SALE PURPOSE AND HELD FROM TERMINATED OPERATIONS | (10) | - | - | - | - | - | - | |
| 14.1. Held for Sale Purpose | | - | - | - | - | - | - | |
| 14.2. Held from Terminated Operations | | - | - | - | - | - | - | |
| XV. TIER -II CAPITAL | (11) | - | - | - | - | - | - | |
| XVI. SHAREHOLDERS' EQUITY | (12) | 3.771.949 | 80.049 | 3.851.998 | 4.200.673 | 182.401 | 4.383.074 | |
| 16.1. Paid-in Capital | | 1.250.000 | - | 1.250.000 | 1.250.000 | - | 1.250.000 | |
| 16.2. Capital Reserves | | 1.062.703 | 80.049 | 1.142.752 | 1.258.292 | 182.401 | 1.440.693 | |
| 16.2.1. Share Premium | | - | - | - | - | - | - | |
| 16.2.2. Share Cancellation Profits | | - | - | - | - | - | - | |
| 16.2.3. Marketable Securities Revaluation Fund | | (132.605) | 80.049 | (52.556) | 37.841 | 182.401 | 220.242 | |
| 16.2.4. Tangible Assets Revaluation Reserves | | - | - | - | - | - | - | |
| 16.2.5. Intangible Assets Revaluation Reserves | | - | - | - | - | - | - | |
| 16.2.6. Revaluation Reserves of Real Estates for Investment Purpose | | - | - | - | - | - | - | |
| 16.2.7. Non-paid-up Shares of Subsidiaries, Associates and Joint Ventures | | - | - | - | - | - | - | |
| 16.2.8. Hedging Funds (Effective portion) | | (25.143) | - | (25.143) | - | - | - | |
| 16.2.9. Value Increase on Assets Held for Sale | | - | - | - | - | - | - | |
| 16.2.10. Other Capital Reserves | | 1.220.451 | - | 1.220.451 | 1.220.451 | - | 1.220.451 | |
| 16.3. Profit Reserves | | 800.501 | - | 800.501 | 489.420 | - | 489.420 | |
| 16.3.1. Legal Reserves | | 434.671 | - | 434.671 | 297.633 | - | 297.633 | |
| 16.3.2. Statutory Reserves | | - | - | - | - | - | - | |
| 16.3.3. Extraordinary Reserves | | 333.180 | - | 333.180 | 159.859 | - | 159.859 | |
| 16.3.4. Other Profit Reserves | | 32.650 | - | 32.650 | 31.928 | - | 31.928 | |
| 16.4. Profit/Loss | | 658.745 | - | 658.745 | 1.202.961 | - | 1.202.961 | |
| 16.4.1. Prior Years Income/Loss | | 16.822 | - | 16.822 | 71.922 | - | 71.922 | |
| 16.4.2. Period Profit/Loss | | 641.923 | - | 641.923 | 1.131.039 | - | 1.131.039 | |
| 16.5. Minority Shares | (13) | - | - | - | - | - | - | |
| TOTAL LIABILITIES AND EQUITY | | 32.848.712 | 13.161.252 | 46.009.964 | 30.388.134 | 9.846.320 | 40.234.454 | |

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

TÜRKİYE HALK BANKASI A.Ş. UNCONSOLIDATED OFF BALANCE SHEET ACCOUNTS

| | Disc. | THOUSANDS OF TRY | | | | | |
|--|-------|------------------|------------|-------------|--------------|------------|-------------|
| | | Reviewed | | | Audited | | |
| | | CURRENT PERIOD | | | PRIOR PERIOD | | |
| | | (30/06/2008) | | | (31/12/2007) | | |
| | TRY | FC | Total | TRY | FC | Total | |
| A. OFF BALANCE SHEET CONTINGENCIES AND COMMITMENTS (I+II+III) | | 7,913.141 | 6,086.133 | 13,999.274 | 5,783.986 | 3,572.527 | 9,356.513 |
| I. GUARANTEES AND SURETYSHIPS | (1) | 2,112.694 | 2,925.589 | 5,038.283 | 1,706.961 | 2,058.118 | 3,765.079 |
| 1.1. Letters of Guarantee | | 2,089.479 | 1,662.685 | 3,752.164 | 1,693.993 | 1,348.655 | 3,042.648 |
| 1.1.1. Guarantees Subject to Public Procurement Law | | 218.208 | 1,304.234 | 1,522.442 | 193.497 | 1,057.715 | 1,251.212 |
| 1.1.2. Guarantees Given for Foreign Trade Operations | | - | - | - | - | - | - |
| 1.1.3. Other Letters of Guarantee | | 1,871.271 | 358.451 | 2,229.722 | 1,500.496 | 290.940 | 1,791.436 |
| 1.2. Bank Loans | | - | 44.302 | 44.302 | - | 31.969 | 31.969 |
| 1.2.1. Import Acceptances | | - | 43.166 | 43.166 | - | 31.736 | 31.736 |
| 1.2.2. Other Bank Acceptances | | - | 1.136 | 1.136 | - | 233 | 233 |
| 1.3. Letters of Credit | | - | 1,218.205 | 1,218.205 | - | 677.116 | 677.116 |
| 1.3.1. Documentary Letters of Credit | | - | 1,218.205 | 1,218.205 | - | 677.116 | 677.116 |
| 1.3.2. Other Letters of Credit | | - | - | - | - | - | - |
| 1.4. Guaranteed Prefinancings | | - | - | - | - | - | - |
| 1.5. Endorsements | | - | - | - | - | - | - |
| 1.5.1. Endorsements to Central Bank of Turkish Republic | | - | - | - | - | - | - |
| 1.5.2. Other Endorsements | | - | - | - | - | - | - |
| 1.6. Purchase Guarantees on Marketable Security Issuance | | - | - | - | - | - | - |
| 1.7. Factoring Guarantees | | - | - | - | - | - | - |
| 1.8. Other Guarantees | | 22.985 | 397 | 23.382 | 12.738 | 378 | 13.116 |
| 1.9. Other Suretyships | | 230 | - | 230 | 230 | - | 230 |
| II. COMMITMENTS | (1) | 3,052.657 | 192.824 | 3,245.481 | 2,798.584 | 312.504 | 3,111.088 |
| 2.1. Irrevocable commitments | | 3,049.438 | 192.824 | 3,242.262 | 2,795.365 | 312.504 | 3,107.869 |
| 2.1.1. Forward Asset Purchase Commitments | | 25.718 | 192.824 | 218.542 | 52.551 | 312.504 | 365.055 |
| 2.1.2. Forward Deposit Purchase and Sale Commitments | | - | - | - | - | - | - |
| 2.1.3. Capital Commitments to Subsidiaries and Associates | | 250 | - | 250 | 250 | - | 250 |
| 2.1.4. Loan Granting Commitments | | 222.634 | - | 222.634 | 172.223 | - | 172.223 |
| 2.1.5. Securities Underwriting Commitments | | - | - | - | - | - | - |
| 2.1.6. Payment Commitments for Reserve Deposits | | - | - | - | - | - | - |
| 2.1.7. Payment Commitments for Cheques | | 1,338.872 | - | 1,338.872 | 1,275.142 | - | 1,275.142 |
| 2.1.8. Tax and Fund Liabilities from Export Commitments | | 8.185 | - | 8.185 | 6.664 | - | 6.664 |
| 2.1.9. Commitments for Credit Card Expenditure Limits | | 1,409.968 | - | 1,409.968 | 1,250.168 | - | 1,250.168 |
| 2.1.10. Commitments for Credit Cards and Banking Services Promotions | | 23.826 | - | 23.826 | 20.449 | - | 20.449 |
| 2.1.11. Receivables from Short Sale Commitments | | - | - | - | - | - | - |
| 2.1.12. Payables for Short Sale Commitments | | - | - | - | - | - | - |
| 2.1.13. Other Irrevocable Commitments | | 19.985 | - | 19.985 | 17.918 | - | 17.918 |
| 2.2. Revocable Commitments | | 3.219 | - | 3.219 | 3.219 | - | 3.219 |
| 2.2.1. Revocable Loan Granting Commitments | | - | - | - | - | - | - |
| 2.2.2. Other Revocable Commitments | | 3.219 | - | 3.219 | 3.219 | - | 3.219 |
| III. DERIVATIVE FINANCIAL INSTRUMENTS | (1) | 2,747.790 | 2,967.720 | 5,715.510 | 1,278.441 | 1,201.905 | 2,480.346 |
| 3.1. Derivative Financial Instruments for Hedging | | - | - | - | - | - | - |
| 3.1.1. Fair Value Risk Hedging Transactions | | - | - | - | - | - | - |
| 3.1.2. Cash flow Risk Hedging Transactions | | - | - | - | - | - | - |
| 3.1.3. Net Abroad Investment Risk Hedging Transactions | | - | - | - | - | - | - |
| 3.2. Transactions for Trading | | 2,747.790 | 2,967.720 | 5,715.510 | 1,278.441 | 1,201.905 | 2,480.346 |
| 3.2.1. Forward Foreign Currency Buy/Sell Transactions | | 8.785 | 8.902 | 17.687 | 902 | 3.143 | 4.045 |
| 3.2.1.1. Forward Foreign Currency Transactions-Buy | | 2.014 | 6.636 | 8.650 | 452 | 1.577 | 2.029 |
| 3.2.1.2. Forward Foreign Currency Transactions-Sell | | 6.771 | 2.266 | 9.037 | 450 | 1.566 | 2.016 |
| 3.2.2. Currency and Interest Rate Swaps | | 2,739.005 | 2,958.818 | 5,697.823 | 1,277.539 | 1,198.762 | 2,476.301 |
| 3.2.2.1. Currency Swap-Buy | | 126.496 | 2,178.559 | 2,305.055 | - | 719.422 | 719.422 |
| 3.2.2.2. Currency Swap-Sell | | 2,070.324 | 272.209 | 2,342.533 | 735.354 | - | 735.354 |
| 3.2.2.3. Interest Rate Swap-Buy | | - | 508.050 | 508.050 | - | 479.340 | 479.340 |
| 3.2.2.4. Interest Rate Swap-Sell | | 542.185 | - | 542.185 | 542.185 | - | 542.185 |
| 3.2.3. Currency, Interest Rate and Marketable Securities Options | | - | - | - | - | - | - |
| 3.2.3.1. Currency Call Options | | - | - | - | - | - | - |
| 3.2.3.2. Currency Put Options | | - | - | - | - | - | - |
| 3.2.3.3. Interest Rate Call Options | | - | - | - | - | - | - |
| 3.2.3.4. Interest Rate Put Options | | - | - | - | - | - | - |
| 3.2.3.5. Marketable Securities Call Options | | - | - | - | - | - | - |
| 3.2.3.6. Marketable Securities Put Options | | - | - | - | - | - | - |
| 3.2.4. Currency Futures | | - | - | - | - | - | - |
| 3.2.4.1. Currency Futures-Buy | | - | - | - | - | - | - |
| 3.2.4.2. Currency Futures-Sell | | - | - | - | - | - | - |
| 3.2.5. Interest Rate Buy/Sell Futures | | - | - | - | - | - | - |
| 3.2.5.1. Interest Rate Futures-Buy | | - | - | - | - | - | - |
| 3.2.5.2. Interest Rate Futures-Sell | | - | - | - | - | - | - |
| 3.2.6. Other | | - | - | - | - | - | - |
| B. CUSTODY AND PLEDGED ASSETS (IV+V+VI) | | 125,390.196 | 40,762.484 | 166,152.680 | 100,357.369 | 29,384.778 | 129,742.147 |
| IV. CUSTODIES | | 38,303.792 | 2,681.768 | 40,985.560 | 34,355.171 | 2,102.741 | 36,457.912 |
| 4.1. Assets Under Management | | - | - | - | - | - | - |
| 4.2. Custody Marketable Securities | | 22,569.880 | 181.882 | 22,751.762 | 20,799.946 | 160.705 | 20,960.651 |
| 4.3. Cheques in Collection Process | | 2,718.025 | 122.688 | 2,840.713 | 2,205.787 | 67.039 | 2,272.826 |
| 4.4. Commercial Notes in Collection Process | | 410.551 | 136.493 | 547.044 | 366.389 | 116.761 | 483.150 |
| 4.5. Other Assets in Collection Process | | 3.163 | - | 3.163 | 3.163 | - | 3.163 |
| 4.6. Underwritten Securities | | 398 | - | 398 | 133 | - | 133 |
| 4.7. Other Custodies | | 10.134 | 6.895 | 17.029 | 9.052 | 6.564 | 15.616 |
| 4.8. Custodians | | 12,591.641 | 2,233.810 | 14,825.451 | 10,970.701 | 1,751.672 | 12,722.373 |
| V. PLEDGED ASSETS | | 87,086.404 | 38,080.716 | 125,167.120 | 66,002.198 | 27,282.037 | 93,284.235 |
| 5.1. Marketable Securities | | 83.792 | 96.559 | 180.351 | 61.698 | 80.538 | 142.236 |
| 5.2. Collateral Notes | | 3,204.192 | 255.363 | 3,459.555 | 2,734.009 | 178.788 | 2,912.797 |
| 5.3. Commodity | | 44.391 | - | 44.391 | 42.381 | - | 42.381 |
| 5.4. Warranty | | - | - | - | - | - | - |
| 5.5. Land and Buildings | | 24,569.559 | 5,336.354 | 29,905.913 | 19,879.476 | 2,962.748 | 22,842.224 |
| 5.6. Other Pledged Assets | | 57,491.761 | 31,605.854 | 89,097.615 | 41,632.060 | 23,372.911 | 65,004.971 |
| 5.7. Pledges | | 1,692.709 | 786.586 | 2,479.295 | 1,652.574 | 687.052 | 2,339.626 |
| VI. ACCEPTED BILL GUARANTEES AND SURETIES | | - | - | - | - | - | - |
| TOTAL OFF BALANCE SHEET ACCOUNTS (A+B) | | 133,303.337 | 46,848.617 | 180,151.954 | 106,141.355 | 32,957.305 | 139,098.660 |

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

| TÜRKİYE HALK BANKASI A.Ş. UNCONSOLIDATED STATEMENT OF INCOME | | | | | |
|---|-------|---|---|---|---|
| INCOME AND EXPENSES | Disc. | THOUSANDS OF TRY | | | |
| | | Reviewed | Reviewed | Reviewed | Reviewed |
| | | CURRENT PERIOD (01/01/2008-30/06/2008) | PRIOR PERIOD (01/01/2007-30/06/2007) | CURRENT PERIOD (01/04/2008-30/06/2008) | PRIOR PERIOD (01/04/2007-30/06/2007) |
| I. INTEREST INCOME | (1) | 3,123,466 | 2,781,999 | 1,612,672 | 1,416,148 |
| 1.1. Interest on loans | (1a) | 1,708,300 | 1,182,424 | 881,457 | 637,302 |
| 1.2. Interest received from reserve deposits | | 7,029 | 5,563 | 3,210 | 3,018 |
| 1.3. Interest received from banks | (1b) | 101,131 | 114,100 | 51,702 | 59,184 |
| 1.4. Interest received from money market placements | | 8,144 | 7,554 | 908 | 4,181 |
| 1.5. Interest income on marketable securities | (1c) | 1,295,071 | 1,468,921 | 673,436 | 710,561 |
| 1.5.1. Financial assets held for trading | | 27,512 | 45,655 | 11,472 | 15,588 |
| 1.5.2. Financial assets at fair value through profit and loss | | - | - | - | - |
| 1.5.3. Financial assets available-for-sale | | 688,474 | 528,452 | 356,172 | 269,907 |
| 1.5.4. Investments held-to-maturity | | 579,085 | 894,814 | 305,792 | 425,066 |
| 1.6. Finance lease income | | - | - | - | - |
| 1.7. Other interest income | | 3,791 | 3,437 | 1,959 | 1,902 |
| II. INTEREST EXPENSE | (2) | 2,066,943 | 1,945,179 | 1,081,110 | 986,079 |
| 2.1. Interest on deposits | (2d) | 1,942,071 | 1,844,406 | 1,023,344 | 931,316 |
| 2.2. Interest on borrowings | (2a) | 41,282 | 35,727 | 20,476 | 18,844 |
| 2.3. Interest on money market borrowings | | 66,497 | 52,490 | 29,112 | 29,780 |
| 2.4. Interest on marketable securities issued | | - | - | - | - |
| 2.5. Other interest expense | | 17,093 | 12,556 | 8,178 | 6,139 |
| III. NET INTEREST INCOME (I - II) | | 1,056,523 | 836,820 | 531,562 | 430,069 |
| IV. NET FEES AND COMMISSIONS INCOME | | 181,093 | 134,341 | 91,756 | 69,331 |
| 4.1. Fees and commissions income | | 211,128 | 158,292 | 107,563 | 82,464 |
| 4.1.1. Non-Cash Loans | | 18,463 | 16,972 | 9,638 | 8,417 |
| 4.1.2. Other | | 192,665 | 141,320 | 97,925 | 74,047 |
| 4.2. Fees and commissions expenses | | 30,035 | 23,951 | 15,807 | 13,133 |
| 4.2.1. Non-Cash Loans | | 1 | 1 | 1 | - |
| 4.2.2. Other | | 30,034 | 23,950 | 15,806 | 13,133 |
| V. DIVIDEND INCOME | (3) | 21,265 | 19,044 | 21,260 | 18,461 |
| VI. NET TRADING PROFIT | (4) | (75,597) | (35,442) | (36,234) | (31,265) |
| 6.1. Profit/Loss from Capital Market operations(Net) | | (7,648) | (138,127) | (124,355) | (103,486) |
| 6.2. Foreign exchange gains/losses (net) | | (67,949) | 102,685 | 88,121 | 72,221 |
| VII. OTHER OPERATING INCOME | (5) | 259,681 | 264,368 | 140,681 | 167,741 |
| VIII. TOTAL OPERATING INCOME (III+IV+V+VI+VII) | | 1,442,965 | 1,219,131 | 749,025 | 654,337 |
| IX. LOANS AND OTHER RECEIVABLES IMPAIRMENT LOSS PROVISIONS (-) | (6) | 171,957 | 113,543 | 75,090 | 58,006 |
| X. OTHER OPERATING EXPENSES(-) | (7) | 459,607 | 443,647 | 245,933 | 242,058 |
| XI. NET OPERATING INCOME/(LOSS) (VIII-IX-X) | | 811,401 | 661,941 | 428,002 | 354,273 |
| XII. AMOUNT RECORDED IN EXCESS AS GAIN AFTER MERGER | | - | - | - | - |
| XIII. PROFIT/LOSSES FROM EQUITY METHOD APPLIED SUBSIDIARIES | | - | - | - | - |
| XIV. GAIN / (LOSS) ON NET MONETARY POSITION | | - | - | - | - |
| XV. INCOME/(LOSS) BEFORE TAXES (XI+XII+XIII+XIV) | (8) | 811,401 | 661,941 | 428,002 | 354,273 |
| XVI. TAX INCOME PROVISION (±) | (9) | (169,478) | (126,525) | (86,748) | (56,441) |
| 16.1. Current tax provision | | (125,939) | (136,100) | (88,454) | (69,572) |
| 16.2. Deferred tax provision | | (43,539) | 9,575 | 1,706 | 13,131 |
| XVII. NET OPERATING INCOME AFTER TAX (XV±XVI) | (10) | 641,923 | 535,416 | 341,254 | 297,832 |
| XVIII. INCOME FROM TERMINATED OPERATIONS | | - | - | - | - |
| 18.1. Property and equipment income held for sale | | - | - | - | - |
| 18.2. Sale profits from associates, subsidiaries and joint ventures (business partners) | | - | - | - | - |
| 18.3. Other income from terminated operations | | - | - | - | - |
| XIX. EXPENSES FROM TERMINATED OPERATIONS (-) | | - | - | - | - |
| 19.1. Property and equipment expense held for sale | | - | - | - | - |
| 19.2. Sale losses from associates, subsidiaries and joint ventures (business partners) | | - | - | - | - |
| 19.3. Other expenses from terminated operations | | - | - | - | - |
| XX. INCOME/EXPENSE BEFORE TAXES FROM TERMINATED OPERATIONS (XVIII-XIX) | | - | - | - | - |
| XXI. PROVISION FOR TAXES ON INCOME FROM TERMINATED OPERATIONS (±) | | - | - | - | - |
| 21.1. Current tax provision | | - | - | - | - |
| 21.2. Deferred tax provision | | - | - | - | - |
| XXII. NET PROFIT/LOSSES FROM TERMINATED OPERATIONS (XX±XXI) | | - | - | - | - |
| XXIII. NET PROFIT/(LOSS) (XVII+XXII) | (11) | 641,923 | 535,416 | 341,254 | 297,832 |
| Earnings/Losses per share | | 0,51 | 0,43 | 0,27 | 0,24 |

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

| TÜRKİYE HALK BANKASI A.Ş. STATEMENT OF PROFIT AND LOSS ACCOUNTED FOR UNDER EQUITY | | |
|---|---|---|
| | THOUSANDS OF TRY | |
| | CURRENT PERIOD Reviewed (01/01/2008- 30/06/2008) | PRIOR PERIOD Reviewed (01/01/2007- 30/06/2007) |
| STATEMENT OF PROFIT AND LOSS ACCOUNTED FOR UNDER EQUITY | | |
| I. Additions to marketable securities revaluation differences for available for sale financial assets | (220.810) | 4.227 |
| II. Tangible assets revaluation differences | - | - |
| III. Intangible assets revaluation differences | - | - |
| IV. Foreign exchange differences for foreign currency transactions | - | - |
| V. Profit/Loss from derivative financial instruments for cash flow hedge purposes (Effective portion of fair value differences) | - | - |
| VI. Profit/Loss from derivative financial instruments for hedge of net investment in foreign operations (Effective portion of fair value differences) | (31.429) | - |
| VII. The effect of corrections of errors and changes in accounting policies | - | - |
| VIII. Other profit loss items accounted under equity due to TAS | - | - |
| IX. Deferred tax of valuation differences | (42.668) | 373 |
| X. Total Net Profit/Loss accounted under equity (I+II+...+IX) | (294.907) | 4.600 |
| XI. Profit/Loss | (3.034) | (5.777) |
| 11.1. Change in fair value of marketable securities (Transfer to Profit/Loss) | (3.034) | (5.777) |
| 11.2. Reclassification and transfer of derivatives accounted for cash flow hedge purposes to Income Statement | - | - |
| 11.3. Transfer of hedge of net investments in foreign operations to Income Statement | - | - |
| 11.4. Other | - | - |
| XII. Total Profit/Loss accounted for the period (X±XI) | (297.941) | (1.177) |

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

| TÜRKİYE HALK BANKASI A.Ş. UNCONSOLIDATED STATEMENT OF CASH FLOWS | | | |
|---|-------|--------------------|------------------|
| | Disc. | THOUSANDS OF TRY | |
| | | Reviewed | Reviewed |
| | | CURRENT PERIOD | PRIOR PERIOD |
| | | (30/06/2008) | (30/06/2007) |
| A. CASH FLOWS FROM BANKING OPERATIONS | | | |
| 1.1. Operating profit before changes in operating assets and liabilities (+) | | 606.111 | 816.303 |
| 1.1.1. Interest received (+) | | 2.694.469 | 2.888.494 |
| 1.1.2. Interest paid (-) | | (1.995.943) | (1.884.885) |
| 1.1.3. Dividend received(+) | | 21.265 | 19.044 |
| 1.1.4. Fees and commissions received (+) | | 205.714 | 180.901 |
| 1.1.5. Other income (+) | | 142.037 | 217.021 |
| 1.1.6. Collections from previously written off loans (+) | | 155.613 | 94.073 |
| 1.1.7. Cash payments to personnel and service suppliers (-) | | (261.271) | (99.727) |
| 1.1.8. Taxes paid (-) | | (118.530) | (180.918) |
| 1.1.9. Other (+/-) | | (237.243) | (417.700) |
| 1.2. Assets and Liabilities Subject to Banking Operations | | 1.417.998 | (377.244) |
| 1.2.1. Net (Increase) decrease in financial assets held for sale (+/-) | | (30.443) | 230.024 |
| 1.2.2. Net (Increase) decrease in financial assets at fair value through profit or loss (+/-) | | - | - |
| 1.2.3. Net (Increase) decrease in due from banks and other financial institutions (+/-) | | (25.000) | - |
| 1.2.4. Net (increase) decrease in loans (+/-) | | (4.525.020) | (3.103.758) |
| 1.2.5. Net (increase) decrease in other assets (+/-) | | (115.291) | (60.985) |
| 1.2.6. Net increase (decrease) in bank deposits (+/-) | | (401.977) | (41.286) |
| 1.2.7. Net increase (decrease) in other deposits (+/-) | | 6.010.669 | 2.543.443 |
| 1.2.8. Net increase (decrease) in loans borrowed (+/-) | | 396.624 | 24.283 |
| 1.2.9. Net increase (decrease) in matured payables (+/-) | | - | - |
| 1.2.10. Net increase (decrease) in other liabilities (+/-) | | 108.436 | 31.035 |
| I. Net cash provided from banking operations (+/-) | | 2.024.109 | 439.059 |
| B. CASH FLOWS FROM INVESTMENT ACTIVITIES | | | |
| II. Net cash provided from investing activities (+/-) | | (1.948.473) | (267.607) |
| 2.1. Cash paid for purchase of joint ventures, associates and subsidiaries(-) | | - | (13.545) |
| 2.2. Cash obtained from sale of entities joint ventures, associates and subsidiaries (+) | | - | 625 |
| 2.3. Fixed assets purchases (-) | | (92.079) | (54.419) |
| 2.4. Fixed assets sales(+) | | 81.745 | 64.748 |
| 2.5. Cash paid for purchase of financial assets available for sale (-) | | (1.938.139) | (1.431.416) |
| 2.6. Cash obtained from sale of financial assets available for sale (+) | | - | - |
| 2.7. Cash paid for purchase of investment securities (-) | | - | (200.000) |
| 2.8. Cash obtained from sale of investment securities (+) | | - | 1.366.400 |
| 2.9. Other (+/-) | | - | - |
| C. CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| III. Net cash provided from financing activities (+/-) | | (879.775) | (686.760) |
| 3.1. Cash obtained from loans borrowed and securities issued (+) | | - | - |
| 3.2. Cash used for repayment of loans borrowed and securities issued (-) | | - | - |
| 3.3. Marketable securities issued (+) | | - | 67.934 |
| 3.4. Dividends paid (-) | | (875.780) | (751.428) |
| 3.5. Payments for finance leases (-) | | (3.995) | (3.266) |
| 3.6. Other (+/-) | | - | - |
| IV. Effect of change in foreign exchange rate on cash and cash equivalents(+/-) | | 2.878 | (4.804) |
| V. Net increase / (decrease) in cash and cash equivalents (I+II+III+IV) | | (801.261) | (520.112) |
| VI. Cash and cash equivalents at beginning of the period (+) | (2) | 4.586.584 | 3.585.694 |
| VII. Cash and cash equivalents at end of the period (V+VI) | (2) | 3.785.323 | 3.065.582 |

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

| TÜRKİYE HALK BANKASI A.Ş. PROFIT DISTRIBUTION TABLE | THOUSANDS OF TRY | |
|---|--------------------------------|------------------------------|
| | Reviewed | Audited |
| | CURRENT PERIOD (30/06/2008) | PRIOR PERIOD (31/12/2007) |
| I. DISTRIBUTION OF CURRENT YEAR INCOME | | |
| 1.1. CURRENT YEAR INCOME | 811.401 | 1.406.584 |
| 1.2. TAXES AND DUTIES PAYABLE | 169.478 | 292.367 |
| 1.2.1. Corporate tax (Income tax) | 125.939 | 292.367 |
| 1.2.2. Income withholding tax | - | - |
| 1.2.3. Other taxes and duties (*) | 43.539 | - |
| A. NET INCOME FOR THE YEAR (1.1-1.2) | 641.923 | 1.114.217 |
| 1.3. PRIOR YEARS LOSSES (-) | - | - |
| 1.4. FIRST LEGAL RESERVES (-) | - | 55.710 |
| 1.5. OTHER STATUTORY RESERVES (-) | - | - |
| B. NET INCOME AVAILABLE FOR DISTRIBUTION [(A)-(1.3+1.4+1.5)] | 641.923 | 1.058.507 |
| 1.6. FIRST DIVIDEND TO SHAREHOLDERS (-) | - | 62.500 |
| 1.6.1. To owners of ordinary shares | - | 62.500 |
| 1.6.2. To owners of preferred shares | - | - |
| 1.6.3. To owners of preferred shares (preemptive rights) | - | - |
| 1.6.4. To profit sharing bonds | - | - |
| 1.6.5. To holders of profit and loss sharing certificates | - | - |
| 1.7. DIVIDENDS TO PERSONNEL (-) | - | 27.500 |
| 1.8. DIVIDENDS TO BOARD OF DIRECTORS (-) | - | - |
| 1.9. SECOND DIVIDEND TO SHAREHOLDERS (-) | - | 785.780 |
| 1.9.1. To owners of ordinary shares | - | 785.780 |
| 1.9.2. To owners of preferred shares | - | - |
| 1.9.3. To owners of preferred shares (preemptive rights) | - | - |
| 1.9.4. To profit sharing bonds | - | - |
| 1.9.5. To holders of profit and loss sharing certificates | - | - |
| 1.10. SECOND LEGAL RESERVES (-) | - | 81.328 |
| 1.11. STATUTORY RESERVES (-) | - | - |
| 1.12. GENERAL RESERVES | - | 101.399 |
| 1.13. OTHER RESERVES | - | - |
| 1.14. SPECIAL FUNDS | - | - |
| II. DISTRIBUTION OF RESERVES | | |
| 2.1. APPROPRIATED RESERVES | - | - |
| 2.2. SECOND LEGAL RESERVES (-) | - | - |
| 2.3. DIVIDENDS TO SHAREHOLDERS (-) | - | 848.280 |
| 2.3.1. To owners of ordinary shares | - | 848.280 |
| 2.3.2. To owners of preferred shares | - | - |
| 2.3.3. To owners of preferred shares (preemptive rights) | - | - |
| 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 | - | 0,90 |
| 3.2. TO OWNERS OF ORDINARY SHARES (%) | - | 90% |
| 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 | - | 0,58 |
| 4.2. TO OWNERS OF ORDINARY SHARES (%) | - | 68% |
| 4.3. TO OWNERS OF PRIVILEGED SHARES | - | - |
| 4.4. TO OWNERS OF PRIVILEGED SHARES (%) | - | - |

(*) Includes deferred tax expense.

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