

FİNANSBANK ANONİM ŞİRKETİ

**INDEPENDENT ACCOUNTANT'S
LIMITED REVIEW REPORT,
UNCONSOLIDATED FINANCIAL
STATEMENTS AND NOTES
FOR THE PERIOD ENDED
SEPTEMBER 30, 2011**

*Translated into English from the
Original Turkish Report*

To the Board of Directors of
Finansbank A.Ş.
İstanbul

DRT Bağımsız Denetim ve
Serbest Muhasebeci
Mali Müşavirlik A.Ş.
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FİNANSBANK ANONİM ŞİRKETİ

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INDEPENDENT ACCOUNTANT'S LIMITED REVIEW REPORT FOR THE INTERIM PERIOD JANUARY 1 – SEPTEMBER 30, 2011

We have reviewed the accompanying balance sheet of Finansbank A.Ş. ("The Bank") as of September 30, 2011 and the related statements of income, cash flows and changes in shareholders' equity for the period then ended. These financial statements are the responsibility of the Bank's management. 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 limited primarily 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 are not presented fairly, in all material respects, the financial position, the results of its operations and its cash flows, of Finansbank A.Ş. for the period ended September 30, 2011 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 the 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 LIMITED**



Hasan Kılıç
Partner

İstanbul, November 11, 2011

THE UNCONSOLIDATED FINANCIAL REPORT OF FİNANSBANK A.Ş.
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2011



The Bank's;

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The unconsolidated financial report for the nine months period, 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 below:

- GENERAL INFORMATION ABOUT THE BANK
- UNCONSOLIDATED INTERIM FINANCIAL STATEMENTS OF THE BANK
- EXPLANATIONS ON THE UNCONSOLIDATED FINANCIAL STATEMENTS OF THE BANK
- INFORMATION ON FINANCIAL STRUCTURE OF THE BANK
- FOOTNOTES AND EXPLANATIONS ON UNCONSOLIDATED FINANCIAL STATEMENTS
- OTHER EXPLANATIONS
- LIMITED REVIEW REPORT

The unconsolidated financial statements and related disclosures and footnotes that were subject to limited review, for the nine months period are prepared in accordance with the Regulation on Principles Related to Banks' Accounting Applications and Preserving the Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards and the related statements and guidance and in compliance with the financial records of our Bank. Unless stated otherwise, the accompanying unconsolidated financial statements are presented in thousands of Turkish Lira (TL).

Ömer
A. Aras
Chairman of
the Board of
Directors

Mustafa
A. Aysan
Member of the Board of
Directors and Chairman of the
Audit Committee

Paul Mylonas
Member of the Board of
Directors and of the Audit
Committee

Michail Oratis
Member of the Board of
Directors and of the Audit
Committee

Temel Güzeloğlu
General Manager and
Member of the
Board of Directors

Adnan Menderes Yayla
Executive Vice President
Responsible of Financial Control and
Planning

Gökhan Yücel
Senior Vice President
Responsible of Financial-Legal
Reporting and Treasury Control

Information related to the responsible personnel to whom the questions about the financial report can be communicated:

Name-Surname/Title : Gökhan Yücel
Senior Vice President Responsible of Financial-Legal Reporting and Treasury Control
Phone Number : (0 212) 318 55 65
Facsimile Number : (0 212) 318 55 78

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(CONVENIENCE TRANSLATION OF FINANCIAL STATEMENTS AND RELATED DISCLOSURES
AND FOOTNOTES ORIGINALLY ISSUED IN TURKISH)

FINANSBANK ANONİM ŞİRKETİ
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2011

(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)

SECTION ONE

GENERAL INFORMATION

I. Explanatory note on the establishment date, nature of activities and history of the Bank

Finansbank Anonim Şirketi (the Bank) was incorporated in Istanbul on September 23, 1987. The Bank's shares have been listed on the Istanbul Stock Exchange since the first public offering on February 3, 1990.

II. Information about the Bank's shareholding structure, shareholders who individually or jointly have power to control the management and audit directly or indirectly, changes regarding these subjects during the year, if any, and information about the controlling group of the Bank

As of September 30, 2011, 77.23% of the Bank's shares are owned by National Bank of Greece S.A. ("NBG"), 9.68% by NBG Finance (Dollar) PLC, 7.90% by NBGI Holdings B.V. and 5% by International Finance Corporation ("IFC").

The Bank is a National Bank of Greece S.A (NBG) Group entity. NBG was founded in 1841 and its shares have been traded on Athens Stock Exchange since 1880 and traded on the New York Stock Exchange since 1999. NBG offers financial services to its customers such as retail banking, assets management, intermediary services and investment banking.

III. Information about the chairman and members of board of directors, members of auditor committee, managing director and executive vice presidents; any changes, and the information about the Bank shares they hold

Name	Title	Date of Appointment	Education
Dr. Ömer A. Aras	Chairman and Executive Member	April 16, 2010	Phd
Sinan Şahinbaş	Deputy Chairman and Executive Member	April 16, 2010	Masters
Prof. Dr. Mustafa Aydın Aysan	Board Member and Head of Audit Committee	November 9, 2006	Phd
Michail Oratis	Board Member and Audit Committee Member	March 2, 2011	Masters
Dimitrios Anagnostopoulos	Board Member	September 24, 2009	Graduate
Edward Nassim	Board Member	April 17, 2007	Masters
Anthimos Thomopoulos	Board Member	November 9, 2006	Masters
Dr. Paul Mylonas	Board Member and Audit Committee Member	March 11, 2010	Phd
Christos Alexis Komninos	Board Member	February 16, 2011	Graduate
Temel Güzeloğlu	Board Member and Managing Director	April 16, 2010	Masters
Mustafa Hamdi Gürtin	Board Member	April 16, 2010	Masters
Agis Leopoulos	Board Member	April 16, 2010	Masters
Adnan Menderes Yayla	Assistant Managing Director	May 20, 2008	Masters
Metin Karabiber	Assistant Managing Director	October 8, 2010	Graduate
Hakan Şenünel	Assistant Managing Director	August 18, 2008	Graduate
Murat Şakar	Assistant Managing Director	August 18, 2008	Graduate
Köksal Çoban	Assistant Managing Director	August 18, 2008	Masters
Saruhan Doğan	Assistant Managing Director	October 9, 2009	Masters
Dr. Mehmet Kürşad Demirkol	Assistant Managing Director	October 8, 2010	Phd
Özlem Cinemre	Assistant Managing Director	July 9, 1997	Graduate
Hakan Alp	Assistant Managing Director	July 7, 2010	Graduate
Tunç Erdal	Assistant Managing Director	October 8, 2010	Graduate
Kubilay Güler	Assistant Managing Director	January 16, 2004	Graduate
Filiz Şafak	Assistant Managing Director	September 19, 2007	Graduate
Levent Yörük	Assistant Managing Director	February 1, 2010	Graduate
Bülent Yurdalan	Assistant Managing Director	March 7, 2011	Graduate
Erkin Aydın	Assistant Managing Director	May 16, 2011	Masters
Kunter Kutluay	Assistant Managing Director	May 16, 2011	Masters
Ömür Tan(*)	Assistant Managing Director	October 28, 2011	Graduate
Ahmet Cihat Kumuşoğlu	Statutory Auditor	March 27, 2008	Graduate
Sedat Eratalar	Statutory Auditor	April 1, 2000	Graduate

(*) Ömür Tan was appointed as Assistant Managing Director responsible of Corporate Banking as of October 28, 2011.

The top level management listed above possess immaterial number of shares of the Bank.

**(CONVENIENCE TRANSLATION OF FINANCIAL STATEMENTS AND RELATED DISCLOSURES
AND FOOTNOTES ORIGINALLY ISSUED IN TURKISH)**

**FİNANSBANK ANONİM ŞİRKETİ
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2011**

(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)

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

Name Surname/Trade Name	Amount of Shares	Percentage of Shares	Paid-up Shares	Unpaid Shares
National Bank of Greece S.A.	1,791,679	77.23%	1,791,679	-
NBG Finance (Dollar) PLC	224,562	9.68%	224,562	-
NBGI Holdings B.V.	183,280	7.90%	183,280	-

The Bank has 100 founder shares as stated in the Articles of Association. The profit distribution is performed according to the prevailing regulations and the Articles of Association. Accordingly, 5% of the distributable profit is appropriated as legal reserves, %5 of the paid up capital is paid out as first dividend and 10% of the remaining distributable profit might be distributed to the founder shares. In addition, 10% of dividends distributed to founder shares are provided as additional legal reserve.

V. Explanations on the Bank's services and activities

The Bank's activities include trade finance and corporate banking, treasury, retail banking and credit card operations. In addition, the Bank carries out insurance agency activities on behalf of insurance companies through its branches. As of September 30, 2011, the Bank operates through 517 domestic (December 31, 2010 - 501), 1 off-shore banking (December 31, 2010 - 1) and 1 Atatürk Airport Free Trade Zone (December 31, 2010 - 1) branches.

SECTION TWO

UNCONSOLIDATED FINANCIAL STATEMENTS

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

**(CONVENIENCE TRANSLATION OF FINANCIAL STATEMENTS AND RELATED DISCLOSURES
AND FOOTNOTES ORIGINALLY ISSUED IN TURKISH)**

**FINANSBANK ANONİM ŞİRKETİ
BALANCE SHEET AS OF SEPTEMBER 30, 2011 (STATEMENT OF FINANCIAL POSITION)
(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)**

I. BALANCE SHEET – ASSETS

		Reviewed 30.09.2011			Audited 31.12.2010		
		Section 5 Part I					
		TL	FC	Total	TL	FC	Total
I.	CASH AND BALANCES WITH THE CENTRAL BANK	(1)	2,806,906	1,831,813	4,638,719	1,146,431	2,394,383
II.	FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS (Net)	(2)	1,331,577	516,732	1,848,309	1,303,876	1,457,824
2.1	Financial assets held for trading		668,699	516,732	1,185,431	252,271	153,948
2.1.1	Public sector debt securities		136,213	7,472	143,685	9,776	4,163
2.1.2	Equity securities		-	-	-	-	-
2.1.3	Assets on trading derivatives		532,486	509,260	1,041,746	242,495	149,785
2.1.4	Other securities		-	-	-	-	-
2.2	Financial assets at fair value through profit and loss		662,878	-	662,878	1,051,605	1,051,605
2.2.1	Public sector debt securities		-	-	-	74,654	74,654
2.2.2	Equity securities		-	-	-	-	-
2.2.3	Loans		662,878	-	662,878	976,951	976,951
2.2.4	Other securities		-	-	-	-	-
III.	BANKS	(3)	13,488	156,487	169,975	7,255	184,248
IV.	MONEY MARKET PLACEMENTS		-	-	-	-	-
4.1	Interbank money market placements		-	-	-	-	-
4.2	Istanbul Stock Exchange money market placements		-	-	-	-	-
4.3	Receivables from reverse repurchase agreements		-	-	-	-	-
V.	INVESTMENT SECURITIES AVAILABLE-FOR-SALE (Net)	(4)	6,182,966	916,427	7,099,393	6,548,167	867,655
5.1	Equity securities		-	-	-	-	-
5.2	Public sector debt securities		6,077,059	747,652	6,824,711	6,427,633	602,273
5.3	Other securities		105,907	168,775	274,682	120,534	265,382
VI.	LOANS AND RECEIVABLES	(5)	27,699,862	3,519,145	31,219,007	22,416,755	2,442,390
6.1	Loans and receivables		27,381,115	3,519,145	30,900,260	22,184,432	2,442,390
6.1.1	Loans to risk group of the Bank		62,278	45,149	107,427	36,477	36,831
6.1.2	Public sector debt securities		-	-	-	-	-
6.1.3	Other		27,318,837	3,473,996	30,792,833	22,147,955	2,405,559
6.2	Non-performing loans		1,694,202	-	1,694,202	1,757,762	1,757,762
6.3	Specific provisions (-)		1,375,455	-	1,375,455	1,525,439	1,525,439
VII.	FACTORING RECEIVABLES		-	-	-	-	-
VIII.	INVESTMENT SECURITIES HELD TO MATURITY (Net)	(6)	-	-	-	-	-
8.1	Public sector debt securities		-	-	-	-	-
8.2	Other securities		-	-	-	-	-
IX.	INVESTMENT IN ASSOCIATES (Net)	(7)	6,769	-	6,769	5,769	5,769
9.1	Equity method associates		-	-	-	-	-
9.2	Unconsolidated		6,769	-	6,769	5,769	5,769
9.2.1	Financial Investments		-	-	-	-	-
9.2.2	Non-financial Investments		6,769	-	6,769	5,769	5,769
X.	INVESTMENT IN SUBSIDIARIES (Net)	(8)	386,220	-	386,220	377,044	377,044
10.1	Unconsolidated financial investments		371,234	-	371,234	362,058	362,058
10.2	Unconsolidated non-financial investments		14,986	-	14,986	14,986	14,986
XI.	ENTITIES UNDER COMMON CONTROL (JOINT VENTURES) (Net)	(9)	2,800	-	2,800	2,800	2,800
11.1	Equity method entities under common control		-	-	-	-	-
11.2	Unconsolidated		2,800	-	2,800	2,800	2,800
11.2.1	Financial investments		-	-	-	-	-
11.2.2	Non-financial Investments		2,800	-	2,800	2,800	2,800
XII.	LEASE RECEIVABLES (Net)	(10)	-	-	-	-	-
12.1	Financial lease receivables		-	-	-	-	-
12.2	Operational lease receivables		-	-	-	-	-
12.3	Others		-	-	-	-	-
12.4	Unearned income (-)		-	-	-	-	-
XIII.	DERIVATIVE FINANCIAL ASSETS HEDGING PURPOSES	(11)	612,786	54,599	667,385	28,648	28,648
13.1	Fair value hedge		612,786	54,599	667,385	28,648	28,648
13.2	Cash flow hedge		-	-	-	-	-
13.3	Hedging of a net investment in foreign subsidiaries		-	-	-	-	-
XIV.	TANGIBLE ASSETS (Net)		371,037	92	371,129	362,201	362,201
XV.	INTANGIBLE ASSETS (Net)		130,365	-	130,365	98,571	98,571
15.1	Goodwill		-	-	-	-	-
15.2	Others		130,365	-	130,365	98,571	98,571
XVI.	INVESTMENT PROPERTIES (Net)		-	-	-	-	-
XVII.	TAX ASSETS	(12)	-	-	-	-	-
17.1	Current tax assets		-	-	-	-	-
17.2	Deferred tax assets		-	-	-	-	-
XVIII.	ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)	(13)	-	-	-	-	-
18.1	Held for sale		-	-	-	-	-
18.2	Discontinued operations		-	-	-	-	-
XIX.	OTHER ASSETS	(14)	594,352	220,027	814,379	428,806	893,454
TOTAL ASSETS			40,139,128	7,215,322	47,354,450	32,726,323	5,360,880
							38,087,203

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

**(CONVENIENCE TRANSLATION OF FINANCIAL STATEMENTS AND RELATED DISCLOSURES
AND FOOTNOTES ORIGINALLY ISSUED IN TURKISH)**

**FİNANSBANK ANONİM ŞİRKETİ
BALANCE SHEET AS OF SEPTEMBER 30, 2011 (STATEMENT OF FINANCIAL POSITION)
(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)**

I. BALANCE SHEET – LIABILITIES AND EQUITY

		Reviewed 30.09.2011			Audited 31.12.2010			
		Section 5 Part II	TL	FC	Total	TL	FC	Total
I.	DEPOSITS	(1)	21,772,624	7,662,606	29,435,230	18,286,960	6,143,717	24,430,677
1.1	Deposits from risk group of the Bank		214,580	181,808	396,388	381,915	166,102	548,017
1.2	Other		21,558,044	7,480,798	29,038,842	17,905,045	5,977,615	23,882,660
II.	DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING	(2)	677,351	521,859	1,199,210	333,765	140,499	474,264
III.	FUNDS BORROWED	(3)	82,189	3,476,564	3,558,753	370,877	3,120,048	3,490,925
IV.	MONEY MARKET BORROWINGS		2,062,612	526,842	2,589,454	814,118	309,882	1,124,000
4.1	Interbank money markets takings		-	-	-	-	-	-
4.2	Istanbul Stock Exchange money markets takings		-	-	-	-	-	-
4.3	Funds provided under repurchase agreements	(4)	2,062,612	526,842	2,589,454	814,118	309,882	1,124,000
V.	SECURITIES ISSUED (Net)	(5)	-	977,826	977,826	-	-	-
5.1	Bills		-	-	-	-	-	-
5.2	Asset backed securities		-	-	-	-	-	-
5.3	Bonds		-	977,826	977,826	-	-	-
VI.	FUNDS		-	-	-	-	-	-
6.1	Borrower funds		-	-	-	-	-	-
6.2	Other		-	-	-	-	-	-
VII.	SUNDRY CREDITORS		955,765	211,836	1,167,601	849,103	36,356	885,459
VIII.	OTHER LIABILITIES	(6)	878,150	35,223	913,373	466,524	11,297	477,821
IX.	FACTORING PAYABLES		-	-	-	-	-	-
X.	LEASE PAYABLES (Net)	(7)	6,909	-	6,909	-	23	23
10.1	Financial lease payables		7,676	116	7,792	-	253	253
10.2	Operational lease payables		-	-	-	-	-	-
10.3	Others		-	-	-	-	-	-
10.4	Deferred financial lease expenses (-)		767	116	883	-	230	230
XI.	DERIVATIVE FINANCIAL LIABILITIES FOR HEDGING PURPOSES	(8)	98,457	112,176	210,633	319,785	7,000	326,785
11.1	Fair value hedge		9,358	112,176	121,534	250,240	7,000	257,240
11.2	Cash flow hedge		89,099	-	89,099	69,545	-	69,545
11.3	Hedge of net investments in foreign subsidiaries		-	-	-	-	-	-
XII.	PROVISIONS	(9)	600,608	47,936	648,544	485,904	31,215	517,119
12.1	General provisions		348,447	47,936	396,383	234,593	31,215	265,808
12.2	Restructuring provisions		-	-	-	-	-	-
12.3	Reserve for employee benefits		71,197	-	71,197	72,224	-	72,224
12.4	Insurance technical provisions (Net)		-	-	-	-	-	-
12.5	Other provisions		180,964	-	180,964	179,087	-	179,087
XIII.	TAX LIABILITY	(10)	62,920	-	62,920	141,256	-	141,256
13.1	Current tax liability		16,598	-	16,598	65,583	-	65,583
13.2	Deferred tax liability		46,322	-	46,322	75,673	-	75,673
XIV.	PAYABLES RELATED TO ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (NET)	(11)	-	-	-	-	-	-
14.1	Held for sale		-	-	-	-	-	-
14.2	Discontinued operations		-	-	-	-	-	-
XV.	SUBORDINATED LOANS	(12)	-	1,217,605	1,217,605	-	1,010,383	1,010,383
XVI.	SHAREHOLDERS' EQUITY		5,508,134	(141,742)	5,366,392	5,198,286	10,205	5,208,491
16.1	Paid-in capital	(13)	2,320,000	-	2,320,000	2,205,000	-	2,205,000
16.2	Capital reserves		64,276	(141,742)	(77,466)	234,273	10,205	244,478
16.2.1	Share premium	(14)	665	-	665	665	-	665
16.2.2	Share cancellation profits		-	-	-	-	-	-
16.2.3	Securities value increase fund	(15)	89,685	(141,742)	(52,057)	252,095	10,205	262,300
16.2.4	Revaluation fund on tangible assets		-	-	-	-	-	-
16.2.5	Revaluation fund on intangible assets		-	-	-	-	-	-
16.2.6	Investment property revaluation differences		-	-	-	-	-	-
16.2.7	Bonus shares obtained from associates, subsidiaries and entities under common control (joint ventures)		2,689	-	2,689	2,689	-	2,689
16.2.8	Hedging funds (effective portion)		(28,763)	-	(28,763)	(21,176)	-	(21,176)
16.2.9	Accumulated valuation differences from assets held for sale and discontinued operations		-	-	-	-	-	-
16.2.10	Other capital reserves		-	-	-	-	-	-
16.3	Profit reserves		2,514,261	-	2,514,261	1,844,339	-	1,844,339
16.3.1	Legal reserves		241,133	-	241,133	182,424	-	182,424
16.3.2	Status reserves		-	-	-	-	-	-
16.3.3	Extraordinary reserves		2,273,128	-	2,273,128	1,661,915	-	1,661,915
16.3.4	Other profit reserves		-	-	-	-	-	-
16.4	Profit or loss		609,597	-	609,597	914,674	-	914,674
16.4.1	Prior years' income/ (losses)		-	-	-	-	-	-
16.4.2	Current period income/ (loss)		609,597	-	609,597	914,674	-	914,674
16.5	Minority shares		-	-	-	-	-	-
TOTAL LIABILITIES AND EQUITY			32,705,719	14,648,731	47,354,450	27,266,578	10,820,625	38,087,203

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

**(CONVENIENCE TRANSLATION OF FINANCIAL STATEMENTS AND RELATED DISCLOSURES
AND FOOTNOTES ORIGINALLY ISSUED IN TURKISH)**

**FINANSBANK ANONİM ŞİRKETİ
STATEMENT OF OFF BALANCE SHEET COMMITMENTS AND CONTINGENCIES
AS OF SEPTEMBER 30, 2011
(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)**

II. STATEMENT OF OFF-BALANCE COMMITMENTS AND CONTINGENCIES

	Section 5 Part III	Reviewed 30.09.2011			Audited 31.12.2010		
		TL	FC	TOTAL	TL	FC	TOTAL
OFF BALANCE SHEET CONTINGENCIES AND COMMITMENTS							
A. (I+II+III)		57,538,474	53,798,783	111,337,257	40,631,370	32,911,955	73,543,325
I. GUARANTEES	(1), (2), (3),(4)	3,590,677	3,994,377	7,585,054	2,970,060	3,065,622	6,035,682
1.1. Letters of guarantee		3,571,834	1,861,652	5,433,486	2,967,436	1,587,549	4,554,985
1.1.1. Guarantees subject to State Tender Law		205,996	15,753	221,749	181,832	14,443	196,275
1.1.2. Guarantees given for foreign trade operations		2,770,004	1,845,899	4,615,903	2,292,413	1,573,106	3,865,519
1.1.3. Other letters of guarantee		595,834	-	595,834	493,191	-	493,191
1.2. Bank loans		18,574	1,035,084	1,053,658	2,483	719,055	721,538
1.2.1. Import letter of acceptance		18,574	1,035,084	1,053,658	2,483	719,055	721,538
1.2.2. Other bank acceptances		-	-	-	-	-	-
1.3. Letters of credit		269	1,065,050	1,065,319	141	722,709	722,850
1.3.1. Documentary letters of credit		269	1,020,251	1,020,520	141	697,409	697,550
1.3.2. Other letters of credit		-	44,799	44,799	-	25,300	25,300
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		-	32,591	32,591	-	36,309	36,309
1.9. Other collaterals		-	-	-	-	-	-
II. COMMITMENTS		21,479,930	2,919,417	24,399,347	14,538,605	510,390	15,048,995
2.1. Irrevocable commitments		21,479,930	2,919,417	24,399,347	14,538,605	510,390	15,048,995
2.1.1. Forward asset purchase commitments		675,423	2,910,308	3,585,731	193,664	504,197	697,861
2.1.2. Forward deposit purchase and sales commitments		-	-	-	-	-	-
2.1.3. Share capital commitment to associates and subsidiaries		16,000	-	16,000	5,187	-	5,187
2.1.4. Loan granting commitments		3,454,042	-	3,454,042	1,876,601	-	1,876,601
2.1.5. Securities underwriting commitments		-	-	-	-	-	-
2.1.6. Commitments for reserve deposit requirements		-	-	-	-	-	-
2.1.7. Payment commitment for checks		1,065,437	-	1,065,437	673,661	-	673,661
2.1.8. Tax and fund liabilities from export commitments		5,384	-	5,384	5,141	-	5,141
2.1.9. Commitments for credit card expenditure limits		16,173,874	-	16,173,874	11,705,737	-	11,705,737
2.1.10. Commitments for promotions related with credit cards and banking activities		32,474	-	32,474	25,298	-	25,298
2.1.11. Receivables from short sale commitments		-	-	-	-	-	-
2.1.12. Payables for short sale commitments		-	-	-	-	-	-
2.1.13. Other irrevocable commitments		57,296	9,109	66,405	53,316	6,193	59,509
2.2. Revocable commitments		-	-	-	-	-	-
2.2.1. Revocable loan granting commitments		-	-	-	-	-	-
2.2.2. Other revocable commitments		-	-	-	-	-	-
III. DERIVATIVE FINANCIAL INSTRUMENTS	(5)	32,467,867	46,884,989	79,352,856	23,122,705	29,335,943	52,458,648
3.1. Derivative financial instruments for hedging purposes		7,932,487	9,237,006	17,169,493	6,138,670	4,126,450	10,265,120
3.1.1. Fair value hedge		6,629,612	9,237,006	15,866,618	4,828,794	4,126,450	8,955,244
3.1.2. Cash flow hedge		1,302,875	-	1,302,875	1,309,876	-	1,309,876
3.1.3. Hedge of net investment in foreign operations		-	-	-	-	-	-
3.2. Held for trading transactions		24,535,380	37,647,983	62,183,363	16,984,035	25,209,493	42,193,528
3.2.1. Forward foreign currency buy/sell transactions		1,865,590	3,723,100	5,588,690	693,384	1,139,058	1,832,442
3.2.1.1. Forward foreign currency transactions-buy		1,038,785	1,751,990	2,790,775	321,497	590,854	912,351
3.2.1.2. Forward foreign currency transactions-sell		826,805	1,971,110	2,797,915	371,887	548,204	920,091
3.2.2. Swap transactions related to foreign currency and interest rates		13,967,977	22,322,233	36,290,210	10,455,312	16,027,137	26,482,449
3.2.2.1. Foreign currency swap-buy		6,837,189	8,606,917	15,444,106	4,216,018	5,773,181	9,989,199
3.2.2.2. Foreign currency swap-sell		6,088,648	9,632,713	15,721,361	4,204,144	5,854,110	10,058,254
3.2.2.3. Interest rate swaps-buy		521,070	1,958,263	2,479,333	1,017,575	2,130,353	3,147,298
3.2.2.4. Interest rate swaps-sell		521,070	2,124,340	2,645,410	1,017,575	2,269,493	3,287,068
3.2.3. Foreign currency, interest rate and securities options		8,681,452	11,291,805	19,973,257	5,828,545	7,649,636	13,478,181
3.2.3.1. Foreign currency options-buy		4,212,376	5,687,037	9,899,413	2,977,137	3,765,395	6,742,532
3.2.3.2. Foreign currency options-sell		4,257,636	5,604,768	9,862,404	2,835,408	3,884,241	6,719,649
3.2.3.3. Interest rate options-buy		20,000	-	20,000	-	-	-
3.2.3.4. Interest rate options-sell		20,000	-	20,000	-	-	-
3.2.3.5. Securities options-buy		85,720	-	85,720	8,000	-	8,000
3.2.3.6. Securities options-sell		85,720	-	85,720	8,000	-	8,000
3.2.4. Foreign currency futures		20,361	163,951	184,312	6,794	368,280	375,074
3.2.4.1. Foreign currency futures-buy		2,926	89,177	92,103	3,397	184,140	187,537
3.2.4.2. Foreign currency futures-sell		17,435	74,774	92,209	3,397	184,140	187,537
3.2.5. Interest rate futures		-	146,894	146,894	-	25,382	25,382
3.2.5.1. Interest rate futures-buy		-	73,447	73,447	-	12,691	12,691
3.2.5.2. Interest rate futures-sell		-	73,447	73,447	-	12,691	12,691
3.2.6. Other		-	-	-	-	-	-
B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)		87,744,938	21,659,021	109,403,959	71,048,792	17,540,203	88,588,995
IV. ITEMS HELD IN CUSTODY		1,873,449	896,255	2,769,704	2,049,039	1,038,800	3,087,839
4.1. Assets under management		-	-	-	-	-	-
4.2. Investment securities held in custody		503,176	531,453	1,034,629	803,002	659,386	1,462,388
4.3. Checks received for collection		1,035,443	174,867	1,210,310	997,200	156,295	1,153,495
4.4. Commercial notes received for collection		334,797	182,333	517,130	248,824	216,750	465,574
4.5. Other assets received for collection		-	-	-	-	-	-
4.6. Assets received for public offering		-	-	-	-	-	-
4.7. Other items under custody		30	7,602	7,632	10	6,369	6,379
4.8. Custodians		3	-	3	3	-	3
V. PLEDGED ITEMS		85,871,489	20,762,766	106,634,255	68,999,753	16,501,403	85,501,156
5.1. Marketable securities		428,516	349,200	777,716	282,255	189,201	471,456
5.2. Guarantee notes		98,954	62,951	161,905	88,338	55,700	144,038
5.3. Commodity		27,868	-	27,868	20,737	-	20,737
5.4. Warranty		-	-	-	-	-	-
5.5. Properties		34,875,996	7,599,798	42,475,794	30,516,561	6,003,909	36,520,470
5.6. Other pledged items		50,440,155	12,750,817	63,190,972	38,091,862	10,252,593	48,344,455
5.7. Pledged items-depository		-	-	-	-	-	-
VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES		-	-	-	-	-	-
TOTAL OFF BALANCE SHEET ACCOUNTS (A+B)		145,283,412	75,457,804	220,741,216	111,680,162	50,452,158	162,132,320

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

**(CONVENIENCE TRANSLATION OF FINANCIAL STATEMENTS AND RELATED DISCLOSURES
AND FOOTNOTES ORIGINALLY ISSUED IN TURKISH)**

**FİNANSBANK ANONİM ŞİRKETİ
INCOME STATEMENT FOR THE PERIOD ENDED SEPTEMBER 30, 2011
(STATEMENT OF INCOME/LOSS)
(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)**

III. INCOME STATEMENT

	Section 5 Part IV	Reviewed 01.01 - 30.09.2011	Reviewed 01.07 - 30.09.2011	Reviewed 01.01 - 30.09.2010	Reviewed 01.07 - 30.09.2010
I. INTEREST INCOME	(1)	3,293,986	1,209,105	2,779,110	973,381
1.1 Interest on loans		2,973,343	1,093,131	2,438,859	857,372
1.2 Interest received from reserve deposits		-	-	-	-
1.3 Interest received from banks		2,955	956	33,809	10,508
1.4 Interest received from money market placements		-	-	8,914	-
1.5 Interest received from marketable securities portfolio		317,083	114,840	296,818	105,324
1.5.1 Held-for-trading financial assets		3,329	1,499	2,977	1,145
1.5.2 Financial assets at fair value through profit and loss		608	-	8,761	2,954
1.5.3 Available-for-sale financial assets		313,146	113,341	285,080	101,225
1.5.4 Investments held-to-maturity		-	-	-	-
1.6 Finance lease income		-	-	-	-
1.7 Other interest income		605	178	710	177
II. INTEREST EXPENSE	(2)	1,650,102	668,004	1,120,059	417,626
2.1 Interest on deposits		1,436,625	587,885	986,133	355,588
2.2 Interest on funds borrowed		111,058	36,826	100,373	33,670
2.3 Interest on money market borrowings		81,670	29,190	33,305	28,312
2.4 Interest on securities issued		20,187	13,871	-	-
2.5 Other interest expense		562	232	248	56
III. NET INTEREST INCOME (I - II)		1,643,884	541,101	1,659,051	555,755
IV. NET FEES AND COMMISSIONS INCOME		568,639	213,011	448,655	158,093
4.1 Fees and commissions received		633,758	237,042	498,213	176,323
4.1.1 Non-cash loans		32,514	12,085	32,073	10,473
4.1.2 Other		601,244	224,957	466,140	165,850
4.2 Fees and commissions paid		65,119	24,031	49,558	18,230
4.2.1 Non-cash loans		374	113	407	176
4.2.2 Other		64,745	23,918	49,151	18,054
V. DIVIDEND INCOME	(3)	8,309	-	40,367	155
VI. NET TRADING INCOME	(4)	(137,645)	(132,048)	(298,065)	(64,530)
6.1 Securities trading gains/ (losses)		94,045	29,054	143,741	44,924
6.2 Gains / (losses) from financial derivatives transactions		(163,836)	(144,951)	(485,697)	(98,057)
6.3 Foreign exchange gains/ (losses)		(67,854)	(16,151)	43,891	(11,397)
VII. OTHER OPERATING INCOME	(5)	114,478	48,901	112,994	52,439
VIII. NET OPERATING INCOME (III+IV+V+VI+VII)		2,197,665	670,965	1,963,002	701,912
IX. PROVISION FOR LOAN LOSSES AND OTHER RECEIVABLES (-)	(6)	228,067	109,577	290,441	90,244
X. OTHER OPERATING EXPENSES (-)	(7)	1,156,388	383,903	990,474	347,204
XI. NET OPERATING INCOME/(LOSS) (VIII-IX-X)		813,210	177,485	682,087	264,464
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)	(8)	813,210	177,485	682,087	264,464
XVI. TAX CHARGE FOR CONTINUED OPERATIONS (±)	(9)	(203,613)	(44,904)	(122,364)	(48,490)
16.1 Current income tax charge		(151,755)	(16,601)	(171,758)	(49,170)
16.2 Deferred tax charge / benefit		(51,858)	(28,303)	49,394	680
XVII. NET PROFIT/(LOSS) FROM CONTINUED OPERATIONS (XV±XVI)	(10)	609,597	132,581	559,723	215,974
XVIII. INCOME ON DISCONTINUED OPERATIONS		-	-	-	-
18.1 Income on assets held for sale		-	-	-	-
18.2 Income on sale of associates, subsidiaries and entities under common control		-	-	-	-
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 entities under common control		-	-	-	-
19.3 Loss from other discontinued operations		-	-	-	-
XX. PROFIT / (LOSS) ON DISCONTINUED OPERATIONS BEFORE TAXES (XVIII-XIX)	(8)	-	-	-	-
XXI. TAX CHARGE FOR DISCONTINUED OPERATIONS (±)	(9)	-	-	-	-
21.1 Current income tax charge		-	-	-	-
21.2 Deferred tax charge / benefit		-	-	-	-
XXII. NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XX±XXI)	(10)	-	-	-	-
XXIII. NET PROFIT/LOSS (XVII+XXII)	(11)	609,597	132,581	559,723	215,974
23.1 Group's profit/loss		609,597	132,581	559,723	215,974
23.2 Minority shares		-	-	-	-
Earnings per share		0.02628	0.00571	0.03376	0.01303

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

(CONVENIENCE TRANSLATION OF FINANCIAL STATEMENTS AND RELATED DISCLOSURES
AND FOOTNOTES ORIGINALLY ISSUED IN TURKISH)

FİNANSBANK ANONİM ŞİRKETİ
STATEMENT OF PROFIT AND LOSS ACCOUNTED FOR UNDER EQUITY
FOR THE PERIOD ENDED SEPTEMBER 30, 2011
(STATEMENT OF OTHER COMPREHENSIVE INCOME / LOSS)
(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)

IV. STATEMENT OF PROFIT AND LOSS ACCOUNTED FOR UNDER EQUITY

	Reviewed 01.01 - 30.09.2011	Reviewed 01.01 - 30.09.2010
I.		
Additions to marketable securities revaluation differences for available for sale financial assets	(377,448)	121,550
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)	(12,762)	(9,525)
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 corrections of errors and changes in accounting policies	-	-
VIII.		
Other profit loss items accounted for under equity as per Turkish Accounting Standards	-	-
IX.		
Deferred tax of valuation differences	81,209	(4,329)
X.		
Total Net Profit/Loss accounted for under equity (I+II+...+IX)	(309,001)	107,696
XI.		
Profit/Loss	(12,943)	(46,888)
11.1		
Change in fair value of marketable securities (Transfer to Profit/Loss)	(16,222)	(46,888)
11.2		
Reclassification and transfer of derivatives accounted for cash flow hedge purposes recycled to Income Statement	3,279	-
11.3		
Transfer of hedge of net investments in foreign operations recycled to Income Statement	-	-
11.4		
Other	-	-
XII.		
Total Profit/Loss accounted for in the period (X±XI)	(321,944)	60,808

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

(CONVENIENCE TRANSLATION OF FINANCIAL STATEMENTS AND RELATED DISCLOSURES AND FOOTNOTES ORIGINALLY ISSUED IN TURKISH)

FINANSBANK ANONİM ŞİRKETİ
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIOD ENDED SEPTEMBER 30, 2011

(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)

V. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Reviewed	Paid-in Capital	Effect of inflation Accounting on Capital and Other Capital 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 Attributable to the Parent Shareholders	Minority Shares	Total Equity
Prior period – 01.01.-30.09.2010																			
I. Beginning balance		1,575,000	-	-	-	149,918	-	1,127,164	-	-	650,114	124,882	-	-	-	-	3,627,078	-	3,627,078
II. Corrections according to TAS 8																			
2.1 The effect of corrections of errors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 The effects of changes in accounting policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. New balance (I+II)		1,575,000	-	-	-	149,918	-	1,127,164	-	-	650,114	124,882	-	-	-	-	3,627,078	-	3,627,078
Changes in period																			
IV. Increase/decrease related to merger																			
V. Marketable securities valuation differences												68,428					68,428		68,428
VI. Hedging funds (effective portion)															(7,620)		(7,620)		(7,620)
6.1 Cash-flow hedge															(7,620)		(7,620)		(7,620)
6.2 Hedge of net investment in foreign operations																			
VII. Tangible assets revaluation differences																			
VIII. Intangible assets revaluation differences																			
IX. Bonus shares obtained from associates, subsidiaries and entities under common control														2,689			2,689		2,689
X. Foreign exchange differences																			
XI. The disposal of assets																			
XII. The reclassification of assets																			
XIII. The effect of change in associates' equity																			
XIV. Capital increase		78,750						(78,750)											
14.1 Cash																			
14.2 Internal sources		78,750						(78,750)											
XV. Share issue																			
XVI. Share cancellation profits																			
XVI I. Inflation adjustment to paid-in capital																			
XVI II. Other																			
XIX. Period net income/(loss)									559,723								559,723		559,723
XX. Profit distribution						32,506		617,608			(650,114)								
20.1 Dividends distributed																			
20.2 Transfers to reserves						32,506		617,608			(650,114)								
20.3 Other																			
Closing balance																			
(III+IV+V+.....+ XVIII+XIX+XX)		1,653,750	-	-	-	182,424	-	1,166,022	-	559,723	-	193,310	-	2,689	(7,620)	-	4,250,298	-	4,250,298

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

(CONVENIENCE TRANSLATION OF FINANCIAL STATEMENTS AND RELATED DISCLOSURES AND FOOTNOTES ORIGINALLY ISSUED IN TURKISH)

FINANSBANK ANONİM ŞİRKETİ
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIOD ENDED SEPTEMBER 30, 2011

(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)

V. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Reviewed	Paid-in Capital	Effect of inflation Accounting on Capital and Other Capital 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	Tangible and Intangible Assets Revaluation Differences	Bonus Shares Obtained from Associates	Hedging Funds	Acc. Valuation Diff. from Assets Held for Sale and Assets from Disc. Op.	Total Equity Attributable to the Parent Shareholders	Minority Shares	Total Equity
I. Current period – 01.01.-30.09.2011	2,205,000	-	665	-	182,424	-	1,661,915	-	-	914,674	262,300	-	2,689	(21,176)	-	5,208,491	-	5,208,491
Changes in period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
II. Increase/decrease related to merger	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Marketable securities valuation differences	-	-	-	-	-	-	-	-	-	-	(314,357)	-	-	-	-	(314,357)	-	(314,357)
IV. Hedging funds (effective portion)	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,587)	-	(7,587)	-	(7,587)
4.1 Cash-flow hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,587)	-	(7,587)	-	(7,587)
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 entities under common control	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Foreign exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. The disposal of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. The reclassification of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. The effect of change in associates' equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII. Capital increase	115,000	-	-	-	-	-	(115,000)	-	-	-	-	-	-	-	-	-	-	-
12.1 Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2 Internal sources	115,000	-	-	-	-	-	(115,000)	-	-	-	-	-	-	-	-	-	-	-
XIII. Share Premium	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV. Share cancellation profits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV. Inflation adjustment to paid-in capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI. Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII. Period net income/(loss)	-	-	-	-	-	-	-	-	609,597	-	-	-	-	-	-	609,597	-	609,597
XVIII. Profit distribution	-	-	-	-	58,709	-	726,213	-	-	(914,674)	-	-	-	-	-	(129,752)	-	(129,752)
18.1 Dividends distributed	-	-	-	-	-	-	(129,752)	-	-	-	-	-	-	-	-	(129,752)	-	(129,752)
18.2 Transfers to reserves	-	-	-	-	58,709	-	855,965	-	-	(914,674)	-	-	-	-	-	-	-	-
18.3 Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance	2,320,000	-	665	-	241,133	-	2,273,128	-	609,597	-	(52,057)	-	2,689	(28,763)	-	5,366,392	-	5,366,392
(I+II+III+....+XVI+XVII+XVIII)	2,320,000	-	665	-	241,133	-	2,273,128	-	609,597	-	(52,057)	-	2,689	(28,763)	-	5,366,392	-	5,366,392

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

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VI. CASH FLOWS STATEMENT

	Section VI Note 5	Reviewed 01.01- 30.09.2011	Reviewed 01.01 – 30.09.2010
A. CASH FLOWS FROM / (TO) BANKING OPERATIONS			
1.1 Operating profit before changes in operating assets and liabilities		631,883	1,278,645
1.1.1 Interest received (+)		2,851,547	2,866,912
1.1.2 Interest paid (-)		(1,561,825)	(1,109,129)
1.1.3 Dividend received (+)		8,309	155
1.1.4 Fees and commissions received (+)		633,758	498,213
1.1.5 Other income (+)		103,953	106,157
1.1.6 Collections from previously written off loans (+)		411,548	450,187
1.1.7 Payments to personnel and service suppliers (-)		(905,161)	(798,025)
1.1.8 Taxes paid (-)		(191,291)	(177,585)
1.1.9 Others (+/-)		(718,955)	(558,240)
1.2 Changes in operating assets and liabilities		(442,822)	(1,364,266)
1.2.1 Net (increase) decrease in financial assets held for trading (+/-)		(129,615)	(50,850)
1.2.2 Net (increase) decrease in financial assets at fair value through profit or loss (+/-)		359,844	427,347
1.2.3 Net (increase) decrease in due from banks (+/-)		(1,279,863)	(4,150)
1.2.4 Net (increase) decrease in loans (+/-)		(5,328,018)	(4,840,444)
1.2.5 Net (increase) decrease in other assets (+/-)		(18,717)	(565,476)
1.2.6 Net increase (decrease) in bank deposits (+/-)		(599,680)	603,036
1.2.7 Net increase (decrease) in other deposits (+/-)		4,823,692	1,500,491
1.2.8 Net increase (decrease) in funds borrowed (+/-)		(452,086)	(387,847)
1.2.9 Net increase (decrease) in matured payables (+/-)		-	-
1.2.10 Net increase (decrease) in other liabilities (+/-)		2,181,621	1,953,627
I. Net cash provided from / (used in) banking operations (+/-)		189,061	(85,621)
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II. Net cash provided from / (used in) investing activities (+/-)		9,603	(975,110)
2.1 Cash paid for purchase of entities under common control, associates and subsidiaries (-)		(6,314)	(3,063)
2.2 Cash obtained from sale of entities under common control, associates and subsidiaries (+)		-	2,101
2.3 Fixed assets purchases (-)		(64,672)	(42,776)
2.4 Fixed assets sales (+)		5,504	3,179
2.5 Cash paid for purchase of financial assets available for sale (-)		(11,288,529)	(16,761,463)
2.6 Cash obtained from sale of financial assets available for sale (+)		11,424,659	15,876,468
2.7 Cash paid for purchase of investment securities (-)		-	-
2.8 Cash obtained from sale of investment securities (+)		-	-
2.9 Others (+/-)		(61,045)	(49,556)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net cash provided from / (used in) financing activities (+/-)		652,938	(27,827)
3.1 Cash obtained from funds borrowed and securities issued (+)		765,048	-
3.2 Cash used for repayment of funds borrowed and securities issued (-)		-	-
3.3 Capital increase (+)		-	-
3.4 Dividends paid (-)		(110,292)	(22,909)
3.5 Payments for finance leases (-)		(1,818)	(4,918)
3.6 Other (+/-)		-	-
IV. Effect of change in foreign exchange rate on cash and cash equivalents (+/-)		92,929	(26,443)
V. Net increase / (decrease) in cash and cash equivalents (I+II+III+IV)		944,531	(1,115,001)
VI. Cash and cash equivalents at beginning of the period (+)	(1)	2,579,736	2,940,939
VII. Cash and cash equivalents at end of the period (V+VI)	(2)	3,524,267	1,825,938

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

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SECTION THREE

ACCOUNTING POLICIES

I. Basis of presentation

1. Preparation of the financial statements and the accompanying footnotes in accordance with Turkish Accounting Standards and Regulation on Principles Related to Banks' Accounting Applications and Maintaining the Documents

The Turkish Banking Law No 5411 is published in the Official Gazette No: 25983 dated November 1, 2005. The Bank prepared the accompanying financial statements as of September 30, 2011 and the related disclosures and footnotes in accordance with accounting and valuation standards as described in the "Regulation on Principles Related to Banks' Accounting Applications and Maintaining the Documents", dated November 1, 2006 which is published in the Official Gazette No: 26333, "Communiqué on Financial Statements and the Accompanying Explanations and Footnotes to be Announced to the Public", dated February 10, 2007 which is published in the Official Gazette No: 26430, Turkish Accounting Standards (TAS), Turkish Financial Reporting Standards (TFRS) and other circulars, communiqués and pronouncements in respect of accounting and financial reporting made by the Banking Regulation and Supervision Agency (BRSA).

Financial statements and the related disclosures and footnotes have been presented in thousands of Turkish Lira unless otherwise specified.

2. Classifications

None.

3. Accounting policies and valuation principles used in the preparation of the financial statements

Accounting policies and valuation principles used in the preparation of the financial statements are determined and applied in accordance with the requirements of TAS, TFRS, "Regulation on Principles Related to Banks' Accounting Applications and Maintaining the Documents", dated November 1, 2006 which is published in the Official Gazette No: 26333, "Communiqué on Financial Statements and the Accompanying Explanations and Footnotes to be Announced to the Public", dated February 10, 2007 which is published in the Official Gazette No: 26430 and other regulations, circulars, communiqués and pronouncements in respect of accounting and financial reporting made by BRSA.

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 to be used and IFRS have not been quantified in the financial statements.

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II. Strategy for the use of financial instruments and the foreign currency transactions

1. Strategy for the use of financial instruments

The major funding sources of the Bank are customer deposits and funds borrowed from international markets. The customer deposits bear fixed interest rate and have an average maturity of 1-3 months. Funds borrowed from abroad generally bear floating rates and are reprised at an average period of 3-6 months. The Bank diverts its placements to assets with high return and sufficient collaterals. The Bank manages the liquidity structure to meet its liabilities when due by diversifying the funding sources and keeping sufficient cash and cash equivalents. The maturity of fund sources and maturity and yield of placements are considered to the extent possible within the current market conditions and higher return on long-term placements is aimed.

Among the operations of the Bank, the main activities generating yields higher than the calculated average yields are credit card transactions.

Besides customer deposits, the Bank funds its long term fixed interest rate TL loan portfolio with long term (up to 10 years) floating interest rate foreign currency funds obtained from international markets. The Bank converts the foreign currency liquidity obtained from the international markets to TL liquidity using long term swap transactions (fixed TL interest rate and floating FC interest rate). Thus, the Bank generates TL denominated resources for funding long term loans with fixed interest rates.

The Bank has determined securities portfolio limits based on the market risk limitations for money, capital and commodity markets. Products included in the securities portfolio are subject to position and risk limits. Position limits restrict the maximum nominal position based on the product. Risk limits are expressed in terms of "Value at Risk (VAR)" by taking the risk tolerance as a cap. The maximum VAR amounts are determined for the three main risk factors, which affect the securities portfolio that is subject to market risk, as well as determining the risk tolerance based on the total value at risk. The above mentioned limits are revised annually.

The strategies for hedging exchange rate risk generated from the Bank's foreign currency available-for-sale investment securities are explained in foreign currency risk section and the applications regarding the hedging of interest rate risk generated from deposits with fixed or floating interest rates are explained in the Interest Rate Risk section in detail.

Hedging strategies for foreign exchange risk resulting from other foreign currency transactions are explained in the foreign currency risk section.

2. Foreign currency transactions

2.1. Foreign currency exchange rates used in converting transactions denominated in foreign currencies and presentation of them in the financial statements

The Bank accounts for the transactions denominated in foreign currencies in accordance with TAS 21 "The Effects of Changes in Foreign Exchange Rates". Foreign exchange gains and losses arising from transactions that are completed as of September 30, 2011 are converted to TL by using historical foreign currency exchange rates. Balances of the foreign currency denominated assets and liabilities except for non-monetary amounts, are converted into TL by using foreign currency exchange rates of the Bank for the period end and the resulting exchange differences are recorded as foreign exchange gains and losses. The Bank's foreign currency exchange rates for the related period ends, are as follows:

	<u>September 30, 2011</u>	<u>December 31, 2010</u>
US Dollar	TL 1.8453	TL 1.5460
Euro	TL 2.5157	TL 2.0491

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2.2. Foreign exchange gains and losses included in the income statement

The net foreign exchange loss included in the income statement as of September 30, 2011 is TL 67,854 (September 30, 2010 – TL 43,891 net foreign exchange gain).

III. Information on associates and subsidiaries

Associates and subsidiaries are accounted for in accordance with the principles in TAS 39 “Financial Instruments: Recognition and Measurement” in the unconsolidated accompanying financial statements. Associates and subsidiaries that do not have a quoted market price in an active market or whose fair value cannot be reliably measured are recorded at cost after deducting related impairment provision.

IV. Explanations on forwards, option contracts and derivative instruments

The Bank enters into forward currency purchase/sale agreements and swap transactions to reduce the foreign currency risk and interest rate risk and manage foreign currency liquidity risk. The Bank also carries out currency and interest options, swaption, and credit default swap and futures agreements.

Besides customer deposits, the Bank funds its long term fixed interest rate TL loan portfolio with long term (up to 10 years) floating interest rate foreign currency funds obtained from international markets. The Bank changes the foreign currency liquidity obtained from the international markets to TL liquidity with long term swap transactions (fixed TL interest rate and floating FC interest rate). Therefore, the Bank not only funds its long term fixed interest rate loans with TL but also hedges itself against interest rate risk.

In accordance with TAS 39 “Financial Instruments: Recognition and Measurement”, derivative instruments are categorized as “hedging purpose” or “trading purpose” transactions. Derivatives are initially recognized at cost including the transaction costs. Also, the liabilities and receivables arising from the derivative transactions are recorded as off-balance sheet items at their contractual values. The derivative transactions are accounted for at fair value subsequent to initial recognition and are presented in the “Assets on Trading Derivatives” and “Liabilities on Trading Derivatives” or “Assets on Hedging Purpose Derivatives” and “Liabilities on Hedging Purpose Derivatives” items of the balance sheet depending on the resulting positive or negative amounts of the computed value. These amounts presented on the balance sheet, represent the fair value differences based on the valuation.

The fair value differences regarding the derivative financial instruments held for the fair value hedge purposes are accounted for under “Securities Trading Gains/Losses”, except for the foreign currency valuation differences. These foreign currency valuation differences are accounted for under “Foreign Exchange Gains/Losses” account. Information on Eurobond portfolio, recognized as fair value hedged items, is presented in section 3, footnote VII, 2.

To avoid from the changes of deposits’ interest rates that have an average prompt of 1 month, the Bank implements cash flow risk prevention accounting policies by means of interest swaps. The Bank implements efficiency tests at the balance sheet dates for hedging purposes; the effective parts are entered in the accounts, as defined in TAS 39, in financial statements under equity “Hedging Funds”, whereas the amount concerning ineffective parts is associated with income statement.

The Bank applied fair value hedge accounting to hedge itself against the changes in the interest rates related to the foreign currency bonds issued by the Bank using interest rate swaps as hedging instruments. The Bank performs hedge effectiveness tests at each balance sheet date.

Fair values of forward foreign currency purchase and sales contracts, currency and interest swap transactions are calculated by using internal pricing models based on market data. Unrealized gains and losses are reflected in the income statement in the current period.

Fair values of option contracts are calculated with option pricing models and the resulting unrealized gains and losses are reflected in the current period income statement.

Futures transactions are accounted for at settlement prices obtained from counterparties as of the balance sheet date and related unrealized gains and losses are reflected in the current period income statement.

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Credit default and swaption transactions are accounted for at market prices as of the balance sheet date and related unrealized gains and losses are reflected in the current period income statement.

V. Interest income and expenses

Interest income and expenses are recognized in the income statement for all interest bearing instruments on an accrual basis using the effective interest rate method. In accordance with the related regulation, the interest receivables and accruals of non-performing loans are cancelled and not recorded as interest income until collected.

VI. Fees and commission income and expenses

Fees and commission income and expenses are accounted for on an accrual basis, except for certain banking transactions that income is recognized immediately. Income generated through agreements or through the sale and purchases of assets on behalf of third parties, is recorded as income when collected.

Dividend income is accrued when the subsidiaries' and associates' profit distribution decisions are approved.

VII. Financial assets

Financial assets comprise cash and cash equivalents and the contractual right to obtain cash or another financial asset from counterparty or to exchange financial assets with counterparty or the equity instrument transactions of the counterparty. Financial assets are classified in four categories; as "Financial Assets at Fair Value through Profit or Loss", "Investment Securities Available-For-Sale", "Investment Securities Held-To-Maturity", and "Loans And Other Receivables". The classification of the financial assets is determined at the initial inception of the related financial assets.

1. Financial assets at fair value through profit or loss

1.1. Trading securities

The Bank accounts for its trading securities at fair value. The interest income that is from trading securities is presented as interest income in the income statement, while the difference between the cost and the fair value of trading securities and the gain or loss resulting from the sale of these financial assets before their maturity are realized under securities trading gains / losses.

1.2. Financial assets at fair value through profit or loss

The Bank has classified its mortgage loans that were initiated between January 1, 2006 – December 31, 2007, as financial assets at fair value through profit or loss in compliance with TAS 39. These loans are presented under "Financial Assets at Fair Value through Profit or Loss" as loan in order to be in compliance with the balance sheet presentation. The Bank has not classified its mortgage loans that were initiated after January 1, 2008, as fair value through profit or loss. Interest on related loans is presented under "Income statement" as "Interest on Loans" and fair value differences are presented as "Securities Trading Gains (Losses)".

Financial assets at fair value through profit or loss are initially recorded at cost and are measured at fair value in the following periods.

Fair value of loans that are classified as financial assets at fair value through profit or loss has been determined by using effective interest rates used for similar financial assets within the market. The fair values of public sector debt securities that are classified in the mentioned group have been determined by using the market prices as at the balance sheet date.

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2. Investment securities available for sale

Available for sale assets represent financial assets other than financial assets at fair value through profit or loss, loans and other receivables and investment securities held to maturity.

Premiums and discounts on investments securities available-for-sale are considered during the computation of the internal rate of return and are included in interest income in the income statement. Accrued interest income on investment securities available for sale is recognized in the income statement whereas gains and losses arising from the change in the fair values of such securities are reflected in equity under “Securities value increase fund” (Unrealized Gains/Losses on Securities). When investment securities available for sale are sold, collected or otherwise disposed of, the cumulative fair value adjustments under equity are transferred to the income statement.

Some portion of the Eurobond portfolio which has been recognized as available for sale securities are designated as fair value hedged items starting from March and April 2009. Those securities are disclosed under Investment Securities Available for Sale in order to be in line with balance sheet presentation. The fair value differences of hedged items are accounted for under “Securities Trading Gains/ Losses” in the income statement.

In cases where fair value hedge operations cannot be effectively performed as described in TAS 39, fair value hedge accounting is ceased. The fair value differences are amortized through equity until the maturity of related hedged securities. The fair value differences of related portfolio securities sold prior to maturity are immediately realized in the income statement.

3. Investment securities held to maturity

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

As of October 1, 2008, due to the change of the intention, the Bank classified securities from trading portfolio and available for sale portfolio to held to maturity portfolio with the nominal values of TL 94,198 and TL 2,549,613, respectively. The intention of the Bank for holding the held to maturity portfolio has changed in 2009. As it is stated in TAS 39, paragraph 51, “while the intention or the possibility of holding the securities until the maturity changes, or when the investments become inappropriate to be classified as held to maturity; the related investments should be classified as investment securities available for sale and should be re-measured at their fair values”; the Bank classified TL 2,643,811 nominal amount of held to maturity portfolio to available for sale portfolio effective from March 31, 2009 based on the Board of Directors’ decision dated April 16, 2009. Because of this classification, the Bank will not be able to classify any financial asset as held to maturity investment in 2009 and the following two years.

4. Loans and specific provisions

The Bank initially records loans and receivables at cost; except for the loans that are recorded with fair value through profit or loss and loans subject to fair value hedge. In the following periods, these loans are carried at amortized cost by using the effective interest rate method.

The Bank enters into swap transactions against TL in order to hedge the possible losses which might arise due to the changes in the fair value of a certain portion of its long-term loans and applies fair value hedge accounting as per TAS 39. The Bank accounted for the hedged part of the loan portfolio at fair value, together with the swap transactions used as the hedging instrument and the related net gain or loss was included in the income statement.

When the fair value hedge accounting cannot be effectively continued as stated in TAS 39, the fair value hedge accounting is ceased. The fair value differences of the hedged loans are amortized through income statement until the maturity of the hedged loans.

Provision is set for the loans that maybe doubtful and amount is charged in the current period income statement.

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In the case where there is evidence for the possibility of uncollectibility of loans, the Bank classifies related loans and receivables in non-performing loans and provides specific and general provision, in accordance with the Communiqué dated November 1, 2006, published on the Official Gazette No: 2633 and revised by the Communiqué dated March 6, 2010, published on the Official Gazette No: 27513 and the Communiqué dated January 23, 2009, published in the Official Gazette No: 2719 “Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves”. Additionally, during the current period, the Bank revised its calculation for general provisions in line with the context of the regulations published in the Official Gazette No: 27968 dated June 18, 2011 and No: 27947 dated May, 28 2011. The Bank did not provide any specific provision for performing loans which are classified under non-performing accounts as per the communiqué requiring to classify all loans of the same borrower having non-performing loans into non-performing loans as of December 31, 2010. The Bank restarted to provide specific provision for those loans stated above that are not overdue, according to the amendments on 4th article of the same communiqué as from March 1, 2011. The Bank provides specific provision for the loans under follow-up regarding credit risk and other factors, in accordance with the aforementioned regulation.

The Bank also provides specific provisions for the closely monitored loans as a result of risk assessment. These provisions accounted for in liabilities under other provisions as “Free Reserves for Possible Loan Losses”.

Except for specific provisions and free reserves for possible loan losses within the framework of the regulation referred to above, the Bank provides general loan loss provision and presents it in the liabilities as “General Provisions”.

The provisions provided for loans are accounted for under “Provision for Loan Losses and Other Receivables” in the statement of income.

The collections made in relation to amounts that provision is provided in the current period and the principle collections from the loans previously provisioned in the prior periods are offset against the “Provision for Loan and Other Receivables” in the income statement. The principal collections made related to the loans that were written-off are recorded under “Other Operating Income” and interest collections are recorded under the “Interest on Loans” account.

VIII. Impairment of financial assets

If the amount computed by discounting expected future cash flows of a financial asset using the effective interest rate method or (if any) the fair value is lower than the carrying value of financial assets, impairment can be recognized. Provision is provided for impairment of the financial assets and recorded to related expense accounts.

IX. Netting of financial instruments

In cases where the fair values of trading securities, securities available-for-sale, securities quoted at the stock exchanges, associates and subsidiaries are less than their carrying values, a provision for impairment is allocated, and the net value is presented on the balance sheet.

The Bank provides specific allowances for loans and other receivables in accordance with “Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves” and offset against overdue loans in the assets.

Financial assets and liabilities other than those explained above 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. Otherwise, no offsetting is made.

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X. Sales and repurchase agreements and lending of securities

Securities sold under repurchase agreements are recorded on the balance in accordance with Uniform Chart of Accounts. Accordingly, government bonds and treasury bills sold to customers under repurchase agreements are classified as “Investments Subject to Repurchase Agreements” and valued based on the Bank management’s future intentions, either at market prices or using discounting method with internal rate of return. Funds received through repurchase agreements are classified separately under liability accounts and the related interest expenses are accounted for on an accrual basis.

Securities that are subject to repurchase agreements as at the balance sheet date amounted to TL 2,706,513 (December 31, 2010 – TL 1,196,542).

The Bank does not have any securities that are subject to lending transactions as of September 30, 2011 (December 31, 2010 – None).

Securities purchased with a commitment to resell (reverse repurchase agreements) are recorded in a separate account under “Money Market Placements” in the balance sheet. The difference resulting from purchase and resale prices is treated as interest income and accrued over the life of the agreement.

XI. Assets held for sale and discontinued operations

Assets held for sale are those with highly saleable condition requiring a plan by the management regarding the sale of the asset to be disposed, together with an active program for determination of buyers as well as for the completion of the plan. Also, the asset 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 assets held for sale.

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

XII. Goodwill and other intangible assets

The Bank’s intangible assets consist of softwares and intangible rights.

The intangible assets are recorded at their historical cost less accumulated amortization and provision for impairment, if any. Amortization is calculated on a straight-line basis.

Softwares have been classified as other intangible fixed assets. The useful life of softwares is determined as 3 years.

If there is objective evidence of impairment, the asset’s recoverable amount is estimated in accordance with the Turkish Accounting Standard on Impairment of Assets (TAS 36) and if the recoverable amount is less than the carrying value of the related asset, a provision for impairment loss is made. There is no goodwill regarding the associates and subsidiaries in the accompanying unconsolidated financial statements.

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XIII. Tangible Assets

The tangible assets are recorded at their historical cost less accumulated depreciation and provision for impairment, if any.

Depreciation is calculated on a straight-line basis over the estimated useful life of tangible assets. The annual rates used are as follows:

Property	2 %
Movables purchased and acquired under finance lease contracts	7% - 25%

The depreciation of leasehold improvements acquired before December 2009, under operating lease agreements, is calculated according to their useful lives. Depreciation of leasehold improvements acquired after this date is calculated over the lease period not exceeding 5 years where the lease duration is certain; or 5 years where the lease period is not certain in accordance with “Communiqué on the Amendment of Communiqué on Uniform Chart of Accounts and Explanatory Notes” dated January 10, 2011.

Depreciation is calculated on a pro-rata basis for the assets that have been placed in use for less than a year as of the balance sheet date.

Net book value of the property and leased assets under financial lease contracts are compared with the fair values determined by independent appraisers as of the year end and provision for impairment is recognized in “Other Operating Expenses” in the related period income statement when the fair value is below the net book value in accordance with “Turkish Accounting Standard on Impairment of Assets” (TAS 36).

Gains or losses resulting from disposals of the tangible assets are recorded in the income statement as the difference between the net proceeds and net book value of the asset.

Expenses for repairs are capitalized if the expenditure increases economic life of the asset; otherwise they are expensed.

There are no changes in the accounting estimates, which could have a significant impact on the current and future financial statements. There are no pledges, mortgages or other restrictions on the tangible assets.

There is no purchase commitments related to the fixed assets.

XIV. Leasing transactions

Fixed assets acquired under finance lease contracts are presented under “Tangible Fixed Assets” on the asset side and under “Financial Lease Payables” on the liability side at the initial date of the lease. The basis for the determination of related balance sheet amounts is the lower of fair value of the leased asset and the present value of the lease payments. The direct costs incurred for a finance lease transaction are capitalized as additions to the cost of the leased asset. Lease payments include the financing costs incurred due to the leasing transaction and the principal amount of the leased asset for the current period. Depreciation is calculated on a straight-line basis over the estimated useful life of the leased assets at the rate of 20% except for the buildings which are depreciated at the rate of 2%.

Total payments made under operating leases are charged to income statement on a straight-line basis over the period of the lease.

The Bank has no leasing transactions as lessor.

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XV. Provisions and contingent liabilities

Provisions, other than specific and general provisions for loans and other receivables, and contingent liabilities are provided for in accordance with TAS 37 “Provisions, Contingent Liabilities and Contingent Assets”. Provisions are accounted for immediately when obligations arise as a result of past events and a reliable estimate of the obligation is made by the Bank. Whenever the amount of such obligations cannot be measured, they are regarded as “contingent”. If the possibility of an outflow of resources embodying economic benefits becomes probable and the amount of the obligation can reliably be measured, a provision is recognized.

Provisions made during the period are recorded under “Other Operating Expenses” ; provisions that were booked in the prior periods and released in the current year are recorded under “Other Operating Income”.

XVI. Obligations of the Bank for employee benefits

Provision for employee severance benefits has been accounted for in accordance with TAS 19 “Employee Benefits”.

In accordance with the existing social legislation in Turkey, the Bank is required to make lump-sum termination indemnities including retirement and notice payments to each employee whose employment is terminated due to resignation or for reasons other than misconduct. The retirement pay is calculated for every working year within the Bank over salary for 30 days or the official ceiling amount per year of employment and the notice pay is calculated for the relevant notice period time as determined based on the number of years worked for the Bank.

The Bank has reflected the retirement pay liability amount, which was calculated by an independent actuary, in the accompanying financial statements.

The Bank does not have any employees who work under limited period contracts with remaining terms longer than 12 months after the balance sheet date.

Provision for the employees’ unused vacations has been booked and reflected to the financial statements.

There are no foundations, pension funds or similar associations of which the employees are members.

XVII. Taxation

1. Corporate tax

In accordance with the Corporate Tax Law No. 5520 published in the Official Gazette No: 26205 dated June 21, 2006, statutory income is subject to corporate tax at 20%. Advance corporate taxes paid are followed under “Current Tax Liability” or “Current Tax Asset” account and are deducted from the corporate taxes of the current year.

Companies file their tax returns between the 1st and the 25th day of the fourth month following the closing of the fiscal year to which they relate and the payments are made until the end of that month.

The provision for corporate and income taxes for the period is reflected as the “Current Tax Charge” in the income statement.

It is not subject to withholding tax when current period profit is not distributed, but added to the capital and distributed to the fully fledged taxpayers. Profit distribution is subject to withholding tax at 15% if distributed as dividend to fully fledged individual taxpayers, who are exempt from corporate and income taxes, non-resident taxpayer companies (except for those companies having local offices or representatives) and non-resident individual taxpayers by the Resolution of the Council of Ministers No 2006/10731, dated July 22, 2006 and effective from July 23, 2006.

2. Deferred taxes

In accordance with Turkish Accounting Standard on Income Taxes (TAS 12), the Bank accounts for deferred taxes based on the tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

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XVIII. Additional explanations on borrowings

The Bank generates funds from domestic and foreign sources when this is necessary. The funds borrowed from foreign sources are mainly in the form of syndications and securitizations. The funds borrowed are measured at amortized cost by using the internal rate of return method.

The Bank has not issued convertible bonds. Debt instruments directly issued by the Bank are classified under "Securities Issued", while the funds obtained through the debt instruments issued by the special purpose vehicles (SPV's) are classified under funds borrowed.

XIX. Share issues

During the current period, the share capital of the Bank has been increased by TL 115,000 from bonus shares, of which TL 110,250 of the increase incorporated from first dividends of year 2010 and the remaining TL 4,750 from extraordinary reserves. (January 1 – December 31, 2010: Increased by TL 630,000 of which TL 82,857 from extraordinary reserves and TL 547,143 in cash).

XX. Confirmed bills of exchange and acceptances

Confirmed bills of exchange and acceptances are realized simultaneously with the customer payments and recorded in off-balance sheet accounts as possible debt and commitment, if any.

There are no acceptances and confirmed bills of exchange presented as liabilities against any assets.

XXI. Government incentives

As of September 30, 2011, the Bank does not have any government incentives or grants.

XXII. Segment reporting

In addition to corporate banking, retail banking and commercial banking services, the Bank also provides private banking, SME banking, treasury operations and credit card services through branches and alternative channels. The Bank serves its retail banking clients with time and demand deposits, also overdraft services, automatic account services, consumer loans, vehicle loans, housing loans and investment fund services. The Bank provides services including deposit and loans, foreign trade financing, forward and option agreements to its corporate clients. The Bank also serves in trading financial instruments and treasury operations.

The calculations based on the income statement on corporate and commercial banking, consumer banking, SME banking, plastic cards, that have operational units designated as the main profit centers, have been made according to the product and customer types. During the profitability calculations, the pricing of transfers among these units and treasury unit are made by using cost/return ratios that are determined by the Bank's senior management and which are updated periodically. In this pricing method, general market conditions and the Bank's internal policies are considered.

The Corporate Marketing Unit provides services to firms that are institutional, big size, that have annual revenue of TL 100,000 and higher, and multi-national firms operating in Turkey. The firms that have annual revenues between TL 10,000 and TL 100,000 are considered as "Commercial Enterprise". The Bank gives importance to the commercial segmentation in order to hedge risk and decrease the concentration of income.

The SME Banking Segment provides services to small and medium-size firms that have annual revenues between TL 2,000 and TL 10,000. The Bank offers sectoral solution packages to these small and medium-size firms.

The Consumer Banking meets the needs and expectations of the retail banking customers. The Private Banking Unit has formed and started to operate to serve customers with high level income, in a more effective way. The installments, discounts and bonus advantages are provided to the users of Card Finans in the plastic cards line. The main function of Treasury Segment is managing the liquidity of the Bank and interest and foreign currency risks resulting from market conditions. This segment is in close relation with corporate, commercial, retail, SME and private banking units in order to increase the number of customers and the volume of transactions in treasury products of the Bank.

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Current Period (January 1 - September 30, 2011)	Retail Banking	Corporate and Commercial Banking	Treasury	Total Operations of the Bank
Net Interest Income	964,481	310,684	368,719	1,643,884
Net Fees and Commissions Income	928,398	82,042	(441,801)	568,639
Other Operating Income and Net Trading Income	41,449	83,456	(148,072)	(23,167)
Dividend Income	-	-	8,309	8,309
Operating Income	1,934,328	476,182	(212,845)	2,197,665
Other Operating Expenses	774,040	204,870	177,478	1,156,388
Provision for Loan Losses and Other Receivables	174,353	21,217	32,497	228,067
Profit Before Taxes	985,935	250,095	(422,820)	813,210
Tax Charge	-	-	-	(203,613)
Net Profit/Loss	-	-	-	609,597
Total Assets	23,906,342	6,893,946	13,275,243	47,354,450
Segment Assets	23,906,342	6,893,946	13,275,243	44,075,531
Associates, Subsidiaries and Entities Under Common Control	-	-	-	395,789
Undistributed Assets	-	-	-	2,883,130
Total Liabilities	18,568,136	10,346,877	10,109,571	47,354,450
Segment Liabilities	18,568,136	10,346,877	10,109,571	39,024,584
Undistributed Liabilities	-	-	-	2,963,474
Equity	-	-	-	5,366,392
Other Segment Accounts	-	-	-	218,085
Capital Expenditures	-	-	-	126,788
Depreciation and Amortization	-	-	-	91,292
Value Decrease/Increase	-	-	-	5

Prior Period (January 1 - September 30, 2010)	Retail Banking	Corporate and Commercial Banking	Treasury	Total Operations of the Bank
Net Interest Income	822,622	238,916	597,513	1,659,051
Net Fees and Commissions Income	607,192	80,590	(239,127)	448,655
Other Operating Income and Net Trading Income	22,601	40,621	(248,293)	(185,071)
Dividend Income	-	-	40,367	40,367
Operating Income	1,452,415	360,127	150,460	1,963,002
Other Operating Expenses	661,372	207,279	121,823	990,474
Provision for Loan Losses and Other Receivables	210,798	7,316	72,327	290,441
Profit Before Taxes	580,245	145,532	(43,690)	682,087
Tax Charge	-	-	-	(122,364)
Net Profit/Loss	-	-	-	559,723
Other Segment Accounts	-	-	-	211,549
Capital Expenditures	-	-	-	134,448
Depreciation and Amortization	-	-	-	77,101
Value Decrease/Increase	-	-	-	-

Prior Period (December 31, 2010)	Retail Banking	Corporate and Commercial Banking	Treasury	Total Operations of the Bank
Total Assets	19,203,086	5,823,119	10,114,383	38,087,203
Segment Assets	19,203,086	5,823,119	10,114,383	35,140,588
Associates, Subsidiaries and Entities Under Common Control	-	-	-	385,613
Undistributed Assets	-	-	-	2,561,002
Total Liabilities	14,862,829	8,582,974	7,305,193	38,087,203
Segment Liabilities	14,862,829	8,582,974	7,305,193	30,750,996
Undistributed Liabilities	-	-	-	2,127,716
Equity	-	-	-	5,208,491

XXIII. Explanations on other matters

None.

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SECTION FOUR

INFORMATION ON FINANCIAL STRUCTURE

I. Explanations related to capital adequacy ratio

As of September 30, 2011, the Bank's unconsolidated capital adequacy ratio is 15.13% (December 31, 2010 - 16.68%).

Capital adequacy ratio is calculated in accordance with the "The Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks" published in the Official Gazette No: 26333, dated November 1, 2006 and "The Regulation on Amendments to the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks" published in the Official Gazette No: 26669, 26824 27320 and 27968 dated October 10, 2007, March 22, 2008 August 15, 2009, and June 18, 2011 respectively. For the calculation of the capital adequacy ratio, the accounting records prepared in compliance with the current legislation are used. Moreover, market risk value is calculated in accordance with the "The Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks " and factored into capital adequacy ratio.

The items deducted from the capital base are not included in the calculation of risk weighted assets, non-cash loans and liabilities. For the calculation of risk weighted assets, impairments, depreciation and amortization, and provisions are considered as deductions from related assets.

In the calculation of their risk-based values, non-cash loans and commitments are weighted after netting with specific provisions that are classified under liabilities and calculated based on the "Regulation on the Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves". The net amounts are then multiplied by the rates stated in the Article 5 of "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks".

In the calculation of the risk based values of the derivative financial instruments, such instruments are weighted again and classified according to the related risk groups after being multiplied by the rates stated in the Article 5 of "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks".

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Unconsolidated capital adequacy ratio

	0%	10%	20%	50%	100%	150%	200%
Value at Credit Risk							
Balance Sheet Items (Net)	5,391,209	-	156,211	10,248,267	20,071,003	1,267,962	996,925
Cash on Hand	485,555	-	104	-	-	-	-
Securities in Redemption	-	-	-	-	-	-	-
Balances with the T.R. Central Bank	2,879,084	-	-	-	-	-	-
Domestic and Foreign Banks, Foreign Head Offices and Branches	-	-	111,452	-	58,281	-	-
Money Market Placements	-	-	-	-	-	-	-
Receivables from Reverse Repurchase Agreements	-	-	-	-	-	-	-
Reserve Deposits	1,273,976	-	-	-	-	-	-
Loans and Receivables	749,985	-	44,055	9,545,022	17,738,248	1,267,962	996,925
Non-performing Loans (Net)	-	-	-	-	318,747	-	-
Lease Receivables	-	-	-	-	-	-	-
Investment Securities Available-for-Sale	-	-	-	-	-	-	-
Investments Held-to-Maturity	-	-	-	-	-	-	-
Receivables from Forward Sale of Assets	-	-	-	-	5,197	-	-
Sundry Debtors	-	-	-	-	252,744	-	-
Accrued Interest and Income	2,116	-	600	703,245	480,002	-	-
Investments in Associates, Subsidiaries and Entities Under Common Control (Net)	-	-	-	-	395,789	-	-
Tangible Assets	-	-	-	-	278,437	-	-
Other Assets	493	-	-	-	543,558	-	-
Off-Balance Sheet Items	1,862,811	-	2,308,250	288,091	8,515,328	-	-
Non-Cash Loans and Commitments	1,862,811	-	276,906	288,091	8,370,369	-	-
Derivative Financial Instruments	-	-	2,031,344	-	144,959	-	-
Non-Risk-Weighted Accounts	-	-	-	-	-	-	-
Total Value at Risk	-	-	492,892	5,268,179	28,586,331	1,901,943	1,993,850
Total Risk-Weighted Assets	7,254,020	-	2,464,461	10,536,358	28,586,331	1,267,962	996,925

Summary information related to unconsolidated capital adequacy ratio

	Current Period	Prior Period
Value at Credit Risk	38,243,195	29,506,581
Value at Market Risk	1,675,413	1,917,300
Value at Operational Risk	4,195,358	3,805,616
Shareholders' Equity	6,675,690	5,877,201
Shareholders' Equity/(VACR+VAMR+VAOR)x100	15.13%	16.68%

VACR : Value at Credit Risk
VAMR : Value at Market Risk
VAOR : Value at Operational Risk

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Components of shareholders' equity items

	Current Period	Prior Period
CORE CAPITAL		
Paid-in Capital	2,320,000	2,205,000
Nominal Capital	2,320,000	2,205,000
Capital Commitments (-)	-	-
Capital Reserves from Inflation Adjustments to Paid-in Capital	-	-
Share Premium	665	665
Share Cancellation Profits	-	-
Legal Reserves	241,133	182,424
I. Legal Reserve (Turkish Commercial Code 466/1)	207,544	161,810
II. Legal Reserve (Turkish Commercial Code 466/2)	33,589	20,614
Reserves allocated as per Special Legislations	-	-
Status Reserves	-	-
Extraordinary Reserves	1,754,518	1,144,285
Reserve Allocated as per the Decision Held by the General Assembly	1,754,518	1,144,285
Retained Earnings	-	-
Accumulated Losses	-	-
Exchange Rate Differences on Foreign Currency Capital	-	-
Reserves from Inflation Adjustments to Legal, Status and Extraordinary Reserves	-	-
Profit	609,597	914,674
Current Period Profit	609,597	914,674
Prior Periods Profit	-	-
Free Reserves for Possible Losses (up to 25% of Core Capital)	75,975	78,265
Income on Sale of Equity Shares and Real Estates to be Used up for Capital Increase	518,610	517,630
Primary Subordinated Debt (up to 15% of Core Capital)	-	-
Losses Excess of Reserves (-)	-	-
Current Period Loss	-	-
Prior Periods Loss	-	-
Leasehold Improvements (-)	92,692	90,040
Prepaid Expenses (-) (*)	-	118,130
Intangible Assets (-)	130,365	98,571
Deferred Tax Asset Excess of 10% of Core Capital (-)	-	-
Limit Excesses as per the 3rd Paragraph of the Article 56 of the Banking Law (-)	-	-
Total Core Capital	5,297,441	4,736,202
SUPPLEMENTARY CAPITAL		
General Provisions	396,383	265,808
45% of Revaluation Surplus on Movables	-	-
45% of Revaluation Surplus on Real Estate	-	-
Bonus Shares of Associates, Subsidiaries and Entities Under Common Control	2,689	2,689
Primary Subordinated Debt excluding the Portion included in Core Capital	-	-
Secondary Subordinated Debt	1,153,959	795,361
Securities Value Increase Fund	(127,091)	118,035
Associates and Subsidiaries	61,391	59,740
Investment Securities Available for Sale	(188,482)	58,295
Inflation Component of Capital Reserves, Profit Reserves and Prior Period Profits (Excluding Reserves from Inflation Adjustments to Legal, Status and Extraordinary Reserves)	-	-
Total Supplementary Capital	1,425,940	1,181,893
TIER III CAPITAL		
CAPITAL	6,723,381	5,918,095
DEDUCTIONS FROM CAPITAL	47,691	40,894
Unconsolidated Investments in Entities (Domestic/Foreign) Operating in Banking and Financial Sectors at 10% or more	-	-
Investments in Entities (Domestic/Foreign) Operating in Banking and Financial Sectors at Less than 10% Exceeding 10% or more of the Total Core and Supplementary Capitals	-	-
Loans to Banks, Financial Institutions (domestic/foreign) or Qualified Shareholders in the form of Secondary Subordinated Debts and Debt Instruments Purchased from Such Parties Qualified as Primary or Secondary Subordinated Debts	35,220	28,687
Loan Granted to Customer against the Articles 50 and 51 of the Banking Law	-	-
Net Book Values of Properties exceeding 50% of the Capital and of Assets Acquired against Overdue Receivables and Held for Sale as per the Article 57 Of the Banking Law but Retained more than Five Years After Foreclosure	12,387	12,207
Others	84	-
TOTAL SHAREHOLDERS' EQUITY	6,675,690	5,877,201

(*) According to the amendment on Communique on Equity of Banks published in the Official Gazette dated March 10, 2011 and numbered 27870, prepaid expenses are not deducted from shareholders' equity but included in the 100% risk group under 'Other Assets' account.

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II . Information on Market Risk

The Bank has established market risk operations and has taken the necessary measures in order to hedge market risk within its financial risk management purposes, in accordance with the Regulation on “Banks’ Internal Control and Risk Management Systems” and the “Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks”.

Based on the proposal of High Level Risk Committee, the Board of Directors of the Bank determines risk management strategies and policies for managing market risk and ensures periodic monitoring of the application of strategies. The Board of Directors of the Bank determines the risk limits by considering the primary risk factors and those limits are revised as seen necessary. Additionally, the Board of Directors of the Bank requires risk management group and the top management of the Bank to take necessary actions in order to identify, measure, control and manage the risks that the Bank is exposed to.

The market risk is measured by using an internal model developed with Value-at-Risk (VAR) methodology. VAR is calculated with ‘Historical Simulation’ method. ‘Bank Risk Tolerance’ is determined in order to manage the market risk efficiently and to keep the market risk within the desirable limits. Risk Management Group monitors the VAR balances daily for compliance with the Bank Risk Tolerance.

Periodic stress tests and scenario analysis are used to support results of VAR. Furthermore, conventional risk measurement methods such as cash flow projection, duration and variation analysis are also used.

The capital required for General Market Risk and Specific Risk is calculated and reported monthly in accordance with the Standard Method defined in the “Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks”.

Information on market risk

	Amount
(I) Capital Obligation against General Market Risk - Standard Method	71,621
(II) Capital Obligation against Specific Risks – Standard Method	14,448
(III) Capital Obligation against Currency Risk – Standard Method	28,813
(IV) Capital Obligation against Commodity Risks - Standard Method	6,396
(V) Capital Obligation against Settlement Risks - Standard Method	-
(VI) Capital Obligation against Market Risks of Options - Standard Method	12,755
(VII) Capital Obligation against Market Risks of Banks applying Risk Measurement Models	-
(VIII) Total Capital Obligations against Market Risk (I+II+III+IV+V+VI+VII)	134,033
(IX) Value-At-Market Risk (12,5 x VIII) or (12,5 x VII)	1,675,413

III. Explanations Related to the Operational Risk

Value at operational risk is calculated with basic indicator method by using the gross profits for the last three years’ (2010, 2009 and 2008) as per the “Calculation of Value at Operational Risk” of the article (4) of “Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks” which was published in the Official Gazette No: 26333 dated November 1, 2006 and became effective as of June 1, 2007. As of September 30, 2011, the value at operational risk is amounting to TL 4,195,358 (December 31, 2010 - TL 3,805,616).

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IV. Explanations related to Foreign Currency Exchange Rate Risk

1. Whether the Bank is exposed to foreign exchange risk, whether the effects of this situation are estimated, and whether the Board of Directors of the Bank sets limits for positions that are monitored daily

As of September 30, 2011, the net foreign currency exposure of the Bank is TL 470,310 short position (December 31, 2010 –TL 422,094 short) resulting from on balance sheet short position amounting to TL 5,808,348 (December 31, 2010 –TL 4,152,684 short) and off balance sheet long position amounting to TL 5,338,038 (December 31, 2010 –TL 3,730,590 long). The long off balance sheet position amounting to TL 5,445,305 (December 31, 2010 – TL 3,747,117) is related with the FC/TL swap transactions entered into with banks and customers. The Bank used these transactions to manage foreign currency liquidity risk and to hedge itself from interest rate risk.

The Bank enters into foreign currency forward transactions to decrease foreign currency position risk. The Bank also engages in foreign currency and Eurobond buy-sell option transactions.

Position limit related with currency risk is determined according to Foreign Currency Net Position Standard Ratio. Measurable and manageable risks are taken within legal limits.

Foreign Currency Exchange Rate Risk is monitored along with potential evaluation differences in foreign currency translations in accordance with “Regulations on Bank’s Internal Control and Risk Management Systems”. Standard method is used in measuring foreign currency exchange rate risk on a weekly basis.

2. The magnitude of hedging foreign currency debt instruments and net foreign currency investments by using derivatives

The Bank does not hedge foreign currency borrowings and net foreign currency investments by derivative instruments.

3. Bank’s spot foreign exchange bid rates as of the balance sheet date and for each of the five days prior to that date

US Dollar purchase rate at the date of the balance sheet TL 1.8453
Euro purchase rate at the date of the balance sheet TL 2.5157

<u>Date</u>	<u>US Dollar</u>	<u>Euro</u>
September 30, 2011	TL 1.8453	TL 2.5157
September 29, 2011	TL 1.8375	TL 2.5058
September 28, 2011	TL 1.8410	TL 2.4911
September 27, 2011	TL 1.8425	TL 2.4822
September 26, 2011	TL 1.8262	TL 2.4646
September 23, 2011	TL 1.8183	TL 2.4524

4. The basic arithmetical average of the Bank’s foreign exchange bid rate for the last thirty days

The arithmetical average of the Bank’s US Dollar and Euro purchase rates for September 2011 are TL 1.7865 and TL 2.4636; respectively.

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5. Information on the foreign currency exchange rate risk of the bank

Current Period	EUR	USD	JPY	Other FC	Total
Assets					
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased, Precious Metal) and Balances with the T.R. Central Bank	76,475	1,704,502	64	50,772	1,831,813
Due From Banks	36,911	110,619	860	8,097	156,487
Financial Assets at Fair Value through Profit/Loss ⁽⁴⁾	74,286	212,092	-	223,381	509,759
Money Market Placements	-	-	-	-	-
Investment Securities Available-for-Sale	97,802	818,625	-	-	916,427
Loans and Receivables ⁽²⁾	1,959,764	3,071,541	100,833	80,923	5,213,061
Investments in Assoc., Subsidiaries and Entities under Common Control (Joint Vent.)	-	-	-	-	-
Investment Securities Held-to-Maturity	-	-	-	-	-
Derivative Financial Assets Hedging Purposes	-	54,599	-	-	54,599
Tangible Assets	-	-	-	92	92
Intangible Assets	-	-	-	-	-
Other Assets ⁽³⁾	34,879	182,180	22	39	217,120
Total Assets	2,280,117	6,154,158	101,779	363,304	8,899,358
Liabilities					
Bank Deposits	71,221	85,157	141	4,088	160,607
Foreign Currency Deposits	2,591,654	4,480,570	3,087	426,688	7,501,999
Money Market Borrowings	74,878	451,964	-	-	526,842
Funds Borrowed	1,243,107	3,451,062	-	-	4,694,169
Securities Issued	-	977,826	-	-	977,826
Sundry Creditors	26,649	184,160	361	666	211,836
Derivative Fin. Liabilities for Hedging Purposes	4,921	107,255	-	-	112,176
Other Liabilities ⁽⁵⁾	57,087	240,300	-	224,864	522,251
Total Liabilities	4,069,517	9,978,294	3,589	656,306	14,707,706
Net Balance Sheet Position	(1,789,400)	(3,824,884)	98,190	(293,002)	(5,808,348)
Net Off-Balance Sheet Position	1,712,117	3,412,323	(99,348)	312,946	5,338,038
Financial Derivative Assets	5,445,275	20,112,169	15,275	1,910,910	27,483,629
Financial Derivative Liabilities	3,733,158	16,699,846	114,623	1,597,964	22,145,591
Non-Cash Loans ⁽¹⁾	1,164,825	2,584,680	12,956	231,916	3,994,377
Prior Period					
Total Assets	1,742,877	4,641,426	102,469	129,712	6,616,484
Total Liabilities	3,469,588	7,196,993	721	101,866	10,769,168
Net Balance Sheet Position	(1,726,711)	(2,555,567)	101,748	27,846	(4,152,684)
Net Off-Balance Sheet Position	1,524,949	2,329,951	(105,196)	(19,114)	3,730,590
Financial Derivative Assets	3,619,417	12,267,859	31,888	796,631	16,715,795
Financial Derivative Liabilities	2,094,468	9,937,908	137,084	815,745	12,985,205
Non-Cash Loans ⁽¹⁾	768,047	2,055,034	1,520	241,021	3,065,622

⁽¹⁾ Does not affect net off balance sheet position.

⁽²⁾ Includes foreign currency-indexed loans amounting to TL 1,693,916 (December 31, 2010 – TL 1,266,015) that are classified as TL on the balance sheet.

⁽³⁾ Does not include the prepaid expenses amounting to TL 2,907 (December 31, 2010 – TL 835) that are classified as FC on the balance sheet in accordance with the communiqué issued by BRSA and published in the Official Gazette No: 26085 dated February 19, 2006.

⁽⁴⁾ Does not include foreign exchange income accruals amounting to TL 6,973 (December 31, 2010 – TL 9,576).

⁽⁵⁾ Foreign exchange expense accruals amounting to TL 34,831 (December 31, 2010 – TL 10,037) on derivative transactions and the general loan loss provisions amounting to TL 47,936 (December 31, 2010 – TL 31,215) computed for foreign currency loans and accounted as foreign currency amount in order to be in compliance with the Uniform Chart of Accounts are excluded.

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V. Explanations related to Interest Rate Risk

Interest rate risk that would arise from the changes in interest rates depending on the Bank's position is managed by the Asset/Liability Committee of the Bank.

Interest rate sensitivity of assets, liabilities and off balance sheet items is analyzed by top management in the Asset/Liability Committee meetings held every two weeks by taking the market developments into consideration.

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

The assets and liabilities of the Bank carry a positive interest yield, assets and liabilities are repriced within an average of 6 months. Consequently the Bank carries limited interest rate risk.

Besides customer deposits, the Bank funds its long term fixed interest rate TL loan portfolio with long term (up to 10 years) floating interest rate foreign currency funds obtained from international markets. The Bank changes the foreign currency liquidity obtained from the international markets to TL liquidity with long term swap transactions (fixed TL interest rate and floating FC interest rate). Therefore, the Bank not only funds its long term fixed interest rate loans with TL but also hedges itself from interest rate and maturity risk.

Information related to the interest rate sensitivity of assets, liabilities and off-balance sheet items

(Based on reprising dates)

Current Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-Interest Bearing^(*)	Total
Assets							
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased, Precious Metal) and Balances with the T.R. Central Bank	-	-	-	-	-	4,638,719	4,638,719
Due from Banks	33	-	10,209	-	-	159,733	169,975
Financial Assets at Fair Value Through Profit/Loss (**)	11,923	191,686	502,341	752,535	514,161	543,048	2,515,694
Money Market Placements	-	-	-	-	-	-	-
Inv. Securities Available for Sale	2,052,960	570,663	1,242,675	2,252,433	883,795	96,867	7,099,393
Loans and Receivables	8,423,918	3,633,810	9,079,949	7,995,093	1,767,490	318,747	31,219,007
Inv. Securities Held to Maturity	-	-	-	-	-	-	-
Other Assets ^(*)	193,594	-	-	-	-	1,518,068	1,711,662
Total Assets	10,682,428	4,396,159	10,835,174	11,000,061	3,165,446	7,275,182	47,354,450
Liabilities							
Bank Deposits	232,235	20,488	10,257	-	-	35,335	298,315
Other Deposits	18,254,869	7,372,157	971,636	44,756	-	2,493,497	29,136,915
Money Market Borrowings	2,589,166	288	-	-	-	-	2,589,454
Sundry Creditors	172,624	-	-	-	-	994,977	1,167,601
Securities Issued	-	-	-	977,826	-	-	977,826
Funds Borrowed	517,694	2,780,213	1,143,138	335,313	-	-	4,776,358
Other Liabilities ^(*)	202,713	373,957	218,740	14,121	7,148	7,591,302	8,407,981
Total Liabilities	21,969,301	10,547,103	2,343,771	1,372,016	7,148	11,115,111	47,354,450
On Balance Sheet Long Position	-	-	8,491,403	9,628,045	3,158,298	-	21,277,746
On Balance Sheet Short Position	(11,286,873)	(6,150,944)	-	-	-	(3,839,929)	(21,277,746)
Off-Balance Sheet Long Position	-	-	198,913	517,255	33,831	-	749,999
Off-Balance Sheet Short Position	(190,615)	(203,072)	-	-	-	-	(393,687)
Total Position	(11,477,488)	(6,354,016)	8,690,316	10,145,300	3,192,129	(3,839,929)	356,312

^(*) "Other Assets" in "Non Interest Bearing" column include other assets amounting to TL 620,785, tangible assets amounting to TL 371,129, intangible assets amounting to TL 130,365, associates, subsidiaries and entities under common control amounting to TL 395,789; and "Other Liabilities" in the "Non Interest Bearing" column include shareholders' equity amounting to TL 5,366,392, other liabilities amounting to TL 913,373, provisions amounting to TL 648,544, tax liability amounting to TL 62,920 and trading derivative financial liabilities amounting to TL 600,073.

^(**) This line also includes derivative financial assets hedging purposes amounting to TL 667,385.

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Average interest rates applied to monetary financial instruments

	EUR	USD	JPY	TL
Current Period	%	%	%	%
Assets				
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the T.R. Central Bank	-	-	-	-
Due from Banks	-	-	-	8.87
Financial Assets at Fair Value Through Profit/Loss	4.42	3.86	-	8.42
Money Market Placements	-	-	-	-
Investment Securities Available for Sale	4.85	5.75	-	7.39
Loans and Other Receivables	5.61	5.31	5.30	17.07 ^(*)
Investment Securities Held to Maturity	-	-	-	-
Liabilities				
Bank Deposits	4.12	3.67	-	9.18
Other Deposits	4.25	4.31	0.38	9.90
Money Market Borrowings	-	-	-	5.74
Sundry Creditors	-	-	-	-
Securities Issued	-	5.50	-	-
Funds Borrowed	2.25	3.10	-	8.24

^(*) The yield of loans is 13.69% excluding credit cards.

Information related to the interest rate sensitivity of assets, liabilities and off-balance sheet items

(Based on repricing dates)

Prior Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-Interest Bearing ^(*)	Total
Assets							
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased, Precious Metal) and Balances with the T.R. Central Bank	-	-	-	-	-	2,394,383	2,394,383
Due from Banks	-	-	4,322	-	-	187,181	191,503
Financial Assets at Fair Value Through Profit/Loss ^(**)	127,893	163,654	127,804	269,756	622,135	175,230	1,486,472
Money Market Placements	-	-	-	-	-	-	-
Inv. Securities Available for Sale	1,091,722	522,390	2,128,227	2,522,191	1,030,969	120,323	7,415,822
Loans and Receivables	6,912,599	2,797,910	6,870,101	6,800,339	1,341,823	136,373	24,859,145
Inv. Securities Held to Maturity	-	-	-	-	-	-	-
Other Assets	447,538	-	-	-	-	1,292,340	1,739,878
Total Assets	8,579,752	3,483,954	9,130,454	9,592,286	2,994,927	4,305,830	38,087,203
Liabilities							
Bank Deposits	765,871	89,021	2,247	-	-	21,695	878,834
Other Deposits	15,025,151	5,937,152	371,419	27,177	-	2,190,944	23,551,843
Money Market Borrowings	1,123,958	42	-	-	-	-	1,124,000
Sundry Creditors	15,076	-	-	-	-	870,383	885,459
Securities Issued	-	-	-	-	-	-	-
Funds Borrowed	131,408	2,276,102	1,849,645	182,760	61,393	-	4,501,308
Other Liabilities	18,483	49,925	173,280	348,923	49,385	6,505,763	7,145,759
Total Liabilities	17,079,947	8,352,242	2,396,591	558,860	110,778	9,588,785	38,087,203
On Balance Sheet Long Position	-	-	6,733,863	9,033,426	2,884,149	-	18,651,438
On Balance Sheet Short Position	(8,500,195)	(4,868,288)	-	-	-	(5,282,955)	(18,651,438)
Off-Balance Sheet Long Position	34,550	79,703	-	-	-	-	114,253
Off-Balance Sheet Short Position	-	-	(147,163)	(315,453)	(45,913)	-	(508,529)
Total Position	(8,465,645)	(4,788,585)	6,586,700	8,717,973	2,838,236	(5,282,955)	(394,276)

^(*) "Other Assets" in "Non Interest Bearing" column include other assets amounting to TL 445,916, tangible assets amounting to TL 362,240, intangible assets amounting to TL 98,571, associates and subsidiaries amounting to TL 385,613 and "Other Liabilities" in the "Non Interest Bearing" column include shareholders' equity amounting to TL 5,208,491, other liabilities amounting to TL 477,821, provisions amounting to TL 517,119, tax liability amounting to TL 141,256 and the fair value of the trading derivative financial liabilities amounting to TL 161,076.

^(**) This line also includes derivative financial assets hedging purposes amounting to TL 28,648.

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Average interest rates applied to monetary financial instruments

Prior Period	EUR %	USD %	JPY %	TL %
Assets				
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the T.R. Central Bank	-	-	-	-
Due from Banks	-	-	-	8.58
Financial Assets at Fair Value Through Profit/Loss	5.87	7.51	-	13.41
Money Market Placements	-	-	-	-
Investment Securities Available for Sale	5.05	7.51	-	9.37
Loans and Receivables	4.96	4.20	5.23	17.19 ^(*)
Investment Securities Held to Maturity	-	-	-	-
Liabilities				
Bank Deposits	2.44	1.84	-	7.81
Other Deposits	2.96	2.94	0.90	8.87
Money Market Borrowings	-	-	-	6.54
Sundry Creditors	-	-	-	-
Securities Issued	-	-	-	-
Funds Borrowed	1.81	2.96	-	11.18

^(*) The yield of loans is 12.81% excluding credit cards.

VI. Explanations related to Liquidity Risk

1. The sources of the current liquidity risk of the Bank; whether the necessary precautions have been taken, whether the Board of Directors sets limits on the funds available to meet the urgent liquidity requirements and to be able to pay borrowings when they become due

Liquidity risk represents risk insufficient cash or cash inflows to meet the cash outflows completely and on time, as a result of instable cash flows. Liquidity risk may also result from inability to penetrate to market and to close open positions quickly at suitable prices and with sufficient amounts due to market disruptions or barriers. To mitigate liquidity risk, the Bank diversifies funding sources as customer deposits and funds borrowed from abroad and keep certain level of assets as cash and cash equivalents.

The Bank evaluates liquidity position on a daily basis. Cash flow projections and scenarios are analyzed every two weeks by the top management at Asset/Liability Committee meetings. Liquidity ratio, calculated monthly by the Market Risk Committee is used as preliminary indicator of the general liquidity position of the Bank. List of available limits, instruments and securities which can be used as collateral to create liquidity in the event of a possible liquidity crisis is updated weekly. Alternative funding strategies to be followed in case of a liquidity problem are evaluated within the current limits and positions to be taken are determined. Moreover, in terms of "Liquidity Emergency Action Plan" early warning signals, stress levels correlated with the level of liquidity risk and actions to be taken at each stress level are defined.

2. Whether the payments, assets and liabilities match with the interest rates, and whether the effect of mismatch on profitability is measured, if any

Bank's payments, assets and liabilities match with the interest rates.

3. Internal and external sources to meet the short and long-term liquidity needs, significant sources of liquidity that are not utilized

In order to meet urgent liquidity needs 10% (December 31, 2010 – 6%) of the balance sheet is allocated as cash and cash equivalents.

4. Evaluation of the Bank's cash flows and their resources

Cash flows of the Bank are mainly denominated in Turkish Lira, US Dollar and Euro.

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5. 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	5 Years and Over	Unallocated (*)	Total
Assets								
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased, Precious Metal) and Balances with the T.R Central Bank	3,364,743	1,273,976	-	-	-	-	-	4,638,719
Due from Banks	159,733	33	-	10,209	-	-	-	169,975
Financial Assets at Fair Value Through Profit/Loss (**)	-	77,439	381,151	648,836	893,995	514,273	-	2,515,694
Money Markets Placements Investment Securities Available for Sale	96,867	-	2,721	28,097	3,820,599	3,151,109	-	7,099,393
Loans and Receivables Investment Securities Held to Maturity	-	8,373,235	3,383,792	8,921,475	8,285,129	1,936,629	318,747	31,219,007
Other Assets	-	506,779	-	-	132,473	-	1,072,410	1,711,662
Total Assets	3,621,343	10,231,462	3,767,664	9,608,617	13,132,196	5,602,011	1,391,157	47,354,450
Liabilities								
Bank Deposits	35,335	232,235	20,488	10,257	-	-	-	298,315
Other Deposits	2,493,497	18,254,869	7,372,157	971,636	44,756	-	-	29,136,915
Funds Borrowed	-	70,266	2,064,678	982,044	1,406,933	252,437	-	4,776,358
Money Market Borrowings	-	2,589,166	288	-	-	-	-	2,589,454
Securities Issued	-	-	-	-	977,826	-	-	977,826
Sundry Creditors	-	1,167,601	-	-	-	-	-	1,167,601
Other Liabilities (*)	-	960,138	294,676	467,967	532,654	10,692	6,141,854	8,407,981
Total Liabilities	2,528,832	23,274,275	9,752,287	2,431,904	2,962,169	263,129	6,141,854	47,354,450
Liquidity Gap	1,092,511	(13,042,813)	(5,984,623)	7,176,713	10,170,027	5,338,882	(4,750,697)	-
Prior Period								
Total Assets	2,701,887	7,609,243	2,879,227	7,101,167	11,833,998	4,860,754	1,100,927	38,087,203
Total Liabilities	2,212,639	18,394,019	6,844,877	2,761,403	1,776,107	330,023	5,768,135	38,087,203
Net Liquidity Gap	489,248	(10,784,776)	(3,965,650)	4,339,764	10,057,891	4,530,731	(4,667,208)	-

(*) The assets which are necessary to provide banking services and could not be liquidated in the short-term, such as fixed assets, investments in subsidiaries and associates, common shares unquoted on stock exchange, office stationery, and prepaid expenses are classified under this column.

Unallocated other liabilities include shareholders' equity amounting to TL 5,366,392, unallocated provisions amounting to TL 618,848 and deferred tax liability amounting to TL 46,322 and advance payment for capital increase amounting to TL 110,292 .

(**) This line also includes derivative financial assets hedging purposes amounting to TL 667,385.

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SECTION FIVE

EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS

I. EXPLANATIONS AND DISCLOSURES RELATED TO ASSETS

1.a) Cash and balances with the Central Bank of Turkey

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash in TL/Foreign Currency	288,390	152,518	222,979	177,028
T.R. Central Bank	2,516,436	1,636,624	923,452	1,045,395
Others	2,080	42,671	-	25,529
Total	2,806,906	1,831,813	1,146,431	1,247,952

b) Balances with the Central Bank of Turkey

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted Demand Deposits	2,516,436	362,648	923,452	285,108
Restricted Time Deposits	-	1,273,976	-	760,287
Total	2,516,436	1,636,624	923,452	1,045,395

As of September 30, 2011, the compulsory rates for the reserve deposits at the Central Bank of Turkey for Turkish Lira are implemented within an interval from 5% to 16% depending on the maturity of deposits (December 31, 2010 – 5.5%) and the compulsory rates for the foreign currency liabilities are within an interval from 9% to 11% depending on the maturity of deposits (December 31, 2010 – 11%).

As effective from October 1, 2010, interest payment for reserve deposits has been annulled by the Central Bank of Turkey in accordance with the “Legislation on Amendment to the Notification on Reserve Deposits” No.2010/9, dated September 23, 2010.

2. Further information on financial assets at fair value through profit/loss

a) Trading securities given as collateral or blocked

None (December 31, 2010 – None).

b) Trading securities subject to repurchase agreements

None (December 31, 2010 – None).

c) Assets on trading derivatives

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	84,194	-	13,823	-
Swap Transactions	447,240	73,251	228,564	39,662
Futures Transactions	-	4,554	-	1,488
Options	1,052	428,037	108	105,945
Other	-	3,418	-	2,690
Total	532,486	509,260	242,495	149,785

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3. a) Information on banks

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
Domestic	13,471	29	7,242	27
Foreign	17	156,458	13	184,221
Foreign Head Offices and Branches	-	-	-	-
Total	13,488	156,487	7,255	184,248

b) Information on foreign bank accounts

	Unrestricted Amount		Restricted Amount ^(**)	
	Current Period	Prior Period	Current Period	Prior Period
EU Countries	43,559	46,091	-	-
USA and Canada	50,419	84,998	58,280	49,600
OECD Countries ^(*)	4,033	2,945	-	-
Off-shore Banking Regions	-	-	-	-
Other	184	600	-	-
Total	98,195	134,634	58,280	49,600

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

^(**) Includes blocked placements at foreign banks amounting to TL 58,280 (December 31, 2010 - TL 49,600) for the syndication and securitization loans received.

4. Information on investment securities available for sale

a) Investment securities available-for-sale given as collateral or blocked

	Current Period		Prior Period	
	TL	FC	TL	FC
Share certificates	-	-	-	-
Bond, Treasury bill and similar marketable securities	642,764	-	329,900	-
Other	-	-	-	-
Total	642,764	-	329,900	-

b) Investment securities available for sale subject to repurchase agreements

	Current Period		Prior Period	
	TL	FC	TL	FC
Government bonds	2,069,508	637,005	824,370	372,172
Treasury bills	-	-	-	-
Other debt securities	-	-	-	-
Bonds issued or guaranteed by banks	-	-	-	-
Asset backed securities	-	-	-	-
Other	-	-	-	-
Total	2,069,508	637,005	824,370	372,172

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c) Investment securities available for sale

	Current Period	Prior Period
Debt securities	7,083,986	7,295,504
Quoted on a stock exchange (*)	6,959,541	7,032,244
Unquoted on a stock exchange	124,445	263,260
Share certificates	101,992	120,971
Quoted on a stock exchange (**)	101,992	120,971
Unquoted on a stock exchange	-	-
Impairment provision(-)	(86,585)	(653)
Total	7,099,393	7,415,822

(*) The Eurobond Portfolio amounting to TL 520,039 (December 31, 2010 – TL 192,007) which is accounted for as investment securities available for sale were hedged under fair value hedge accounting starting from March and April 2009 and the Government Bonds Portfolio amounting to TL 212,478 which is accounted for as investment securities available for sale were hedged under fair value hedge accounting starting from August 2011. The mentioned financial assets are accounted for as Investment Securities Available for Sale in order to be in line with balance sheet presentation.

(**) Share certificates that are quoted on a stock exchange include “exchange traded mutual funds” amounting to TL 80,505 (December 31, 2010 – TL 113,339).

5. Information related to loans

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

	Current Period		Prior Period	
	Cash	Non-Cash	Cash	Non-Cash
Direct Loans Granted to Shareholders	-	79,447	-	49,794
Corporate Shareholders	-	-	-	-
Individual Shareholders	-	-	-	-
Indirect Loans Granted to Shareholders	-	-	-	-
Loans Granted to Employees (*)	48,028	-	42,042	-
Total	48,028	79,447	42,042	49,794

(*) Includes the advances given to the bank personnel.

b) Information on the first and second group loans and other receivables including rescheduled or restructured 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	29,917,365	178,847	1,146,835	320,091
Discount Notes	260,856	-	759	-
Export Loans	900,764	13,925	95,129	2,879
Import Loans	731	-	-	-
Loans Given to Financial Sector	402,471	-	-	-
International Loans	142,343	-	-	-
Retail Loans	10,749,872	-	470,386	134,238
Credit Cards	7,988,054	-	225,346	41,148
Precious Metals Loans	-	-	-	-
Other	9,472,274	164,922	355,215	141,826
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
Total	29,917,365	178,847	1,146,835	320,091

(*) The loans amounting to TL 662,878 (December 31, 2010 – TL 976,951) are classified under “Loans at Fair Value Through Profit / Loss” in the financial statements.

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c) **Loans 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	15,070,393	-	225,346	41,148
Non-specialized Loans	15,070,393	-	225,346	41,148
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
Medium and Long-term Loans	14,846,972	178,847	921,489	278,943
Non-specialized Loans	14,846,972	178,847	921,489	278,943
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
Total	29,917,365	178,847	1,146,835	320,091

(*) The loans amounting to TL 662,878 (December 31, 2010 – TL 976,951) are classified under “Loans at Fair Value Through Profit/Loss in the financial statements.

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d) Information on consumer loans, individual credit cards, personnel loans and personnel credit cards

	Short Term	Medium and Long Term	Total	Interest and Income Accruals
Consumer Loans-TL	84,980	9,830,966	9,915,946	592,876
Housing Loans	676	5,895,191	5,895,867	555,112
Automobile Loans	533	169,549	170,082	2,431
Personal Need Loans	78,559	3,766,226	3,844,785	35,333
Other	5,212	-	5,212	-
Consumer Loans-FC Indexed	-	152,248	152,248	109,581
Housing Loans	-	139,819	139,819	103,184
Automobile Loans	-	562	562	268
Personal Need Loans	-	11,867	11,867	6,129
Other	-	-	-	-
Consumer Loans-FC	-	-	-	-
Housing Loans	-	-	-	-
Automobile Loans	-	-	-	-
Personal Need Loans	-	-	-	-
Other	-	-	-	-
Individual Credit Cards-TL	7,655,841	249,893	7,905,734	123,449
Installment	3,604,128	249,893	3,854,021	60,186
Non- Installment	4,051,713	-	4,051,713	63,263
Individual Credit Cards-FC	3,742	-	3,742	27
Installment	-	-	-	-
Non- Installment	3,742	-	3,742	27
Personnel Loans-TL	1,422	19,339	20,761	108
Housing Loans	-	778	778	1
Automobile Loans	-	144	144	-
Personal Need Loans	1,422	18,417	19,839	107
Other	-	-	-	-
Personnel Loans-FC Indexed	-	33	33	19
Housing Loans	-	21	21	19
Automobile Loans	-	-	-	-
Personal Need Loans	-	12	12	-
Other	-	-	-	-
Personnel Loans-FC	-	-	-	-
Housing Loans	-	-	-	-
Automobile Loans	-	-	-	-
Personal Need Loans	-	-	-	-
Other	-	-	-	-
Personnel Credit Cards-TL	25,473	-	25,473	-
Installment	12,727	-	12,727	-
Non-Installment	12,746	-	12,746	-
Personnel Credit Cards-FC	138	-	138	-
With Installment	-	-	-	-
Without Installment	138	-	138	-
Overdraft Accounts-TL (Real Persons)	515,863	-	515,863	47,061
Overdraft Accounts-FC (Real Persons)	-	-	-	-
Total	8,287,459	10,252,479	18,539,938	873,121

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

	Short Term	Medium and Long Term	Total	Interest and Income Accruals
Commercial Loans with Installment Facility – TL	138,998	3,080,345	3,219,343	45,475
Real Estate Loans	-	147,003	147,003	9,953
Automobile Loans	1,763	302,962	304,725	4,630
Personal Need Loans	137,235	2,630,380	2,767,615	30,892
Other	-	-	-	-
Commercial Loans with Installment Facility - FC Indexed	27,427	578,925	606,352	128,572
Real Estate Loans	-	15,864	15,864	4,667
Automobile Loans	328	62,106	62,434	12,058
Personal Need Loans	27,099	500,955	528,054	111,847
Other	-	-	-	-
Commercial Loans with Installment Facility - FC	-	-	-	-
Real Estate Loans	-	-	-	-
Automobile Loans	-	-	-	-
Personal Need Loans	-	-	-	-
Other	-	-	-	-
Corporate Credit Cards –TL	192,030	473	192,503	2,997
Installment	52,333	473	52,806	822
Non-Installment	139,697	-	139,697	2,175
Corporate Credit Cards –FC	482	-	482	3
With Installment	-	-	-	-
Without Installment	482	-	482	3
Overdraft Accounts-TL (Legal Entities)	234,727	-	234,727	25
Overdraft Accounts-FC (Legal Entities)	-	-	-	-
Total	593,664	3,659,743	4,253,407	177,072

f) Loans according to borrowers^(*)

	Current Period	Prior Period
Public	129,880	88,515
Private	31,433,258	25,515,258
Total	31,563,138	25,603,773

^(*)The loans amounting to TL 662,878 (December 31, 2010 – TL 976,951) are classified under “Loans at Fair Value Through Profit/Loss” in the financial statements.

g) Domestic and foreign loans^(*)

	Current Period	Prior Period
Domestic Loans	31,420,795	25,568,106
Foreign Loans	142,343	35,667
Total	31,563,138	25,603,773

^(*)The loans amounting to TL 662,878 (December 31, 2010 – TL 976,951) are classified under “Loans at Fair Value Through Profit/Loss in the financial statements.

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h) Loans granted to subsidiaries and associates

	Current Period	Prior Period
Direct Loans Granted to Subsidiaries and Associates	71,748	44,247
Indirect Loans Granted to Subsidiaries and Associates	-	-
Total	71,748	44,247

i) Specific provisions for loans

	Current Period	Prior Period
Specific Provisions		
Loans and Receivables with Limited Collectability	46,032	121,658
Loans and Receivables with Doubtful Collectability	142,307	235,475
Uncollectible Loans and Receivables	1,187,116	1,168,306
Total	1,375,455	1,525,439

j) Non-performing loans (NPLs) (Net)

j.1) Non-performing loans and other receivables restructured or rescheduled

	III. Group	IV. Group	V. Group
	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectible loans and receivables
Current Period			
(Gross Amounts Before the Specific Provisions)	2,306	14,737	60,062
Restructured Loans and Other Receivables	-	-	-
Rescheduled Loans and Other Receivables	2,306	14,737	60,062
Prior Period			
(Gross Amounts Before the Specific Provisions)	2,818	6,193	39,008
Restructured Loans and Other Receivables	-	-	-
Rescheduled Loans and Other Receivables	2,818	6,193	39,008

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j.2) Movement of non-performing loans

	III. Group	IV. Group	V. Group
	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectible loans and receivables
Prior Period End Balance	218,237	348,387	1,191,138
Additions (+)	539,773	20,595	28,906
Transfers from Other Categories of Non-Performing Loans (+)	168	454,470	408,858
Transfers to Other Categories of Non-Performing Loans (-)	446,222	405,589	11,685
Collections (-)	84,609	137,005	189,934
Write-offs (-)	3	1,116	240,167
Corporate and Commercial Loans	-	636	180,708
Consumer Loans	-	338	55,595
Credit Cards	3	142	3,864
Others	-	-	-
Current Period End Balance	227,344	279,742	1,187,116
Specific Provision (-) ^(*)	46,032	142,307	1,187,116
Net Balances on Balance Sheet	181,312	137,435	-

^(*) Based on the “Communiqué on the Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves” (“Provisioning Decree”), the Bank provides specific provisions for its non-performing loans considering the credit risk and other factors. In this context, the Bank revised the provision rates and the provision amount decreased by TL 160,853 in the current period as compared to the provisioning method used in the prior period. In accordance with the provisioning decree the Bank provided provision for the non performing loans, not considering the guarantees received.

^(**) During the current period, TL 237,364 of the loans which are under legal follow-up and for which 100% provision is provided are disposed. TL 160,516 portion of aforementioned loans are disposed for TL 14,500 in cash, and the remaining portion amounting to TL 76,848 is disposed for TL 3,000 in cash and by means of receiving share from future collections.

j.3) Information on foreign currency non-performing loans and other receivables

None (December 31, 2010 - None).

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 collectability	Loans and receivables with doubtful collectability	Uncollectible loans and receivables
Current Period (Net)	181,312	137,435	-
Loans to Real Persons and Legal Entities (Gross)	227,344	278,954	1,176,867
Specific provision (-)	(46,032)	(141,519)	(1,176,867)
Loans to Real Persons and Legal Entities (Net)	181,312	137,435	-
Banks (Gross)	-	-	-
Specific provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	788	10,249
Specific provision (-)	-	(788)	(10,249)
Other Loans and Receivables (Net)	-	-	-
Prior Period (Net)	96,579	112,912	22,832
Loans to Real Persons and Legal Entities (Gross)	218,237	347,516	1,183,789
Specific provision (-)	(121,658)	(234,604)	(1,160,957)
Loans to Real Persons and Legal Entities (Net)	96,579	112,912	22,832
Banks (Gross)	-	-	-
Specific provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	871	7,349
Specific provision (-)	-	(871)	(7,349)
Other Loans and Receivables (Net)	-	-	-

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k) Liquidation policies for uncollectible loans and other receivables:

For the unrecoverable non-performing loans under legal follow-up, the loan quality, collateral quality, bona fide of the debtor and assessment of the emergency of legal follow-up are considered, before applying the best practice for unrecoverable non-performing loans under legal follow up. The bank prefers to liquidate the risk through negotiations with the debtors. If this cannot be possible, then the Bank starts the legal procedures for the liquidation of the risk. Ongoing legal follow-up procedures do not prevent negotiations with the debtors. An agreement is made with the debtor at all stage of the negotiations for the liquidation of the risk.

l) Write-off policy:

Unrecoverable non-performing loans under legal follow-up, for which 100% provision is provided in compliance with the “Provisioning Decree” and with no collateral that are deemed as uncollectible are written off by the Board of Directors’ decision, in accordance with the laws and regulations.

6. Information on investment securities held-to-maturity

None (December 31, 2010 – None).

7. Investments in associates (Net) :

7.1. Investments in associates:

Description	Address (City/ Country)	Bank’s Share-If Different, Voting Rights (%)	Bank’s Risk Group Share (%)
Gelişen Bilgi Teknolojileri A.Ş. (*)	Istanbul/Turkey	5.00%	5.00%
Bankalararası Kart Merkezi (BKM) (**)	Istanbul/Turkey	9.23%	9.23%
Garanti Fonu İşletme ve Araştırma A.Ş. (*)	Istanbul/Turkey	2.00%	2.00%

Total Assets	Shareholder’s Equity	Total Fixed Assets	Interest Income	Income on Securities Portfolio	Current Period Profit/Loss	Prior Period Profit/Loss	Company’s Fair Value
429	426	-	22	-	(4)	356	-
21,526	17,174	6,401	430	-	1,309	1,465	-
207,899	201,048	1,850	3,979	-	7,672	4,321	-

(*) Current period information is obtained from financial statements as of September 30, 2011 while prior period profit and loss information is obtained from financial statements as of December 31, 2010.

(**) Current period information is obtained from financial statements as of June 30, 2011 while prior period profit and loss information is obtained from financial statements as of December 31, 2010.

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7.2. Movements of investments in associates

	Current Period	Prior Period
Balance at the Beginning of Period	5,769	6,016
Movements During the Period	1,000	(247)
Acquisitions ^(**)	1,000	-
Bonus Shares Received	-	-
Dividends From Current Year Profit	-	-
Sales	-	(247) (*)
Reclassifications	-	-
Increase/Decrease in Market Values	-	-
Currency Differences on Foreign Associates	-	-
Impairment Losses (-)	-	-
Balance at the End of the Period	6,769	5,769
Capital Commitments	1,000	2,000
Share Percentage at the End of the Period (%)	-	-

(*) The amount represents the Bank's share in the capital decrease of Gelişen Bilgi Teknolojileri A.Ş.

(**) The amount represents the share capital increase amounting to TL 1,000 to Garanti Fonu İşletme ve Araştırma A.Ş.

7.3. Sectoral distribution of associates

	Current Period	Prior Period
Banks	-	-
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	-	-
Finance Companies	-	-
Other Associates	6,769	5,769
Total	6,769	5,769

7.4. Quoted Associates

None (December 31, 2010 - None).

7.5. Valuation methods of investments in associates

	Current Period	Prior Period
Valued at Cost	6,769	5,769
Valued at Fair Value	-	-
Valued at Equity Method	-	-
Total	6,769	5,769

7.6. Investments in associates sold during the current period

None.

7.7. Investments in associates acquired during the current period

None.

8. Investments in subsidiaries (Net)

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a) Information on the unconsolidated subsidiaries

Title	Address (City/Country)	Bank's Share – If Different, Voting Rights (%)	Bank's Risk Group Share (%)
Ibtech Uluslararası Bilişim ve İletişim Teknolojileri Araştırma, Geliştirme, Danışmanlık, Destek San. ve Tic. A.Ş.	Istanbul/Turkey	99.91%	99.91%

	Total Assets	Shareholders' Equity	Total Fixed Asset	Interest Income	Securities Income	Current Period Profit/Loss	Prior Period Profit/Loss	Company's Fair Value
(*)	22,927	21,059	18,572	-	-	2,658	1,752	-

(*) Current period information is obtained from financial statements as of September 30, 2011, prior period profit and loss information is obtained from financial statements as of December 31, 2010.

b) Information on the consolidated subsidiaries:

b.1) Information on the consolidated subsidiaries

Subsidiary	Address (City/Country)	Bank's Share – If Different, Voting Rights (%)	Bank's Risk Group Share (%)
1. Finans Yatırım Menkul Değerler A.Ş.	Istanbul/Turkey	99.60	100.00
2. Finans Finansal Kiralama A.Ş.	Istanbul/Turkey	51.06	64.32
3. Finans Yatırım Ortaklığı A.Ş.	Istanbul/Turkey	81.30 (*)	81.30 (*)
4. Finans Portföy Yönetimi A.Ş.	Istanbul/Turkey	0.01	100.00
5. Finans Emeklilik ve Hayat A.Ş.	Istanbul/Turkey	99.99	99.99
6. Finans Tüketici Finansmanı A.Ş.	Istanbul/Turkey	99.99	99.99
7. Finans Faktoring Hizmetleri A.Ş.	Istanbul/Turkey	99.99	99.99

(*) The share of the Bank is 10.01%, the remaining 71.30% shareholding represents the purchases of publicly traded shares on the Istanbul Stock Exchange.

Information on subsidiaries in the order presented in the table above:

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income on Securities Portfolio	Current Period Profit/Loss	Prior Period Profit/Loss	Company's Fair Value (***)
1. (*)	186,621	128,559	13,001	6,853	155	15,703	15,430	-
2. (**)	1,433,690	410,201	675	-	-	25,009	35,817	430,100
3. (**)	18,852	18,543	49	-	-	(1,678)	729	17,100
4. (*)	17,099	15,644	440	1,210	10	5,406	7,403	-
5. (*)	137,415	47,505	2,184	4,498	809	5,824	9,493	-
6. (*)	2,133	2,090	203	146	-	(866)	(1,302)	-
7. (*)	273,613	14,675	894	19,974	-	2,756	3,252	-

(*) Current period information represents September 30, 2011 figures, and prior period profit/loss amounts represent December 31, 2010 figures as per the financial statements prepared in accordance with BRSA regulations.

(**) Current period information represents September 30, 2011 figures, and prior period profit/loss amounts represent December 31, 2010 figures prepared in accordance with CMB's Communique No: XI/29 accounting principles.

(***) Fair values of publicly traded subsidiaries reflect their Istanbul Stock Exchange (ISE) values as of balance sheet date.

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b.2) Movement of investments in subsidiaries

	Current Period	Prior Period
Balance at the Beginning of the Period	362,058	222,588
Movements during the period	9,176	139,470
Purchases	5,314 ⁽¹⁾	1,063 ⁽²⁾
Bonus Shares Received	-	42,901 ⁽³⁾
Dividends from Current Year Profit	-	-
Sales	-	(1,858) ⁽⁴⁾
Revaluation Increase	3,862	97,364
Impairment Provision	-	-
Balance at the End of the Period	371,234	362,058
Capital Commitments	15,000	3,188
Share Percentage at the end of the Period (%)	-	-

⁽¹⁾ Purchases in the current period include the purchase of publicly traded shares of Bank's subsidiary Finans Yatırım Ortaklığı A.Ş. received from ISE amounting to TL 2,126 and the participation to the capital of Bank's subsidiary Finans Emeklilik ve Hayat A.Ş. amounting to TL 3,188.

⁽²⁾ Purchases in the prior period include the participation to the capital of Bank's subsidiary Finans Emeklilik ve Hayat A.Ş. amounting to TL 1,063.

⁽³⁾ Purchases in the prior period include bonus shares received from the Bank's subsidiaries Finans Emeklilik ve Hayat A.Ş. amounting to TL 5,750 and Finans Yatırım Menkul Değerler A.Ş. amounting to TL 37,151.

⁽⁴⁾ Disposal in the prior period amount represents disposal of the shares of the Bank's subsidiary Finans Yatırım Ortaklığı A.Ş. The Bank had sales profit amounting to TL 806.

b.3) Sectoral distribution of subsidiaries

	Current Period	Prior Period
Banks	-	-
Insurance Companies	40,000	36,812
Factoring Companies	10,000	10,000
Leasing Companies	219,609	213,737
Finance Companies	5,000	5,000
Other Subsidiaries	96,625	96,509
Total	371,234	362,058

b.4) Quoted subsidiaries within the context of consolidation

	Current Period	Prior Period
Quoted on Domestic Stock Exchanges	233,513	227,524
Quoted on International Stock Exchanges	-	-
Total	233,513	227,524

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9. Investments in entities under common control:

	The Bank's Share	The Group's Share	Current Assets	Fixed Assets	Long Term Debt	Current Period Profit/Loss	Prior Period Profit/Loss
Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş. (*)	33.33%	33.33%	7,237	6,767	945	1,793	2,371

(*) Current period information represents September 30, 2011 figures, prior period information is obtained from the financial statements from December 31, 2010.

10. Information on leasing receivables (Net)

None (December 31, 2010 - None).

11. Information on hedging purpose derivatives

	Current Period		Prior Period	
	TL	FC	TL	FC
Fair Value Hedge (*)	612,786	54,599	28,648	-
Cash Flow Hedge	-	-	-	-
Hedge of Net Investment in Foreign Operations	-	-	-	-
Total	612,786	54,599	28,648	-

(*) Derivative financial instruments designated for the fair value hedge purposes comprise of swaps. TL 57,495 represents the fair value of derivatives which are designated as hedging instruments to hedge the fair value changes in securities and TL 609,890 represents the fair value of derivatives which are designated as hedging instruments to hedge the fair value changes in loans as of September 30, 2011 whereas TL 28,648 represents the fair value of derivatives which are designated as hedging instruments to hedge the fair value changes in loans as of December 31, 2010.

12. Information on tax asset

There is no deferred tax asset calculated based on the related regulations. The information about deferred tax calculation is presented in the disclosures and explanations about liability accounts in disclosure number 10.1.4.

As of September 30, 2011, the Bank has TL 133,848 current tax liabilities (December 31, 2010- TL 237,352) and TL 117,250 prepaid taxes (December 31, 2010 - TL 171,769) which are netted-off in the accompanying financial statements.

13. Information on assets held for sale and discontinued operations

None (December 31, 2010- None).

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14. Information on other assets

14.1. Information on prepaid expense, tax and similar items

	Current Period	Prior Period
Cheques Receivables from Other Banks	213,837	461,851
Collateral Given for Derivative Transactions	202,252	107,964
Other Prepaid Expenses	152,040	126,914
Assets Held for Resale (net)	132,473	94,988
Sundry Debtors	50,492	37,636
Prepaid Rent Expenses	21,738	16,317
Advances Given	2,284	7,004
Prepaid Agency Commissions	1,347	6,825
Other	37,916	33,955
Total	814,379	893,454

14.2. If other assets exceed 10% of total assets excluding the off-balance sheet items, the name and the amount of the subaccounts which create at least 20% of them are:

Details of the other assets are described above in the 14.1 section of explanations and disclosures related to assets.

15. Accrued interest and income

The details of accrued interest and income allocated to the related items on the assets side of the balance sheet are as follows:

	Current Period		Prior Period	
	TL	FC	TL	FC
T.R. Central Bank	-	-	1,506	-
Trading Securities	303	27	179	21
Fin. Assets at Fair Value through Profit or Loss	-	-	4,763	-
Assets on Trading Derivatives	532,486	509,260	242,495	149,785
Banks	209	33	234	88
Investments Securities Available for Sale	62,061	7,396	212,090	37,666
Loans and Receivables	607,523	32,449	383,989	11,683
Derivative Financial Instruments Held for Hedging Purposes	612,786	54,599	28,648	-
Total	1,815,368	603,764	873,904	199,243

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SECTION FIVE

II. EXPLANATIONS AND DISCLOSURES RELATED TO LIABILITIES

1. Information on maturity structure of deposits

Current Period

	Demand	7 Days Notice	Up to 1 Month	1-3 Months	3-6 Months	6-12 Months	1 Year and Over	Accumulated Deposit Accounts	Total
Saving Deposits	552,749	-	672,260	10,869,663	1,982,665	249,758	13,087	16,581	14,356,763
Foreign Currency Deposits	692,061	-	986,098	4,477,538	482,551	437,613	50,809	5,814	7,132,484
Residents in Turkey	672,909	-	962,262	4,378,576	457,559	300,332	50,809	5,814	6,828,261
Residents Abroad	19,152	-	23,836	98,962	24,992	137,281	-	-	304,223
Public Sector Deposits	168,335	-	3,832	177,693	2,011	-	-	-	351,871
Commercial Deposits	786,742	-	1,352,445	2,996,877	545,440	301,980	55,642	-	6,039,126
Other Ins. Deposits	15,193	-	64,974	656,622	128,295	11,679	10,393	-	887,156
Precious Metal Deposits	278,417	-	91,098	-	-	-	-	-	369,515
Bank Deposits	35,335	-	232,234	20,489	2,117	8,140	-	-	298,315
T.R Central Bank	-	-	-	-	-	-	-	-	-
Domestic Banks	7,488	-	9,035	1,802	2,117	8,140	-	-	28,582
Foreign Banks	26,098	-	223,199	18,687	-	-	-	-	267,984
Participation Banks	1,749	-	-	-	-	-	-	-	1,749
Other	-	-	-	-	-	-	-	-	-
Total	2,528,832	-	3,402,941	19,198,882	3,143,079	1,009,170	129,931	22,395	29,435,230

Prior Period

	Demand	7 Days Notice	Up to 1 Month	1-3 Months	3-6 Months	6-12 Months	1 Year and Over	Accumulated Deposit Accounts	Total
Saving Deposits	536,016	-	2,364,956	7,187,597	391,409	76,414	578	17,464	10,574,434
Foreign Currency Deposits	742,863	-	1,655,260	2,881,865	323,061	97,259	27,704	6,274	5,734,286
Residents in Turkey	719,772	-	1,613,733	2,751,876	312,103	61,016	27,704	6,241	5,492,445
Residents Abroad	23,091	-	41,527	129,989	10,958	36,243	-	33	241,841
Public Sector Deposits	95,468	-	4,119	156,406	76	-	-	-	256,069
Commercial Deposits	791,666	-	1,448,001	3,462,470	464,583	89,611	-	-	6,256,331
Other Ins. Deposits	12,807	-	32,172	558,049	101,454	1,810	-	-	706,292
Precious Metal Deposits	12,124	-	12,307	-	-	-	-	-	24,431
Bank Deposits	21,695	-	245,036	436,324	171,673	4,106	-	-	878,834
T.R Central Bank	-	-	-	-	-	-	-	-	-
Domestic Banks	1,622	-	68,212	20,065	57,854	-	-	-	147,753
Foreign Banks	14,257	-	176,824	416,259	113,819	4,106	-	-	725,265
Participation Banks	5,816	-	-	-	-	-	-	-	5,816
Other	-	-	-	-	-	-	-	-	-
Total	2,212,639	-	5,761,851	14,682,711	1,452,256	269,200	28,282	23,738	24,430,677

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1.1. Information on savings deposits insured by Saving Deposit Insurance Fund and the total amount of the deposits exceeding the insurance coverage limit

	Covered by		Exceeding the	
	Deposit Insurance Fund		Deposit Insurance Limit	
	Current	Prior	Current	Prior
	Period	Period	Period	Period
Saving Deposits	3,786,666	3,428,021	10,567,973	7,143,571
Foreign Currency Savings Deposits	704,567	629,713	3,533,259	2,815,867
Other Saving Deposits	-	-	-	-
Foreign Branches' Deposits Under Foreign Insurance Coverage	-	-	-	-
Off-Shore Deposits Under Foreign Insurance Coverage	-	-	-	-
Total	4,491,233	4,057,734	14,101,232	9,959,438

1.2. Savings deposits in Turkey are not covered under insurance in another country since the headquarter of the Bank is not located abroad.

1.3. Savings deposits that are not covered under the guarantee of deposit insurance fund

	Current Period	Prior Period
Deposits and accounts in branches abroad	-	-
Deposits of ultimate shareholders and their close family members	-	-
Deposits of chairman and members of the Board of Directors and their close family members	-	-
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	13,472	11,423
Total	13,472	11,423

2. Information on trading purpose derivatives

a) Negative value of trading purpose derivatives

	Current Period		Prior Period	
	TL	FC	TL	FC
Forwards	106,169	-	22,897	-
Swaps	570,560	124,639	310,760	36,332
Futures	-	3,030	-	2,753
Options	622	391,064	108	98,978
Other	-	3,126	-	2,436
Total	677,351	521,859	333,765	140,499

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3. a) Information on banks

	Current Period		Prior Period	
	TL	FC	TL	FC
T.R. Central Bank Loans	-	-	-	-
Domestic Bank and Institutions	82,189	136,141	70,861	87,789
Foreign Bank, Institutions and Funds	-	3,340,423	300,016	3,032,259
Total	82,189	3,476,564	370,877	3,120,048

b) Maturity information on funds borrowed

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	82,189	1,311,727	70,861	1,035,335
Medium and Long-Term	-	2,164,837	300,016	2,084,713
Total	82,189	3,476,564	370,877	3,120,048

In accordance with the Board of Directors' decision dated February 23, 2005 numbered 41, the Bank obtained a securitization loan amounting to USD 500 million with seven years maturity, quarterly floating interest payment and no principal payment for three years from abroad on March 15, 2005 via special purpose entities (SPE's).

As of March 24, 2006, with the Board of Directors' decision dated March 20, 2006 numbered 59, the Bank obtained a loan amounting to USD 220 million with 5 years and 7 years maturities and semi-annually floating interest rate via SPE's. The loan amounting to USD 110 million with 5 years maturity has been paid back on March 24, 2011.

As of December 2, 2010, in accordance with the Board of Directors' decision dated November 25, 2010 numbered 240, the Bank received a syndication loan amounting to USD 333 million and EUR 352 million with floating interest rate and 1 year maturity.

c) Additional information on concentrations of the Bank's liabilities

As of September 30, 2011, the Bank's liabilities comprise; 62% deposits (December 31, 2010 – 64%), 10% funds borrowed (December 31, 2010 –12%) and 5% funds provided under repurchase agreements (December 31, 2010 – 3%).

4. Information on funds provided under repurchase agreements

	Current Period		Prior Period	
	TL	FC	TL	FC
From domestic transactions	2,060,369	-	807,415	-
Financial institutions and organizations	2,042,198	-	790,285	-
Other institutions and organizations	4,900	-	5,736	-
Real persons	13,271	-	11,394	-
From foreign transactions	2,243	526,842	6,703	309,882
Financial institutions and organizations	-	526,842	-	309,882
Other institutions and organizations	2,243	-	6,703	-
Real persons	-	-	-	-
Total	2,062,612	526,842	814,118	309,882

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5. Information on securities issued (Net)

	Current Period		Prior Period	
	TL	FC	TL	FC
Bank Bonds	-	-	-	-
Bills	-	977,826	-	-
Total	-	977,826	-	-

The Bank has issued bonds with USD 500 milion nominal value, 5 years maturity and 5.5% fixed interest rate in foreign markets on May 11, 2011.

6. If other liabilities account exceeds 10% of total liabilities excluding the off-balance sheet items, information given about components of other liabilities account that exceeds 20% of the individual liability item in the unconsolidated balance sheet

Other liabilities account does not exceed 10% of total liabilities excluding the off-balance sheet items. (December 31, 2010 - does not exceed).

7. Criteria used in the determination of lease installments in the financial lease contracts, renewal and purchase options, restrictions, and significant burdens imposed on the bank on such contracts

Interest rate and cash flow of the Bank are the main criteria which are taken into consideration determination of payment plans in the leasing contracts.

7.1. Changes in agreements and further commitments arising

No changes have been made to the leasing agreements in the current period (December 31, 2010- None).

7.2. Financial Lease Payables

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	4,953	4,392	207	19
Between 1 - 4 years	2,839	2,517	46	4
More than 4 years	-	-	-	-
Total	7,792	6,909	253	23

7.3. Information on operational lease

Operational lease payments are recognized as an expense in the income statement on a straight-line basis over the lease terms.

7.4. Information on “Sale -and- lease back” agreements

The Bank does not have any sale-and-lease back transactions in the current period (December 31, 2010- None).

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8. Information on liabilities arising from hedging purpose derivatives

	Current Period		Prior Period	
	TL	FC	TL	FC
Fair Value Hedge ^(*)	9,358	112,176	250,240	7,000
Cash Flow Hedge ^(**)	89,099	-	69,545	-
Net Investment Hedge	-	-	-	-
Total	98,457	112,176	319,785	7,000

^(*) Derivative financial instruments for hedging purposes include swaps. As of September 30, 2011, TL 113,614 (December 31, 2010 – 7,000) represents the fair value of derivatives which are the hedging instruments of hedged investment securities available for sale portfolio. TL 7,920 (December 31, 2010 – TL 250,240) represents the fair value of loans which are the hedging instruments of hedged investment securities available for sale portfolio.

^(**) Represents the fair values of derivatives which are the hedging instruments of deposits' cash flow risk.

9. Information on provisions

9.1. Information on general provisions

	Current Period	Prior Period
Provisions for Loans and Receivables in Group I	284,737	187,721
Provisions for Loans and Receivables in Group II	30,714	20,179
Provisions for Non - Cash Loans	49,260	31,959
Other	31,672	25,949
Total	396,383	265,808

In accordance with the “Amendment on Communiqué on Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves” Official Gazette No: 27947 dated May 28, 2011, the loans, amounting to TL 395,556 is extended up to 1 year and and TL 224,063 is extended for 1 year and longer. Furthermore, within the scope of Provisioning Decree published in Official Gazette No:27968 dated June 18, 2011, additional general provision is calculated for aforementioned loans. Additional general provision is provided amounting to TL 55,837 for aforementioned loans without considering the reason for restructuring.

9.2. Provision for currency exchange gain/loss on foreign currency indexed loans

	Current Period	Prior Period
Foreign Exchange Provision for Foreign Currency Indexed Loans ^(*)	226	8,859

^(*) The foreign exchange provision for foreign currency indexed loans netted against “Loans and Receivables” in asset.

9.3. Specific provisions for non cash loans that are not indemnified and converted into cash

The specific provision for non cash loans which are related with the non-performing cash loans in arrears or the loans which were written off from balance sheet is TL 65,582 (December 31, 2010 - TL 67,931).

9.4 Information on employee termination benefits and unused vacation accrual

The Bank has calculated reserve for employee termination benefits by using actuarial valuations as set out in TAS 19 and reflected these accompanying financial statements.

As of September 30, 2011, TL 26,458 (December 31, 2010 - TL 25,086) reserve for employee termination benefits was provided in the accompanying financial statements.

As of September 30, 2011, the Bank accrued TL 15,042 (December 31, 2010 – TL 13,990), for the unused vacations under reserve for employee benefits account in the accompanying financial statements.

As of September 30, 2011, TL 29,697 (December 31, 2010- TL 33,148) bonus and premium provisions have been provided under reserve for employee benefits account in the accompanying financial statements.

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9.4.1. Movement of employee termination benefits

	Current Period	Prior Period
	01.01-30.09.2011	01.01-30.09.2010
As of January 1	25,086	19,686
Service Cost	7,349	4,158
Interest Cost	2,073	1,565
Paid during the period	(8,050)	(3,995)
Total	26,458	21,414

9.5. Information on other provisions

9.5.1. Information on free reserves for possible loan losses

	Current Period	Prior Period
Free Reserves for Possible Loan Losses	75,975	78,265

As of September 30, 2011, the Bank has provided provision for possible losses that could arise for loans in the watch list, considering their recovery rates.

9.5.2 Information on other provisions

Apart from the information provided in 9.3 and 9.5.1, the other provisions are given below as follows:

	Current Period	Prior Period
Provision for Promotion Expenses of Credit Cards	16,628	15,147
Other Provisions	22,779	17,744
Total	39,407	32,891

10. Taxation

10.1. Current taxes

10.1.1. Current tax liability

As of September 30, 2011, the Bank has current tax liability of TL 133,848 (December 31, 2010 - TL 237,352) and advance taxes of TL 117,250 (December 31, 2010 - TL 171,769). The current tax liability and advance taxes are presented in net in the accompanying financial statements.

10.1.2. Information on taxes payable

	Current Period	Prior Period
Corporate taxes payable	16,598	65,583
Banking and Insurance Transaction Tax (BITT)	27,324	21,061
Taxation on Securities Income	31,968	17,026
Taxation on Real Estates Income	1,685	1,028
Other	20,435	11,935
Total	98,010	116,633

The "Corporate Taxes Payable" balance is presented in the "Current Tax Liability account and other taxes are presented in the "Other Liabilities" account in the accompanying unconsolidated financial statements.

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10.1.3. Information on premiums

	Current Period	Prior Period
Social Security Premiums - Employee Share	4,767	4,405
Social Security Premiums - Employer Share	5,101	4,735
Unemployment Insurance - Employee Share	335	309
Unemployment Insurance - Employer Share	670	619
Total	10,873	10,068

10.1.4. Information on deferred tax liabilities

As of September 30, 2011, deferred tax liability amounting to TL 46,322 has been disclosed in the accompanying financial statements (December 31, 2010 - TL 75,673).

According to the TAS 12, the deferred tax assets and liabilities are netted off in the accompanying financial statements after netting off with each other. As of September 30, 2011 the Bank has presented the net amount of deferred tax asset TL 107,109 (December 31, 2010 –TL 46,994) and deferred tax liability of TL 153,431 (December 31, 2010 –TL 122,667) in the accompanying financial statements on all taxable temporary differences arising between the carrying amounts and the taxable amounts of assets and liabilities on the financial statements that will be considered in the calculation of taxable earnings in the future periods.

In cases whereby such differences are related with certain items under the shareholders' equity accounts, the deferred tax benefits/charges are netted under these accounts. The deferred tax asset amounting to TL 47,130 (December 31, 2010 –TL 34,079 deferred tax liability) is netted under "Securities Value Increase Fund" account in the equity.

	Temporary Differences		Deferred Tax Asset / (Liability)	
	Sep. 30, 2011	Dec. 31, 2010	Sep. 30, 2011	Dec. 31, 2010
Reserve for Employee Benefits	71,197	72,224	14,239	14,445
The differences between carrying and taxable amounts of financial assets	331,275	147,597	66,255	29,519
Other	133,072	15,150	26,615	3,030
Deferred Tax Asset			107,109	46,994
The differences between carrying and taxable amounts of tangible assets	(87,628)	(85,998)	(17,526)	(17,200)
The differences between carrying and taxable amounts of financial assets	(596,631)	(456,987)	(119,326)	(91,397)
Other	(82,894)	(70,350)	(16,579)	(14,070)
Deferred Tax Liability			(153,431)	(122,667)
Deferred Tax Asset / (Liability), Net			(46,322)	(75,673)
	Current Period		Prior Period	
	01.01-30.09.2011		01.01-30.09.2010	
Deferred Tax Asset/ (Liability) as of January 1 (Net)	(75,673)		(83,168)	
Deferred Tax (Charge) / Benefit	(51,858)		49,394	
Deferred Tax Items accounted for under the equity	81,209		(4,329)	
Deferred Tax Asset/ (Liability) as of Sep. 30, 2011 (Net)	(46,322)		(38,103)	

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11. Information on payables related to assets held for sale

None (December 31, 2010 – None).

12. Information on subordinated loans

	Current Period		Prior Period	
	TL	FC	TL	FC
From Domestic Banks	-	-	-	-
From Other Domestic Institutions	-	-	-	-
From Foreign Banks	-	1,217,605	-	1,010,383
From Other Foreign Institutions	-	-	-	-
Total	-	1,217,605	-	1,010,383

The Bank received USD 650 million of subordinated loan during 2008 and USD 325 million of subordinated loan during 2009 from its main shareholder, National Bank of Greece S.A. The maturity of the loan is 10 years with semi-annual interest payments and principle payment at maturity. There is a re-payment option at the end of the 5th year. In addition, interest is paid every six months and principal payment will be realized at maturity. The loan amounting to USD 325 million which was received in 2008 was paid back in the previous period to be used in capital increase.

13. Information on shareholder's equity

13.1. Paid-in capital

	Current Period	Prior Period
Common Stock	2,320,000	2,205,000
Preferred Stock	-	-

13.2. Paid-in capital amount, explanation as to whether the registered share capital system is applicable at bank; if so the amount of registered share capital

Capital System	Paid-in Capital	Ceiling
Registered Capital System	2,320,000	6,000,000

13.3. Information on share capital increases and their sources; other information on any increase in capital shares during the current period

Date of Increase	Amount of Increase	Profit Reserves		Capital Reserves
		Cash	Subject to Increase	Subject to Increase
June 20, 2011	115,000	-	115,000	-

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13.4. Information on share capital increases from revaluation funds

None (December 31, 2010 – None).

13.5. Capital commitments in the last fiscal year and at the end of the following period, the general purpose of these commitments and projected resources required to meet these commitments

The Bank does not have any capital commitments, all of the capital is fully paid-in.

13.6. Prior periods' indicators related with the Bank's income, profit and liquidity and the possible effects of the uncertainties in these indicators on the Bank's equity

None (December 31, 2010 – None).

13.7. Information on the privileges given to stocks representing the capital

The Bank has 100 founder shares stated in the Articles of Association. The profit distribution of the Bank is calculated in accordance with prevailing statutory regulations and its Article of Association. According to the these regulations, after deducting the statutory and fiscal obligations of the Bank, 5% of the remaining net income is appropriated as legal reserves, 5% of the paid in capital might be distributed to shareholders as first dividend and 10% of the remaining net profit might be distributed to founder shares. Moreover, additional 10% legal reserve is provided from the dividends distributed to founder shares.

14. Common stock issue premiums, shares and equity instruments

	Current Period	Prior Period
Number of Stocks (Thousands)	23,200,000	22,050,000
Preferred Capital Stock	-	-
Common Stock Issue Premiums (*)	665	665
Common Stock Withdrawal Profits	-	-
Other Capital Instruments	-	-

(*) Due to the Bank's capital increase as of December 13, 2010, common stock issue premiums amounted to TL 665.

15. Securities value increase fund

	Current Period		Prior Period	
	TL	FC	TL	FC
Associates, Subsidiaries and Entities under Common Control	136,424	-	132,756	-
Valuation Difference	136,424	-	132,756	-
Foreign Exchange Rate Difference	-	-	-	-
Securities Available-for-Sale	(46,739)	(141,742)	119,339	10,205
Valuation Difference	(46,739)	(141,742)	119,339	10,205
Foreign Exchange Rate Difference	-	-	-	-
Total	89,685	(141,742)	252,095	10,205

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16. Accrued interest and expenses

The details of accrued interest and expenses allocated to the related items on the liability side of the balance sheet are as follows:

	Current Period		Prior Period	
	TL	FC	TL	FC
Deposits	144,103	21,318	98,355	11,470
Derivative Financial Liabilities Held for Trading	677,351	521,859	333,765	140,499
Funds Borrowed	1,332	33,146	1,344	21,169
Money Market Borrowings	885	294	505	182
Derivative Financial Liabilities Held for Hedging Purposes	98,457	112,176	319,785	7,000
Securities issued	-	60,860	-	-
Other Accruals	31,947	58	31,951	16
Total	954,075	749,711	785,705	180,336

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SECTION FIVE

III. EXPLANATIONS AND DISCLOSURES RELATED TO OFF-BALANCE SHEET ITEMS

1. Information related to off-balance sheet contingencies

1.1. Type and amount of irrevocable commitments

	Current Period	Prior Period
Letters of Guarantee in FC	1,861,652	1,587,549
Letters of Guarantee in TL	3,571,834	2,967,436
Letters of Credit	1,065,319	722,850
Bank Loans	1,053,658	721,538
Other Guarantees	32,591	36,309
Total	7,585,054	6,035,682

1.2. Type and amount of possible losses from off-balance sheet items

Specific provision is provided for the non-cash loans amounting to TL 65,582 (December 31, 2010 - TL 67,931) followed in the off-balance sheet accounts that are not indemnified and liquidated yet.

1.3. Final guarantees, provisional guarantees, sureties and similar transactions

	Current Period	Prior Period
Provisional Letters of Guarantee	458,154	288,152
Final Letters of Guarantee	3,908,463	3,282,473
Advance Letters of Guarantee	208,312	168,008
Letters of Guarantee Given to Customs Offices	221,749	196,275
Other Letters of Guarantee	636,808	620,077
Total	5,433,486	4,554,985

2. Total amount of non-cash loans

	Current Period	Prior Period
Non-Cash Loans granted for Obtaining Cash		
Loans	412,132	360,270
Less Than or Equal to One Year with Original Maturity	18,247	33,954
More Than One Year with Original Maturity	393,885	326,316
Other Non-Cash Loans	7,172,922	5,675,412
Total	7,585,054	6,035,682

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3. Information on risk concentration in sector terms in non-cash loans

	Current Period				Prior Period			
	TL	%	FC	%	TL	%	FC	%
Agricultural	11,380	0.32	14,607	0.37	40,653	1.37	40,086	1.32
Farming and Raising Livestock	10,255	0.29	13,508	0.34	8,038	0.27	17,072	0.56
Forestry	371	0.01	0	0.00	32,136	1.08	21,906	0.72
Fishing	754	0.02	1,099	0.03	479	0.02	1,108	0.04
Manufacturing	640,167	17.83	1,662,299	41.95	532,675	17.94	1,510,731	49.87
Mining and Quarrying	21,522	0.60	515	0.01	29,259	0.99	29,691	0.98
Production	528,112	14.71	1,545,218	39.00	493,786	16.63	1,440,143	47.54
Electricity, gas and water	90,533	2.52	116,566	2.94	9,630	0.32	40,897	1.35
Construction	872,641	24.30	648,138	16.36	609,769	20.53	428,401	14.14
Services	1,853,701	51.62	1,568,998	39.60	1,504,363	50.65	952,094	31.43
Wholesale and Retail Trade	1,225,629	34.13	896,187	22.62	947,724	31.91	517,521	17.08
Hotel, Food and Beverage Services	26,528	0.74	12,818	0.32	19,334	0.65	7,703	0.25
Transportation&Communication	67,750	1.89	102,049	2.58	59,724	2.01	65,323	2.16
Financial Institutions	443,043	12.34	472,254	11.92	310,366	10.45	315,626	10.42
Real Estate and Renting Services	5,319	0.15	8,504	0.21	8,492	0.29	603	0.02
Self Employment Services	70,094	1.95	5,909	0.15	148,569	5.00	43,239	1.43
Educational Services	2,640	0.07	17	0.00	2,667	0.09	92	0.00
Health and Social Services	12,698	0.35	71,260	1.80	7,487	0.25	1,987	0.07
Other (*)	212,788	5.93	67,744	1.72	282,600	9.51	98,001	3.24
Total	3,590,677	100.00	3,961,786	100.00	2,970,060	100.00	3,029,313	100.00

(*) Does not include foreign currency balance of "Other Guarantees" amounting to TL 32,591 (December 31, 2010 - TL 36,309).

4. Information on non-cash loans classified in first and second groups (*)

	I. Group		II. Group	
	TL	FC	TL	FC
Letters of Guarantee	3,434,497	1,736,494	108,426	88,631
Bills of Exchange and Acceptances	18,572	1,031,183	-	3,758
Letters of Credit	269	1,062,964	-	2,087
Endorsements	-	-	-	-
Purchase Guarantees for Securities Issued	-	-	-	-
Factoring Related Guarantees	-	-	-	-
Other Collaterals and Sureties	-	32,591	-	-
Non-cash Loans	3,453,338	3,863,232	108,426	94,476

(*) Does not include non-cash loans amounting to TL 65,582, for which provision is provided, but which are not indemnified and not liquidated yet.

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5. Information on derivative financial instruments

	Current Period	Prior Period
Types of trading transactions		
Foreign Currency Related Derivative Transactions (I)	60,286,017	36,415,011
Forward transactions ^(*)	9,174,421	2,530,303
Swap transactions	31,165,467	20,047,453
Futures transactions	184,312	375,074
Option transactions	19,761,817	13,462,181
Interest Related Derivative Transactions (II)	5,483,077	6,476,378
Forward rate transactions	-	-
Interest rate swap transactions	5,124,743	6,434,996
Interest option transactions	40,000	-
Futures interest transactions	146,894	25,382
Security option transactions	171,440	16,000
Other trading derivative transactions (III)	-	-
A.Total Trading Derivative Transactions (I+II+III)	65,769,094	42,891,389
Types of hedging transactions		
Fair value hedges	15,866,618	8,955,244
Cash flow hedges	1,302,875	1,309,876
Net investment hedges	-	-
B.Total Hedging Related Derivatives	17,169,493	10,265,120
Total Derivative Transactions (A+B)	82,938,587	53,156,509

^(*)This line also includes Forward Asset Purchase Commitments accounted for under Commitments.

As of September 30, 2011, breakdown of the Bank's foreign currency forward and swap and interest rate swap transactions based on currencies are disclosed below in their TL equivalents:

	Forward Buy ^(**)	Forward Sell ^(**)	Swap Buy ^(*)	Swap Sell ^(*)	Option Buy	Option Sell	Future Buy	Future Sell
Current Period								
TL	1,369,858	1,171,155	8,009,696	13,890,768	4,318,096	4,363,356	2,926	17,435
USD	1,560,813	1,873,164	15,413,816	11,860,311	2,982,934	2,985,261	154,606	147,186
EURO	1,367,176	1,063,290	2,471,312	1,131,236	1,598,770	1,537,597	8,018	1,035
Other	286,746	482,219	534,105	148,459	1,105,333	1,081,910	-	-
Total	4,584,593	4,589,828	26,428,929	27,030,774	10,005,133	9,968,124	165,550	165,656

^(*) This column also includes hedging purpose derivatives.

^(**) This column also includes Forward Asset Purchase Commitments accounted for under Commitments

	Forward Buy ^(**)	Forward Sell ^(**)	Swap Buy ^(*)	Swap Sell ^(*)	Option Buy	Option Sell	Future Buy	Future Sell
Prior Period								
TL	388,533	498,515	5,888,531	10,705,451	2,985,137	2,843,408	3,397	3,397
USD	368,915	482,100	9,633,611	7,328,889	2,069,610	2,070,336	195,723	195,723
EURO	350,882	150,472	2,158,073	710,303	1,109,354	1,232,585	1,108	1,108
Other	152,990	137,896	89,098	233,613	586,431	581,320	-	-
Total	1,261,320	1,268,983	17,769,313	18,978,256	6,750,532	6,727,649	200,228	200,228

^(*) This column also includes hedging purpose derivatives.

^(**) This column also includes Forward Asset Purchase Commitments and accounted for under Commitments.

As of September 30, 2011, the Bank has no derivative transactions for hedge of net investment.

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6. Information on contingent liabilities and assets

None (December 31, 2010 – None).

7. Information on the services in the name and account of third parties

The Bank acts as an investment agent for banking transactions on behalf of its customers and provides custody services. Such transactions are followed under off-balance sheet accounts.

8. Information on the Bank’s rating by international rating institutions

MOODY’s April 2011		FITCH April 2011		CI September 2011	
Long-Term Deposit Rating (FC)	Ba3	Long-Term Foreign Curr.	BBB-	Long-Term Foreign Curr.	BB
Long-Term Deposit Rating (TL)	Baa2	Short-Term Foreign Curr.	F3	Short-Term Foreign Curr.	B
Short-Term Deposit Rating (TL)	Prime-2	Long-term TL	BBB-	Financial strength at local market	BBB+
Financial Strength	C-	Short-term TL	F3	Support	3
		Long-term National Individual Support	AAA (tur) C 3T		

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SECTION FIVE

IV. EXPLANATIONS ON DISCLOSURES RELATED TO THE INCOME STATEMENT

1. a) Information on interest income received from loans

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest on loans				
Short-Term Loans	1,614,022	36,687	1,265,236	38,954
Medium and Long-Term Loans	1,176,900	74,654	1,031,808	43,293
Non-Performing Loans	71,080	-	59,568	-
Premiums Received from Resource Utilization Support Fund	-	-	-	-
Total	2,862,002	111,341	2,356,612	82,247

b) Information on interest income from banks

	Current Period		Prior Period	
	TL	FC	TL	FC
T.R. Central Bank	-	-	27,553	-
Domestic Banks	178	68	4,124	20
Foreign Banks	764	1,945	1,080	1,032
Foreign Headquarters and Branches	-	-	-	-
Total	942	2,013	32,757	1,052

c) Information on interest income from securities portfolio

	Current Period		Prior Period	
	TL	FC	TL	FC
Held-for-Trading Financial Assets	3,115	214	2,781	196
Financial Assets at FVTPL	608	-	8,761	-
Investment Securities Available for Sale	274,604	38,542	251,178	33,902
Investment Securities Held to Maturity	-	-	-	-
Total	278,327	38,756	262,720	34,098

d) Information on interest income received from associates and subsidiaries

	Current Period	Prior Period
Interest Received from Associates and Subsidiaries	2,328	2,407

2. a) Information on interest expense related to funds borrowed

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
T.R. Central Bank	-	-	-	-
Domestic Banks	4,760	2,732	3,933	900
Foreign Banks	10,133	93,433	26,795	68,745
Foreign Head Offices and Branches	-	-	-	-
Other Institutions	-	-	-	-
Total	14,893	96,165	30,728	69,645

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b) Information on interest expense paid to associates and subsidiaries

	Current Period	Prior Period
Interest Paid to Associates and Subsidiaries	24,811	14,260

c) Information on interest expense paid to securities issued

The Bank has issued foreign currency bond on May 11, 2011 with USD 500 million nominal value, 5 years maturity and 5.5% fixed interest rate in foreign markets. As of September 30, 2011, interest expense amounting to TL 20,187 is booked for the bond issued (September 30, 2010 - None).

d) Information on maturity structure of interest expenses on deposits

Current Period	Time Deposits						Accumulated Deposit Account	Total
	Demand Deposits	Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	Over 1 Year		
Turkish Lira								
Bank Deposits	-	346	11,858	-	220	881	-	13,305
Saving Deposits	7	68,054	633,214	96,552	12,547	910	-	811,284
Public Sector Deposits	-	270	7,577	409	-	-	-	8,256
Commercial Deposits	2	74,024	230,557	38,804	20,840	1,713	-	365,940
Other Deposits	-	1,381	51,108	5,792	446	393	-	59,120
7 Days Call Accounts	-	-	-	-	-	-	-	-
Total	9	144,075	934,314	141,557	34,053	3,897	-	1,257,905
Foreign Currency								
Foreign Currency Deposits	5	27,606	122,638	13,099	7,154	1,366	157	172,025
Bank Deposits	80	248	4,965	1,086	-	-	-	6,379
7 Days Call Accounts	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	316	-	-	-	-	-	316
Total	85	28,170	127,603	14,185	7,154	1,366	157	178,720
Grand Total	94	172,245	1,061,917	155,742	41,207	5,263	157	1,436,625

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Information on maturity structure of interest expense on deposits

Prior Period Account	Time Deposits						Accumulated Deposit Account	Total
	Demand Deposits	Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	Over 1 Year		
New Turkish Lira								
Bank Deposits	-	8,703	7,165	1,332	59	6	-	17,265
Saving Deposits	129	156,706	409,372	8,155	3,084	909	-	578,355
Public Sector Deposits	1	246	1,675	6	-	-	-	1,928
Commercial Deposits	26	62,839	160,096	9,699	787	-	-	233,447
Other Deposits	1	4,384	27,338	9,381	275	-	-	41,379
7 Days Call Accounts	-	-	-	-	-	-	-	-
Total	157	232,878	605,646	28,573	4,205	915	-	872,374
Foreign Currency								
Foreign Currency Deposits	21	33,939	56,242	4,475	3,417	509	152	98,755
Bank Deposits	70	644	1,883	313	-	12,067	-	14,977
7 Days Call Accounts	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	27	-	-	-	-	-	27
Total	91	34,610	58,125	4,788	3,417	12,576	152	113,759
Grand Total	248	267,488	663,771	33,361	7,622	13,491	152	986,133

e) Information on interest expense on repurchase agreements

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest Expense on Repurchase Agreements (*)	78,105	3,565	32,774	198

(*) Disclosed in "Interest on Money Market Transactions".

f) Information on finance lease expenses

	Current Period	Prior Period
Finance Lease Expenses	331	209

g) Information on interest expense on factoring payables

None (September 30, 2010 – None).

3. Information on dividend income

	Current Period	Prior Period
Financial Assets Held for Trading	-	-
Financial Assets at Fair Value Through Profit or Loss	-	-
Financial Assets Available for Sale	101	-
Other	8,208	40,367
Total	8,309	40,367

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4. Information on trading income/loss

	Current Period	Prior Period
Trading Income	5,845,591	3,879,632
Gains on Capital Market Operations	141,927	160,839
Derivative Financial Instruments	2,167,730	969,730
Foreign Exchange Gains	3,535,934	2,749,063
Trading Loss (-)	5,983,236	4,177,697
Losses on Capital Market Operations	47,882	17,098
Derivative Financial Instruments	2,331,566	1,455,427
Foreign Exchange Losses	3,603,788	2,705,172
Net Trading Income/Loss	(137,645)	(298,065)

5. Information on other operating income

The Bank recorded the current year collections from loans written off in the previous period, portfolio management fees and commissions and expense accruals in “Other Operating Income” account.

6. Provision for losses on loans and other receivables

	Current Period	Prior Period
Specific Provisions For Loans and Other Receivables	91,302	234,575
Loans and Receivables in Group III	(75,623)	136,974
Loans and Receivables in Group IV	(92,052)	688
Loans and Receivables in Group V	258,977	96,913
Doubtful Fee, Commission and Other Receivables	-	-
General Provisions	130,575	44,487
Provision Expenses for Possible Losses	-	-
Impairment Losses on Securities	67	62
Financial assets at fair value through profit or loss	67	62
Investment securities available for sale	-	-
Impairment Losses on Associates, Subsidiaries and		
Investment Securities Held-to-Maturity	-	-
Associates	-	-
Subsidiaries	-	-
Entities under common control	-	-
Investment securities held-to-maturity	-	-
Other	6,123	11,317
Total	228,067	290,441

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7. Information on other operating expenses

	Current Period	Prior Period
Personnel costs	510,647	438,284
Reserve for employee termination benefits	1,372	1,728
Provision for pension fund deficits	-	-
Impairment losses on tangible assets	-	-
Depreciation charge of tangible assets	60,287	55,081
Impairment losses on intangible assets	-	-
Impairment losses on goodwill	-	-
Amortization charge of intangible assets	29,250	20,743
Impairment losses on investments under equity method of accounting	-	-
Impairment losses on assets to be disposed of	5	-
Depreciation on assets to be disposed	1,755	1,277
Impairment charge of assets held for sale and discontinued operations	-	-
Other operating expenses	393,487	354,312
Operational lease related expenses	86,924	71,661
Repair and maintenance expenses	32,242	31,767
Advertisement expenses	39,669	52,354
Other expenses	234,652	198,530
Losses on sales of assets	683	1,011
Other	158,902	118,038
Total	1,156,388	990,474

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

For the period ended September 30, 2011, net interest income of TL 1,643,884 (September 30, 2010 – TL 1,659,051), net fees and commission income of TL 568,639 (September 30, 2010 – TL 448,655) and other operating income of TL 114,478 (September 30, 2010 – TL 112,994) constitute an important part of the income.

9. Explanations on tax provision for continued and discontinued operations

9.1. Current period taxation benefit or charge and deferred tax benefit or charge

	Current Period	Prior Period
Current Tax Provision	(151,755)	(171,758)
Deferred Tax Income/(Expense)	(51,858)	49,394
Total	203,613	122,364

As of September 30, 2011, the Bank recorded current tax charge of TL 151,755 (September 30, 2010 – TL 171,758) and a deferred tax charge of TL 51,858 (September 30, 2010 – TL 49,394 deferred tax benefit) from its continuing operations.

In addition, the Bank has increased the corporate tax base concerning prior periods within the scope of “Law on the Restructuring of Some of the Receivables, and on the amendment of Social Insurances and General Health Insurance Law, and that of Other Several Laws and Legislative Decrees”, No. 6111 and accrued a liability amounting to TL 17,907.

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9.2. Explanations on operating profit/loss after taxes

None (September 30, 2010 – None).

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

Net profit of the Bank from continued operations is TL 609,597 (September 30, 2010 – TL 559,723).

11. Explanations on net income/loss for the period

11.1. 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 a complete understanding of the Bank's performance for the period

None (September 30, 2010 – None).

11.2. There is no material effect of changes in accounting estimates on income statement for the current and for subsequent periods.

11.3. There are no profit or loss attributable to minority shares.

11.4. There are no changes in the nature and amount of accounting estimates, which have a material effect on current period or expected to have a material effect on subsequent periods.

12. Information on the components of other items in the income statement exceeding 10% of the total, or items that comprise at least 20% of the income statement

Fees and commissions from credit cards, transfers and insurance intermediaries are recorded in the “Others” line under “Fees and Commissions Received” account, while fees and commissions given to credit cards are recorded in the “Others” line under “Fees and Commissions Paid” account by the Bank.

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SECTION FIVE

V. EXPLANATIONS AND DISCLOSURES RELATED TO CASH FLOWS STATEMENT

1. Information regarding the balances of cash and cash equivalents at the beginning of the period

	Current Period	Prior Period
	January 1, 2011	January 1, 2010
Cash	425,536	298,023
Cash in TL	222,979	168,903
Cash in Foreign Currencies	177,028	126,837
Other	25,529	2,283
Cash Equivalents	2,154,200	2,642,916
Balances with the T.R. Central Bank	1,968,847	1,494,358
Banks	191,503	1,157,033
Money Market Placements	-	-
Less: Placements with Banks with Maturities Longer than 3 Months	(4,322)	-
Less: Accruals	(1,828)	(8,475)
Cash and Cash Equivalents	2,579,736	2,940,939

2. Information regarding the balances of cash and cash equivalents at the end of the period

	Current Period	Prior Period
	September 30, 2011	September 30, 2010
Cash	485,659	350,801
Cash in TL	288,390	212,059
Cash in Foreign Currencies	152,518	123,389
Other	44,751	15,353
Cash Equivalents	3,038,608	1,475,137
Balances with the T.R. Central Bank	2,879,084	1,284,970
Banks	169,975	204,420
Money Market Placements	-	-
Less: Placements with Banks with Maturities Longer than 3 Months	(10,209)	(4,150)
Less: Accruals	(242)	(10,103)
Cash and Cash Equivalents	3,524,267	1,825,938

3. Restricted cash and cash equivalents due to legal requirements or other reasons

Foreign bank balances include TL 58,280 (December 31, 2010- TL 49,600) of cash blocked at foreign banks held for transactions made for foreign money markets and capital markets and borrowings from foreign markets.

4. Additional information

4.1. Restrictions on the Bank's potential borrowings that can be used for ordinary operations or capital commitment

None.

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SECTION FIVE

VI. EXPLANATIONS AND DISCLOSURES RELATED TO THE BANK'S RISK GROUP

1. Information on the volume of transactions with the Bank's risk group, lending and deposits outstanding at period end and income and expenses in the current period

- 1.1.** As of September 30, 2011, the Bank's risk group has deposits, cash and non-cash loans at the Bank amounting to TL 395,388 (December 31, 2010 - TL 548,017), TL 107,427 (December 31, 2010 - TL 73,308) and TL 95,227 (December 31, 2010 - TL 94,712) respectively.

Current Period

Bank's Risk Group ^(*)	Associates and Subsidiaries		Bank's Direct and Indirect Shareholders		Other Legal and Real Persons in Risk Group ^(**)	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and Other Receivables						
Balance at the Beginning of the Period	44,247	45,916	-	48,794	29,061	2
Balance at the End of the Period	71,748	15,779	-	79,445	35,679	3
Interest and Commission Income	2,328	28	-	9	1,746	-

Prior Period

Bank's Risk Group ^(*)	Associates and Subsidiaries		Bank's Direct and Indirect Shareholders		Other Legal and Real Persons in Risk Group ^(**)	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and Other Receivables						
Balance at the Beginning of the Period	5,874	14,627	-	11,745	30,632	22,740
Balance at the End of the Period	44,247	45,916	-	48,794	29,061	2
Interest and Commission Income	2,407	30	-	10	954	-

^(*) As described in the Article 49 of Banking Law No 5411.

^(**) Includes the loans given to the Bank's indirect subsidiaries.

1.2. Information on deposits held by the Bank's risk group

Bank's Risk Group ^(*)	Associates and Subsidiaries		Bank's Direct and Indirect Shareholders		Other Legal and Real Persons in Risk Group ^(**)	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Deposits						
Balance at the Beginning of the Period	447,922	349,531	1,707	1,116,699	98,388	57,558
Balance at the End of the Period	385,874	447,922	2,130	1,707	8,384	98,388
Interest on deposits	24,811	14,260	56	849	679	2,202

^(*) As described in the Article 49 of Banking Law No 5411.

^(**) Includes the deposits taken to the Bank's indirect subsidiaries.

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1.3. Information on forward and option agreements and similar agreements made with the Bank's risk group

Bank's Risk Group ^(*)	Associates and Subsidiaries		Bank's Direct and Indirect Shareholders		Other Legal and Real Persons in Risk Group ^(**)	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Transactions for Trading Purposes						
Beginning of the Period	-	-	817,073	105,265	246,559	273,419
End of the Period	15,773	-	33,573	817,073	25,415	246,559
Total Income/Loss ^(***)	-	-	-	-	-	-
Transactions for Hedging Purposes						
Beginning of the Period	-	-	-	-	-	-
End of the Period	-	-	-	-	-	-
Total Income/Loss ^(***)	-	-	-	-	-	-

^(*) As described in the Article 49 of Banking Law No 5411.

^(**) Includes the derivative transactions between the Bank's indirect subsidiaries.

^(***) Profit and loss amounts of transactions for trading purposes made with risk group cannot be differentiated in total profit and loss accounts.

2. Disclosures of transactions with the Bank's risk group

2.1. Relations with entities in the risk group of / or controlled by the Bank regardless of the nature of relationship among the parties

Transactions with the risk group are made on an arms-length basis; terms are set according to the market conditions and in compliance with the Banking Law.

2.2 In addition to the structure of the relationship, type of transaction, amount, and share in total transaction volume, amount of significant items, and share in all items, pricing policy and other

The pricing of transactions with the risk group companies is set in compliance with the market prices. As of September 30, 2011, cash loans of the risk group represented 0.3% of the Bank's total cash loans (December 31, 2010 - 0.3%), the deposits represented 1.3% of the Bank's total deposits (December 31, 2010 - 2.2%) and derivative transactions represented 0.2% of the Bank's total derivative transactions (December 31, 2010 - 3.9%).

2.3. Explanations on purchase and sale of real estate and other assets, sales and purchases of services, agent contracts, financial lease agreements, transfer of data obtained from research and development, licensing agreements, financing (including loans and cash and in-kind capital support), guarantees and promissory notes, and management contracts

The Bank enters into finance lease agreements with Finans Finansal Kiralama A.Ş. As of September 30, 2011, the Bank has net finance lease payables to Finans Finansal Kiralama A.Ş. amounting to TL 6,909 (December 31, 2010 - TL 23) relating with finance lease agreements.

The Bank places certain amount of its funds from time to time to Finans Portföy Yönetimi A.Ş.

The Bank has signed an agreement with Ibttech Uluslararası Bilişim ve İletişim Teknolojileri Araştırma, Geliştirme, Danışmanlık, Destek Sanayi ve Ticaret A.Ş. regarding research, development, advisory and improvement services.

Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş., in which the Bank participated 33.33% share holding, provides cash transfer services to the Bank.

Information about the Bank's subordinated loans obtained from National Bank of Greece is explained under Section 5, Part II., Footnote 11.

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SECTION SIX

OTHER EXPLANATIONS AND DISCLOSURES

I. Other explanations related to the Bank’s operations

1. Disclosure related to subsequent events and transactions that have not been finalized yet, and their impact on the financial statements

- 1.1** The amendments concerning the required reserve ratios on FC liabilities are set out as per “Communiqué on Reserve Requirements” No: 2011/11 published in the Official Gazette No: 28076 (repeated) dated October 6, 2011 Article 6, which regulates the calculation of the reserve requirement ratios, their institution forms and the duration, the amendments in the reserve requirement ratios in FC liabilities are as follows:

FX Liabilities	New Ratios (%)
FX demand deposits, notice deposits and FX private current accounts, deposits/participation accounts up to 1-month, 3-month, up to 6-month and up to 1-year maturities	11.0
FX deposits/FX participation accounts with 1-year and longer maturity and cumulative FX deposits/FX participation accounts	9.0
Special Fund Pools	Ratios for corresponding maturities
Other liabilities up to 1-year maturity (including 1-year)	11.0
Other liabilities up to 3-year maturity (including 3-year)	9.0
Other liabilities longer than 3-year maturity	6.0

Upper limit for required reserves on TL liabilities that could be maintained in USD or Euro currencies is determined as 40% and the upper limit for required reserves that could be maintained in gold is determined as 10% by the “Communiqué on Amendments on the Communiqué on Reserve Requirements” No: 2011/14 published in the Official Gazette No: 28103 (repeated) dated November 2, 2011.

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- 1.2** The amendments concerning the required reserve ratios on TL liabilities are set out as per “Communiqué on Reserve Requirements” No: 2011/13 published in the Official Gazette No: 28098 (repeated) dated October 6, 2011, which regulates the calculation of the reserve requirement ratios, their institution forms and the duration, the amendments in the reserve requirement ratios in TL liabilities are as follows:

TL Liabilities	Revised Ratios (%)
Demand deposits, notice deposits and private current accounts	11.0
Deposits/participation accounts up to 1-month maturity (including 1 month)	11.0
Deposits/participation accounts up to 3-month maturity (including 3 months)	11.0
Deposits/participation accounts up to 6-month maturity (including 6 months)	8.0
Deposits/participation accounts up to 1-year maturity	6.0
Deposits/participation accounts with 1-year and longer maturity and cumulative deposits/participation accounts	5.0
Other liabilities up to 1-year maturity (including 1-year)	11.0
Other liabilities up to 3-year maturity (including 3-year)	8.0
Other liabilities longer than 3-year maturity	5.0

- 1.3** In accordance with the Board of Directors’ decision dated August 4, 2011, the Bank has decided to increase its paid-in capital from TL 2,320,000 to TL 2,440,000 by TL 120,000; TL 3,067 of the increase is to be provided from extraordinary reserves, and the remaining part is to be met from payments received by the shareholders in cash. Shares issued by this capital increase was recorded by Capital Markets Board with No: 95/945 on October 21, 2011 and the offering circular is registered on October 25, 2011. New share acquisition rights will be used within the framework of announcement about the new share receives between October 31, 2011 and November 14, 2011.

- 1.4** The Bank has issued bonds with TL 150,000 nominal value and 177 days maturity on October 31, 2011 with respect to the permission of Capital Markets Board No: 20/616 dated June 30, 2011 and registration certificate No:29/BB-616 dated October 21, 2011.

- 1.5** General Management is authorized in the sale of shares in Finans Emeklilik ve Hayat A.Ş., of which the Bank owns 99.99% by entitling consultancy firms in order to evaluate strategic alternatives on entering into exclusive agency agreements with insurance companies for life insurance and elementary insurance products, in line with the decision of Board of Directors’ dated October 13, 2011.

2. Information about effects of significant changes in foreign exchange rates after balance sheet date that would effect decision making process of users and foreign operations of the bank

There are no significant fluctuations in the currency exchange rates after the balance sheet date that would affect the analysis and decision making process of the readers of the financial statements.

3. Other matters

None.

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SECTION SEVEN

LIMITED REVIEW REPORT

I. Explanations on the Limited Review Report

The unconsolidated financial statements of the Bank have been reviewed by DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (Member of Deloitte Touche Tohmatsu Limited) and the limited review report dated November 11, 2011 is presented preceding the financial statements.

II. Explanations on the notes prepared by Independent Auditor

None (December 31, 2010 – None).