

**TÜRK EKONOMİ BANKASI
ANONİM ŞİRKETİ**

**INDEPENDENT ACCOUNTANTS'
LIMITED REVIEW REPORT,
UNCONSOLIDATED FINANCIAL
STATEMENTS AND NOTES
FOR THE PERIOD ENDED
MARCH 31, 2009**

*Translated into English from the
Original Turkish Report*

To the Board of Directors of
Türk Ekonomi Bankası A.Ş.
Istanbul

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

**INDEPENDENT ACCOUNTANTS' LIMITED REVIEW REPORT
FOR THE PERIOD JANUARY 1, 2009 – MARCH 31, 2009**

We have reviewed the accompanying balance sheet of Türk Ekonomi Bankası A.Ş. ("The Bank") as at March 31, 2009 and the related statements of income, changes in shareholders' equity, cash flows for the period then ended. These financial statements are the responsibility of the Bank's management. As independent accountants our responsibility is to issue a report based on the review performed on these financial statements.

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

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial statements do not give a true and fair view of the financial position, the results of its operations and its cash flows, of the Bank for the period ended March 31, 2009 in accordance with the prevailing accounting principles and standards set out as per the Article No: 37 of the Banking Act No: 5411, and other regulations, communiqués and circulars in respect of accounting and financial reporting and pronouncements made by Banking Regulation and Supervision Agency.

Additional paragraph for English translation:

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

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.

Member of **DELOITTE TOUCHE TOHMATSU**

Hasan Kılıç
Partner

Istanbul, May 5, 2009

**THE UNCONSOLIDATED FINANCIAL REPORT OF TÜRK EKONOMİ BANKASI A.Ş.
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2009**

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

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

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

May 5, 2009

Yavuz Canevi President of the Board of Directors	Patrick Rene Pitton Head of Audit Committee	Dr. Akın Akbaygil Vice Chairman of the Audit Committee	Varol Civil General Manager	M. Aşkın Dolaştır Assistant General Manager Responsible of Financial Reporting	B. Ilgaz Doğan Manager Responsible of Financial Reporting
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Information related to responsible personnel for the questions can be raised about financial statements:

Name-Surname / Title: Çiğdem Başaran / Investor Relations Director

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TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM JANUARY 1 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION ONE

GENERAL INFORMATION

I. History of the Bank, Including its Incorporation Date, Initial Legal Status and Amendments to Legal Status, if any

Türk Ekonomi Bankası Anonim Şirketi (“the Bank”), which had been a local bank incorporated in Kocaeli in 1927 under the name of Kocaeli Halk Bankası T.A.Ş., was acquired by the Çolakoğlu Group in 1982. Its title was changed as Türk Ekonomi Bankası A.Ş. and its headquarters moved to Istanbul.

II. Explanation on 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

As of March 31, 2009 and December 31, 2008 the shareholders’ structure and their respective ownerships are summarized as follows:

Name of shareholders	Current Period		Previous Period	
	Paid in capital	%	Paid in capital	%
TEB Mali Yatırımlar A.Ş.	926,796	84.25	926,796	84.25
Publicly Traded	171,966	15.63	171,966	15.63
Other Shareholders	1,238	0.12	1,238	0.12
	1,100,000	100.00	1,100,000	100.00

As of March 31, 2009, Bank’s paid-in-capital consists of 1,100,000,000 shares of TRY 1.00 (full TRY) nominal each.

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM JANUARY 1 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

III. Explanations Regarding the Chairman and the Members of Board of Directors, Audit Committee, General Manager and Assistants and Shares of the Bank They Possess

<u>Name</u>	<u>Title</u>
Board of Directors;	
Yavuz Canevi	Chairman of the Board of Directors
Dr.Akın Akbaygil	Member of the Board of Directors, Vice Chairman of the Audit Committee and Vice Chairman of the Board of Directors
Patrick Rene Pitton	Member of the Board of Directors , Chairman of the Audit Committee
Jean-Jacques Marie Santini	Member of the Board of Directors and Vice Chairman of the Board of Directors
Metin Toğay	Member of the Board of Directors
Christophe Philippe Marie Vallée	Member of the Board of Directors
Refael Taranto	Member of the Board of Directors
Varol Civil	Member of the Board of Directors and General Manager
Musa Erden	Member of the Board of Directors
Assistant General Managers;	
Mustafa Aşkın Dolaştır	Assistant General Manager Responsible from Financial Reporting
Izzet Cemal Kışmır	Assistant General Manager Responsible from Consumer Banking and Business Banking
Levent Çelebioğlu	Assistant General Manager Responsible from Corporate Banking and Financial Institutions
Nilsen Altıntaş	Assistant General Manager Responsible from Human Resources
Nuri Tuncalı	Assistant General Manager Responsible from Corporate and Commercial Loans
Saniye Telci	Assistant General Manager Responsible from Banking Operations
Turgut Boz	Assistant General Manager Responsible from Commercial Banking and SME Banking
Turgut Güney	Assistant General Manager Responsible from Information Technologies
Ümit Leblebici	Assistant General Manager Responsible from Treasury
Ünsal Aysun	Assistant General Manager Responsible from Project Financing and Cash Management
Ömer Abidin Yenidoğan	Assistant General Manager Responsible from Private Banking (Vicarious)
Melis Coşan Baban	Assistant General Manager Responsible from Legal Affairs and Secretary of the Board of Directors
Osman Durmuş	Assistant General Manager Responsible from Consumer Loans and Business Loans
Inspection Committee and Statutory Auditors;	
Hakan Tıraşın	Chairman of the Inspection Committee
Ayşe Aşardağ	Statutory Auditor
Cihat Madanoğlu	Statutory Auditor

Shares of the Bank owned by the above stated Chairman and Members of Board of Directors, General Manager and Assistants are negligible.

IV. Information about the persons and institutions that have qualified shares:

Name / Commercial Name	Share Amount	Share Ratio	Paid up Shares	Unpaid Shares
TEB Mali Yatırımlar A.Ş.	926,796	%84.25	926,796	-

The directly or indirectly authorized group that has the qualified shares in the Bank's capital is TEB Mali Yatırımlar A.Ş. TEB Mali Yatırımlar A.Ş. is a member of Çolakoğlu and BNP Paribas Group. 50% of the shares of TEB Mali Yatırımlar A.Ş. is controlled by BNP Paribas, while the remaining 50% is controlled by Çolakoğlu Group.

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM JANUARY 1 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

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

The Bank's operating areas include corporate, retail and private banking as well as project finance, fund management and custody operations. Besides the ordinary banking operations, the Bank is handling agency functions through its branches on behalf of TEB Yatırım Menkul Değerler A.Ş. and Zurich Sigorta A.Ş (formerly TEB Sigorta A.Ş. prior to the title change on August 18, 2008 due to the sale of the entity). As of March 31, 2009, the Bank has 331 local branches and 4 foreign branches (December 31, 2008 - 332 local branches, 4 foreign branches).

SECTION TWO

UNCONSOLIDATED FINANCIAL STATEMENTS

- I. Balance Sheet
- II. Statement of Off Balance Sheet Contingencies and Commitments
- III. Statement of Income
- IV. Statement of Profit and Loss Accounted for Under Equity
- V. Statement of Changes in Shareholders' Equity
- VI. Statement of Cash Flows

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
BALANCE SHEET AS OF MARCH 31, 2009

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

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

		Reviewed Current Period 31.03.2009			Audited Prior Period 31.12.2008			
	Note Ref.	TRY	FC	Total	TRY	FC	Total	
I.	CASH AND BALANCES WITH THE CENTRAL BANK	(1)	386,455	2,065,248	2,451,703	536,070	1,563,427	2,099,497
II.	FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS (Net)	(2)	118,158	65,313	183,471	49,118	41,524	90,642
2.1	Financial assets held for trading		118,158	65,313	183,471	49,118	41,524	90,642
2.1.1	Public sector debt securities		55,513	2,610	58,123	11,183	1,239	12,422
2.1.2	Share certificates		-	-	-	-	-	-
2.1.3	Derivative financial assets held for trading		62,645	62,703	125,348	37,935	40,285	78,220
2.1.4	Other marketable securities		-	-	-	-	-	-
2.2	Financial assets classified at fair value through profit and loss		-	-	-	-	-	-
2.2.1	Public sector debt securities		-	-	-	-	-	-
2.2.2	Share certificates		-	-	-	-	-	-
2.2.3	Loans		-	-	-	-	-	-
2.2.4	Other marketable securities		-	-	-	-	-	-
III.	BANKS	(3)	48,559	244,546	293,105	24,673	487,626	512,299
IV.	MONEY MARKET PLACEMENTS		520,152	308,921	829,073	700,292	56,394	756,686
4.1	Interbank money market placements		520,152	308,921	829,073	700,292	56,394	756,686
4.2	Istanbul Stock Exchange money market placements		-	-	-	-	-	-
4.3	Receivables from reverse repurchase agreements		-	-	-	-	-	-
V.	FINANCIAL ASSETS AVAILABLE FOR SALE (Net)	(4)	1,179,717	157,462	1,337,179	1,067,250	128,198	1,195,448
5.1	Share certificates		9	1,891	1,900	9	1,554	1,563
5.2	Public sector debt securities		1,179,708	155,571	1,335,279	1,067,241	126,644	1,193,885
5.3	Other marketable securities		-	-	-	-	-	-
VI.	LOANS AND RECEIVABLES	(5)	5,728,017	1,972,980	7,700,997	6,326,441	2,178,336	8,504,777
6.1	Loans and receivables		5,586,909	1,972,980	7,559,889	6,231,008	2,178,336	8,409,344
6.1.1	Loans to Risk Group of the Bank		30,149	908	31,057	9,361	978	10,339
6.1.2	Public sector debt securities		-	-	-	-	-	-
6.1.3	Other		5,556,760	1,972,072	7,528,832	6,221,647	2,177,358	8,399,005
6.2	Non-performing loans		293,634	-	293,634	201,525	-	201,525
6.3	Specific provisions (-)		(152,526)	-	(152,526)	(106,092)	-	(106,092)
VII.	FACTORING RECEIVABLES		-	-	-	-	-	-
VIII.	HELD TO MATURITY INVESTMENTS (Net)	(6)	807,678	-	807,678	797,771	-	797,771
8.1	Public sector debt securities		807,678	-	807,678	797,771	-	797,771
8.2	Other marketable securities		-	-	-	-	-	-
IX.	INVESTMENTS IN ASSOCIATES (Net)	(7)	1	-	1	-	-	-
9.1	Accounted for under equity method		-	-	-	-	-	-
9.2	Unconsolidated associates		1	-	1	-	-	-
9.2.1	Financial investments		-	-	-	-	-	-
9.2.2	Non-financial investments		1	-	1	-	-	-
X.	INVESTMENTS IN SUBSIDIARIES (Net)	(8)	92,667	61,254	153,921	92,667	61,254	153,921
10.1	Unconsolidated financial subsidiaries		92,667	61,254	153,921	92,667	61,254	153,921
10.2	Unconsolidated non-financial subsidiaries		-	-	-	-	-	-
XI.	ENTITIES UNDER COMMON CONTROL (JOINT VENT.) (Net)	(9)	-	-	-	-	-	-
11.1	Consolidated under equity method		-	-	-	-	-	-
11.2	Unconsolidated		-	-	-	-	-	-
11.2.1	Financial subsidiaries		-	-	-	-	-	-
11.2.2	Non-financial subsidiaries		-	-	-	-	-	-
XII.	FINANCE LEASE RECEIVABLES	(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)	123,546	715	124,261	99,967	2,214	102,181
13.1	Fair value hedge		123,546	715	124,261	99,967	2,214	102,181
13.2	Cash flow hedge		-	-	-	-	-	-
13.3	Hedge of net investment risks in foreign operations		-	-	-	-	-	-
XIV.	TANGIBLE ASSETS (Net)	(12)	158,573	-	158,573	167,123	-	167,123
XV.	INTANGIBLE ASSETS (Net)	(13)	10,602	-	10,602	9,857	-	9,857
15.1	Goodwill		-	-	-	-	-	-
15.2	Other		10,602	-	10,602	9,857	-	9,857
XVI.	INVESTMENT PROPERTY (Net)	(14)	-	-	-	-	-	-
XVII.	TAX ASSET	(15)	10,058	-	10,058	23,683	-	23,683
17.1	Current tax asset		10,058	-	10,058	10,710	-	10,710
17.2	Deferred tax asset		-	-	-	12,973	-	12,973
XVIII.	ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)	(16)	-	-	-	-	-	-
18.1	Held for sale		-	-	-	-	-	-
18.2	Discontinued operations		-	-	-	-	-	-
XIX.	OTHER ASSETS	(17)	277,240	51,379	328,619	268,207	53,963	322,170
TOTAL ASSETS			9,461,423	4,927,818	14,389,241	10,163,119	4,572,936	14,736,055

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

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
BALANCE SHEET AS OF MARCH 31, 2009

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

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

	Note Ref.	Reviewed Current Period 31.03.2009			Audited Prior Period 31.12.2008		
		TRY	FC	Total	TRY	FC	Total
I. DEPOSITS	(1)	5,203,162	4,190,545	9,393,707	5,571,990	3,699,757	9,271,747
1.1 Deposits from Risk Group of the Bank		138,264	590,494	728,758	246,379	238,169	484,548
1.2 Other		5,064,898	3,600,051	8,664,949	5,325,611	3,461,588	8,787,199
II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING	(2)	61,553	75,600	137,153	98,047	79,104	177,151
III. FUNDS BORROWED	(3)	874,263	708,214	1,582,477	1,692,963	751,640	2,444,603
IV. MONEY MARKET BALANCES		554,550	-	554,550	201,744	-	201,744
4.1 Interbank money market takings		-	-	-	-	-	-
4.2 Istanbul Stock Exchange money market takings		-	-	-	-	-	-
4.3 Funds provided under repurchase agreements		554,550	-	554,550	201,744	-	201,744
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. SUNDRY CREDITORS		215,830	29,434	245,264	238,765	4,639	243,404
VIII. OTHER LIABILITIES	(4)	198,166	1,767	199,933	223,896	3,726	227,622
IX. FACTORING PAYABLES		-	-	-	-	-	-
X. FINANCE LEASE PAYABLES	(5)	-	43	43	-	117	117
10.1 Finance lease payables		-	65	65	-	141	141
10.2 Operating lease payables		-	-	-	-	-	-
10.3 Other		-	-	-	-	-	-
10.4 Deferred finance lease expenses (-)		-	(22)	(22)	-	(24)	(24)
XI. DERIVATIVE FINANCIAL LIABILITIES FOR HEDGING PURPOSES	(6)	65,761	-	65,761	67,611	-	67,611
11.1 Fair value hedge		65,761	-	65,761	67,611	-	67,611
11.2 Cash flow hedge		-	-	-	-	-	-
11.3 Hedge of net investment in foreign operations		-	-	-	-	-	-
XII. PROVISIONS	(7)	118,170	14,983	133,153	118,207	17,771	135,978
12.1 General loan loss provision		49,438	14,983	64,421	56,927	17,771	74,698
12.2 Restructuring provision		-	-	-	-	-	-
12.3 Reserve for employee benefits		13,998	-	13,998	13,133	-	13,133
12.4 Insurance technical reserves (Net)		-	-	-	-	-	-
12.5 Other provisions		54,734	-	54,734	48,147	-	48,147
XIII. TAX LIABILITY	(8)	40,736	-	40,736	47,404	-	47,404
13.1 Current tax liability		38,358	-	38,358	47,404	-	47,404
13.2 Deferred tax liability		2,378	-	2,378	-	-	-
XIV. PAYABLES RELATED TO ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS	(9)	-	-	-	-	-	-
14.1 Held for sale		-	-	-	-	-	-
14.2 Discontinued operations		-	-	-	-	-	-
XV. SUBORDINATED LOANS	(10)	-	528,363	528,363	-	495,055	495,055
XVI. SHAREHOLDERS' EQUITY	(11)	1,509,704	(1,603)	1,508,101	1,426,011	(2,392)	1,423,619
16.1 Paid-in capital		1,100,000	-	1,100,000	1,100,000	-	1,100,000
16.2 Supplementary capital		10,875	(1,603)	9,272	11,358	(2,392)	8,966
16.2.1 Share premium		2,158	-	2,158	2,158	-	2,158
16.2.2 Share cancellation profits		-	-	-	-	-	-
16.2.3 Marketable securities valuation differences		7,791	(1,603)	6,188	8,274	(2,392)	5,882
16.2.4 Tangible assets revaluation differences		-	-	-	-	-	-
16.2.5 Intangible assets revaluation differences		-	-	-	-	-	-
16.2.6 Investment property revaluation differences		-	-	-	-	-	-
16.2.7 Bonus shares obtained from associates, subsidiaries and jointly controlled entities (Joint Vent.)		-	-	-	-	-	-
16.2.8 Hedging funds (Effective portion)		-	-	-	-	-	-
16.2.9 Accumulated valuation differences from assets held for sale and from discontinued operations		-	-	-	-	-	-
16.2.10 Other capital reserves		926	-	926	926	-	926
16.3 Profit reserves		314,653	-	314,653	150,455	-	150,455
16.3.1 Legal reserves		34,959	-	34,959	26,750	-	26,750
16.3.2 Status reserves		-	-	-	-	-	-
16.3.3 Extraordinary reserves		279,694	-	279,694	123,705	-	123,705
16.3.4 Other profit reserves		-	-	-	-	-	-
16.4 Profit or loss		84,176	-	84,176	164,198	-	164,198
16.4.1 Prior years' income/ (losses)		-	-	-	-	-	-
16.4.2 Current year income/ (loss)		84,176	-	84,176	164,198	-	164,198
16.5 Minority shares	(12)	-	-	-	-	-	-
TOTAL LIABILITIES AND EQUITY		8,841,895	5,547,346	14,389,241	9,686,638	5,049,417	14,736,055

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

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
STATEMENT OF OFF-BALANCE SHEET CONTINGENCIES AND COMMITMENTS
AS OF MARCH 31, 2009

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

II. STATEMENT OF OFF-BALANCE SHEET CONTINGENCIES AND COMMITMENTS

	Note Ref.	Reviewed Current Period 31.03.2009			Audited Prior Period 31.12.2008		
		TRY	FC	TOTAL	TRY	FC	TOTAL
A. OFF BALANCE SHEET CONTINGENCIES AND COMMITMENTS (I+II+III)		6,295,928	10,049,633	16,345,561	5,977,960	7,473,375	13,451,335
I. GUARANTEES	(1), (3)	1,295,195	2,007,892	3,303,087	1,348,770	1,968,620	3,317,390
1.1 Letters of guarantee		1,184,121	1,237,081	2,421,202	1,262,496	1,255,178	2,517,674
1.1.1 Guarantees subject to State Tender Law		65,785	23,048	88,833	60,852	23,317	84,169
1.1.2 Guarantees given for foreign trade operations		115,748	38,445	154,193	126,643	53,026	179,669
1.1.3 Other letters of guarantee		1,002,588	1,175,588	2,178,176	1,075,001	1,178,835	2,253,836
1.2 Bank loans		402	43,073	43,475	-	51,320	51,320
1.2.1 Import letter of acceptance		402	39,708	40,110	-	47,272	47,272
1.2.2 Other bank acceptances		-	3,365	3,365	-	4,048	4,048
1.3 Letters of credit		38	570,898	570,936	238	530,725	530,963
1.3.1 Documentary letters of credit		38	409,861	409,899	238	438,537	438,775
1.3.2 Other letters of credit		-	161,037	161,037	-	92,188	92,188
1.4 Prefinancing given as guarantee		-	-	-	-	-	-
1.5 Endorsements		-	-	-	-	-	-
1.5.1 Endorsements to the Central Bank of Turkey		-	-	-	-	-	-
1.5.2 Other endorsements		-	-	-	-	-	-
1.6 Securities issue purchase guarantees		-	-	-	-	-	-
1.7 Factoring guarantees		-	-	-	-	-	-
1.8 Other guarantees		109,661	106,346	216,007	85,517	99,511	185,028
1.9 Other collaterals		973	50,494	51,467	519	31,886	32,405
II. COMMITMENTS	(1), (3)	2,385,302	1,459,810	3,845,112	2,178,550	186,014	2,364,564
2.1 Irrevocable commitments		2,385,302	1,459,810	3,845,112	2,178,550	186,014	2,364,564
2.1.1 Forward asset purchase commitments		131,186	1,455,536	1,586,722	-	182,115	182,115
2.1.2 Forward deposit purchase and sales commitments		-	-	-	-	-	-
2.1.3 Share capital commitment to associates and subsidiaries		-	-	-	-	-	-
2.1.4 Loan granting commitments		898,498	-	898,498	843,376	-	843,376
2.1.5 Securities underwriting commitments		-	-	-	-	-	-
2.1.6 Commitments for reserve deposit requirements		-	-	-	-	-	-
2.1.7 Payment commitment for checks		567,046	-	567,046	560,682	-	560,682
2.1.8 Tax and fund liabilities from export commitments		16,658	-	16,658	12,449	-	12,449
2.1.9 Commitments for credit card expenditure limits		769,380	-	769,380	759,651	-	759,651
2.1.10 Commitments for promotions related with credit cards and banking activities		2,423	-	2,423	2,281	-	2,281
2.1.11 Receivables from short sale commitments		-	-	-	-	-	-
2.1.12 Payables for short sale commitments		-	-	-	-	-	-
2.1.13 Other irrevocable commitments		111	4,274	4,385	111	3,899	4,010
2.2 Revocable commitments		-	-	-	-	-	-
2.2.1 Revocable loan granting commitments		-	-	-	-	-	-
2.2.2 Other revocable commitments		-	-	-	-	-	-
III. DERIVATIVE FINANCIAL INSTRUMENTS	(2)	2,615,431	6,581,931	9,197,362	2,450,640	5,318,741	7,769,381
3.1 Derivative financial instruments for hedging purposes		499,415	360,331	859,746	582,448	420,017	1,002,465
3.1.1 Fair value hedge		499,415	360,331	859,746	582,448	420,017	1,002,465
3.1.2 Cash flow hedge		-	-	-	-	-	-
3.1.3 Hedge of net investment in foreign operations		-	-	-	-	-	-
3.2 Held for trading transactions		2,116,016	6,221,600	8,337,616	1,868,192	4,898,724	6,766,916
3.2.1 Forward foreign currency buy/sell transactions		702,496	3,526,388	4,228,884	485,927	2,249,719	2,735,646
3.2.1.1 Forward foreign currency transactions-buy		380,691	1,737,229	2,117,920	261,915	1,104,139	1,366,054
3.2.1.2 Forward foreign currency transactions-sell		321,805	1,789,159	2,110,964	224,012	1,145,580	1,369,592
3.2.2 Swap transactions related to f.c. and interest rates		1,065,888	1,678,997	2,744,885	1,041,335	1,497,889	2,539,224
3.2.2.1 Foreign currency swap-buy		738,183	551,150	1,289,333	889,289	309,226	1,198,515
3.2.2.2 Foreign currency swap-sell		227,705	1,041,323	1,269,028	152,046	1,086,587	1,238,633
3.2.2.3 Interest rate swaps-buy		50,000	43,262	93,262	-	51,038	51,038
3.2.2.4 Interest rate swaps-sell		50,000	43,262	93,262	-	51,038	51,038
3.2.3 Foreign currency, interest rate and securities options		347,632	397,586	745,218	340,930	347,988	688,918
3.2.3.1 Foreign currency options-buy		139,459	235,542	375,001	162,923	182,845	345,768
3.2.3.2 Foreign currency options-sell		208,173	162,044	370,217	178,007	165,143	343,150
3.2.3.3 Interest rate options-buy		-	-	-	-	-	-
3.2.3.4 Interest rate options-sell		-	-	-	-	-	-
3.2.3.5 Securities options-buy		-	-	-	-	-	-
3.2.3.6 Securities options-sell		-	-	-	-	-	-
3.2.4 Foreign currency futures		-	239,454	239,454	-	208,133	208,133
3.2.4.1 Foreign currency futures-buy		-	239,454	239,454	-	208,133	208,133
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		-	379,175	379,175	-	594,995	594,995
B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)		106,799,283	8,166,925	114,966,208	86,475,964	7,640,250	94,116,214
IV. ITEMS HELD IN CUSTODY		91,877,446	528,973	92,406,419	71,876,949	582,489	72,459,438
4.1 Assets under management		-	-	-	-	-	-
4.2 Investment securities held in custody		89,318,676	134,029	89,452,705	68,836,870	120,664	68,957,534
4.3 Checks received for collection		2,417,303	230,223	2,647,526	2,901,234	287,854	3,189,088
4.4 Commercial notes received for collection		140,574	121,760	262,334	138,746	112,307	251,053
4.5 Other assets received for collection		794	42,961	43,755	-	61,664	61,664
4.6 Assets received for public offering		-	-	-	-	-	-
4.7 Other items under custody		99	-	99	99	-	99
4.8 Custodians		-	-	-	-	-	-
V. PLEDGED ITEMS		14,899,990	7,636,831	22,536,821	14,578,043	7,056,852	21,634,895
5.1 Marketable securities		319,659	11,113	330,772	273,479	12,963	286,442
5.2 Guarantee notes		7,601,681	5,896,703	13,498,384	7,430,760	5,491,782	12,922,542
5.3 Commodity		8,324	241,652	249,976	8,466	126,818	135,284
5.4 Warranty		-	-	-	-	-	-
5.5 Properties		5,854,999	1,091,109	6,946,108	5,615,167	1,048,994	6,664,161
5.6 Other pledged items		1,115,327	396,254	1,511,581	1,250,171	376,295	1,626,466
5.7 Pledged items-depository		-	-	-	-	-	-
VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES		21,847	1,121	22,968	20,972	909	21,881
TOTAL OFF BALANCE SHEET ACCOUNTS (A+B)		113,095,211	18,216,558	131,311,769	92,453,924	15,113,625	107,567,549

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

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
STATEMENT OF INCOME FOR THE PERIOD FROM
JANUARY 1 TO MARCH 31, 2009

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

III. STATEMENT OF INCOME

		Reviewed Current Period 01.01-31.03.2009	Reviewed Prior Period 01.01-31.03.2008
		Total	Total
	Note Ref.		
I.	INTEREST INCOME	494,744	444,064
1.1	Interest on loans	378,249	323,882
1.2	Interest received from reserve deposits	10,677	9,447
1.3	Interest received from banks	5,157	9,787
1.4	Interest received from money market placements	17,891	11,504
1.5	Interest received from marketable securities portfolio	77,593	89,317
1.5.1	Held-for-trading financial assets	2,607	14,475
1.5.2	Financial assets at fair value through profit and loss	-	-
1.5.3	Available-for-sale financial assets	41,927	74,842
1.5.4	Investments held-to-maturity	33,059	-
1.6	Finance lease income	-	-
1.7	Other interest income	5,177	127
II.	INTEREST EXPENSE	313,099	251,768
2.1	Interest on deposits	204,182	184,106
2.2	Interest on funds borrowed	79,402	44,179
2.3	Interest on money market borrowings	6,662	21,592
2.4	Interest on securities issued	-	-
2.5	Other interest expense	22,853	1,891
III.	NET INTEREST INCOME (I - II)	181,645	192,296
IV.	NET FEES AND COMMISSIONS INCOME/EXPENSE	58,986	43,266
4.1	Fees and commissions received	87,934	61,780
4.1.1	For the non-cash loans	9,529	8,921
4.1.2	Other	78,405	52,859
4.2	Fees and commissions paid	28,948	18,514
4.2.1	Non-cash loans	525	91
4.2.2	Other	28,423	18,423
V.	DIVIDEND INCOME	11,964	18,771
VI.	NET TRADING INCOME	50,036	(15,155)
6.1	Securities trading gains/ (losses)	25,597	(10,317)
6.2	Gains/ (losses) from derivative financial instruments	(35,254)	50,852
6.3	Foreign exchange gains/ (losses)	59,693	(55,690)
VII.	OTHER OPERATING INCOME	8,836	51,553
VIII.	NET OPERATING INCOME (III+IV+V+VI+VII)	311,467	290,731
IX.	PROVISION FOR LOAN LOSSES AND OTHER RECEIVABLES (-)	39,879	33,529
X.	OTHER OPERATING EXPENSES (-)	171,494	177,687
XI.	NET OPERATING INCOME/(LOSS) (VIII-IX-X)	100,094	79,515
XII.	AMOUNT IN EXCESS RECORDED AS GAIN AFTER MERGER	-	-
XIII.	GAIN / (LOSS) ON EQUITY METHOD	-	-
XIV.	GAIN / (LOSS) ON NET MONETARY POSITION	-	-
XV.	PROFIT/(LOSS) FROM CONTINUED OPERATIONS BEFORE TAXES (XI+...+XIV)	100,094	79,515
XVI.	TAX PROVISION FOR CONTINUED OPERATIONS (±)	(15,918)	(10,424)
16.1	Provision for current income taxes	-	-
16.2	Provision for deferred taxes	(15,918)	(10,424)
XVII.	NET PROFIT/(LOSS) FROM CONTINUED OPERATIONS (XV±XVI)	84,176	69,091
XVIII.	INCOME ON DISCONTINUED OPERATIONS	-	-
18.1	Income on assets held for sale	-	-
18.2	Income on sale of associates, subsidiaries and jointly controlled entities (Joint vent.)	-	-
18.3	Income on other discontinued operations	-	-
XIX.	LOSS FROM DISCONTINUED OPERATIONS (-)	-	-
19.1	Loss from assets held for sale	-	-
19.2	Loss on sale of associates, subsidiaries and jointly controlled entities (Joint vent.)	-	-
19.3	Loss from other discontinued operations	-	-
XX.	PROFIT / (LOSS) ON DISCONTINUED OPERATIONS BEFORE TAXES (XVIII-XIX)	-	-
XXI.	TAX PROVISION FOR DISCONTINUED OPERATIONS (±)	-	-
21.1	Provision for current income taxes	-	-
21.2	Provision for deferred taxes	-	-
XXII.	NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XX±XXI)	-	-
XXIII.	NET PROFIT/LOSS (XVII+XXII)	84,176	69,091
23.1	Group's profit/loss	84,176	69,091
23.2	Minority shares	-	-
	Earnings per share	0.0765	0.0915

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

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
TABLE OF PROFIT LOSS ACCOUNTED FOR UNDER EQUITY
FOR THE PERIOD FROM JANUARY 1 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

IV. STATEMENT OF PROFIT AND LOSS ACCOUNTED FOR UNDER EQUITY

	Reviewed Current Period 01.01-31.03.2009	Reviewed Prior Period 01.01-31.03.2008
I. Additions to marketable securities revaluation differences for available for sale financial assets	24,269	(20,358)
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)	-	-
VII. The effect of correction of errors and changes in accounting policies	-	-
VIII. Other profit loss items accounted for under equity due to TAS	-	-
IX. Deferred tax of valuation differences	(22)	4,281
X. Total Net Profit/Loss accounted under equity (I+II+...+IX)	24,247	(16,077)
XI. Profit/Loss	(23,941)	(1,047)
1.1 Change in fair value of marketable securities (Transfer to Profit/Loss)	(23,941)	(1,047)
1.2 Reclassification and transfer of derivatives accounted for cash flow hedge purposes to Income Statement	-	-
1.3 Transfer of hedge of net investments in foreign operations to Income Statement	-	-
1.4 Other	-	-
XII. Total Profit/Loss accounted for the period (X±XI)	306	(17,124)

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

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIOD FROM JANUARY 1 TO MARCH 31, 2008
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

V. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Reviewed		Effect of Inflation Accounting on Capital and Other Reserves	Share Premium	Share Certificate Cancellation Profits	Legal Reserves	Statutory Reserves	Extraordinary Reserves	Other Reserves	Current Period Net Income/(Loss)	Prior Period Net Income/(Loss)	Marketable Securities Value Increase Fund	Tangible and Intangible Assets Revaluation Differences	Bonus Shares Obtained from Associates	Hedging Funds	Acc. Val. Diff. from Assets Held for Sale and Disc. Op.	Total Equity Before Minority Shares	Minority Shares	Total Equity	
	Note Ref	Paid-in Capital																		
I	Prior Period – 01.01.-31.03.2008																			
II	Beginning Balance – 31.12.2007																			
2.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III	New Balance (I+II)																			
IV.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V.	-	-	-	-	-	-	-	-	-	-	-	(17,124)	-	-	-	-	(17,124)	-	-	(17,124)
VI.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVIII.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIX.	-	-	-	-	-	-	-	-	-	69,091	-	-	-	-	-	-	69,091	-	-	69,091
20.1	-	-	-	-	-	6,515	-	123,771	-	-	(130,286)	-	-	-	-	-	-	-	-	-
20.2	-	-	-	-	-	6,515	-	123,771	-	-	(130,286)	-	-	-	-	-	-	-	-	-
20.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing Balance 31.03.2008																				
(III+IV+V+VI+VII+VIII+IX+X+XI+XII+XIII+XIV+XV+XVI+XVII+XVIII+XIX+XX)																				
	755,000	926	1,736	-	26,750	-	123,705	-	69,091	-	(14,910)	-	-	-	-	-	962,298	-	-	962,298

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

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIOD FROM JANUARY 1 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

V. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Reviewed	Note Ref	Paid-in Capital	Effect of Inflation Accounting on Capital and Other Reserves	Share Premium	Share Cancellation profits	Legal Reserves	Statutory Reserves	Extraordinary Reserves	Other Reserves	Current Period Net Income/(Loss)	Prior Period Net Income/(Loss)	Marketable Securities Value Increase Fund	Tangible and Intangible Assets Revaluation Differences	Bonus Shares Obtained from Associates	Hedging Funds	Acc. Val. Diff. from Assets Held for Sale and from Disc. Op.	Total Equity Before Minority Shares	Minority Shares	Total Equity	
I	Current Period – 01.01-31.03.2009																				
	Beginning balance – 31.12.2008		1,100,000	926	2,158	-	26,750	-	123,705	-	-	164,198	5,882	-	-	-	-	- 1,423,619	-	- 1,423,619	
	Changes in period		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
II.	Increase/Decrease related to merger		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
III.	Marketable securities valuation differences		-	-	-	-	-	-	-	-	-	-	306	-	-	-	-	-	306	306	
IV.	Hedging Funds (Effective Portion)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4.1	Cash-flow hedge		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4.2	Hedge of net investment in foreign operations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
V.	Tangible assets revaluation differences		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VI.	Intangible assets revaluation differences		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VII.	Bonus shares obtained from associates, subsidiaries and jointly controlled entities (Joint vent.)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VIII.	Foreign exchange differences		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
IX.	The disposal of assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
X.	The reclassification of assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XI.	The effect of change in associate's equity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XII.	Capital increase		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
12.1	Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
12.2	Internal sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XIII.	Share premium		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XIV.	Share cancellation profits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XV.	Inflation adjustment to paid-in capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XVI.	Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XVII.	Period net income/(loss)		-	-	-	-	-	-	-	-	84,176	-	-	-	-	-	-	-	84,176	84,176	
XVIII.	Profit distribution		-	-	-	-	8,209	-	155,989	-	-	(164,198)	-	-	-	-	-	-	-	-	
18.1	Dividends distributed		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
18.2	Transfers to reserves		-	-	-	-	8,209	-	155,989	-	-	(164,198)	-	-	-	-	-	-	-	-	
18.3	Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Closing Balance 31.03.2009																				
	(I+II+III+IV+V+VI+VII+VIII+IX+X+XI+XII+XIII+XIV+XV+XVI+XVII+XVIII)		1,100,000	926	2,158	-	34,959	-	279,694	-	84,176	-	6,188	-	-	-	-	- 1,508,101	-	- 1,508,101	

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

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
CASH FLOWS STATEMENT FOR THE PERIOD FROM
JANUARY 1 TO MARCH 31, 2009

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

VI. STATEMENT OF CASH FLOWS

	Reviewed Current Period	Reviewed Prior Period
Note Ref	01.01-31.03.2009	01.01-31.03.2008
A. CASH FLOWS FROM BANKING OPERATIONS		
1.1 Operating profit before changes in operating assets and liabilities	(543,615)	(582)
1.1.1 Interest received	432,116	505,450
1.1.2 Interest paid	(415,049)	(323,862)
1.1.3 Dividend received	11,964	18,771
1.1.4 Fees and commissions received	87,934	61,780
1.1.5 Other income	(281,744)	92,088
1.1.6 Collections from previously written off loans	26,943	16,012
1.1.7 Payments to personnel and service suppliers	(85,616)	(69,528)
1.1.8 Taxes paid	-	(8,991)
1.1.9 Others	(320,163)	(292,302)
	(1)	
1.2 Changes in operating assets and liabilities	386,423	671,766
1.2.1 Net (increase) decrease in financial assets held for trading	17,275	33,430
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	(3,845)	3,001
1.2.4 Net (increase) decrease in loans	740,674	(843,828)
1.2.5 Net (increase) decrease in other assets	(7,158)	(101,513)
1.2.6 Net increase (decrease) in bank deposits	279,914	(485,427)
1.2.7 Net increase (decrease) in other deposits	207,938	1,872,372
1.2.8 Net increase (decrease) in funds borrowed	(813,187)	155,938
1.2.9 Net increase (decrease) in matured payables	-	-
1.2.10 Net increase (decrease) in other liabilities	(35,188)	37,793
	(1)	
I. Net cash provided from / (used in) banking operations	(157,192)	671,184
B. CASH FLOWS FROM INVESTING ACTIVITIES		
II. Net cash provided from/ (used in) investing activities	186,469	(209,827)
2.1 Cash paid for purchase of entities under common control, associates and subsidiaries	(1)	-
2.2 Cash obtained from sale of entities under common control, associates and subsidiaries	-	-
2.3 Fixed asset purchases	(3,185)	(6,623)
2.4 Fixed asset sales	358	3,589
2.5 Cash paid for purchase of financial assets available for sale	(833,026)	(250,679)
2.6 Cash obtained from sale of financial assets available for sale	1,042,997	45,512
2.7 Cash paid for purchase of investment securities	(18,467)	-
2.8 Cash obtained from sale of investment securities	-	-
2.9 Others	(2,207)	(1,626)
	(1)	
C. CASH FLOWS FROM FINANCING ACTIVITIES		
III. Net cash provided from/ (used in) financing activities	(77)	150,000
3.1 Cash obtained from funds borrowed and securities issued	-	155,000
3.2 Cash used for repayment of funds borrowed and securities issued	-	-
3.3 Capital increase	-	-
3.4 Dividends paid	-	-
3.5 Payments for finance leases	(77)	(5,000)
3.6 Other	-	-
	(1)	
IV. Effect of change in foreign exchange rate on cash and cash equivalents	(1)	190,843
V. Net increase / (decrease) in cash and cash equivalents	220,043	792,171
VI. Cash and cash equivalents at beginning of the period	3,061,796	2,112,720
VII. Cash and cash equivalents at end of the period	3,281,839	2,904,891

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

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM JANUARY 1 TO MARCH 31, 2009
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

SECTION THREE
ACCOUNTING PRINCIPLES

I. Basis of Presentation

The Bank prepares financial statements and notes according to Communiqué on Banks' Accounting Practice and Maintaining Documents, Turkish Accounting Standards (TAS), Turkish Financial Reporting Standards (TFRS), other regulations, communiques and circulars in respect of accounting and financial reporting and pronouncements made by Banking Regulation and Supervision Agency (BRSA), Turkish Commercial Code and Tax Legislation.

The prior period financial statements are presented in line with the principles of TAS No:1 "Fundamentals of Preparing and Presenting Financial Statements" published in the Official Gazette on January 16, 2005 with No: 25702, and in accordance with Turkish Accounting Standards and Turkish Financial Reporting Standards; and other principles, methods and explanations about accounting and financial reporting issued by the BRSA. Certain reclassifications have been made to the prior year financial statements to comply with the current year presentation whenever required.

In accordance with Law No: 5083 "Monetary Unit of the Turkish Republic" (Law No: 5083), the name of the Turkish Republic's monetary unit and its sub-currency unit is changed to the New Turkish Lira and the New Turkish Cent, respectively. However, in accordance with the additional resolution of the Council of Ministers in regards to the order on the Removal of the phrase "New" in the New Turkish Lira and the New Turkish Cent and Its Application Principles, the phrase "New" used in the Turkish Republic's monetary unit is removed both from New Turkish Lira and the New Turkish Cent as of January 1, 2009.

II. Explanations on Usage Strategy of Financial Assets and Foreign Currency Transactions

The Bank aims to develop and promote products for the financial needs of each customer such as SMEs, multinational companies and even small individual investors in line with Banking Legislation. The primary objective of the Bank is to increase profitability with optimum liquidity and low risk while fulfilling customer needs. Thus, the Bank uses 42% on average of its resources on liquid assets, while the Bank also aims for the highest yield possible with effective maturity management.

The Bank aims at creating an optimum maturity risk and working with a positive margin between cost of resource and product yield in the process of asset and liability management.

As a component of risk management strategy of the Bank, risk bearing short positions of currency, interest or price movements is performed only by the Treasury Asset-Liability department using the limits defined by the Board of Directors. The Asset-Liability Committee manages the maturity mismatches while deciding the short, medium and long term strategies as well as adopting the principle of positive balance sheet margin as a pricing policy.

The Board of Directors allows a purchase risk in treasury operations and different limits are defined by the Board of Directors for each product.

The Bank's hedging activities from the currency risk due to foreign currency available-for-sale equity instruments are described under the Currency Risk header; and the Bank's hedging activities from interest rate risk arising from fixed interest rate deposits and floating interest rate borrowings are described in detail under Interest Rate Risk header.

The Bank's Asset-Liability Committee approves the trading of various derivative instruments such as currency swaps, forwards and similar derivatives to hedge interest and currency exchange risks in line with its balance sheet structure.

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM JANUARY 1 TO MARCH 31, 2009

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

III. Explanations on Forward and Option Contracts and Derivative Instruments

Fair values of foreign currency forward and swap transactions are determined by comparing the period end Bank foreign exchange rates with the contractual forward rates discounted to the balance sheet date with the prevailing current market rates. The resulting gain or loss is reflected to the income statement.

In the assessment of fair value of interest rate swap instruments, interest amounts to be paid or to be received due to/from the fixed rate on the derivative contract are discounted to the balance sheet date with the current applicable fixed rate in the market that is prevailing between the balance sheet date and the interest payment date, whereas interest amounts to be paid or to be received due to/from the floating rate on the derivative contract are recalculated with the current applicable market rates that are prevailing between the balance sheet date and the interest payment date and are discounted to the balance sheet date again with the current applicable market rates that are prevailing between the balance sheet date and the interest payment date. The differences between the fixed rate interest amounts and floating rate interest amounts to be received/paid are recorded in the profit/loss accounts in the current period.

Fair values of option transactions are determined by comparing the option rates discounted to the balance sheet date with the period end foreign exchange rates of the Bank and the resulting gain or loss is reflected to the income statement of the current period, taking into account the exercisability of the option. Premiums, received and paid for the option transactions, are calculated on an accrual basis using effective interest rate method.

Futures transactions are valued daily by the primary market prices and related unrealized gains or losses are reflected in the income statement.

As of July 1, 2008, the Bank has started to apply fair value hedge accounting in order to avoid the effects of interest rate changes in the market by matching a portion of its swap portfolio with its loan portfolio.

While the Bank recognizes the fair value changes of the hedged items in the "gains/(losses) from derivative financial instruments" account, it recognizes the accrued interest of the related loans for the period prior to the balance sheet date in the "interest income" account. Additionally, the difference between the fair value and carrying value of the hedged items at the application date of hedge accounting is amortized based on their maturities and recognized in the gains/(losses) from derivative financial instruments" account.

On the other hand, the fair value changes of the hedging instruments between the application date of hedge accounting and balance sheet date are reflected in the gains/(losses) from derivative financial instruments" account and the accrued interest for the period prior to the balance sheet date is recognized in the "other interest expense" account.

IV. Explanations on Interest Income and Expenses

Interest income and expense are recognized in the income statement for all interest bearing instruments whose cash inflows and outflows are known on an accrual basis using the effective interest method. In accordance with the related regulation, realized and unrealized interest accruals of the non-performing loans are reversed and interest income related to these loans are recorded as interest income only when collected.

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
NOTES TO THE FINANCIAL STATEMENTS
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(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

V. Explanations on Fees and Commission Income and Expenses

Fees for various banking services are recorded as income when collected and prepaid commission income on cash and non-cash loans is recorded as income by using effective interest rate in the related period.

Fees and commissions for funds borrowed paid to other financial institutions, as part of the transaction costs, are recorded as prepaid expenses by using effective interest rate and expensed on the related periods.

The dividend income is reflected to the financial statements on a cash basis when the profit distribution is realized by the associates and subsidiaries.

VI. Explanations on Financial Assets

Financial instruments comprise financial assets, financial liabilities and derivative instruments. Risks related to these activities form a significant part among total risks the Bank undertakes. Financial instruments affect liquidity, market, and credit risks on the Bank's balance sheet in all respects. Bank trades these instruments on behalf of its customers and on its own behalf.

Basically, financial assets create the majority of the commercial activities of the Bank. These instruments expose, affect and diminish the liquidity, credit and interest risks in the financial statements.

All regular way purchases and sales of financial assets are recognized on the settlement date i.e. the date that the asset is delivered to or by the Bank. Settlement date accounting requires (a) accounting of the asset when acquired by the institution and (b) disposing of the asset out of the balance sheet on the date settled by the institution; and accounting of gain or loss on disposal. In case of application of settlement date accounting, the institution accounts for the changes that occur in the fair value of the asset in the period between commercial transaction date and settlement date as in the assets that the institution settles.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Changes in fair value of assets to be received during the period between the trade date and the settlement date are accounted for in the same way as the acquired assets.

The methods and assumptions used in determining the reasonable estimated values of all of the financial instruments are explained below.

Cash, Banks, and Other Financial Institutions

Cash and cash equivalents comprise cash on hand, demand deposits, and highly liquid short-term investments with maturity of 3 months or less following the purchase date, not bearing risk of significant value change, and that are readily convertible to a known amount of cash. The book values of these assets approximate their fair values.

Financial Assets at Fair Value Through Profit and Loss

Trading securities are securities which were either acquired for generating a profit from short-term fluctuations in price or dealer's margin, or are securities included in a portfolio with a pattern of short-term profit taking.

Trading securities are initially recognized at cost. Transaction costs of the related securities are included in the initial cost. The positive difference between the cost and fair value of such securities is accounted for as interest and income accrual, and the negative difference is accounted for as "Impairment Provision on Marketable Securities".

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VI. Explanations on Financial Assets (continued)

Held to Maturity Investments and Financial Assets Available for Sale

Investments held to maturity include securities with fixed or determinable payments and fixed maturity where there is an intention of holding till maturity and the relevant conditions for fulfillment of such intention, including the funding ability other than loans and receivables.

Available for sale financial assets include all securities other than loans and receivables, securities held to maturity and securities held for trading.

The marketable securities are initially recognized at cost including the transaction costs.

After the initial recognition, available for sale securities are measured at fair value and the unrealized gain/loss originating from the difference between the amortized cost and the fair value is recorded in “Marketable Securities Valuation Differences” under the equity. Fair values of debt securities that are traded in an active market are determined based on quoted prices or current market prices. In the absence of prices formed in an active market fair values of these securities are determined using the Official Gazette prices or other valuation methods stated in TAS.

After initial recognition held to maturity investments are measured at amortized cost by using effective interest rate less impairment losses, if any.

The interests received from held to maturity investments are recorded as interest income.

There are no financial assets that have been previously classified as held to maturity investments but cannot be currently classified as held to maturity for two years due to “tainting” rule.

The Bank classifies its securities as referred to above at the acquisition date of related assets.

The sale and purchase transactions of the held to maturity investments are recorded on a settlement date basis.

Loans and Provisions for Impairment

Loans are financial assets those generated by lending money and exclude those that are held with the intention of trading or selling in the near future.

The Bank initially records loans and receivables at cost. In subsequent periods, in accordance with TAS, loans are measured at amortized cost using effective interest rate method.

Provision is set for the loans that may be doubtful and the amount is charged in the current period income statement. The provisioning criteria for non-performing loans are determined by the Bank’s management for compensating the probable losses of the current loan portfolio, by evaluating the quality of loan portfolio, risk factors and considering the economical conditions, other facts and related regulations.

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

VI. Explanations on Financial Assets (continued)

Loans and Provisions for Impairment (continued)

Specific reserves are provided for Group III, IV and V loans in accordance with the regulation on “Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves” published in the Official Gazette No. 26333 dated November 1, 2006 which was amended with the communiqué published in the Official Gazette No. 27119 dated January 23, 2009. These provisions are reflected in the income statement under “Provision and Impairment Expenses - Special Provision Expense”. The collections made regarding these loans are first deducted from the principal amount of the loan and the remaining collections are deducted from interest receivables.

The collections made related to loans for which provision is made in the current period are reversed from the “Provision for Loans and Other Receivables” account in the income statement, and related interest income is credited to the “Interest Received from Non-performing Loans” account.

Releases of loan loss provisions are reversed from the “Provision and Impairment Expenses - Special Provision Expense” account.

In addition to specific loan loss provision, within the framework of the regulation and principles referred to above; Bank records general loan loss provision for loans and other receivables. Bank calculated the general loan provision as 0.5% for cash loans and other receivables, and 0.1% for non-cash loans until November 1, 2006. Subsequent to the change in the regulation on “Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves” published in the Official Gazette No. 26333 dated November 1, 2006; Bank started to book general loan loss provision of 1% for cash loans and other receivables; and 0.2% for non-cash loans on the increase in the cash and non-cash loan portfolio as compared to their October 31, 2006 balances whereas allocating 0.5% general loan loss provision for cash loans and other receivables, and 0.1% for non-cash loans for the balances as of October 31, 2006. Together with the change in the same regulation made on February 6, 2008, the Bank started to book general loan loss provision of 2% for cash loans under watch-list and 0.4% for non-cash loans under watch-list.

VII. Explanations on Impairment of Financial Assets

At each balance sheet date, the Bank evaluates the carrying amounts of its financial asset or a group of financial assets to determine whether there is an objective indication that those assets have suffered an impairment loss. If any such indication exists, the Bank determines the related impairment.

A financial asset or a financial asset group incurs impairment loss only if there is an objective indicator related to the occurrence (or nonoccurrence) of one or more than one event (“loss event”) after the first journalization of that asset; and such loss event (or events) causes, an impairment as a result of the effect on the reliable estimate of the expected future cash flows of the related financial asset and asset group. Irrespective of high probability the expected losses caused by the future events are not journalized.

VIII. Explanations on Offsetting of Financial Assets and Liabilities

Financial assets and liabilities are offset when the Bank has a legally enforceable right to set off, and the intention of collecting or paying the net amount of related assets and liabilities or the right to offset the assets and liabilities simultaneously.

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NOTES TO THE FINANCIAL STATEMENTS
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IX. Explanations on Sales and Repurchase Agreements and Lending of Securities

The sales and purchase of government securities under repurchase agreements made with the customers are being recorded in balance sheet accounts in accordance with the Uniform Chart of Accounts. Accordingly in the financial statements, the government bonds and treasury bills sold to customers under repurchase agreements are classified under securities held for trading, available for sale and held to maturity depending on the portfolio they are originally included in and are valued according to the valuation principles of the related portfolios. Funds obtained from repurchase agreements are classified as a separate sub-account under money markets borrowings account in the liabilities.

These transactions are short-term and consist of domestic public sector debt securities.

The income and expenses from these transactions are reflected to the “Interest Income on Marketable Securities” and “Interest Expense on Money Market Borrowings” accounts in the income statement.

As of March 31, 2009, the Bank does not have any reverse repo transactions (December 31, 2008 - None).

As of March 31, 2009, the Bank does not have any marketable securities lending transaction (December 31, 2008 - None).

X. Explanations on Assets Held for Sale, Discontinued Operations and Liabilities Related to Those Assets

Assets held for sale are those under a plan prepared by the management regarding the sale of the asset to be disposed (or else the group of assets), together with an active program for determination of buyers as well as for the completion of the plan. Also the asset (or else the group of assets) shall be actively marketed in conformity with its fair value. On the other hand, the sale is expected to be journalized as a completed sale within one year after the classification date; and the necessary transactions and procedures to complete the plan should demonstrate the fact that the possibility of making significant changes or canceling the plan is low.

The Bank does not have any assets held for sale.

A discontinued operation is a division of a bank that is either disposed or held for sale. Results of discontinued operations are included in the income statement separately. The Bank does not have any discontinued operations.

XI. Explanations on Goodwill and Other Intangible Assets

There is no goodwill regarding the investments in associates and subsidiaries.

Intangible assets are accounted for at restated cost until December 31, 2004 in accordance with inflation accounting and are amortized with straight-line method, after December 31, 2004 the acquisition cost and any other cost incurred so as to prepare the intangible asset ready for use less reserve for impairment, if any, and amortized on a straight-line method. The cost of assets subject to amortization is restated after deducting the exchange differences, capitalized financial expenses and revaluation increases, if any, from the cost of the assets.

TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ
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(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

XI. Explanations on Goodwill and Other Intangible Assets (continued)

The other intangible assets of the Bank comprise mainly softwares. The requirements of the Turkish Tax Procedural Code are taken into consideration in determining the useful lives and no other specific criteria are used. Useful lives of such assets acquired prior to 2004 are determined as 5 years and for the year 2004 and forthcoming years as 3 years. Softwares used are mainly developed within the Bank by the Bank's personnel and the related expenses are not capitalized. Software is purchased only in emergency cases and for special projects.

There are no anticipated changes in the accounting estimates about the amortization rate and amortization method and residual values that would have a significant impact in the current and future periods.

XII. Explanations on Tangible Fixed Assets

Properties are accounted for at their restated costs until December 31, 2004; after December 31, 2004 the acquisition cost and any other cost incurred so as to prepare the fixed asset ready for use are reflected, less reserve for impairment, if any. The straight-line method of depreciation is used for buildings and useful life is considered as 50 years. Leasehold improvements are depreciated over the lease period by straight-line method.

Other tangible fixed assets are accounted for at their restated costs until December 31, 2004; afterwards the acquisition cost and any other cost incurred so as to prepare the fixed asset ready for use are reflected less reserve for impairment, if any, and depreciated on a straight-line method. Depreciation of assets held less than one year as of the balance sheet date is accounted for proportionately. The annual rates used, which approximate rates based on the estimated economic useful lives of the related assets, are as follows:

	%
Buildings	2
Motor vehicles	20
Furniture, fixtures and office equipment and others	3 – 50

Gain or loss resulting from disposals of the tangible fixed assets is reflected to the income statement as the difference between the net proceeds and net book value.

Maintenance costs of tangible fixed assets are capitalized if they extend the economic useful life of related assets. Other maintenance costs are expensed.

There are no pledges, mortgages or other restrictions on the tangible fixed assets.

There are no purchase commitments related to the tangible fixed assets.

There are no anticipated changes in the accounting estimates, which could have a significant impact in the current and future periods.

The Bank employs independent appraisers in determining the current fair values of its real estates at year ends. As of March 31, 2009, there is a provision for impairment loss amounting to TRY 1,534 for real estates held for resale as per the appraisals performed at the year end (December 31, 2008 – TRY 1,544).

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XIII. Explanations on Leasing Transactions

Tangible fixed assets acquired by financial leases are accounted for in accordance with TAS No:17. In accordance with this standard, the leasing transactions, which consist of only foreign currency liabilities, are translated to Turkish Lira with the exchange rates prevailing at the transaction dates and they are recorded as an asset or a liability. The foreign currency liabilities are translated to Turkish Lira with the Bank's period end exchange rates. The increases/decreases resulting from the differences in the foreign exchange rates are recorded as expense/income in the relevant period. The financing cost resulting from leasing is distributed through the lease period to form a fixed interest rate.

In addition to the interest expense, depreciation expense is recorded for the depreciable leased assets in each period. The depreciation rate is determined in accordance with TAS No:16 "Accounting Standard for Tangible Fixed Assets" by taking the useful lives into account.

Operating lease payments are recognized as expense in the income statement on a straight line basis over the lease term.

The Bank does not have any leasing transactions as lessor.

XIV. Explanations on Provisions and Contingent Liabilities

Provisions are recognized when there is a present obligation, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by using the Bank's best expectation of expenses in fulfilling the obligation, and discounted to present value if material.

XV. Explanations on Liabilities Regarding Employee Benefits

Defined Benefit Plans

In accordance with existing social legislation in Turkey, the Bank is required to make lump-sum termination indemnities over a 30 day salary to each employee who has completed over one year of service, whose employment is terminated due to retirement or for reasons other than resignation or misconduct, and due to marriage, female employees terminating their employments within a year as of the date of marriage, or male employees terminating their employments due to their military service. The Bank is also required to make a payment for the period of notice calculated over each service year of the employee whose employment is terminated for reasons other than resignation or misconduct. Total benefit is calculated in accordance with TAS No:19 "Turkish Accounting Standard on Employee Benefits".

Such benefit plans are unfunded since there is no funding requirement in Turkey. The cost of providing benefits to the employees for the services rendered by them under the defined benefit plan is determined by independent actuaries annually using the projected unit credit method. All actuarial gains and losses are recognized in the income statement.

In calculating the related liability to be recorded in the financial statements for these defined benefit plans, the Bank uses independent actuaries and also makes assumptions and estimation relating to the discount rate to be used, turnover of employees, future change in salaries/limits, etc. These estimations are reviewed annually. The carrying value of provision for employee termination benefits as of March 31, 2009 is TRY 13,998 (December 31, 2008 - TRY 13,133).

Defined Contribution Plans

The Bank pays contributions to Social Security Funds on a mandatory basis. There are no other liabilities related to employee benefits to be provisioned.

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XVI. Explanations on Taxation

Corporate tax

According to the Article 32 of the Corporate Tax Law No. 5520, announced in the Official Gazette dated June 21, 2006, the corporate tax rate is 20%.

The tax legislation, requires advance tax of 20% to be calculated and paid based on earnings generated for each quarter. The amounts thus calculated and paid are offset from the final tax liability for the year.

Tax returns are required to be filed between the first and twenty-fifth day of the fourth month following the balance sheet date and paid in one installment until the end of the related month.

Tax provision related with items that are credited or charged directly to equity are charged or credited to equity. As at March 31, 2009 TRY 1,302 (December 31, 2008 - TRY 1,280) deferred tax which is related with items recorded in the equity was net off under equity in "Marketable Securities Valuation Differences".

According to the Corporate Tax Law, tax losses can be carried forward for a maximum period of five years following the year in which the losses are incurred. Tax authorities can inspect tax returns and the related accounting records for a retrospective maximum period of five years.

Deferred Tax Liability / Asset

The Bank calculates and reflects deferred tax asset or liability on timing differences which will result in taxable or deductible amounts in determining taxable profit of future periods.

As of March 31, 2009 and December 31, 2008, in accordance with TAS No: 12 "Turkish Accounting Standard on Income Taxes" and the changes in the circular of BRSA numbered BDDK.DZM.2/13/1-a-3 dated December 8, 2004, the Bank calculated deferred tax asset on all deductible temporary differences except for general loan reserves, if sufficient taxable profit in future periods to recover such amounts is probable; as well as deferred tax liability on all taxable temporary differences. Deferred tax assets and liabilities are shown in the accompanying financial statements on a net basis.

The net deferred tax asset is included in deferred tax asset and the net deferred tax liability is reflected under deferred tax liability on the balance sheet. The deferred tax charge of TRY 15,918 (March 31, 2008 – TRY 10,424 deferred tax charge) is stated under the tax provision in the income statement. The deferred tax of TRY 1,302 (December 31, 2008 - TRY 1,280) resulting from differences related to items that are debited or charged directly to equity is netted with these accounts.

Furthermore, as per the above circular of BRSA, deferred tax benefit balance resulting from netting of deferred tax assets and liabilities should not be used in dividend distribution and capital increase.

XVII. Additional Explanations on Borrowings

The borrowing costs related to purchase, production, or construction of qualifying assets that require significant time to be prepared for use and sale are included in the cost of assets until the relevant assets become ready to be used or to be sold. Financial investment income obtained by temporary placement of undisbursed investment loan in financial investments is offset against borrowing costs qualified for capitalization.

All other borrowing costs are recorded to the income statement in the period they are incurred.

There are no debt securities issued by the Bank.

The Bank has not issued convertible bonds.

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XVIII. Explanations on Exported Share Certificates

None.

XIX. Explanations on Acceptances

Acceptances are realized simultaneously with the payment dates of the customers and they are presented as probable commitments in off-balance sheet accounts.

XX. Explanations on Government Incentives

There are no government incentives utilized by the Bank.

XXI. Explanations on Reporting According to Segmentation

The Bank mainly operates in retail and corporate banking segments.

Current Period	Retail	Corporate	Other	Total
Net interest income	29,961	134,691	16,993	181,645
Net fees and commissions income and other operating income	18,438	46,610	2,774	67,822
Trading profit / loss	831	4,388	44,817	50,036
Dividend income	-	-	11,964	11,964
Impairment provision for loans and other receivables (-)	7,112	13,388	19,379	39,879
Other operating expenses (-)	32,433	61,349	77,712	171,494
Profit before tax	9,685	110,952	(20,543)	100,094
Taxation	-	-	(15,918)	(15,918)
Net profit for the period	9,685	110,952	(36,461)	84,176

Current Period	Retail	Corporate	Other	Total
Segment assets	985,834	5,963,915	7,285,570	14,235,319
Investments in associates and subsidiaries	-	-	153,922	153,922
Total Assets	985,834	5,963,915	7,439,492	14,389,241
Segment liabilities	5,156,430	4,236,856	3,487,854	12,881,140
Shareholders' equity	-	-	1,508,101	1,508,101
Total Liabilities	5,156,430	4,236,856	4,995,955	14,389,241

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XXI. Explanations on Reporting According to Segmentation (continued)

Prior Period	Retail	Corporate	Other	Total
Net interest income	16,048	108,345	67,903	192,296
Net fees and commissions income and other operating income	14,463	33,117	47,239	94,819
Trading profit / loss	423	5,887	(21,465)	(15,155)
Dividend income	-	-	18,771	18,771
Impairment provision for loans and other receivables (-)	3,365	14,737	15,427	33,529
Other operating expenses (-)	22,097	47,259	108,331	177,687
Profit before tax	5,472	85,353	(11,310)	79,515
Taxation	-	-	(10,424)	(10,424)
Net profit for the period	5,472	85,353	(21,734)	69,091

Prior Period*	Retail	Corporate	Other	Total
Segment assets	1,003,523	6,602,587	6,976,024	14,582,134
Investments in associates and subsidiaries	-	-	153,921	153,921
Total Assets	1,003,523	6,602,587	7,129,945	14,736,055
Segment liabilities	5,259,887	4,086,278	3,966,271	13,312,436
Shareholders' equity	-	-	1,423,619	1,423,619
Total Liabilities	5,259,887	4,086,278	5,389,890	14,736,055

(*) Information related to December 31, 2008.

XXII. Explanations on Other Matters:

Explanation for convenience translation to English

The accounting principles used in the preparation of the accompanying financial statements differ from International Financial Reporting Standards (IFRS). The effects of the differences between these accounting principles and the accounting principles generally accepted in the countries in which the accompanying financial statements are to be used and IFRS have not been quantified in the financial statements.

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SECTION FOUR

INFORMATION ON FINANCIAL STRUCTURE

I. Explanations Related to the Capital Adequacy Standard Ratio

The method used for risk measurement in determining capital adequacy standard ratio; Capital Adequacy Standard Ratio is calculated in accordance with the Communiqué on "Measurement and Assessment of Capital Adequacy of Banks ", which was published on November 1, 2006 in the Official Gazette numbered 26333 and the Communiqué on "The Amendment in the Communiqué on Measurement and Assessment of Capital Adequacy of Banks" which was published on October 10, 2007 in the Official Gazette numbered 26669. The Bank's unconsolidated capital adequacy ratio in accordance with the related Communiqué is 18.50% at March 31, 2009. (December 31, 2008 - 17.65%)

In the computation of capital adequacy standard ratio, information prepared in accordance with statutory accounting requirements are used. Additionally, the market risk amount is calculated in accordance with the Communiqué on the "Measurement and Assessment of Capital Adequacy of Banks" and is taken into consideration in the capital adequacy standard ratio calculation.

The values deducted from the capital base in the shareholders' equity computation are excluded while calculating risk-weighted assets, non-cash loans and contingent liabilities. Assets subject to depreciation and impairment among risk-weighted assets are included in the calculations over their net book values after deducting the relative depreciations and provisions.

While calculating the basis of non-cash loans subject to credit risk, the net receivable amount from the counter parties net of provision amount set in accordance with the "Communiqué on Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves" is multiplied by the loan conversion rates presented in the Article 5, the Clause 1 of the Communiqué on "Measurement and Assessment of Capital Adequacy of Banks", and calculated by applying the risk weights presented in the Capital Adequacy Analysis Form.

Receivables from counter parties from derivative foreign currency and interest rate transactions are multiplied by the loan conversion rates presented in the Article 5, the Clause 2 of the Communiqué on "Measurement and Assessment of Capital Adequacy of Banks", and calculated by applying the risk weights presented in the Capital Adequacy Analysis Form.

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I. Explanations Related to the Capital Adequacy Standard Ratio (continued)

Information related to the capital adequacy ratio:

	Risk Weight						
	0%	10%	20%	50%	100%	150%	200%
Risk Weighted Assets, Liabilities and Non-Cash Loans							
Balance Sheet Items (Net)							
Cash	260,044	-	-	-	-	-	-
Matured Marketable Securities	-	-	-	-	-	-	-
Due From Central Bank of Turkey	1,907,777	-	-	-	-	-	-
Due From Domestic Banks, Foreign Banks, Branches and Head Office Abroad	-	-	241,722	-	50,678	-	-
Interbank Money Market Placements	828,617	-	-	-	-	-	-
Receivables From Reverse Repo Transactions	-	-	-	-	-	-	-
Reserve Deposits	272,385	-	-	-	-	-	-
Loans	201,101	-	88,539	2,140,179	4,836,751	12,783	335
Non-performing loans (Net)	-	-	-	-	141,108	-	-
Financial Lease Receivables	-	-	-	-	-	-	-
Available-For-Sale Financial Assets	1,293,583	-	-	-	3,161	-	-
Held to Maturity Investments	798,854	-	-	-	-	-	-
Receivables From Installment Sales of Assets	-	-	-	-	-	-	-
Sundry Debtors	-	-	174,117	-	3,881	-	-
Interest and Income Accruals	60,391	-	702	29,957	254,173	-	-
Subsidiaries, Associates and Entities Under Common Control (Joint Vent.) (Net)	-	-	-	-	153,922	-	-
Tangible Assets	-	-	-	-	97,282	-	-
Other Assets	106,591	-	13,065	-	4,268	-	-
Off-Balance Sheet Items							
Guarantees and Commitments	68,564	-	153,802	-	2,043,550	-	-
Derivative Financial Instruments	-	-	111,851	-	44,715	-	-
Non Risk Weighted Accounts	-	-	-	-	-	-	-
Total Value at Risk	5,797,907	-	783,798	2,170,136	7,633,489	12,783	335
Total Risk Weighted Assets	-	-	156,760	1,085,068	7,633,489	19,175	670

Summary information related to the capital adequacy ratio:

	Current Period	Prior Period
Total Risk Weighted Assets (TRWA)	8,895,162	9,710,054
Amount Subject to Market Risk (ASMR)	395,413	282,863
Amount Subject to Operational Risk (ASOR) (*)	1,323,618	896,330
Shareholders' Equity	1,963,609	1,922,486
Shareholders' Equity / (TRWA + ASMR + ASOR) *100	18.50	17.65

TRWA: Total Risk Weighted Assets

ASMR: Amount Subject to Market Risk

ASOR: Amount Subject to Operational Risk

(*) Operational risk has been calculated by using the Basic Indicator Approach.

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I. Explanations Related to the Capital Adequacy Standard Ratio (continued)

Information related to the components of shareholders' equity:

	Current Period	Prior Period
CORE CAPITAL		
Paid-in capital	1,100,000	1,100,000
Nominal capital	1,100,000	1,100,000
Capital commitments (-)	-	-
Paid-in capital indexation difference	926	926
Share premium	2,158	2,158
Cancellation profits	-	-
Legal reserves	34,959	26,750
First legal reserve (Turkish Commercial Code 466/1)	29,423	21,214
Second legal reserve (Turkish Commercial Code 466/2)	5,536	5,536
Other legal reserve per special legislation	-	-
Statutory reserves	-	-
Extraordinary reserves	279,694	123,705
Reserves allocated by the General Assembly	279,694	123,705
Retained earnings	-	-
Accumulated losses	-	-
Foreign currency share capital exchange difference	-	-
Indexation differences of legal, statutory and extraordinary reserves	-	-
Profit	84,176	164,198
Current period net profit	84,176	164,198
Prior years' profits	-	-
Provision for possible losses up to 25% of the Core Capital	-	-
Gains on sale of associates and subsidiaries and properties to be added to capital	-	-
Primary subordinated loans up to 15% of the Core Capital	166,820	152,180
Losses that cannot be covered by reserves (-)	-	-
Net current period loss	-	-
Prior years' losses	-	-
Leasehold improvements (-)	61,291	-
Prepaid expenses (-)	33,646	31,139
Intangible assets (-)	10,602	9,857
Deferred tax asset exceeding 10% of the Core Capital (-)	-	-
Excess amount in the Article 56, Clause 3 of the Banking Law (-)	-	-
Total Core Capital	1,563,194	1,569,917
SUPPLEMENTARY CAPITAL		
General loan loss reserves	64,421	74,698
45% of the revaluation reserve for movable fixed assets	-	-
45% of the of revaluation reserve for properties	-	-
Bonus shares obtained from associates, subsidiaries and entities under common control	-	-
Primary subordinated loans excluded in the calculation of the Core Capital	-	-
Secondary subordinated loans	333,209	316,220
45% of Marketable securities value increase fund	2,785	2,647
Associates and subsidiaries	-	-
Available for sale securities	2,785	2,647
Indexation differences for capital reserves, profit reserves and retained earnings (Except indexation differences for legal reserves, statutory reserves and extraordinary reserves)	-	-
Total Supplementary Capital	400,415	393,565
TIER III CAPITAL		
CAPITAL	1,963,609	1,963,482
DEDUCTIONS FROM THE CAPITAL		40,996
Shareholdings of banks and financial institutions (Domestic, Foreign) from which the Bank keeps ten percent or more of capitals	-	-
Shareholdings of unconsolidated banks and financial institutions (Domestic, Foreign) from which the Bank keeps less than ten percent of capitals which exceed the ten percent of Bank's Core and Supplementary Capital	-	-
Secondary subordinated loans granted to Banks and Financial Institutions (Domestic, Foreign) or Qualified Shareholders and placements that possess the nature of their Primary or Secondary Subordinated Debt	-	-
Loans granted being non-compliant with the Articles 50 and 51 of the Banking Law	-	-
The net book value of properties exceeding fifty percent of equity and properties held for sale and properties and commodity to be disposed, acquired in exchange of loans and receivables according to the Article 57 of the Banking Law and have not been disposed yet after 5 years after foreclosure	-	-
Other	-	-
Total Shareholders' Equity	1,963,609	1,922,486

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II. Explanations Related to Credit Risk

Credit risk is the risk that the Bank is a party in a contract whereby the counterparty fails to meet its obligation and cause to incur a financial loss.

The credit allocation is performed on a debtor and a debtor group basis within the limits. In the credit allocation process, many financial and non-financial criteria are taken into account within the framework of the internal rating procedures of the Bank. These criteria include geographical and sector concentrations. The sector concentrations for loans are monitored closely. In accordance with the Bank's loan policy, the rating of the companies, credit limits and guarantees are considered together, and credit risks incurred are monitored.

The credit risks and limits related to treasury activities, the limits of the correspondent banks that are determined by their ratings and the control of the maximum acceptable risk level in relation to the equity of the Bank are monitored daily. Risk limits are determined in connection with these daily transactions, and risk concentration is monitored systematically concerning off-balance sheet operations.

As prescribed in the Communiqué on "Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves", the credit worthiness of the debtors of the loans and other receivables is monitored regularly. Most of the statement of accounts for the loans has been derived from audited financial statements. The unaudited documents result from the timing differences between the loan allocation and the audit dates of the financial statements of the companies and subsequently the audited financial statements are obtained from the companies. Credit limits are determined according to the audited statement of accounts, and guarantee factors are developed in accordance with the decision of the credit committee considering the characteristics of the transactions and the financial structures of the companies.

For the forward transactions and other similar positions of the Bank, operational limits are set by the Board of Directors and the transactions take place within these limits.

The fulfillment of the benefits and acquirements related to forward transactions is normally realized at maturity. However, in order to minimize the risk, counter positions of existing risks are entered into in the market.

Indemnified non-cash loans are subject to the same risk weight as outstanding loans matured but not yet paid.

Since the volume of the restructured loans is not material to the financial statements, no additional follow up methodology is developed, except as stated in the regulations.

Financial institutions abroad and country risks of the Bank are generally taken for the financial institutions and countries that are rated at investment level by international rating agencies and which do not have the risk of failing to meet minimum obligations. Therefore, the probable risks are not material when the financial structure of the Bank is concerned.

The Bank does not have a material credit risk concentration as an active participant in the international banking market when the financial operations of the other financial institutions are concerned.

As of March 31, 2009, the receivables of the Bank from its top 100 cash loan customers amount to TRY 1,280,387 (December 31, 2008 – TRY 1,407,512) with a share of 16.94% in total cash loans (December 31, 2008 – 16.74%).

As of March 31, 2009, the receivables of the Bank from its top 100 non-cash loan customers amount to TRY 1,339,861 (December 31, 2008 – TRY 1,231,677) with a share of 40.56% in total non-cash loans (December 31, 2008 – 37.13%).

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II. Explanations Related to Credit Risk (continued)

As of March 31, 2009, the share of cash and non-cash receivables of the Bank from its top 100 customers in total balance sheet and off-balance sheet assets is 18.89%. (December 31, 2008 – 17.40%).

As of March 31, 2009, the general loan loss provision related with the credit risk taken by the Bank is TRY 64,421 (December 31, 2008 – TRY 74,698).

Credit risk by types of borrowers and geographical concentration:

	Loans to Real Persons and Legal Entities		Loans to Banks and Other Financial Institutions		Marketable Securities*		Other Loans**	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Loans according to borrowers	7,629,394	8,466,358	71,603	38,419	2,202,980	2,005,641	447,027	666,220
Private Sector	6,011,248	6,796,161	40,817	36,978	-	-	92,668	92,667
Public Sector	20,416	15,618	288	316	2,201,080	2,004,078	-	-
Banks	-	-	30,498	1,125	-	-	354,359	573,553
Retail	1,597,730	1,654,579	-	-	-	-	-	-
Share Certificates	-	-	-	-	1,900	1,563	-	-
Information according to geographical concentration	7,629,394	8,466,358	71,603	38,419	2,202,980	2,005,641	447,027	666,220
Domestic	7,484,272	8,359,509	70,579	37,487	2,201,159	2,004,155	157,492	343,630
European Union Countries	32,502	17,208	-	-	-	-	175,450	245,010
OECD Countries***	140	148	-	-	-	-	4,800	6,393
Off-shore Banking Regions	107,324	36,834	1,024	932	-	-	36,472	25,628
USA, Canada	146	68	-	-	1,821	1,486	58,605	45,124
Other Countries	5,010	52,591	-	-	-	-	14,208	435
Total	7,629,394	8,466,358	71,603	38,419	2,202,980	2,005,641	447,027	666,220

* Includes marketable securities designated at fair value through profit or loss, available-for-sale and held-to-maturity.

** Includes the on balance sheet transactions classified in the Uniform Chart of Accounts except the ones in the first three categories and the transactions defined as loan in the Article 48 of the Banking Act No: 5411.

*** OECD countries other than European Union countries, USA and Canada.

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II. Explanations Related to Credit Risk (continued)

Information according to geographical concentration :

	Assets	Liabilities	Non-Cash Loans	Equity Investments	Net Income/ Loss
Current Period					
Domestic	13,658,068	10,424,794	3,247,836	-	84,176
European Union Countries	267,131	1,002,054	12,874	-	-
OECD Countries (*)	8,849	63,137	-	-	-
Off-shore Banking Regions	157,212	635,976	19,340	-	-
USA, Canada	124,841	525,906	85	-	-
Other Countries	19,218	229,273	22,952	-	-
Associates, Subsidiaries and Entities Under Common Control (Joint Vent.)	-	-	-	153,922	-
Unallocated Assets/Liabilities (**)	-	-	-	-	-
Total	14,235,319	12,881,140	3,303,087	153,922	84,176
Prior Period					
Domestic	14,048,768	9,955,237	3,257,507	-	164,198
European Union Countries	336,301	2,070,691	11,844	-	-
OECD Countries (*)	8,989	57,882	-	-	-
Off-shore Banking Regions	77,541	403,397	10,892	-	-
USA, Canada	57,509	456,325	-	-	-
Other Countries	53,026	368,904	37,147	-	-
Associates, Subsidiaries and Entities Under Common Control (Joint Vent.)	-	-	-	153,921	-
Unallocated Assets/Liabilities (**)	-	-	-	-	-
Total	14,582,134	13,312,436	3,317,390	153,921	164,198

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

(**) Assets and liabilities that cannot be allocated on a coherent basis.

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II. Explanations Related to Credit Risk (continued)

Sector concentrations for cash loans :

	Current Period				Prior Period			
	TRY	(%)	FC	(%)	TRY	(%)	FC	(%)
Agricultural	192,513	3.45	68,928	3.49	213,242	3.42	77,185	3.54
Farming and Raising Livestock	162,106	2.90	45,702	2.32	178,035	2.86	54,344	2.49
Forestry, Wood and Paper	21,727	0.39	17,561	0.89	23,897	0.38	16,568	0.76
Fishery	8,680	0.16	5,665	0.28	11,310	0.18	6,273	0.29
Manufacturing	2,083,006	37.28	1,605,385	81.37	2,448,699	39.30	1,789,232	82.14
Mining and Quarry	150,322	2.69	73,547	3.73	167,203	2.68	93,152	4.28
Production	1,920,351	34.37	1,510,151	76.54	2,265,710	36.37	1,676,297	76.95
Electricity, Gas and Water	12,333	0.22	21,687	1.10	15,786	0.25	19,783	0.91
Construction	350,557	6.27	37,188	1.88	375,065	6.02	38,098	1.75
Services	1,021,192	18.28	216,375	10.97	1,153,734	18.52	230,472	10.58
Wholesale and Retail Trade	355,481	6.36	65,345	3.31	416,998	6.70	67,980	3.12
Hotel, Tourism, Food and Beverage Services	83,162	1.49	43,971	2.23	89,833	1.45	40,390	1.85
Transportation and Communication	210,894	3.77	53,330	2.70	265,089	4.25	55,815	2.56
Financial Institutions	115,672	2.07	26,666	1.35	103,940	1.67	39,988	1.84
Real Estate and Renting Services	104,006	1.86	13,036	0.66	109,954	1.76	12,656	0.58
Self-Employment Services	73,044	1.31	1,628	0.08	90,533	1.45	1,697	0.08
Education Services	8,460	0.15	-	-	9,931	0.16	-	-
Health and Social Services	70,473	1.27	12,399	0.64	67,456	1.08	11,946	0.55
Other	1,939,641	34.72	45,104	2.29	2,040,268	32.74	43,349	1.99
Total	5,586,909	100.00	1,972,980	100.00	6,231,008	100.00	2,178,336	100.00

The table below shows the maximum exposure to credit risk for the components of the financial statements:

	Current Period	Prior Period
Central Bank of Turkey	2,191,659	1,830,494
Due from banks	293,105	512,299
Other money markets	829,073	756,686
Trading financial assets	58,123	12,422
Derivative financial instruments	125,348	78,220
Derivative financial instruments for hedging purposes	124,261	102,181
Financial assets available-for-sale	1,337,179	1,195,448
Held-to-maturity investments	807,678	797,771
Loans	7,700,997	8,504,777
Total	13,467,423	13,790,298
Contingent liabilities	3,303,087	3,317,390
Commitments	3,845,112	2,364,564
Total	7,148,199	5,681,954
Total Credit Risk Exposure	20,615,622	19,472,252

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II. Explanations Related to Credit Risk (continued)

Credit quality per class of financial assets as of March 31, 2009 and December 31, 2008 is as follows:

Current Period	Neither past due nor impaired	Past due or individually impaired	Total
Loans and advances to customers			
Corporate lending	3,302,933	163,630	3,466,563
Small business lending	2,171,198	418,994	2,590,192
Consumer lending	1,068,985	74,040	1,143,025
Credit cards	411,421	89,796	501,217
Other	-	-	-
Total	6,954,537	746,460	7,700,997

Prior Period	Neither past due nor impaired	Past due or individually impaired	Total
Loans and advances to customers			
Corporate lending	3,788,900	153,209	3,942,109
Small business lending	2,393,823	467,382	2,861,205
Consumer lending	1,016,492	175,484	1,191,976
Credit cards	408,244	101,243	509,487
Other	-	-	-
Total	7,607,459	897,318	8,504,777

Carrying amount per class of financial assets whose terms have been renegotiated:

	Current Period	Prior Period
Loans and advances to customers		
Corporate lending	4,254	3,222
Small business lending	-	-
Consumer lending	-	-
Other	-	-
Total	4,254	3,222

Credit Rating System

The credit risk is assessed through the internal rating system of the Bank, by classifying loans from highest grade to lowest grade according to the probability of default. As of March 31, 2009 consumer loans and small business loans are excluded from the internal rating system of the Parent Bank. Additional scoring methodologies are applied for these loans. The loans that are subject to rating models can be allocated as follows:

Category	Description of Category	Share in the Total %
1st Category	Case where the borrower has a very strong financial structure	28
2nd Category	Case where the borrower has a good financial structure	21
3rd Category	Case where the borrower has an intermediate level of financial structure	39
4th Category	Case where the financial structure of the borrower has to be closely monitored in the medium run	12
Total		100

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III. Explanations Related to Market Risk

The Bank has established market risk management operations and taken the necessary precautions in order to hedge market risk within its financial risk management purposes, in accordance with the Communiqué on “Measurement and Assessment of Capital Adequacy of Banks” issued on Official Gazette dated November 1, 2006 numbered 26333.

The Board of Directors determines the limits for the basic risk that the Bank is exposed to. Those limits are revised periodically in line with the market forces and strategies of the Bank. Additionally, the Board of Directors has ensured that the risk management division and senior management has taken necessary precautions to describe, evaluate, control and manage risks faced by the Bank.

Interest rate and exchange rate risks, arising from the volatility in the financial markets, of the financial positions taken by the Bank related to balance sheet and off-balance sheet accounts are measured, and in the computation of capital adequacy, the amount subject to VAR calculated by using the standard method (summarized below) is taken into consideration. Besides the standard method, VAR is calculated by using internal model as supported by scenario analysis and stress tests. VAR is calculated daily by three different methods which are historic simulation, Monte Carlo simulation and parametric method, and results are reported daily to the management.

a) Information Related to Market Risk

	Amount
(I) Capital Requirement to be Employed For General Market Risk - Standard Method	18,946
(II) Capital Requirement to be Employed For Specific Risk - Standard Method	177
(III) Capital Requirement to be Employed For Currency Risk - Standard Method	9,517
(IV) Capital Requirement to be Employed For Commodity Risk – Standard Method	-
(V) Capital Requirement to be Employed For Settlement Risk - Standard Method	-
(VI) Total Capital Requirement to be Employed For Market Risk Resulting From Options - Standard Method	2,993
(VII) Total Capital Requirement to be Employed For Market Risk in Banks Using Risk Measurement Model	-
(VIII) Total Capital Requirement to be Employed For Market Risk (I+II+III+IV+V+VI)	31,633
(IX) Amount Subject to Market Risk (12,5 x VIII) or (12,5 x VII)	395,413

b) Average market risk table calculated at month ends during the period:

	Current Period			Prior Period		
	Average	Maximum	Minimum	Average	Maximum	Minimum
Interest Rate Risk	18,070	20,898	14,411	10,661	14,062	7,804
Common Stock Risk	216	222	210	186	186	186
Currency Risk	8,028	9,658	4,909	10,446	19,348	5,050
Commodity Risk	-	-	-	-	-	-
Settlement Risk	-	-	-	-	-	-
Option Risk	3,980	4,606	2,993	2,794	6,719	931
Total Value Subject to Risk	378,675	395,413	357,750	298,959	406,488	237,225

Other price risks

The Bank is not subject to a significant share price risk due to share certificates.

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IV. Explanations Related to Currency Risk

Foreign currency risk indicates the probability of loss that banks are subject to due to the exchange rate changes in the market. While calculating the share capital requirement, all foreign currency assets, liabilities and forward transactions of the Bank are taken into consideration and value at risk is calculated by using the standard method.

The Board of Directors sets limits for the positions, which are followed up daily. Any possible value changes in the foreign currency transactions in the Bank's positions are also monitored.

As an element of the Bank's risk management strategies, foreign currency liabilities are hedged against exchange rate risk by derivative instruments.

The Treasury Department of the Bank is responsible for the management of New Turkish Lira or foreign currency price, liquidity and affordability risks that could occur in the domestic and international markets within the limits set by the Board of Directors. The monitoring of risk and risk related transactions occurring in the money markets is performed daily and reported to the Bank's Asset-Liability Committee on a weekly basis.

As of March 31, 2009, the Bank's net long position is TRY 79,229 (December 31, 2008 - TRY 62,957 net long) resulting from long position on the balance sheet amounting to TRY 210,276 (December 31, 2008 - TRY 480,641 long) and short position on the off-balance sheet amounting to TRY 131,047 (December 31, 2008 - TRY 417,684 short).

The announced current foreign exchange buying rates of the Bank at March 31, 2009 and the previous five working days in full TRY are as follows:

	24.03.2009	25.03.2009	26.03.2009	27.03.2009	30.03.2009	31.03.2009
USD	1.6473	1.6577	1.6486	1.6566	1.6880	1.6682
CHF	1.4599	1.4653	1.4644	1.4564	1.4662	1.4585
GBP	2.4216	2.4193	2.4029	2.3763	2.3899	2.3826
JPY	1.6752	1.6941	1.6761	1.6877	1.7446	1.6932
EURO	2.2348	2.2342	2.2384	2.2257	2.2258	2.2163

The simple arithmetic averages of the major current foreign exchange buying rates of the Bank for the thirty days before March 31, 2009 are as follows:

	Monthly Average Foreign Exchange Rate
USD	1.7042
CHF	1.4738
GBP	2.4210
JPY	1.7428
EURO	2.2255

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IV. Explanations Related to Currency Risk (continued)

Information on the foreign currency risk of the Bank:

Current Period	EUR	USD	YEN	OTHER	TOTAL
Assets					
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased, Precious Metals) and Balances with the Central Bank of Turkey	869,124	1,170,402	136	25,586	2,065,248
Banks	99,848	132,811	1,309	10,578	244,546
Financial Assets at Fair Value Through Profit and Loss (*****)	1,161	2,215	-	-	3,376
Money Market Placements	-	308,921	-	-	308,921
Available-For-Sale Financial Assets	92,360	65,102	-	-	157,462
Loans (**)	826,397	1,618,755	28,881	302,728	2,776,761
Subsidiaries, Associates and Entities Under Common Control (Joint Vent.)	61,254	-	-	-	61,254
Held-To-Maturity Investments	-	-	-	-	-
Derivative Financial Assets for Hedging Purposes	-	715	-	-	715
Tangible Assets	-	-	-	-	-
Intangible Assets	-	-	-	-	-
Other Assets (***)	1,724	49,325	96	41	51,186
Total Assets	1,951,868	3,348,246	30,422	338,933	5,669,469
Liabilities					
Bank Deposits	18,133	13,676	29	30,484	62,322
Foreign Currency Deposits (*)	1,444,681	2,549,188	2,455	131,899	4,128,223
Money Market Borrowings	-	-	-	-	-
Funds Provided From Other Financial Institutions	692,852	535,813	-	7,912	1,236,577
Marketable Securities Issued	-	-	-	-	-
Sundry Creditors	7,867	15,154	34	6,379	29,434
Derivative Financial Liabilities for Hedging Purposes	-	-	-	-	-
Other Liabilities (***)	1,391	618	-	628	2,637
Total Liabilities	2,164,924	3,114,449	2,518	177,302	5,459,193
Net Balance Sheet Position	(213,056)	233,797	27,904	161,631	210,276
Net Off-Balance Sheet Position	230,992	(236,183)	49,680	(175,536)	(131,047)
Financial Derivative Assets (****)	1,224,364	2,210,920	259,293	258,633	3,953,210
Financial Derivative Liabilities (****)	993,372	2,447,103	209,613	434,169	4,084,257
Non-Cash Loans (*****)	691,540	1,267,233	3,372	45,747	2,007,892
Prior Period					
Total Assets	1,850,254	3,233,968	40,201	311,986	5,436,409
Total Liabilities	1,825,664	2,987,721	4,507	137,876	4,955,768
Net Balance Sheet Position	24,590	246,247	35,694	174,110	480,641
Net Off-Balance Sheet Position	61,583	(271,000)	(34,855)	(173,412)	(417,684)
Financial Derivative Assets	771,432	1,635,100	5,579	129,474	2,541,585
Financial Derivative Liabilities	709,849	1,906,100	40,434	302,886	2,959,269
Non-Cash Loans (*****)	743,980	1,174,936	4,922	44,782	1,968,620

(*) Precious metal accounts amounting to TRY 25,394 (December 31, 2008 - TRY 14,791) are included in the foreign currency deposits.

(**) Foreign currency indexed loans amounting to TRY 803,781 (December 31, 2008 - TRY 902,732) are included in the loan portfolio.

(***) TRY 193 (December 31, 2008 - TRY 200) prepaid expenses is deducted from other assets, and TRY 74,773 (December 31, 2008 - TRY 78,270) expense accruals from derivative financial instruments, and TRY 14,983 (December 31, 2008 - TRY 17,771) provision for general loan losses are deducted from other liabilities.

(****) Forward asset and marketable securities purchase-sale commitments of TRY 727,855 (December 31, 2008 - TRY 91,180) are added to derivative financial assets and TRY 727,681 (December 31, 2008 - TRY 90,933) is added to derivative financial liabilities.

(*****) TRY 61,937 (December 31, 2008 - TRY 39,059) income accruals from derivative financial instruments is deducted from Financial Assets at Fair Value Through Profit and Loss.

(*****) There is no effect on the net off-balance sheet position.

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IV. Explanations Related to Currency Risk (continued)

Foreign currency sensitivity:

The Bank is mainly exposed to EUR and USD currency risks.

The following table details the Bank's sensitivity to a 10% increase and decrease in the TRY against USD and EUR. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. A positive number indicates an increase in profit or loss and other equity in the case of short position and a decrease in the case of long position where the TRY strengthens against USD and EUR.

	Change in currency rate in %	Effect on profit or loss		Effect on equity (*)	
		March 31, 2009	December 31, 2008	March 31, 2009	December 31, 2008
USD	10 increase	(239)	(2,475)	(137)	(80)
USD	10 decrease	239	2,475	137	80
EUR	10 increase	1,794	8,617	(23)	(159)
EUR	10 decrease	(1,794)	(8,617)	23	159

(*) The effect on equity does not include the effect of changes in foreign exchange rate on the income statement.

The Bank's sensitivity to foreign currency rates have not changed significantly during the current period. The positions taken in line with market expectations can increase the foreign currency sensitivity from period to period.

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V. Explanations Related to Interest Rate Risk

Interest rate risk shows the probability of loss related to the changes in interest rates depending on the Bank's position, and it is managed by the Asset-Liability Committee. The interest rate sensitivity of assets, liabilities and off-balance sheet items related to this risk are measured by using the standard method and included in the market risk for capital adequacy.

The first priority of the risk management department is to protect from interest rate volatility. Duration, maturity and sensitivity analysis performed within this context are calculated by the risk management department and reported to the Asset-Liability Committee.

Simulations on interest income are performed in connection with the forecasted economic indicators used in the budget of the Bank.

The Bank management monitors the market interest rates on a daily basis and revises the interest rates of the Bank when necessary.

Since the Bank does not allow maturity mismatches or imposes limits on mismatch, no significant interest rate risk exposure is expected.

Information related to the interest rate sensitivity of assets, liabilities and off-balance sheet items (based on repricing dates):

	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Non-interest Bearing	Total
Current Period							
Assets							
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased, Precious Metals) and Balances with the Central Bank of Turkey	1,923,241	-	-	-	-	528,462	2,451,703
Banks	78,927	-	7,090	-	-	207,088	293,105
Financial Assets at Fair Value Through Profit and Loss	378	179	8,065	51,296	1,294	122,259	183,471
Money Market Placements	804,012	25,061	-	-	-	-	829,073
Available-For-Sale Financial Assets	80,201	-	322,435	870,647	61,996	1,900	1,337,179
Loans	3,567,460	690,036	1,283,632	1,763,756	255,005	-	7,559,889
Held-To-Maturity Investments	-	-	712,542	95,136	-	-	807,678
Other Assets	-	-	24,853	97,771	1,636	802,883	927,143
Total Assets	6,454,219	715,276	2,358,617	2,878,606	319,931	1,662,592	14,389,241
Liabilities							
Bank Deposits	72,205	3,148	1,061	-	-	108,809	185,223
Other Deposits	6,611,064	921,046	303,790	-	-	1,372,584	9,208,484
Money Market Borrowings	554,550	-	-	-	-	-	554,550
Sundry Creditors	-	-	-	-	-	245,264	245,264
Marketable Securities Issued	-	-	-	-	-	-	-
Funds Provided From Other Financial Institutions	489,389	288,075	984,785	8,222	340,369	-	2,110,840
Other Liabilities	2	3	16,306	46,463	14,464	2,007,642	2,084,880
Total Liabilities	7,727,210	1,212,272	1,305,942	54,685	354,833	3,734,299	14,389,241
Balance Sheet Long Position	-	-	1,052,675	2,823,921	-	-	3,876,596
Balance Sheet Short Position	(1,272,991)	(496,996)	-	-	(34,902)	(2,071,707)	(3,876,596)
Off-Balance Sheet Long Position	-	-	185,179	403,447	48,378	-	637,004
Off-Balance Sheet Short Position	-	-	(159,244)	(368,754)	(46,780)	-	(574,778)
Total Position	(1,272,991)	(496,996)	1,078,610	2,858,614	(33,304)	(2,071,707)	62,226

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V. Explanations Related to Interest Rate Risk (continued)

Information related to the interest rate sensitivity of assets, liabilities and off-balance sheet items (based on repricing dates) (continued):

The other assets line in the non-interest bearing column consists of tangible assets amounting to TRY 158,573; intangible assets amounting to TRY 10,602, subsidiaries amounting to TRY 153,921, unconsolidated associates amounting to TRY 1 and the other liabilities line includes the shareholders' equity of TRY 1,508,101.

Average interest rates applied to monetary financial instruments:

	EURO %	USD %	YEN %	TRY %
Current Period				
Assets				
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances With The Central Bank Of Turkey	-	-	-	9.98
Banks	1.20	0.26	-	13.11
Financial Assets At Fair Value Through Profit And Loss	7.68	8.38	-	16.32
Money Market Placements	-	1.14	-	12.84
Available-For-Sale Financial Assets	5.28	7.34	-	16.17
Loans	8.29	7.12	5.89	23.34
Held-To-Maturity Investments	-	-	-	16.80
Liabilities				
Bank Deposits	2.31	1.36	0.25	10.25
Other Deposits	3.54	3.43	0.35	13.78
Money Market Borrowings	-	-	-	11.64
Sundry Creditors	-	-	-	-
Marketable Securities Issued	-	-	-	-
Funds Provided From Other Financial Institutions	5.00	5.94	-	17.09

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V. Explanations Related to Interest Rate Risk (continued)

Information related to the interest rate sensitivity of assets, liabilities and off-balance sheet items (based on repricing dates) (continued):

	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Non-interest Bearing	Total
Prior Period							
Assets							
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased, Precious Metals) and Balances with the Central Bank of Turkey	1,400,326	-	-	-	-	699,171	2,099,497
Banks	246,701	1,021	3,372	-	-	261,205	512,299
Financial Assets at Fair Value Through Profit and Loss	36	757	10,885	1,609	362	76,993	90,642
Money Market Placements	756,686	-	-	-	-	-	756,686
Available-For-Sale Financial Assets	259,565	56,891	311,618	526,687	39,124	1,563	1,195,448
Loans	4,256,062	595,093	1,438,428	1,864,256	255,505	-	8,409,344
Held-To-Maturity Investments	-	623,972	-	173,799	-	-	797,771
Other Assets	3,163	5,993	1,131	91,843	51	772,187	874,368
Total Assets	6,922,539	1,283,727	1,765,434	2,658,194	295,042	1,811,119	14,736,055
Liabilities							
Bank Deposits	206,239	379	2,122	-	-	49,472	258,212
Other Deposits	6,767,445	707,072	187,299	-	-	1,351,719	9,013,535
Money Market Borrowings	201,744	-	-	-	-	-	201,744
Sundry Creditors	-	-	-	-	-	243,404	243,404
Marketable Securities Issued	-	-	-	-	-	-	-
Funds Provided From Other Financial Institutions	471,838	1,446,312	690,585	7,853	323,070	-	2,939,658
Other Liabilities	8,359	3,955	7,062	39,911	14,625	2,005,590	2,079,502
Total Liabilities	7,655,625	2,157,718	887,068	47,764	337,695	3,650,185	14,736,055
Balance Sheet Long Position	-	-	878,366	2,610,430	-	-	3,488,796
Balance Sheet Short Position	(733,086)	(873,991)	-	-	(42,653)	(1,839,066)	(3,488,796)
Off-Balance Sheet Long Position	45,654	45,654	108,055	403,649	44,132	-	647,144
Off-Balance Sheet Short Position	(43,013)	(40,020)	(113,057)	(372,717)	(46,780)	-	(615,587)
Total Position	(730,445)	(868,357)	873,364	2,641,362	(45,301)	(1,839,066)	31,557

The other assets line in the non-interest bearing column consists of tangible assets amounting to TRY 167,123, intangible assets amounting to TRY 9,857, subsidiaries amounting to TRY 153,921 and the other liabilities line includes the shareholders' equity of TRY 1,423,619.

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V. Explanations Related to Interest Rate Risk (continued)

Average interest rates applied to monetary financial instruments

	EURO %	USD %	YEN %	TRY %
Prior Period				
Assets				
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances With The Central Bank Of Turkey				
Banks	1.68	0.98	-	11.90
Financial Assets At Fair Value Through Profit And Loss	3.79	1.93	-	16.95
Money Market Placements	6.79	8.37	-	16.16
Available-For-Sale Financial Assets	-	3.38	-	16.14
Loans	6.15	7.74	-	16.99
Held-To-Maturity Investments	9.48	7.57	5.16	25.50
	-	-	-	18.98
Liabilities				
Bank Deposits	4.15	2.97	-	14.69
Other Deposits	4.35	4.00	0.33	16.05
Money Market Borrowings	-	-	-	15.05
Sundry Creditors	-	-	-	-
Marketable Securities Issued	-	-	-	-
Funds Provided From Other Financial Institutions	5.34	5.08	-	17.56

Interest rate sensitivity:

If interest rates had been increased by 0.5% in TRY and FC and all other variables were held constant, the Bank's:

- Profit for the year would have changed by TRY 5,512 (December 31, 2008 – TRY 6,743).

The interest rate sensitivity the Bank is exposed to due to its balance sheet composition is calculated with the net interest income approach. The net interest income is calculated by using the original interest rates until maturity and using market interest curves until the remaining annualized period subject to analysis. This calculation is re-performed by altering the market interest curves based on rate changes accepted by management. The difference between the initial and re-performed calculation is assessed to be the interest sensitivity of the Bank.

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VI. Explanations Related to Liquidity Risk

Liquidity risk occurs when there is insufficient cash or cash inflows to meet the cash outflows completely and timely.

Liquidity risk may also occur when the market penetration is not adequate, when the open positions cannot be closed quickly at suitable prices and sufficient amounts due to barriers and break-ups at the markets.

The Bank's policy is to establish an asset structure that can meet all kinds of liabilities by liquid sources at all times. In this context, liquidity problem has not been faced in any period. In order to maintain this, the Board of Directors of the Bank continuously determines standards for the liquidity ratios, and monitors them.

According to the general policies of the Bank, the matching of the maturity and interest rate structure of assets, and liabilities is always established within the asset liability management strategies. A positive difference is tried to be established between the yields of TRY and foreign currency assets and liabilities on the balance sheet and their costs. According to this strategy, the Bank manages its maturity risk within the limits determined by Bank's Board of Directors.

When the funding and liquidity sources are considered, the Bank covers majority of its liquidity need from deposits, and in addition to this source, it makes use of pre-financing and syndication products to generate additional sources. Generally the Bank is in a lender position.

The liquidity position is assessed and managed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Bank. The most important of these is to maintain limits on the ratio of net liquid assets to customer liabilities, set to reflect market conditions. The ratios realized during the year were as follows:

	Current Period	Prior Period
	%	%
Average during the period	35	31
Highest	39	42
Lowest	32	25

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VI. Explanations Related to Liquidity Risk (continued)

Presentation of assets and liabilities according to their remaining maturities:

Current Period	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Undistributed (*)	Total
Assets								
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased, Precious Metals) and Balances with the Central Bank of Turkey	528,462	1,923,241	-	-	-	-	-	2,451,703
Banks	207,088	78,927	-	7,090	-	-	-	293,105
Financial Assets at Fair Value Through Profit and Loss	-	35,996	31,488	57,010	57,683	1,294	-	183,471
Money Market Placements	-	804,012	25,061	-	-	-	-	829,073
Available-For-Sale Financial Assets	-	1,261	-	32,105	1,239,912	62,001	1,900	1,337,179
Loans	-	3,567,460	690,036	1,283,632	1,763,756	255,005	-	7,559,889
Held-To-Maturity Investments	-	-	-	442,220	365,458	-	-	807,678
Other Assets	-	294,306	10,058	24,853	97,771	1,636	498,519	927,143
Total Assets	735,550	6,705,203	756,643	1,846,910	3,524,580	319,936	500,419	14,389,241
Liabilities								
Bank Deposits	108,809	72,205	3,148	1,061	-	-	-	185,223
Other Deposits	1,372,584	6,611,064	921,046	303,790	-	-	-	9,208,484
Funds Provided From Other Financial Institutions	-	423,824	240,349	712,211	118,055	616,401	-	2,110,840
Money Market Borrowings	-	554,550	-	-	-	-	-	554,550
Marketable Securities Issued	-	-	-	-	-	-	-	-
Sundry Creditors	245,264	-	-	-	-	-	-	245,264
Other Liabilities	-	260,994	50,163	68,106	49,899	14,464	1,641,254	2,084,880
Total Liabilities	1,726,657	7,922,637	1,214,706	1,085,168	167,954	630,865	1,641,254	14,389,241
Liquidity Gap	(991,107)	(1,217,434)	(458,063)	761,742	3,356,626	(310,929)	(1,140,835)	-
Prior Period								
Total Assets	960,376	6,961,140	620,957	1,725,728	3,694,019	314,121	459,714	14,736,055
Total Liabilities	1,644,595	7,717,633	2,128,434	922,873	167,047	595,876	1,559,597	14,736,055
Liquidity Gap	(684,219)	(756,493)	(1,507,477)	802,855	3,526,972	(281,755)	(1,099,883)	-

(*) The assets which are necessary to provide banking services and could not be liquidated in a short term, such as tangible assets, investments in subsidiaries and associates, office supply inventory, prepaid expenses and non-performing loans, are classified as under undistributed.

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VI. Explanations Related to Liquidity Risk (continued)

Analysis of financial liabilities by remaining contractual maturities:

	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Adjustments	Total
As of March 31, 2009								
Money market borrowings	-	555,469	-	-	-	-	(919)	554,550
Other deposits	1,372,584	6,632,544	930,908	317,767	-	-	(45,319)	9,208,484
Bank deposits	108,809	72,261	3,220	1,199	-	-	(266)	185,223
Funds provided from other financial institutions	-	436,895	246,217	773,214	346,963	622,268	(314,717)	2,110,840
Total	1,481,393	7,697,169	1,180,345	1,092,180	346,963	622,268	(361,221)	12,059,097
As of December 31, 2008								
Money market borrowings	-	201,883	34	-	-	-	(173)	201,744
Other deposits	1,351,719	6,807,850	718,736	203,620	-	-	(68,390)	9,013,535
Bank deposits	49,472	206,631	381	2,406	-	-	(678)	258,212
Funds provided from other financial institutions	-	182,004	1,452,052	730,758	273,020	686,968	(385,144)	2,939,658
Total	1,401,191	7,398,368	2,171,203	936,784	273,020	686,968	(454,385)	12,413,149

Analysis of contractual expiry by maturity of the Bank's derivative financial instruments:

	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Total
As of March 31, 2009						
Derivative financial instruments for hedging purposes						
Fair value hedge	4,471	24,202	110,733	288,160	69,947	497,513
Held for trading transactions						
Foreign exchange forward contracts	478,361	749,348	777,921	105,334	-	2,110,964
Currency swaps	1,010,988	76,737	114,390	82,580	-	1,284,695
Interest rate swaps	-	271	7,434	13,507	-	21,212
Total	1,493,820	850,558	1,010,478	489,581	69,947	3,914,384
As of December 31, 2008						
Derivative financial instruments for hedging purposes						
Fair value hedge	58,725	46,293	84,839	342,734	69,947	602,538
Held for trading transactions						
Foreign exchange forward contracts	241,808	209,382	886,245	32,157	-	1,369,592
Currency swaps	972,421	15,026	209,363	57,490	-	1,254,300
Interest rate swaps	200	373	1,024	910	-	2,507
Total	1,273,154	271,074	1,181,471	433,291	69,947	3,228,937

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SECTION FIVE

**EXPLANATIONS AND DISCLOSURES ON
UNCONSOLIDATED FINANCIAL STATEMENTS**

I. Explanations and Disclosures Related to the Assets

1. a) Information on Cash and Balances with the Central Bank of Turkey:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Cash in TRY/Foreign Currency	100,496	141,200	88,514	163,252
Balances with the Central Bank of Turkey	284,894	1,906,765	447,556	1,382,938
Other	1,065	17,283	-	17,237
Total	386,455	2,065,248	536,070	1,563,427

b) Information related to the account of the Central Bank of Turkey:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Unrestricted demand deposit (*)	284,894	267,399	447,556	284,864
Unrestricted time deposit	-	1,639,366	-	1,098,074
Restricted time deposit	-	-	-	-
Total	284,894	1,906,765	447,556	1,382,938

(*) TRY 267,399 (December 31, 2008 – TRY 284,864) foreign currency and TRY 15,663 (December 31, 2008 – TRY 17,389) domestic currency unrestricted demand deposit balance comprises of reserve deposits. Unrestricted demand deposit balance also includes average reserve deposit held in Central Bank. The interest rates applied for reserve deposits are 8.40% for TRY deposits and none for foreign currency deposits (December 31, 2008 – TRY 12.00% and 0.15%-1.18% for foreign currency), respectively.

2. Information on financial assets at fair value through profit and loss (net):

a.1) Information on financial assets at fair value through profit and loss given as collateral or blocked: None (December 31, 2008 – None).

a.2) Financial assets at fair value through profit and loss subject to repurchase agreements: None (December 31, 2008- None).

Net book value of unrestricted financial assets at fair value through profit and loss is TRY 58,123 (December 31, 2008 – TRY 12,422).

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I. Explanations and Disclosures Related to the Assets (continued)

2. Information on financial assets at fair value through profit and loss (net): (continued)

a.3) Positive differences related to derivative financial assets held-for-trading:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Forward Transactions	23,007	59,158	21,559	37,831
Swap Transactions	29,642	3,541	7,067	2,454
Futures Transactions	-	-	-	-
Options	9,996	4	9,309	-
Other	-	-	-	-
Total	62,645	62,703	37,935	40,285

3.a) Information on banks :

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Banks				
Domestic	14,748	50,076	4,405	246,558
Foreign	33,811	194,470	20,268	241,068
Branches and head office abroad	-	-	-	-
Total	48,559	244,546	24,673	487,626

b) Information on foreign bank accounts:

	Unrestricted Amount		Restricted Amount	
	Current Period	Prior Period	Current Period	Prior Period
European Union Countries	44,906	40,474	69,290	143,282
USA and Canada	58,605	45,124	-	-
OECD Countries (*)	4,800	6,393	-	-
Off-shore banking regions	36,472	25,628	-	-
Other	14,208	435	-	-
Total	158,991	118,054	69,290	143,282

(*) OECD countries other than European Union countries, USA and Canada.

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I. Explanations and Disclosures Related to the Assets (continued)

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

a.1) Information on financial assets available-for-sale given as collateral or blocked:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Share certificates	-	-	-	-
Bond, Treasury bill and similar investment securities	125,437	120,419	179,500	112,103
Other	-	-	-	-
Total	125,437	120,419	179,500	112,103

a.2) Financial assets available-for-sale subject to repurchase agreements: None (December 31, 2008 – None)

Net book value of unrestricted financial assets available-for-sale is TRY 1,091,323 (December 31, 2008 – TRY 903,845).

b) Information on financial assets available for sale portfolio:

	Current Period	Prior Period
Debt securities	1,339,412	1,198,261
Quoted on a stock exchange	1,093,556	906,658
Not quoted	245,856	291,603
Share certificates	1,900	1,563
Quoted on a stock exchange	1,821	1,486
Not quoted	79	77
Impairment provision(-)	(4,133)	(4,376)
Total	1,337,179	1,195,448

All unquoted available for sale equities are recorded at fair value except for the Bank's investment of TRY 79 which is recorded at cost since its fair value cannot be reliably estimated. (December 31, 2008 – TRY 77)

5. Information on loans:

a) Information on all types of loans and advances given to shareholders and employees of the Bank:

	Current Period		Prior Period	
	Cash Loans	Non-Cash Loans	Cash Loans	Non-Cash Loans
Direct loans granted to shareholders	28,423	60,721	953	14,059
Corporate shareholders	28,423	60,721	953	14,059
Real person shareholders	-	-	-	-
Indirect loans granted to shareholders	-	-	-	-
Loans granted to employees	8,273	-	6,887	-
Total	36,696	60,721	7,840	14,059

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I. Explanations and Disclosures Related to the Assets (continued)

5. Information on loans: (continued)

- b) Information on the first and second group loans and other receivables including restructured or rescheduled loans:

Cash Loans	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
Non-specialized loans	6,996,076	-	559,559	4,254
Discount notes	65,612	-	1,824	-
Export loans	1,068,097	-	33,154	-
Import loans	-	-	-	-
Loans given to financial sector	41,105	-	-	-
Foreign loans	83,582	-	2,249	-
Consumer loans	1,060,009	-	78,368	-
Credit cards	439,244	-	27,824	-
Precious metal loans	258,966	-	11,259	-
Other	3,979,461	-	404,881	4,254
Specialized loans	-	-	-	-
Other receivables	-	-	-	-
Total	6,996,076	-	559,559	4,254

(*)The total principal amount of the loans under close monitoring in accordance with the requirements of the regulation on “Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves” changed on February 6, 2008.

- c) Loans and other receivables according to their maturity structure:

Cash Loans	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	4,594,621	-	333,585	4,254
Non-specialized loans	4,594,621	-	333,585	4,254
Specialized loans	-	-	-	-
Other receivables	-	-	-	-
Medium and Long-term loans and other receivables	2,401,455	-	225,974	-
Non-specialized loans	2,401,455	-	225,974	-
Specialized loans	-	-	-	-
Other receivables	-	-	-	-
Total	6,996,076	-	559,559	4,254

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I. Explanations and Disclosures Related to the Assets (continued)

5. Information on loans: (continued)

- d) Information on consumer loans, individual credit cards, personnel loans and credit cards given to personnel:

	Short Term	Medium and Long Term	Total
Consumer Loans-TRY	40,072	939,901	979,973
Housing Loans	897	460,778	461,675
Vehicle Loans	3,050	114,703	117,753
General Purpose Loans	36,118	364,420	400,538
Other	7	-	7
Consumer Loans –Indexed to FC	3,747	100,943	104,690
Housing Loans	162	62,094	62,256
Vehicle Loans	755	31,255	32,010
General Purpose Loans	2,828	6,858	9,686
Other	2	736	738
Consumer Loans-FC	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Individual Credit Cards-TRY	457,032	-	457,032
With Installments	120,393	-	120,393
Without Installments	336,639	-	336,639
Individual Credit Cards-FC	2,230	-	2,230
With Installments	-	-	-
Without Installments	2,230	-	2,230
Personnel Loans-TRY	2,065	5,389	7,454
Housing Loans	-	22	22
Vehicle Loans	-	23	23
General Purpose Loans	2,065	5,344	7,409
Other	-	-	-
Personnel Loans- Indexed to FC	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TRY	91	-	91
With Installments	16	-	16
Without Installments	75	-	75
Personnel Credit Cards-FC	-	-	-
With Installments	-	-	-
Without Installments	-	-	-
Overdraft Accounts-TRY(Real Persons) (*)	46,257	-	46,257
Overdraft Accounts-FC(Real Persons)	3	-	3
Total	551,497	1,046,233	1,597,730

(*) Overdraft accounts include TRY 728 personnel loans.

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I. Explanations and Disclosures Related to the Assets (continued)

5. Information on loans: (continued)

e) Information on commercial loans with installments and corporate credit cards:

	Short Term	Medium and Long Term	Total
Commercial loans with installment facility-TRY	72,476	681,420	753,896
Business Loans	149	36,330	36,479
Vehicle Loans	5,299	166,971	172,270
General Purpose Loans	67,028	466,236	533,264
Other	-	11,883	11,883
Commercial loans with installment facility - Indexed to FC	20,984	183,304	204,288
Business Loans	2,030	3,433	5,463
Vehicle Loans	4,052	80,807	84,859
General Purpose Loans	14,902	98,724	113,626
Other	-	340	340
Commercial loans with installment facility –FC	-	-	-
Business Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Corporate Credit Cards-TRY	7,412	-	7,412
With Installments	-	-	-
Without Installments	7,412	-	7,412
Corporate Credit Cards-FC	303	-	303
With Installments	-	-	-
Without Installments	303	-	303
Overdraft Accounts-TRY(Legal Entities)	157,431	-	157,431
Overdraft Accounts-FC(Legal Entities)	4,048	-	4,048
Total	262,654	864,724	1,127,378

f) Loans according to borrowers:

	Current Period	Prior Period
Public	20,704	15,934
Private	7,539,185	8,393,410
Total	7,559,889	8,409,344

g) Domestic and foreign loans:

	Current Period	Prior Period
Domestic loans	7,474,058	8,351,278
Foreign loans	85,831	58,066
Total	7,559,889	8,409,344

h) Loans granted to subsidiaries and associates:

	Current Period	Prior Period
Direct loans granted to subsidiaries and associates	564	6,240
Indirect loans granted to subsidiaries and associates	-	-
Total	564	6,240

i) Specific provisions provided against loans:

	Current Period	Prior Period
Specific provisions		
Loans and receivables with limited collectibility	11,613	7,166
Loans and receivables with doubtful collectibility	23,191	19,936
Uncollectible loans and receivables	117,722	78,990
Total	152,526	106,092

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I. Explanations and Disclosures Related to the Assets (continued)

5. Information on loans: (continued)

j) Information on non-performing loans (Net):

j.1) Information on loans and other receivables included in non-performing loans which are restructured or rescheduled:

Loans and other receivables included in non-performing loans which are restructured or rescheduled by the Bank is TRY 9,326 (December 31, 2008 – TRY 9,694).

j.2) The movement of non-performing loans:

	III. Group	IV. Group	V. Group
	Loans and receivables with limited collectibility	Loans and receivables with doubtful collectibility	Uncollectible loans and receivables
Prior period end balance	40,705	45,887	114,933
Additions (+)	111,259	325	7,468
Transfers from other categories of non-performing loans (+)	-	75,460	62,969
Transfers to other categories of non-performing loans (-)	75,460	62,969	-
Collections (-)	13,548	6,572	6,823
Write-offs (-)	-	-	-
Corporate and commercial loans	-	-	-
Retail loans	-	-	-
Credit cards	-	-	-
Other	-	-	-
Current period end balance	62,956	52,131	178,547
Specific provision (-)	11,613	23,191	117,722
Net Balances on Balance Sheet	51,343	28,940	60,825

j.3) Information on foreign currency non-performing loans and other receivables: None.

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I. Explanations and Disclosures Related to the Assets (continued)

5. Information on loans: (continued)

j.4) Information regarding gross and net amounts of non-performing loans with respect to user groups:

	III. Group	IV. Group	V. Group
	Loans and receivables with limited collectibility	Loans and receivables with doubtful collectibility	Uncollectible loans and receivables
Current Period (Net)			
Loans to Real Persons and Legal Entities (Gross)	62,956	52,131	178,547
Specific Provision (-)	11,613	23,191	117,722
Loans to Real Persons and Legal Entities (Net)	51,343	28,940	60,825
Banks (Gross)	-	-	-
Specific Provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	-
Specific Provision (-)	-	-	-
Other Loans and Receivables (Net)	-	-	-
Prior Period (Net)			
Loans to Real Persons and Legal Entities (Gross)	40,705	45,887	114,933
Specific Provision (-)	7,166	19,936	78,990
Loans to Real Persons and Legal Entities (Net)	33,539	25,951	35,943
Banks (Gross)	-	-	-
Specific Provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	-
Specific Provision (-)	-	-	-
Other Loans and Receivables (Net)	-	-	-

k) Main principles of liquidating non performing loans and receivables:

According to the “Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves” published on Official Gazette No. 26333 dated November 1, 2006; loans and other receivables for which the collection is believed to be impossible are classified as non performing loans by complying with the requirements of the Tax Procedural Law in accordance with the decision of the upper management of the Bank.

l) Explanations on write-off policy:

Unrecoverable non performing loans can be written off with the decision of the Board of Directors.

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I. Explanations and Disclosures Related to the Assets (continued)

5. Information on loans: (continued)

m) Other explanations and disclosures:

Current Period	Corporate	Small Business	Consumer	Credit Cards	Other	Total
Neither past due nor impaired	3,302,933	2,171,198	1,068,985	411,421	-	6,954,537
Past due not impaired	133,558	346,755	69,392	55,647	-	605,352
Individually impaired	47,741	148,589	28,433	68,871	-	293,634
Total gross	3,484,232	2,666,542	1,166,810	535,939	-	7,853,523

Less: allowance for individually impaired loans

	17,669	76,350	23,785	34,722	-	152,526
Total allowance for impairment	17,669	76,350	23,785	34,722	-	152,526

Total net	3,466,563	2,590,192	1,143,025	501,217	-	7,700,997
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Prior Period	Corporate	Small Business	Consumer	Credit Cards	Other	Total
Neither past due nor impaired	3,788,900	2,393,823	1,016,492	408,244	-	7,607,459
Past due not impaired	141,442	422,007	160,949	77,487	-	801,885
Individually impaired	31,729	96,094	26,643	47,059	-	201,525
Total gross	3,962,071	2,911,924	1,204,084	532,790	-	8,610,869

Less: allowance for individually impaired loans

	19,962	50,719	12,108	23,303	-	106,092
Total allowance for impairment	19,962	50,719	12,108	23,303	-	106,092

Total net	3,942,109	2,861,205	1,191,976	509,487	-	8,504,777
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A reconciliation of the allowance for impairment losses and advances by classes is as follows;

	Corporate	Small Business	Consumer	Credit Cards	Other	Total
At January 1, 2009	19,962	50,719	12,108	23,303	-	106,092
Charge for the period	3,422	28,516	13,980	15,961	-	61,879
Recoveries	(5,715)	(2,885)	(2,303)	(4,542)	-	(15,445)
Amounts written off	-	-	-	-	-	-
At March 31, 2009	17,669	76,350	23,785	34,722	-	152,526

	Corporate	Small Business	Consumer	Credit Cards	Other	Total
At January 1, 2008	44,232	16,139	8,132	4,704	-	73,207
Charge for the period	18,079	57,236	16,473	27,433	-	119,221
Recoveries	(1,647)	(7,541)	(5,915)	(4,747)	-	(19,850)
Amounts written off	(40,702)	(15,115)	(6,582)	(4,087)	-	(66,486)
At December 31, 2008	19,962	50,719	12,108	23,303	-	106,092

(*) TRY 76,187 of the non-performing loans portfolio of the Bank with TRY 66,374 provision has been sold to Girişim Varlık Yönetim A.Ş. for TRY 10,850. This balance has been collected as of July 31, 2008 with the completion of the necessary procedures, and the related non-performing loans have been written off from the records.

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I. Explanations and Disclosures Related to the Assets (continued)

5. Information on loans: (continued)

m) Other explanations and disclosures: (continued)

The fair value of collaterals, capped with the respective outstanding loan balance, that the Bank holds relating to loans individually determined to be impaired at March 31, 2009 is TRY 107,065 (December 31, 2008: TRY 70,356).

Collaterals and credit enhancement obtained during the year:

March 31, 2009	Corporate	Small Business	Consumer	Credit Cards	Other	Total
Residential, commercial or industrial property	3,765	1,603	280	-	-	5,648
Financial assets	-	-	-	-	-	-
Other	16	-	-	-	-	16
Total	3,781	1,603	280	-	-	5,664

December 31, 2008	Corporate	Small Business	Consumer	Credit Cards	Other	Total
Residential, commercial or industrial property	3,953	810	269	-	-	5,032
Financial assets	-	-	-	-	-	-
Other	16	-	-	-	-	16
Total	3,969	810	269	-	-	5,048

Aging analysis of past due but not impaired loans per classes of financial statements:

March 31, 2009	Less than 30 days	31-60 days	61-90 days	More than 91 days	Total
Loans and advances to customers					
Corporate lending	107,469	16,798	9,291	-	133,558
Small business lending	251,823	59,048	35,884	-	346,755
Consumer lending	9,367	48,124	11,901	-	69,392
Credit cards	51,281	4,247	119	-	55,647
Other	-	-	-	-	-
Total	419,940	128,217	57,195	-	605,352

December 31, 2008	Less than 30 days	31-60 days	61-90 days	More than 91 days	Total
Loans and advances to customers					
Corporate lending	102,364	15,055	24,023	-	141,442
Small business lending	268,499	72,362	81,146	-	422,007
Consumer lending	98,351	51,364	11,234	-	160,949
Credit cards	74,633	2,772	82	-	77,487
Other	-	-	-	-	-
Total	543,847	141,553	116,485	-	801,885

Of the total aggregate amount of gross past due but not yet impaired loans and advances to customers, the fair value of collaterals, capped with the respective outstanding total loan balance of the customer, that the Bank held as at March 31, 2009 is TRY 372,159 (December 31, 2008: TRY 517,749).

Loans and advances amounting to TRY 2,318,357 have floating interest rates (December 31, 2008 – TRY 4,023,941) and the remaining TRY 5,241,532 have fixed interest rates (December 31, 2008 – 4,385,403).

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6. Information on held-to-maturity investments :

a.1) Information on held-to-maturity investments given as collateral or blocked:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Share Certificates	-	-	-	-
Bond, Treasury bill and similar securities	172,890	-	178,151	-
Other	-	-	-	-
Total	172,890	-	178,151	-

a.2) Held-to-maturity investments subject to repurchase agreements:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Government bonds	577,951	-	206,829	-
Treasury bills	-	-	-	-
Other public sector debt securities	-	-	-	-
Bank bonds and bank guaranteed bonds	-	-	-	-
Asset backed securities	-	-	-	-
Other	-	-	-	-
Total	577,951	-	206,829	-

Net book value of unrestricted financial assets available-for-sale is TRY 56,837 (December 31,2008 – TRY 412,791).

b) Movement of public sector debt investments held-to-maturity:

	Current Period	Prior Period
Beginning balance	797,771	-
Foreign currency differences on monetary assets	-	-
Purchases during year	49,413	797,771
Disposals through sales and redemptions	-	-
Impairment provision (-)	(25,425)	-
Change in income on redeemed cost adjustments	(14,081)	-
Closing Balance	807,678	797,771

7. Information on associates (Net):

a.1) Information on the unconsolidated associates:

Description	Address (City/ Country)	Bank's share percentage-If different voting percentage(%)	Other shareholders' share percentage (%)
Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş.	Istanbul/Turkey	0.1	33.3

b.1) Information on the consolidated associates: None (December 31, 2008 - None).

b.2) Valuation of consolidated associates: None (December 31, 2008 - None).

b.3) Consolidated associates which are quoted on the stock exchange: None (December 31, 2008 - None).

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8. Information on subsidiaries (Net):

- a) Information on the unconsolidated subsidiaries: None (December 31, 2008 - None).
b) Information on the consolidated subsidiaries:

b.1) Information on the consolidated subsidiaries:

Description	Address (City/ Country)	Bank's share percentage-If different voting percentage(%)	Other shareholders' share percentage (%)
The Economy Bank N.V.	Netherlands	100.00	-
TEB Finansal Kiralama A.Ş.	İstanbul/Turkey	100.00	-
TEB Faktoring A.Ş.	İstanbul/Turkey	100.00	-
TEB Yatırım Menkul Değerler A.Ş.	İstanbul/Turkey	74.94	25.06
TEB Portföy Yönetimi A.Ş.	İstanbul/Turkey	46.77	53.23

Information on the consolidated subsidiaries with the order as presented in the table above:

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income from Marketable Securities Portfolio	Current Period Profit / Loss	Prior Period Profit / Loss (*)	Fair Value
(i)	1,530,742	172,805	8,847	15,205	851	1,434	2,180	-
(ii)	622,566	60,945	1,171	15,996	-	1,464	3,528	-
(ii)	353,361	18,214	641	13,407	-	2,927	1,769	-
(iii)	41,280	35,941	1,259	1,861	76	1,619	1,024	-
(iv)	10,722	9,352	601	361	307	1,245	646	-

(*) Represents the amounts in the financial statements as of March 31, 2008.

- (i) Represents financial figures of foreign currency statutory financial statements translated at period end foreign exchange rates for balance sheet and three months' average rates for profit and loss as of March 31, 2009. The Economy Bank NV has two consolidated subsidiaries named Stichting Effecten Dienstverlening and Kronenburg Vastgoed B.V.
(ii) Represents financial figures based on BRSA as of March 31, 2009.
(iii) Represents consolidated financial figures of TEB Yatırım and TEB Portföy based on Capital Markets Board regulations as of March 31, 2009.
(iv) Represents financial figures based on Capital Markets Board regulations as of March 31, 2009.

b.2) Information on consolidated subsidiaries:

	Current Period	Prior Period
Balance at the beginning of the period	153,921	152,208
Movements during the period	-	1,713
Purchases	-	-
Bonus shares obtained	-	1,713
Share in current year income	-	-
Sales	-	-
Revaluation increase	-	-
Provision for impairment	-	-
Balance at the end of the period	153,921	153,921
Capital commitments	-	-
Share percentage at the end of the period (%)	-	-

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8. Information on subsidiaries (Net) (continued):

b.3) Sectoral information on the consolidated subsidiaries and the related carrying amounts:

			Current Period	Prior Period
Banks	/	The Economy Bank N.V.	61,254	61,254
Leasing Companies	/	TEB Finansal Kiralama A.Ş.	40,190	40,190
Factoring Companies	/	TEB Faktoring A.Ş.	24,037	24,037
Other Financial Subsidiaries	/	TEB Yatırım Menkul Değerler A.Ş.	26,382	26,382
		TEB Portföy Yönetimi A.Ş.	2,058	2,058
Total			153,921	153,921

b.4) Consolidated subsidiaries quoted on the stock exchange: None (December 31, 2008 – None).

9. Information on entities under common control (joint ventures): None (December 31, 2008 – None).

10. Information on finance lease receivables (Net): None (December 31, 2008 – None).

11. Information on derivative financial assets for hedging purposes:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Fair value hedge (*)	123,546	715	99,967	2,214
Cash flow hedge	-	-	-	-
Hedge of net investment in foreign operations	-	-	-	-
Total	123,546	715	99,967	2,214

(*) TRY 50,452 (December 31, 2008: TRY 45,757) is related to hedged loans, while TRY 73,809 (December 31, 2008: TRY 56,424) is related to hedging instrument swaps.

12. Information on tangible assets :

	Opening Balance				Ending Balance
	December 31, 2008	Additions	Disposals	Other	March 31, 2009
Cost:					
Land and buildings	9,637	-	-	-	9,637
Leased tangible assets	57,581	-	(108)	-	57,473
Vehicles	518	-	-	-	518
Other	256,317	3,185	(1,964)	-	257,538
Total Cost	324,053	3,185	(2,072)	-	325,166
	Opening Balance				Ending Balance
	December 31, 2008	Period Charge	Disposals	Other	December 31, 2009
Accumulated Depreciation:					
Land and buildings	(3,337)	(50)	-	-	(3,387)
Leased tangible assets	(40,109)	(1,565)	108	-	(41,566)
Vehicles	(169)	(25)	-	-	(194)
Other (*)	(113,315)	(9,935)	1,794	10	(121,446)
Total Accumulated Depreciation	(156,930)	(11,575)	1,902	10	(166,593)
Net Book Value	167,123	(8,390)	(170)	10	158,573

(*) "Other" consists of TRY 1,534 impairment loss provision booked for assets to be disposed.

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I. Explanations and Disclosures Related to the Assets (continued)

12. Information on tangible assets : (continued)

- a) The impairment provision set or cancelled in the current period according to the asset groups not individually significant but materially affecting the overall financial statements, and the reason and conditions for this: As of March 31, 2009, provision for impairment loss amounting to TRY 1,534 is booked for real estates to be disposed with respect to appraisals performed at the year end (December 31, 2008: TRY 1,544).
- b) Pledges, mortgages and other restrictions on the tangible fixed assets, expenses arising from the construction for tangible fixed assets, commitments given for the purchases of tangible fixed assets: None.

13. Information on intangible assets:

	Opening Balance December 31, 2008	Additions	Disposals	Other	Ending Balance March 31, 2009
Cost:					
Other intangible assets	29,161	2,207	-	-	31,368
Total Cost	29,161	2,207	-	-	31,368
	Opening Balance December 31, 2008	Period Charge	Disposals	Other	Ending Balance March 31, 2009
Accumulated Amortization:					
Other intangible assets	(19,304)	(1,462)	-	-	(20,766)
Total Accumulated Amortization	(19,304)	(1,462)	-	-	(20,766)
Net Book Value	9,857	745	-	-	10,602

- a) Disclosures for book value, description and remaining useful life for a specific intangible fixed asset that is material to the financial statements: None.
- b) Disclosure for intangible fixed assets acquired through government grants and accounted for at fair value at initial recognition: None.
- c) The method of subsequent measurement for intangible fixed assets that are acquired through government incentives and recorded at fair value at the initial recognition : None.
- d) The book value of intangible fixed assets that are pledged or restricted for use: None.
- e) Amount of purchase commitments for intangible fixed assets: None.
- f) Information on revalued intangible assets according to their types: None.
- g) Amount of total research and development expenses recorded in income statement within the period if any: None.
- h) Positive or negative consolidation goodwill on entity basis: Not applicable for the unconsolidated financial statements.
- i) Information on goodwill: None.
- j) Movements on goodwill in the current period: None.

14. Information on investment property: None (December 31, 2008 – None).

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I. Explanations and Disclosures Related to the Assets (continued)

15. Explanations on deferred tax asset:

- a) As of March 31, 2009, deferred tax asset computed on the temporary differences is none (December 31, 2008 – TRY 12,973). There are no tax exemptions or deductions over which deferred tax asset is computed.
- b) Temporary differences over which deferred tax asset is not computed and recorded in the balance sheet in prior periods: None.
- c) Allowance for deferred tax and deferred tax assets from reversal of allowance: None.
- d) Movement of deferred tax:

	Current Period	Prior Period
At January 1,	12,973	44,129
Effect of change in tax rate	-	-
Other	589	-
Deferred tax (charge)/benefit	(13,540)	(30,429)
Deferred tax (charge)/benefit (Net)	(12,951)	(30,429)
Deferred tax accounted for under equity	(22)	(727)
Deferred Tax	-	12,973
	Current Period	Prior Period
At January 1, (Deferred Tax Liability)	-	-
Effect of change in tax rate	-	-
Deferred tax (charge)/benefit	(2,378)	-
Deferred tax (charge)/benefit (Net)	(2,378)	-
Deferred tax accounted for under equity	-	-
Deferred Tax Liability	(2,378)	-

- 16. Information on assets held for sale and discontinued operations:** None (December 31, 2008: None).

17. Information on other assets:

- a) Breakdown of other assets

	Current Period	Prior Period
Clearing Account	95,864	113,780
Collateral Given for Derivative Financial Assets	52,822	57,242
Transaction Costs Related to Financial Liabilities	5,907	6,774
Prepaid Rent Expenses	4,891	5,118
Prepaid Insurance Premiums	2,822	132
Advances Given	1,659	6
Other Prepaid Expenses	20,027	19,115
Receivables from Credit Card Payments	122,469	96,173
Temporary EFT Account	13,065	15,851
Other	9,093	7,979
Total	328,619	322,170

- b) Other assets which exceed 10% of the balance sheet total (excluding off balance sheet commitments) and breakdown of these which constitute at least 20% of grand total: None.

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SECTION FIVE

II. Explanations and Disclosures Related to the Liabilities

1. a) Information on maturity structure of deposits:

a.1) Current period:

	Demand	7 Day Call Accounts	Up to 1 Month	1-3 Months	3-6 Months	6 Month- 1 Year	1 Year and Over	Accumulated Deposits	Total
Saving deposits	165,787	-	849,394	2,109,594	104,598	101,622	373	5,153	3,336,521
Foreign currency deposits	714,935	-	1,571,321	1,577,074	131,752	102,609	4,226	912	4,102,829
Residents in Turkey	666,511	-	1,504,505	1,547,723	126,272	91,554	1,572	912	3,939,049
Residents abroad	48,424	-	66,816	29,351	5,480	11,055	2,654	-	163,780
Public sector deposits	100,995	-	3,597	4,113	471	-	-	-	109,176
Commercial deposits	369,577	-	683,229	346,540	20,389	99,858	233	11	1,519,837
Other institutions deposits	7,479	-	26,379	72,043	8,191	635	-	-	114,727
Precious metals deposits	13,811	-	2,734	7,812	198	839	-	-	25,394
Interbank deposits	108,809	-	52,073	17,490	4,629	-	2,222	-	185,223
Central Bank of Turkey	-	-	-	-	-	-	-	-	-
Domestic Banks	6	-	1,005	-	1,037	-	2,222	-	4,270
Foreign Banks	23,962	-	51,068	17,490	3,592	-	-	-	96,112
Special finance houses	84,841	-	-	-	-	-	-	-	84,841
Other	-	-	-	-	-	-	-	-	-
Total	1,481,393	-	3,188,727	4,134,666	270,228	305,563	7,054	6,076	9,393,707

a.2) Prior period:

	Demand	7 Day Call Accounts	Up to 1 Month	1-3 Months	3-6 Months	6 Month- 1 Year	1 Year and Over	Accumulated Deposits	Total
Saving deposits	129,855	-	791,513	2,499,108	20,807	33,839	187	399	3,475,708
Foreign currency deposits	676,896	-	1,699,056	1,080,922	105,211	29,995	3,865	80	3,596,025
Residents in Turkey	628,688	-	1,646,870	1,041,666	98,033	22,288	1,458	80	3,439,083
Residents abroad	48,208	-	52,186	39,256	7,178	7,707	2,407	-	156,942
Public sector deposits	76,405	-	7,143	1,157	-	-	-	-	84,705
Commercial deposits	451,838	-	763,541	344,410	26,154	98,316	-	-	1,684,259
Other institutions deposits	8,648	-	10,938	137,532	75	854	-	-	158,047
Precious metals deposits	8,077	-	3,628	2,237	128	721	-	-	14,791
Interbank deposits	49,472	-	187,625	15,632	3,361	-	2,122	-	258,212
Central Bank of Turkey	-	-	-	-	-	-	-	-	-
Domestic Banks	-	-	3,012	-	-	-	2,122	-	5,134
Foreign Banks	17,507	-	184,613	15,632	3,361	-	-	-	221,113
Special finance houses	31,965	-	-	-	-	-	-	-	31,965
Other	-	-	-	-	-	-	-	-	-
Total	1,401,191	-	3,463,444	4,080,998	155,736	163,725	6,174	479	9,271,747

b) Information on saving deposits under the guarantee of saving deposit insurance:

b.1) Saving deposits exceeding the limit of insurance:

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

Saving Deposits	Under the Guarantee of Insurance (*)		Exceeding the Limit of Insurance (*)	
	Current Period	Prior Period	Current Period	Prior Period
Saving deposits	1,259,425	1,263,272	1,977,948	2,179,589
Foreign currency saving deposits	367,376	366,622	1,305,470	1,587,049
Other deposits in the form of saving deposits	2,824	1,496	22,351	11,571
Foreign branches' deposits under foreign authorities' insurance	-	-	-	-
Off-shore banking regions' deposits under foreign authorities' insurance	-	-	-	-
Total	1,629,625	1,631,390	3,305,769	3,778,209

(*) According to the BRSA's circular no 1584 dated February 23, 2005, accruals are included in the saving deposit amounts.

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II. Explanations and Disclosures Related to the Liabilities (continued)

b.2) Information on the saving deposits of the bank with head office abroad, if the saving deposits in the branches of the bank located in Turkey are under the guarantee of saving deposit insurance in that country abroad: None.

b.3) Saving deposits not guaranteed by insurance:

i) Deposits of real persons not under the guarantee of saving deposit insurance:

	Current Period	Prior Period
Deposits and accounts in branches abroad	59,657	58,824
Deposits of ultimate shareholders and their close families	556,813	177,868
Deposits of chairman and members of the Board of Directors and their close families	12,823	11,360
Deposits obtained through illegal acts defined in the 282 nd Article of the 5237 numbered Turkish Criminal Code dated September 26, 2004.	-	-
Saving deposits in banks established in Turkey exclusively for off shore banking activities	-	-

2. Information on derivative financial liabilities:

a) Negative differences table related to derivative financial liabilities held-for-trading:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Forward Transactions	25,567	49,917	27,087	36,285
Swap Transactions	30,971	1,586	65,365	4,164
Futures Transactions	-	24,092	-	38,655
Options	5,015	5	5,595	-
Other	-	-	-	-
Total	61,553	75,600	98,047	79,104

3. a) Information on banks and other financial institutions:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Loans from Central Bank of Turkey	-	-	-	-
From Domestic Banks and Institutions	57,531	95,881	64,371	109,173
From Foreign Banks, Institutions and Funds	816,732	612,333	1,628,592	642,467
Total	874,263	708,214	1,692,963	751,640

b) Maturity analysis of borrowings:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Short-term	714,576	500,519	1,320,054	545,087
Medium and long-term	159,687	207,695	372,909	206,553
Total	874,263	708,214	1,692,963	751,640

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II. Explanations and Disclosures Related to the Liabilities (continued)

- c) Additional explanation related to the concentrations of the Bank's major liabilities:

Bank diversifies its funding resources by the customer deposits and by the foreign borrowings. As of March 31, 2009, the Bank has a syndication loan of EUR 142,000,000 and USD 60,000,000, with a maturity of November 26, 2009, under foreign borrowings obtained on December 4, 2008.

Bank makes analysis of its customers that provide the maximum amount of funds within the branches and throughout the Bank, in consideration of profitability. Bank takes short and long term preventive measures to spread its customers on a wider spectrum on the basis of customer concentration in the branches.

Information on funds provided from repurchase agreement transactions:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
From domestic transactions	554,459	-	201,621	-
Financial institutions and organizations	549,636	-	126,644	-
Other institutions and organizations	-	-	69,106	-
Real persons	4,823	-	5,871	-
From foreign transactions	91	-	123	-
Financial institutions and organizations	-	-	-	-
Other institutions and organizations	-	-	-	-
Real persons	91	-	123	-
Total	554,550	-	201,744	-

4. **Other liabilities which exceed 10% of the balance sheet total (excluding off-balance sheet commitments) and the breakdown of these which constitute at least 20% of grand total:** None (December 31, 2008 – None).

5. Explanations on financial lease obligations (Net):

- a) The general explanations on criteria used in determining installments of financial lease agreements, renewal and purchasing options and restrictions in the agreements that create significant obligations to the bank:

In the financial lease agreements, installments are based on useful life, usage periods and principles of the Tax Procedural Code.

- b) The explanation on modifications in agreements and new obligations resulting from such modifications: None.

- c) Explanation on finance lease payables:

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 Year	29	17	99	87
Between 1-4 Years	36	26	42	30
More than 4 Years	-	-	-	-
Total	65	43	141	117

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II. Explanations and Disclosures Related to the Liabilities (continued)

5. Explanations on financial lease obligations (Net): (continued)

d) Explanations regarding operational leases:

Except for the Head-Office-Istanbul and Izmir-Ege Kurumsal Branch buildings, all branch premises of the Bank are leased under operational leases. For the period ended March 31, 2009, operational lease expenses amounting to TRY 18,801 (March 31, 2008 – TRY 14,749) have been recorded in the profit and loss accounts. The lease periods vary between 1 and 10 years and lease agreements are cancelable subject to a certain period of notice.

e) Explanations on the lessor and lessee in sale and lease back transactions, agreement conditions, and major agreement terms: None.

6. Information on derivative financial liabilities for hedging purposes:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Fair value hedge (*)	65,761	-	67,611	-
Cash flow hedge	-	-	-	-
Hedge of net investment in foreign operations	-	-	-	-
Total	65,761	-	67,611	-

(*) Comprised of swaps for hedging purposes.

7. Information on provisions:

a) Information on general provisions:

	Current Period	Prior Period
General Provisions		
Provisions for First Group Loans and Receivables	45,119	52,247
Provisions for Second Group Loans and Receivables	11,337	14,558
Provisions for Non-Cash Loans	7,965	7,893
Other	-	-
Total	64,421	74,698

b) Foreign exchange losses on the foreign currency indexed loans and finance lease receivables: The foreign exchange losses on the foreign currency indexed loans amounting to TRY 17,300 (December 31, 2008 - TRY 16,269) is net off from loans on the balance sheet.

c) The specific provisions provided for unindemnified non cash loans amount to TRY 5,871 (December 31, 2008 - TRY 1,611).

d) Information on employee termination benefits and unused vacation accrual:

Bank has calculated reserve for employee termination benefits by using actuarial valuations as set out in the TAS No:19 and reflected this in the financial statements.

As of March 31, 2009, the Bank provided a reserve of TRY 9,579 (December 31, 2008 - TRY 7,784) for the unused vacations. This balance is classified under other provisions in the financial statements.

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II. Explanations and Disclosures Related to the Liabilities (continued)

7. Information on provisions (continued)

d.1) Movement of employee termination benefits

	Current Period	Prior Period
As of January 1	13,133	10,588
Service cost	950	2,361
Interest cost	566	1,125
Actuarial gain / (loss)	-	(149)
Benefits paid	(651)	(792)
Total	13,998	13,133

e) Information on other provisions:

e.1) Provisions for possible losses: None (December 31, 2008 – None).

e.2) The breakdown of the subsidiary accounts if other provisions exceed 10% of the grand total of provisions:

	Current Period	Prior Period
Provision for employee benefits	9,579	7,784
Provision for promotion of credit cards and banking services	4,048	3,648
Other (*)	41,107	36,715
Total	54,734	48,147

(*) Included in other, TRY 20,000 (December 31, 2008: TRY 20,393) is the provision related to the bonuses to be paid to the personnel, and TRY 15,236 (December 31, 2008: TRY 14,711) is the provision for possible tax disputes that may occur in the future, as per the principle of prudence.

f) Liabilities on pension rights:

f.1) Liabilities for pension funds established in accordance with “Social Security Institution”: None (December 31, 2008 – None).

f.2) Liabilities resulting from all kinds of pension funds, foundations etc. which provide post retirement benefits for the employees: None (December 31, 2008 – None).

8. Explanations on taxes payable:

a) Information on current tax liability:

a.1) Corporate taxes:

	Current Period	Prior Period
Provision for corporate taxes	-	-

a.2) Information on taxes payable:

	Current Period	Prior Period
Taxation on Securities	12,856	17,633
Property Tax	901	884
Banking Insurance Transaction Tax (BITT)	14,328	15,664
Foreign Exchange Transaction Tax	10	8
Value Added Tax Payable	200	667
Other (*)	4,523	6,925
Total	32,818	41,781

(*) Others include income taxes deducted from wages amounting to TRY 3,654 (December 31,2008 – TRY 5,963) and stamp taxes payable amounting to TRY 442 (December 31, 2008 - TRY 433).

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II. Explanations and Disclosures Related to the Liabilities (continued)

8. Explanations on taxes payable: (continued)

b) Information on premiums:

	Current Period	Prior Period
Social Security Premiums-Employee	2,435	2,474
Social Security Premiums-Employer	2,595	2,632
Bank Social Aid Pension Fund Premium-Employee	-	-
Bank Social Aid Pension Fund Premium-Employer	-	-
Pension Fund Membership Fees and Provisions-Employee	-	-
Pension Fund Membership Fees and Provisions-Employer	-	-
Unemployment Insurance-Employee	170	173
Unemployment Insurance-Employer	340	344
Other	-	-
Total	5,540	5,623

c) Explanations on deferred tax liabilities, if any:

As of March 31, 2009, deferred tax liability of the Bank is TRY 2,378 (December 31, 2008 – None). Deferred tax liability movement is presented under the heading “Explanations on Deferred Tax Asset”.

9. Information on liabilities regarding assets held for sale and discontinued operations: None (December 31, 2008 – None).

10. Explanations on the number of subordinated loans the Bank used, maturity, interest rate, institution that the loan was borrowed from, and conversion option, if any:

The Bank has signed an agreement with the International Finance Corporation (IFC) on July 17, 2002, for a subordinated loan of USD 15 million. The maturity of the loan is October 15, 2011 and interest rate is LIBOR+2.85%.

The Bank has signed another agreement with the IFC on June 27, 2005, for a subordinated loan. The facility is a USD 50 million subordinated loan, with a maturity of July 15, 2015 and with an interest rate of LIBOR+3.18%.

The Bank has signed an agreement with the Economy Luxembourg S.A on October 27, 2006 for a subordinated loan. The facility is a EUR 110 million subordinated loan, with a maturity of October 31, 2016, and with a fixed interest rate of 6.10%.

The Bank has obtained a primary subordinated loan by issuing a bond amounting to USD 100 million as of July 31, 2007. The investor of the bond is IFC International Finance Corporation (IFC). The maturity of the borrowing is indefinite with semi-annually interest payment. The interest rate is defined as 6 month LIBOR +3.5% until July 31, 2017. In case the borrowed amount is not repaid at that date, the interest rate will be revised as 6 month LIBOR + 5.25 %.

Each of the four of the above facilities match BRSA’s subordinated loan-capital definitions and contribute to the Bank’s capital adequacy ratio in a positive manner, as well as creating long term financing.

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II. Explanations and Disclosures Related to the Liabilities (continued)

10. Explanations on the number of subordinated loans the Bank used, maturity, interest rate, institution that the loan was borrowed from, and conversion option, if any: (continued)

a) Information on subordinated loans:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
From Domestic Banks	-	-	-	-
From Other Domestic Institutions	-	-	-	-
From Foreign Banks	-	-	-	-
From Other Foreign Institutions	-	528,363	-	495,055
Total	-	528,363	-	495,055

11. Information on Shareholders' Equity:

a) Presentation of Paid-in capital:

	Current Period	Prior Period
Common stock	1,100,000	1,100,000
Preferred stock	-	-

b) Paid-in capital amount, explanation as to whether the registered share capital system is applicable at bank if so amount of registered share capital ceiling:

Capital System	Paid-in capital	Ceiling
Registered Capital System	1,100,000	1,400,000

At the meeting of the General Assembly held on March 26, 2008, it has been resolved to increase the registered capital ceiling of the Bank from TRY 900,000 to TRY 1,400,000. The increase was registered with the Trade Registry Office on March 27, 2008 and published in the Turkish Trade Registry Gazette numbered 7032 on April 1, 2008.

c) Information on share capital increases and their sources; other information on increased capital shares in current period: None.

d) Information on share capital increases from revaluation funds: None.

e) Capital commitments in the last fiscal year and at the end of the following interim period, the general purpose of these commitments and projected resources required to meet these commitments: None.

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II. Explanations and Disclosures Related to the Liabilities (continued)

11. Information on Shareholders' Equity: (continued)

- f) Indicators of the Bank's income, profitability and liquidity for the previous periods and possible effects of these future assumptions on the Bank's equity due to the uncertainty of these indicators:

Prior year income, profitability and liquidity of the Bank is closely monitored and reported to Board of Directors, Asset and Liability Committee, and Risk Management by the Budget and Financial Control Group. This group tries to forecast the effects of interest, currency and maturity fluctuations that change these indicators with static and dynamic scenario analysis. Net asset value, which is defined as the difference of fair values of assets and liabilities, is measured. Expectations are made for Bank's future interest income via simulations of net interest income and scenario analysis.

- g) Information on preferred shares:

7% of the Bank's remaining net income after tax subsequent to deducting legal reserves and first dividends, corresponding to the Bank's 60,000 shares of TRY 30 (in full TRY) is distributed to the founder shares.

- h) Information on marketable securities value increase fund:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
From Associates, Subsidiaries, and Entities Under Common Control (Joint Vent.)	-	-	-	-
Valuation Difference	7,791	(1,603)	8,274	(2,392)
Foreign Exchange Difference	-	-	-	-
Total	7,791	(1,603)	8,274	(2,392)

	Current Period	Prior Period
Foreign currency marketable securities value increase fund	(1,603)	(2,392)
Foreign exchange gains resulting from foreign currency associates, subsidiaries, and securities held to maturity related to the above amount	-	-
Total	(1,603)	(2,392)

Information on legal reserves:

	Current Period	Prior Period
First legal reserves	29,423	21,214
Second legal reserves	5,536	5,536
Other legal reserves appropriated in accordance with special legislation	-	-
Total	34,959	26,750

Information on extraordinary reserves:

	Current Period	Prior Period
Reserves appropriated by the General Assembly	279,694	123,705
Retained earnings	-	-
Accumulated losses	-	-
Foreign currency share capital exchange difference	-	-
Total	279,694	123,705

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II. Explanations and Disclosures Related to the Liabilities (continued)

Other Information on Shareholders' Equity:

The movement of the marketable securities value increase fund is as follows:

	Current Period	Prior Period
At January 1	5,882	2,214
Net unrealized gains on available for sale investments	24,269	(2,820)
Realized gains on available for sale investments recycled to income statement on disposal	-	-
Realized losses on available for sale investments recycled to income statement on disposal and impairment	(23,941)	7,215
Tax effect of net gains on available for sale investments	(22)	(727)
Unrealized gains / (losses) on cash flow hedges	-	-
Gains / (losses) on cash flow hedges recycled to income statement	-	-
Tax effect of gains on cash flow hedges	-	-
At period end	6,188	5,882

12. Information on minority shares: None (December 31, 2008 – None).

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SECTION FIVE

III. Explanations and Disclosures Related to the Off-Balance Sheet Contingencies and Commitments

1. Information on off-balance sheet liabilities:

a) Nature and amount of irrevocable loan commitments: Credit card expenditure limit commitments are TRY 769,380 and TRY 759,651; payment commitments for checks are TRY 567,046 and TRY 560,682 as of March 31, 2009 and December 31, 2008, respectively.

b) Possible losses and commitments related to off-balance sheet items including items listed below:

The Bank, within the context of banking activities, undertakes certain commitments, consisting of loan commitments, letters of guarantee, acceptance credits and letters of credit.

b.1) Non-cash loans including guarantees, acceptances, financial guarantee and other letters of credits:

As of March 31, 2009 total guarantees and commitments consist of letters of guarantee amounting to TRY 2,421,202 (December 31, 2008 - TRY 2,517,674) acceptances amounting to TRY 43,475 (December 31, 2008 - TRY 51,320) and letters of credit amounting to TRY 570,936 (December 31, 2008 - TRY 530,963).

b.2) Guarantees, suretyships, and similar transactions: The Bank has other guarantees and suretyships amounting to TRY 267,474 as of March 31, 2009 (December 31, 2007 – TRY 217,433).

c) c.1) Total amount of non-cash loans:

	Current Period	Prior Period
Non-cash loans given against achieving cash loans	273,414	270,536
With maturity of 1 year or less than 1 year	60,912	66,824
With maturity of more than 1 year	212,502	203,712
Other non-cash loans	3,029,673	3,046,854
Total	3,303,087	3,317,390

c.2) Information on sectoral risk breakdown of non-cash loans:

	Current Period				Prior Period			
	TRY	(%)	FC	(%)	TRY	(%)	FC	(%)
Agricultural	23,125	1.79	8,229	0.41	19,275	1.43	13,767	0.70
Farming and raising livestock	19,069	1.47	7,744	0.39	15,739	1.16	7,073	0.36
Forestry	3,563	0.28	485	0.02	3,046	0.23	6,694	0.34
Fishery	493	0.04	-	-	490	0.04	-	-
Manufacturing	673,835	52.02	1,154,402	57.50	702,891	52.11	1,101,905	55.97
Mining	37,462	2.89	19,045	0.95	45,075	3.34	26,225	1.33
Production	616,444	47.59	1,109,499	55.26	639,680	47.43	1,049,346	53.30
Electric, gas and water	19,929	1.54	25,858	1.29	18,136	1.34	26,334	1.34
Construction	236,795	18.28	277,344	13.81	251,617	18.66	299,778	15.23
Services	345,779	26.70	257,253	12.81	358,133	26.55	237,741	12.08
Wholesale and retail trade	178,237	13.76	94,880	4.73	185,268	13.73	83,713	4.26
Hotel, food and beverage services	6,364	0.49	2,398	0.12	7,076	0.52	2,864	0.15
Transportation and telecommunication	44,064	3.40	81,755	4.07	46,903	3.48	73,506	3.73
Financial institutions	37,308	2.88	34,735	1.73	36,919	2.74	33,599	1.71
Real estate and renting services	23,917	1.85	20,079	1.00	25,518	1.89	21,086	1.07
Self-employment services	26,777	2.07	12,928	0.64	31,177	2.31	9,334	0.47
Education services	594	0.05	604	0.03	614	0.05	572	0.03
Health and social services	28,518	2.20	9,874	0.49	24,658	1.83	13,067	0.66
Other	15,661	1.21	310,664	15.47	16,854	1.25	315,429	16.02
Total	1,295,195	100.00	2,007,892	100.00	1,348,770	100.00	1,968,620	100.00

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1. Information on off-balance sheet liabilities: (continued)

c.3) Information on I st and II nd Group non-cash loans:

Non-cash loans	I st Group		II nd Group	
	TRY	FC	TRY	FC
Letters of guarantee	1,154,408	1,223,238	29,713	13,843
Bank acceptances	402	42,864	-	209
Letters of credit	38	570,714	-	184
Endorsements	-	-	-	-
Underwriting commitments	-	-	-	-
Factoring commitments	-	-	-	-
Other commitments and contingencies	110,554	153,445	80	3,395
Total	1,265,402	1,990,261	29,793	17,631

The Bank provided a reserve of TRY 5,871 for non-cash loans not yet indemnified amounting to TRY 12,745.

2. Information related to derivative financial instruments:

	Derivative transactions according to purposes			
	Trading		Hedging	
	Current Period	Prior Period	Current Period	Prior Period
Types of trading transactions				
Foreign currency related derivative transactions (I):	7,771,917	6,069,845	-	-
Forward transactions	4,228,884	2,735,646	-	-
Swap transactions	2,558,361	2,437,148	-	-
Futures transactions	239,454	208,133	-	-
Option transactions	745,218	688,918	-	-
Interest related derivative transactions (II) :	186,524	102,076	-	-
Forward rate transactions	-	-	-	-
Interest rate swap transactions	186,524	102,076	-	-
Interest option transactions	-	-	-	-
Futures interest transactions	-	-	-	-
Marketable securities call-put options (III)	-	-	-	-
Other trading derivative transactions (IV)	379,175	594,995	-	-
A.Total trading derivative transactions (I+II+III+IV)	8,337,616	6,766,916	-	-
Types of hedging transactions				
Fair value hedges	-	-	859,746	1,002,465
Cash flow hedges	-	-	-	-
Net investment hedges	-	-	-	-
B.Total hedging related derivatives	-	-	859,746	1,002,465
Total Derivative Transactions (A+B)	8,337,616	6,766,916	859,746	1,002,465

Related to agreements of forward transactions and options; the information based on the type of forward and options transactions are disclosed separately, specified with related amounts, type of agreement, purpose of transaction, nature of risk, strategy of risk management, hedging relationship, possible effects on the Bank's financial position, timing of cash flows, reasons of unrealized transactions which previously projected to be realized, income and expenses that could not be linked to income statement in the current period because of the agreements:

Forward foreign exchange and swap transactions are based on protection from interest and currency fluctuations. According to TAS, they do not qualify as hedging instruments and are remeasured at fair value.

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III. Explanations and Disclosures Related to the Off-Balance Sheet Contingencies and Commitments (continued)

2. Information related to derivative financial instruments: (continued)

As of July 1, 2008, the Bank has started to apply fair value hedge accounting in order to avoid the effects of interest rate changes in the market by matching TRY 859,746 (December 31, 2008:1,002,465) of its swap portfolio with its loan portfolio.

As of March 31, 2009 and December 31, 2008, breakdown of the Bank's foreign currency forward and swap transactions based on currencies are disclosed below in their TRY equivalents:

	Forward Buy	Forward Sell	Swap Buy	Swap Sell	Option Buy	Option Sell	Futures Buy	Futures Sell
Current Period								
TRY	380,691	321,805	788,183	277,705	139,459	208,173	-	-
USD	824,789	1,137,765	330,340	906,042	124,381	68,386	239,454	-
EURO	877,733	623,247	105,053	75,354	109,637	91,464	-	-
OTHER	34,707	28,147	159,019	103,189	1,524	2,194	-	-
Total	2,117,920	2,110,964	1,382,595	1,362,290	375,001	370,217	239,454	-
Prior Period								
TRY	261,915	224,012	889,289	152,046	162,923	178,007	-	-
USD	555,403	623,661	149,442	974,483	83,155	86,107	208,133	-
EURO	506,633	488,422	125,112	108,260	99,690	79,036	-	-
OTHER	42,103	33,497	85,710	54,882	-	-	-	-
Total	1,366,054	1,369,592	1,249,553	1,289,671	345,768	343,150	208,133	-

As of March 31, 2009, the Bank has no cash flow hedges. (December 31, 2008: None.)

As of March 31, 2009, the Bank has no hedge of net investment in foreign operations. (December 31, 2008: None.)

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III. Explanations and Disclosures Related to the Off-Balance Sheet Contingencies and Commitments (continued)

3. Explanations on contingent liabilities and assets:

- a.1) The Bank's share in contingent liabilities arising from entities under common control (joint ventures) together with other venturer: None.
- a.2) Share of entity under common control (joint ventures) in its own contingent liabilities: None.
- a.3) The Bank's contingent liabilities resulting from liabilities of other venturers in entity under common control (joint ventures): None.
- b) Accounting and presentation of contingent assets and liabilities in the financial statements:
 - b.1) Contingent assets are accounted for, if probability of realization is almost certain. If probability of realization is high, then it is explained in the footnotes. As of March 31, 2009 there are no contingent assets that need to be explained (December 31, 2008 - None).
 - b.2) A provision is made for contingent liabilities, if realization is probable and the amount can be reliably determined. If realization is remote or the amount cannot be determined reliably, then it is explained in the footnotes: As of March 31, 2009 there are no contingent liabilities that need to be explained (December 31, 2008 - None).

4. Custodian and intermediary services:

The Bank provides trading and safe keeping services in the name and account of third parties, which are presented in the statement of contingencies and commitments.

Investment securities held in custody include investment fund participation certificates which are accounted for with their number of certificates. As of March 31, 2009 the total number of certificates is 87,582,640 thousand (December 31, 2008 – 67,512,114 thousand) and the total fair value is TRY 5,086,633 (December 31, 2008 – TRY 4,771,823).

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III. Explanations and Disclosures Related to the Off-Balance Sheet Contingencies and Commitments (continued)

5. Information on the Bank's rating by the international rating institutions (*):

The results of the ratings performed by Moody's Investor Services and Fitch Ratings are shown below:

Moody's Investor Services: December 2008

View	Positive
Bank Financial Strength	D+
Foreign Currency Deposits	B1/NP

Fitch Ratings: June 2008

Foreign Currency Commitments	
Long term	BB
Short term	B
View	Stable
New Turkish Lira Commitments	
Long term	BBB-
Short term	F3
View	Stable
National	AAA (tur)
View	Stable
Individual Rating	C/D
Support Points	3

(*) Ratings above are not performed based on the "Communiqué for Authorization and Activities of Rating Institutions" published by the Capital Markets Board.

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SECTION FIVE

IV. Explanations and Disclosures Related to the Income Statement

1. a) Information on interest on loans:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Interest on loans (*)				
Short term loans	240,552	32,849	207,862	23,680
Medium and long term loans	93,216	10,397	80,022	10,587
Interest on non-performing loans	1,235	-	1,731	-
Premiums received from Resource Utilization Support Fund	-	-	-	-
Total	335,003	43,246	289,615	34,267

(*) Includes fees and commissions obtained from cash loans. Fees and commissions from cash loans are TRY 10,259 (March 31, 2008: TRY 8,461).

b) Information on interest received from banks:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
The Central Bank of Turkey	-	10	-	918
Domestic banks	597	19	276	137
Foreign banks	1,490	3,041	331	8,125
Branches and head office abroad	-	-	-	-
Total	2,087	3,070	607	9,180

c) Interest received from marketable securities portfolio:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Trading securities	2,424	183	13,840	635
Financial assets at fair value through profit and loss	-	-	-	-
Available-for-sale securities	38,655	3,272	70,255	4,587
Held-to-maturity securities	33,059	-	-	-
Total	74,138	3,455	84,095	5,222

d) Information on interest income received from associates and subsidiaries:

	Current Period	Prior Period
Interest received from associates and subsidiaries	285	4

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IV. Explanations and Disclosures Related to the Income Statement (continued)

2. a) Information on interest on funds borrowed (*):

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Banks				
The Central Bank of Turkey	-	-	-	-
Domestic banks	2,359	1,217	1,842	1,624
Foreign banks	61,002	5,504	21,684	10,573
Branches and head office abroad	-	-	-	-
Other financial institutions	-	9,320	-	8,456
Total	63,361	16,041	23,526	20,653

(*) Includes fees and commission expenses of cash loans amounting to TRY 873 (March 31, 2008 : TRY 412).

b) Information on interest expense to associates and subsidiaries:

	Current Period	Prior Period
Interest expenses to associates and subsidiaries	489	238

c) Information on interest expenses to marketable securities issued: None (March 31, 2008 – None).

d) Distribution of interest expenses on deposits based on maturity of deposits:

Account Name	Demand Deposits	Time Deposits					Accumulated Deposits	Total
		Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	More than 1 Year		
TRY								
Bank deposits	-	1,728	158	-	37	98	-	2,021
Saving deposits	2	27,643	90,060	2,896	3,672	10	75	124,358
Public sector deposits	-	161	208	15	-	-	-	384
Commercial deposits	-	21,164	15,152	1,670	4,090	-	-	42,076
Other deposits	-	797	4,417	187	479	8	-	5,888
7 days call accounts	-	-	-	-	-	-	-	-
Total	2	51,493	109,995	4,768	8,278	116	75	174,727
FC								
Foreign currency deposits	-	11,762	15,015	1,612	685	145	3	29,222
Bank deposits	-	57	93	21	-	-	-	171
7 days call accounts	-	-	-	-	-	-	-	-
Precious metal deposits	17	-	22	1	3	19	-	62
Total	17	11,819	15,130	1,634	688	164	3	29,455
Grand Total	19	63,312	125,125	6,402	8,966	280	78	204,182

3. Information on dividend income:

	Current Period	Prior Period
Trading Securities	-	-
Financial assets at fair value through profit and loss	-	-
Available-for-sale securities	2	-
Other	11,962	18,771
Total	11,964	18,771

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IV. Explanations Related to the Income Statement (continued)

4. Information on net trading income:

	Current Period	Prior Period
Income	830,023	916,404
Gains on capital market operations	29,238	9,426
Gains on derivative financial instruments (**)	194,765	243,277
Foreign exchange gains(*)	606,020	663,701
Losses (-)	779,987	931,559
Losses on capital market operations	3,641	19,743
Losses on derivative financial instruments (**)	230,019	192,425
Foreign exchange losses(*)	546,327	719,391

(*) As of March 31, 2009, the foreign exchange gains on the foreign currency indexed loans are TRY 67,761 (March 31, 2008 - TRY 125,912) and the foreign exchange losses on the foreign currency indexed loans are TRY 6,693 (March 31, 2008 - TRY 402).

(**) Gain on hedging transactions is TRY 22,735, while loss on hedging transactions is TRY 4,660 (March 31, 2008 - None).

5. Information on other operating income:

The information on the factors affecting the Bank's income including new developments, and the explanation on nature and amount of income earned from such items:

In the statement of income presented for comparison purposes, as a result of a lawsuit opened against the Ministry of Finance of the Turkish Republic ("Ministry") based on the requirement about the deduction of losses arising from the capital decrease in the financial statements of the Bank dated December 31, 2001 based on the Temporary Article 4 with the law numbered 4743 added to the Banking Law No: 4389 that is ceased to be effective on November 1, 2005, by using the statutory and optional reserves as an expense in determining the banks' profit within the framework set out in Paragraph 7 of Article 14 of the annulled Corporate Tax Law No: 5422, the Bank has settled its tax reimbursement issue with the Ministry based on Article 3 of Law No: 5736 "Collection of Some Government Receivables by Compromise Procedures" published in the Official Gazette No: 26800 on February 27, 2008, and it has reflected its receivable amounting to TRY 41,207 in its statement of income as of March 31, 2008, which became collectible with the notification to the Bank by the Ministry in regards to the decision made on the settlement of this reimbursement by deducting that receivable amount from other taxes payable to the extent that 65% of the losses arising from year 2001 inflation accounting adjustment should be taken into account.

6. Provision expenses of banks for loans and other receivables:

	Current Period	Prior Period
Specific provisions for loans and other receivables	50,694	9,648
III. Group Loans and Receivables	5,007	1,764
IV. Group Loans and Receivables	3,687	2,102
V. Group Loans and Receivables	42,000	5,782
General provision expenses	(12,601)	13,087
Provision expenses for possible losses	-	-
Marketable securities impairment losses	999	10,794
Financial assets at fair value through profit and loss	27	979
Investment securities available for sale	972	9,815
Impairment provision expense	787	-
Associates	-	-
Subsidiaries	-	-
Entities under common control (Joint Vent.)	-	-
Investments held to maturity	787	-
Other	-	-
Total	39,879	33,529

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IV. Explanations and Disclosures Related to the Income Statement (continued)

7. Information on other operating expenses:

	Current Period	Prior Period
Personnel expenses	85,616	69,528
Reserve for employee termination benefits	1,516	803
Bank social aid fund deficit provision	-	-
Impairment expenses of fixed assets	-	-
Depreciation expenses of fixed assets	11,575	9,037
Impairment expenses of intangible assets	-	-
Impairment expense of goodwill	-	-
Amortization expenses of intangible assets	1,462	1,027
Impairment for investments accounted for under equity method	-	-
Impairment expenses of assets to be disposed	(10)	-
Depreciation expenses of assets to be disposed	-	-
Impairment expenses of assets held for sale and discontinued operations	-	-
Other operating expenses	57,051	52,884
Rent expenses	18,801	14,749
Maintenance expenses	1,098	933
Advertisement expenses	4,315	7,982
Other expenses	32,837	29,220
Loss on sales of assets	34	26
Other (*)	14,250	44,382
Total	171,494	177,687

(*) Included in other, premiums paid to Saving Deposit Insurance Fund is TRY 2,591 (March 31, 2008 – TRY 1,801).

8. Information on profit/(loss) from continued and discontinued operations before taxes:

Profit before tax of the Bank has increased by 26% for the period ended March 31, 2009 as compared to the prior period. In comparison with prior period, the Bank's net interest income decreased 6%, net fees and commissions income, and provisions and operating expenses increased by 36% and 0.1%, respectively.

9. Information on tax provision for continued and discontinued operations:

- As of March 31, 2009, current tax charge is nil (March 31, 2008 – nil), and deferred tax charge is TRY 15,918 (March 31, 2008 – TRY 10,424 deferred tax charge).
- Deferred tax charge on temporary differences is TRY 15,918 (March 31, 2008 – TRY 10,424 deferred tax charge).

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IV. Explanations and Disclosures Related to the Income Statement (continued)

9. Information on tax provision: (continued)

c) Tax reconciliation:

	Current Period	Prior Period
Profit before tax	100,094	79,515
Additions		
Disallowables	1,058	993
General loan loss provision	-	16,306
Provision for possible tax disputes	525	15,040
Other	314	262
Deductions		
Dividend income	(11,921)	(18,656)
General loan loss provision	(10,305)	-
Recovered tax related to previous years due to inflation accounting	-	(41,207)
Other	(175)	(131)
Taxable Profit / (Loss)	79,590	52,122
Corporate tax rate	%20	%20
Tax calculated	15,918	10,424

As of March 31, 2009, current tax charge is nil (March 31, 2008 – nil) and deferred tax charge on temporary differences is TRY 15,918 (March 31, 2008 – TRY 10,424 deferred tax charge). Net tax charge recognized in the financial statements is TRY 15,918 (March 31, 2008 – TRY 10,424 tax charge).

10. Information on net profit/(loss) from continued and discontinued operations:

The Bank increased its net profit for the period ended March 31, 2009 by 22% as compared to the prior period profit.

11. The explanations on net income / loss for the period:

- The nature and amount of certain income and expense items from ordinary operations is disclosed if the disclosure for nature, amount and repetition rate of such items is required for the complete understanding of the Bank's performance for the period: None (March 31, 2008 – None).
- Effect of changes in accounting estimates on income statement for the current and, if any, for subsequent periods: None (March 31, 2008 – None).
- Profit or loss attributable to minority shares: None (March 31, 2008 – None).

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IV. Explanations and Disclosures Related to the Income Statement (continued)

12. If the other items in the income statement exceed 10% of the income statement total, accounts amounting to at least 20% of these items:

	Current Period	Prior Period
<u>Other fees and commissions received</u>		
Credit cards commissions and fees	44,729	24,023
Import letters of credit commissions	1,205	1,085
Inquiry and company search fees and commissions	3,042	4,951
Fund management commissions	6,693	5,793
Settlement expense provision, eft, swift, agency commissions	2,270	2,882
Insurance commissions	2,161	2,960
Transfer commissions	1,353	993
Commissions and fees earned from correspondent banks	1,596	1,222
Other	15,356	8,950
Total	78,405	52,859
<u>Other fees and commissions given</u>		
Credit cards commissions and fees	24,635	15,376
Commissions and fees paid to correspondent banks	465	375
Settlement and swift commissions	757	784
Other	2,566	1,888
Total	28,423	18,423

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V. Explanations on the Risk Group of the Bank

1. Volume of related party transactions, income and expense amounts involved and outstanding loan and deposit balances:

a) Current Period:

Related Parties	Subsidiaries, associates and entities under common control (Joint Vent.)		Direct and indirect shareholders of the Bank		Other entities included in the risk group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Loans and other receivables						
Balance at beginning of period	6,285	3,771	82,234	14,059	66,936	6,794
Balance at end of period	611	3,764	80,375	60,721	39,881	14,967
Interest and commission income	285	71	2,686	-	762	16

Included in the balances above, the Bank has placements in foreign bank accounts amounting to TRY 47 from subsidiaries and associates, TRY 51,952 under direct and indirect corporate and real person shareholders and TRY 37,811 from other entities included in the risk group.

b) Prior Period:

Related Parties	Subsidiaries, associates and entities under common control (Joint Vent.)		Direct and indirect Shareholders of the Bank		Other entities included in the risk group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Loans and other receivables						
Balance at beginning of period	717	23,499	26,294	25,144	6,559	5,979
Balance at end of period	6,285	3,771	82,234	14,059	66,936	6,794
Interest and commission income received	4	19	1,065	1	3,616	22

Included in the balances above, the Bank has placements in foreign bank accounts amounting to TRY 45 from subsidiaries and associates, TRY 81,281 under direct and indirect corporate and real person shareholders and TRY 63,790 from other entities included in the risk group.

c.1) Information on related party deposits balances:

Related parties	Subsidiaries, associates and entities under common control (Joint Vent.)		Direct and indirect shareholders of the Bank		Other entities included in the risk group	
	Current Period	Prior Period	Current period	Prior period	Current period	Prior period
Deposits						
Balance at beginning of period	22,816	3,147	189,247	587,446	272,485	31,506
Balance at end of period	40,900	22,816	582,265	189,247	105,593	272,485
Interest on deposits	489	238	10,426	14,924	2,597	1,569

c.2) Information on forward and option agreements and other similar agreements made with related parties:

Related Parties	Subsidiaries, associates and entities under common control (Joint Vent.)		Direct and indirect shareholders of the Bank		Other entities included in the risk group	
	Current Period	Prior Period	Current period	Prior period	Current period	Prior Period
Financial Assets at Fair Value Through Profit and Loss						
Beginning of period	141,755	11,232	2,401,449	1,363,285	419,698	75,136
End of period	63,744	141,755	2,478,388	2,401,449	954,203	419,698
Total income/loss	(102)	(218)	(16,218)	(19,342)	(41,633)	(5,096)
Hedging transactions purposes						
Beginning of period	-	-	322,681	-	-	-
End of period	-	-	414,833	322,681	-	-
Total income/loss	-	-	7,255	-	-	-

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V. Explanations on the Risk Group of the Bank (continued)

1. Volume of related party transactions, income and expense amounts involved and outstanding loan and deposit balances: (continued)

- d) As of March 31, 2009, the total amount of remuneration and benefits provided to the senior management of the Bank is TRY 2,287 (March 31, 2008 – TRY 1,881).

2. Disclosures for related parties:

- a) The relations of the Bank with the entities controlled by the Bank and its related parties, regardless of whether there are any transactions or not:

In the normal course of its banking activities, the Bank conducted various business transactions with related parties at commercial terms and at rates which approximate market rates.

- b) Besides the structure of relationship, nature of the transaction, amount and ratio to the total volume of transactions, amount of major items and ratio to all items, pricing policies and other factors:

	Amount	% Compared to the Amounts in the Financial Statements
Cash loans	120,867	1.57
Non-cash loans	79,452	2.41
Deposits	728,758	7.76
Derivative financial instruments	3,496,335	41.93
Derivative financial instruments for hedging purposes	414,833	48.25

These transactions are priced in accordance with the general pricing policies of the Bank and are in line with market rates.

- c) Except for cases whereby separate disclosure is necessary, the total of similar items in order to present the total impact on the financial statements: Explained in b).
- d) Transactions accounted under the equity method: None.
- e) Disclosures related to purchase and sale of real estate and other assets, services given /received, agency contracts, leasing contracts, transferring information as a result of research and development, license contracts, financing (including supports in the form of loans, capital in cash and capital in kind), guarantees, and management contracts:

The Bank enters into lease agreements with TEB Finansal Kiralama A.Ş. As of March 31, 2009 the total leasing obligations related to these agreements amounted to TRY 43. Additionally, the Bank provides agency services for TEB Yatırım Menkul Değerler via its branches.

Within the limits of the Banking Law, the Bank renders cash and non-cash loans to its related parties and the ratio of these to the Bank's total cash and non-cash loan portfolio is 1.82%. Details of these loans are explained in the Section Five, Note V- 1a.

As of March 31, 2009 the Bank has no purchases and sale of real estate and other assets, transfer of information as a result of research and development and management contracts with the related parties.

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SECTION SIX

INDEPENDENT ACCOUNTANTS' LIMITED REVIEW REPORT

I. Explanations on the Independent Accountants' Limited Review Report

The unconsolidated interim financial statements of the Bank have been reviewed by DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (Member of Deloitte Touche Tohmatsu) and the independent accountants' limited review report dated May 5, 2009 is presented preceding the financial statements.

II. Footnotes and Explanations Prepared by Independent Accountants

None.