

SUMMARY OF BOARD DIRECTORS' REPORT PRESENTED TO THE GENERAL ASSEMBLY

Dear Shareholders,

Reports of the Board of Directors, Independent Auditors and the Profit-and-Loss Statement for 2011 have been presented for your evaluation and approval.

Marking an important watershed in the history of the world's economy, we are about to complete the third year of the global financial crisis, while the decoupling in growth and inflation rates between developed and developing countries continues to widen.

Having managed emerge from the first phase of the global financial crisis relatively unscathed compared to other emerging markets, our country survived the crisis-recession cycle by demonstrating a strong performance, and maintained its steady growth in 2011.

The most important factors behind this success were the decisive approaches and practices adopted by the CBT and other regulatory authorities to protect price and market stability, as well as the durable structure of our banking sector and the private sector's experience garnered from economic crises in Turkey's recent past.

Strong audit and monitoring mechanisms, high capital adequacy and advanced risk and liquidity management practices all played a major role in maintaining the strong position of the Turkish banking sector in the global financial crisis.

Under the challenging circumstances facing the world, Turkey and the industry, TEB will press forward with firm steps in its sustainable growth and service, without sacrificing its energy which is supported by its knowledge, competence, experience and innovation.

Celebrating its 85th anniversary in 2012, TEB not only demonstrated a strong financial and operational performance in 2011, but also succeeded in completing the merger transaction, which marks a significant milestone in the industry.

On behalf of our Board of Directors, I would like to take this opportunity to extend my thanks to our valuable management staff and all TEB employees, who have played such a major role in the completion of operational dimension of the merger transaction ahead of schedule with their self-devoted efforts and professional approach throughout the process

We would like to present TEB's annual reports and financial statements of 2011 to your valuable consideration and extend our gratitude to our shareholders for their encouragement and continuous support.

Regards,

Board of Directors