

**FINANSBANK ANONİM ŐİRKETİ
AND ITS FINANCIAL SUBSIDIARIES**

**INDEPENDENT ACCOUNTANTS' LIMITED
REVIEW REPORT,
CONSOLIDATED FINANCIAL
STATEMENTS AND NOTES
FOR THE PERIOD ENDED
SEPTEMBER 30, 2008**

*Translated into English from the
Original Turkish Report*

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

FİNANSBANK ANONİM ŞİRKETİ AND ITS FINANCIAL SUBSIDIARIES

**INDEPENDENT ACCOUNTANTS' LIMITED REVIEW REPORT
FOR THE PERIOD JANUARY 1 – SEPTEMBER 30, 2008**

We have reviewed the accompanying balance sheet of Finansbank A.Ş. (“The Bank”) and its financial subsidiaries (“the Group”) as at September 30, 2008 and the related statements of income, changes in cash flows and 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, 2008 in accordance with the prevailing accounting principles and standards set out as per the Articles No: 37 and 38 of the Banking Act No: 5411, and other regulations, communiqués and circulars in respect of accounting and financial reporting and pronouncements made by Banking Regulation and Supervision Agency.

Additional paragraph for English translation:

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

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

Member of **DELOITTE TOUCHE TOHMATSU**

Hasan Kılıç
Partner
İstanbul, November 26, 2008

**THE CONSOLIDATED FINANCIAL REPORT OF FİNANSBANK A.Ş.
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2008**

The Parent Bank's;

Address of the Head Office : Büyükdere Caddesi No:129 34394 Mecidiyeköy / İSTANBUL
Phone number : (0212) 318 50 00
Facsimile number : (0212) 318 55 78
Web page : www.finansbank.com.tr
E-mail address : name.surname@finansbank.com.tr

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

- GENERAL INFORMATION ABOUT THE PARENT BANK
- CONSOLIDATED INTERIM FINANCIAL STATEMENTS OF THE PARENT BANK
- EXPLANATIONS ON THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS OF THE PARENT BANK
- INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE OF THE GROUP
- FOOTNOTES AND EXPLANATIONS ON CONSOLIDATED FINANCIAL STATEMENTS
- LIMITED REVIEW REPORT

Within the context of this financial report, the consolidated subsidiaries are as follows. There are no associates or entities under common control included in the consolidation.

Subsidiaries

- 1- Finans Finansal Kiralama Anonim Şirketi
- 2- Finans Yatırım Menkul Değerler Anonim Şirketi
- 3- Finans Yatırım Ortaklığı Anonim Şirketi
- 4- Finans Portföy Yönetimi Anonim Şirketi
- 5- Finans Malta Holdings Limited
- 6- Finansbank Malta Limited
- 7- Finans Emeklilik ve Hayat Anonim Şirketi
- 8- Finans Tüketici Anonim Şirketi

The consolidated nine months financial statements and related disclosures and footnotes that were subject to independent review, are prepared in accordance with the Regulation on Principles Related to Banks' Accounting Applications and Maintaining 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 consolidated financial statements are presented in **thousands of New Turkish Lira (YTL)**.

Hüsnü M. Özyeğin	Mustafa A. Aysan	Demetrios Lefakis	Edward Nassim	Sinan Şahinbaş	Adnan Menderes Yayla	Gökhan Yücel
Chairman of the Board of Directors	Member of the Board of Directors and Chairman of the Audit Committee	Member of the Board of Directors and of the Audit Committee	Member of the Board of Directors and of the Audit Committee	General Manager and Member of the Board of Directors	Executive Vice President Responsible of Financial Control and Planning	Senior Vice President Responsible of Financial-Legal Reporting and Treasury Control

Information related to the responsible personnel to whom the questions about the financial statements 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 A REPORT AND CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH)

FINANSBANK ANONIM SİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2008

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

SECTION ONE

GENERAL INFORMATION ABOUT THE PARENT BANK

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

Finansbank Anonim Şirketi (“the Bank” and/or “the Parent Bank”) was incorporated in Istanbul on September 23, 1987. The Parent Bank’s shares have been listed on the Istanbul Stock Exchange since the first public offering on February 3, 1990 and its Global Depository Receipts (GDRs) have been listed on the London Stock Exchange since 1998.

II. Information about the Parent 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 Parent Bank’s Group

As of September 30, 2008, 77.15% of the Parent Bank’s shares are owned by National Bank of Greece, by %7.90 NBGI Holdings B.V. and 9.68% by NBG Finance (Dollar) PLC.

As of September 26, 2008, Fiba Group sold 9.68 % of the ordinary shares of Finansbank A.Ş. belonging to Fiba Holding A.Ş. to National Bank of Greece S.A by amounting USD 697.15 million.

National Bank of Greece S.A (NBG) was founded in 1841 and its shares have been traded on Athens Stock Exchange since 1880 and traded on New York Stock Exchange since 1999. By offering services such as retail and commercial banking, assets management, intermediary services and investment banking, NGB broadens its banking network since its date of foundation.

III. Information about the chairman and members of board of directors, members of audit committee, general manager and executive vice presidents; any changes, and the information about the Parent Bank shares they hold

Name	Title	Date of Appointment	Education
Hüsnü M. Özyeğin	Chairman	February 1, 1988	Masters
Dr. Ömer A. Aras	Vice Chairman	November 9, 2006	Phd
Mehmet Güleşci	Executive Board Member	November 9, 2006	Masters
Prof Dr. Mustafa Aydın Aysan	Board Member and Head of Audit Committee	November 9, 2006	Phd
Demetrios Lefakis	Board Member and Audit Committee Member	April 17, 2007	Masters
Edward Nassim	Board Member and Audit Committee Member	April 17, 2007	Masters
Anthimos Thomopoulos	Board Member	November 9, 2006	Masters
Ioannis Pechlivanidis	Board Member	November 9, 2006	Masters
Yener Dinçmen	Board Member	August 20, 2001	Masters
Sinan Şahinbaş	Board Member and General Manager	October 20, 2003	Masters
Adnan Menderes Yayla	Assistant General Manager Responsible for Financial Control and Planning	May 1, 2008	Masters
Alev Utku(**)	Assistant General Manager Responsible for Financial Reporting	April 4, 2008	Masters
Şafak Ayışığı(*)	Assistant General Manager Responsible for Management Reporting and General Accounting	April 4, 2008	Graduate
Bekir Dildar	Small Business Banking Assistant General Manager	September 10, 2003	Graduate
Nergiz Ayvaz	Commercial Banking Assistant General Manager	January 1, 2008	Graduate
Vedat Mungan	Corporate Banking and Investment Banking Assistant General Manager	January 1, 2008	Masters
Dimitrios Anagnostopoulos	Assistant General Manager Responsible for Loans	August 19,2008	Graduate
Hakan Şenüinal	Retail Banking Branche Sale 1 Assistant General Manager	August 19,2008	Graduate
Fatma Deniz Ergen	Retail Banking Branche Sale 2 Assistant General Manager	August 19,2008	Graduate
Murat Şakar	Purchasing and Technical Services Assistant General Manager	August 19,2008	Graduate
Köksal Çoban	Treasury Assistant General Manager	August 19,2008	Masters
Lale Maro	Information Technologies Assistant General Manager	October 13, 1999	Masters
Özlem Cinemre	International Relations Assistant General Manager	July 9, 1997	Graduate
Kerim Rota	Treasury Assistant General Manager	August 6, 2004	Graduate
Olcayto Onur	Legal Advisory Assistant General Manager	October 2, 1997	Masters
Murat Bayburtluoğlu	Human Relations Assistant General Manager	August 19, 2004	Graduate
Kaan Arslan	Private Banking General Manager	May 31, 2005	Masters
Temel Güzeloğlu	Consumer Banking Assistant General Manager	September 19, 2007	Masters
Kubilay Güler	Operation Assistant General Manager	January 16, 2004	Graduate
Filiz Şafak	Loans Assistant General Manager	September 19, 2007	Graduate
Ahmet Cihat Kumuşoğlu	Statutory Auditor	March 27,2008	Graduate
Sedat Eratalar	Statutory Auditor	April 1, 2000	Graduate

(*) Quited as of October 5, 2008.

(**)Quited as of November 17, 2008.

The top management listed above possesses immaterial number of shares of the Parent Bank.

(CONVENIENCE TRANSLATION OF A REPORT AND CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH)

FINANSBANK ANONIM SIRKETI

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2008

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

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

Name Surname/Trade Name	Amount of Shares	Percentage of Shares	Paid-up Shares	Unpaid Shares
National Bank of Greece S.A.	1,157,199	%77.15	1,157,199	-
NBG Finance (Dollar) PLC	145,191	%9.68	145,191	-
NBGI Holdings B.V.	118,500	%7.90	118,500	-

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

V. Explanations on the Parent Bank's services and activities

The Bank's activities include trade finance and corporate banking, treasury, retail banking and credit card operations. As of September 30, 2008, the Parent Bank operates through 59 corporate and commercial banking (December 31, 2007 – 55), 360 retail banking (December 31, 2007 – 354), 1 off shore banking (December 31, 2007 -1) and 1 Atatürk Airport Free Trade Zone (December 31, 2007 - 1) branches.

SECTION TWO
CONSOLIDATED FINANCIAL STATEMENTS

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

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

**FINANSBANK ANONİM ŞİRKETİ
CONSOLIDATED BALANCE SHEET AS OF SEPTEMBER 30, 2008**

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

I- CONSOLIDATED BALANCE SHEET – ASSETS

		Reviewed 30.09.2008			Audited 31.12.2007			
	Note Ref.	YTL	FC	Total	YTL	FC	Total	
I.	CASH AND BALANCES WITH THE CENTRAL BANK	(1)	288,121	1,092,328	1,380,449	274,892	938,067	1,212,959
II.	FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Net)	(2)	514,867	77,678	592,545	300,033	850	300,883
2.1	Financial Assets Held for Trading		169,139	4,662	173,801	43,303	-	43,303
2.1.1	Public Sector Debt Securities		156,817	4,662	161,479	556	-	556
2.1.2	Equity Securities		-	-	-	-	-	-
2.1.3	Other Securities		12,322	-	12,322	42,747	-	42,747
2.2	Financial Assets Valued at Fair Value Through Profit or Loss		208,505	-	208,505	233,748	-	233,748
2.2.1	Public Sector Debt Securities		208,505	-	208,505	233,748	-	233,748
2.2.2	Equity Securities		-	-	-	-	-	-
2.2.3	Other Securities		-	-	-	-	-	-
2.3	Trading Derivatives		137,223	73,016	210,239	22,982	850	23,832
III.	BANKS AND OTHER FINANCIAL INSTITUTIONS	(3)	229,635	578,433	808,068	149,314	583,683	732,997
IV.	INTERBANK MONEY MARKETS		87,269	-	87,269	17,728	-	17,728
4.1	Interbank Money Market Placements		70,065	-	70,065	-	-	-
4.2	Istanbul Stock Exchange Money Market Placements		3,000	-	3,000	-	-	-
4.3	Receivables from Reverse Repurchase Agreements		14,204	-	14,204	17,728	-	17,728
V.	INVESTMENT SECURITIES AVAILABLE-FOR-SALE(Net)	(4)	3,432,450	339,971	3,772,421	2,994,862	281,164	3,276,026
5.1	Share Certificates		-	-	-	-	-	-
5.2	Public Sector Debt Securities		3,319,717	339,971	3,659,688	2,899,191	281,164	3,180,355
5.3	Other Securities		112,733	-	112,733	95,671	-	95,671
VI.	LOANS	(5)	15,314,220	4,398,113	19,712,333	12,193,883	3,973,329	16,167,212
6.1	Loans		15,314,220	4,398,113	19,712,333	12,193,883	3,973,329	16,167,212
6.1.1	Loans to the Risk Group of the Bank		9,359	-	9,359	-	-	-
6.1.2	Other		15,304,861	4,398,113	19,702,974	12,193,883	3,973,329	16,167,212
6.2	Loans Under Follow-Up		521,956	4,585	526,541	399,412	4,362	403,774
6.3	Specific Provisions (-)		521,956	4,585	526,541	399,412	4,362	403,774
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)	250	-	250	250	-	250
9.1	Equity Method Associates		-	-	-	-	-	-
9.2	Unconsolidated		250	-	250	250	-	250
9.2.1	Financial Investments		-	-	-	-	-	-
9.2.2	Non-Financial Investments		250	-	250	250	-	250
X.	INVESTMENT IN SUBSIDIARIES (Net)	(8)	3,236	-	3,236	1,980	-	1,980
10.1	Unconsolidated Financial Investments		-	-	-	-	-	-
10.2	Unconsolidated Non-Financial Investments		3,236	-	3,236	1,980	-	1,980
XI.	ENTITIES UNDER COMMON CONTROL (Net)	(9)	-	-	-	-	-	-
11.1	Equity Method Entities Under Common Control		-	-	-	-	-	-
11.2	Unconsolidated		-	-	-	-	-	-
11.2.1	Financial Investments		-	-	-	-	-	-
11.2.2	Non-Financial Investments		-	-	-	-	-	-
XII.	LEASE RECEIVABLES (Net)	(10)	266,215	871,692	1,137,907	308,602	669,883	978,485
12.1	Financial Lease Receivables		338,792	1,007,181	1,345,973	398,518	780,250	1,178,768
12.2	Operational Lease Receivables		-	-	-	-	-	-
12.3	Others		-	-	-	-	-	-
12.4	Unearned Income (-)		72,577	135,489	208,066	89,916	110,367	200,283
XIII.	HEDGING PURPOSE DERIVATIVES	(11)	-	-	-	-	-	-
13.1	Fair Value Hedge		-	-	-	-	-	-
13.2	Cash Flow Hedge		-	-	-	-	-	-
13.3	Hedging of Net Investment in Foreign Subsidiaries		-	-	-	-	-	-
XIV.	TANGIBLE ASSETS (Net)		367,888	174	368,062	340,551	156	340,707
XV.	INTANGIBLE ASSETS (Net)		51,830	-	51,830	36,545	-	36,545
15.1	Goodwill		8,969	-	8,969	8,969	-	8,969
15.2	Others		42,861	-	42,861	27,576	-	27,576
XVI.	INVESTMENT PROPERTY (Net)		-	-	-	-	-	-
XVII.	TAX ASSETS	(12)	12,163	450	12,613	24,287	516	24,803
17.1	Current Tax Assets		-	-	-	-	-	-
17.2	Deferred Tax Assets		12,163	450	12,613	24,287	516	24,803
XVIII.	ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)	(13)	-	-	-	-	-	-
18.1	Held for Sale		-	-	-	-	-	-
18.2	Discontinued Operations		-	-	-	-	-	-
XIX.	OTHER ASSETS	(14)	236,069	482,362	718,431	367,757	663,439	1,031,196
TOTAL ASSETS			20,804,213	7,841,201	28,645,414	17,010,684	7,111,087	24,121,771

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

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

FINANSBANK ANONİM ŞİRKETİ
CONSOLIDATED BALANCE SHEET AS OF SEPTEMBER 30, 2008

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

I- CONSOLIDATED BALANCE SHEET – LIABILITIES AND EQUITY

	Note Ref.	Reviewed 30.09.2008			Audited 31.12.2007		
		YTL	FC	Total	YTL	FC	Total
I. DEPOSITS	(1)	9,450,754	9,140,001	18,590,755	7,210,053	7,853,269	15,063,322
1.1 Deposits from the Risk Group of the Bank		132,180	744,894	877,074	2,175	580,961	583,136
1.2 Other		9,318,574	8,395,107	17,713,681	7,207,878	7,272,308	14,480,186
II. TRADING DERIVATIVES	(2)	597,688	74,035	671,723	822,032	2,671	824,703
III. FUNDS BORROWED	(3)	489,650	3,444,519	3,934,169	465,968	3,204,703	3,670,671
IV. INTERBANK MONEY MARKETS		715,039	32,367	747,406	32,031	19,977	52,008
4.1 Interbank Money Markets Takings		-	-	-	2,500	-	2,500
4.2 Istanbul Stock Exchange Money Markets Takings		-	-	-	-	-	-
4.3 Funds Provided under Repurchase Agreements	(4)	715,039	32,367	747,406	29,531	19,977	49,508
V. SECURITIES ISSUED (Net)		-	-	-	-	-	-
5.1 Bills		-	-	-	-	-	-
5.2 Asset Backed Securities		-	-	-	-	-	-
5.3 Bonds		-	-	-	-	-	-
VI. FUNDS		-	-	-	-	-	-
6.1 Borrower Funds		-	-	-	-	-	-
6.2 Other		-	-	-	-	-	-
VII. SUNDRY CREDITORS		402,128	71,965	474,093	438,873	92,201	531,074
VIII. OTHER LIABILITIES	(5)	175,832	11,334	187,166	489,246	22,078	511,324
IX. FACTORING PAYABLES		-	-	-	-	-	-
X. LEASE PAYABLES (Net)	(6)	-	-	-	-	-	-
10.1 Financial Lease Payables		-	-	-	-	-	-
10.2 Operational Lease Payables		-	-	-	-	-	-
10.3 Others		-	-	-	-	-	-
10.4 Deferred Financial Leasing Expenses (-)		-	-	-	-	-	-
DERIVATIVE FINANCIAL LIABILITIES FOR HEDGING PURPOSES	(7)	-	-	-	-	-	-
11.1 Fair Value Hedge		-	-	-	-	-	-
11.2 Cash Flow Hedge		-	-	-	-	-	-
11.3 Hedging of a Net Investment in Foreign Subsidiaries		-	-	-	-	-	-
XII. PROVISIONS	(8)	365,533	-	365,533	375,444	-	375,444
12.1 General Provisions		151,912	-	151,912	122,759	-	122,759
12.2 Restructuring Provisions		-	-	-	-	-	-
12.3 Reserve for Employee Termination Benefits		57,752	-	57,752	65,424	-	65,424
12.4 Insurance Technical Provisions(Net)		23,943	-	23,943	624	-	624
12.5 Other Provisions		131,926	-	131,926	186,637	-	186,637
XIII. TAX LIABILITIES	(9)	38,552	7,482	46,034	26,062	7,198	33,260
13.1 Current Tax Liability		35,375	7,482	42,857	22,669	7,198	29,867
13.2 Deferred Tax Liability		3,177	-	3,177	3,393	-	3,393
XIV. PAYABLES RELATED TO ASSET HELD FOR SALE	(10)	-	-	-	-	-	-
14.1 Held for Sale		-	-	-	-	-	-
14.2 Discontinued Operations		-	-	-	-	-	-
XV. SUBORDINATED LOANS	(11)	-	509,447	509,447	-	237,739	237,739
XVI. SHAREHOLDERS' EQUITY		3,137,503	(18,415)	3,119,088	2,822,791	(565)	2,822,226
16.1 Paid-In Capital	(12)	1,500,000	-	1,500,000	1,400,000	-	1,400,000
16.2 Capital Reserves	(13)	(35,093)	(18,415)	(53,508)	(3,113)	(565)	(3,678)
16.2.1 Share Premium		-	-	-	-	-	-
16.2.2 Share Cancellation Profits		-	-	-	-	-	-
16.2.3 Securities Value Increase Fund	(14)	(35,093)	(18,415)	(53,508)	(3,113)	(565)	(3,678)
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 Jointly Controlled Entities (Joint Vent.)		-	-	-	-	-	-
16.2.8 Hedging Funds (Effective Portion)		-	-	-	-	-	-
16.2.9 Accumulated valuation differences from assets held for sale and discontinued operations		-	-	-	-	-	-
16.2.10 Other Capital Reserves		-	-	-	-	-	-
16.3 Profit Reserves		1,079,119	-	1,079,119	664,108	-	664,108
16.3.1 Legal Reserves		143,864	-	143,864	107,179	-	107,179
16.3.2 Status Reserves		-	-	-	-	-	-
16.3.3 Extraordinary Reserves		935,255	-	935,255	556,929	-	556,929
16.3.4 Other Profit Reserves		-	-	-	-	-	-
16.4 Profit or Loss		467,356	-	467,356	648,760	-	648,760
16.4.1 Prior Years' Profits or Losses		90,252	-	90,252	40,026	-	40,026
16.4.2 Current Year Profit or Loss		377,104	-	377,104	608,734	-	608,734
16.5 Minority Shares		126,121	-	126,121	113,036	-	113,036
TOTAL LIABILITIES AND EQUITY		15,372,679	13,272,735	28,645,414	12,682,500	11,439,271	24,121,771

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

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

FINANSBANK ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF CONTINGENCIES AND COMMITMENTS

AS OF SEPTEMBER 30, 2008

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

II. CONSOLIDATED STATEMENT OF OFF BALANCE SHEET ITEMS

	Note Ref.	Reviewed 30.09.2008			Audited 31.12.2007		
		YTL	FC	Total	YTL	FC	Total
A. OFF-BALANCE SHEET CONTINGENCIES AND COMMITMENTS (I+II+III)		24,365,839	19,755,130	44,120,969	18,450,148	17,627,530	36,077,678
I. GUARANTEES	(1), (2), (3),(4)	2,443,229	3,261,619	5,704,848	2,050,568	3,087,286	5,137,854
1.1 Letters of Guarantee		2,443,229	1,676,045	4,119,274	2,050,555	1,565,936	3,616,491
1.1.1 Guarantees Subject to State Tender Law		152,226	-	152,226	163,816	-	163,816
1.1.2 Guarantees Given for Foreign Trade Operations		1,867,178	1,676,045	3,543,223	1,549,359	1,565,936	3,115,295
1.1.3 Other Letters of Guarantee		423,825	-	423,825	337,380	-	337,380
1.2 Bank Acceptances		-	924,314	924,314	-	778,607	778,607
1.2.1 Import Letter of Acceptances		-	924,314	924,314	-	778,607	778,607
1.2.2 Other Bank Acceptances		-	-	-	-	-	-
1.3 Letters of Credits		-	608,487	608,487	13	615,812	615,825
1.3.1 Documentary Letters of Credit		-	543,641	543,641	13	554,158	554,171
1.3.2 Other Letters of Credit		-	64,846	64,846	-	61,654	61,654
1.4 Guaranteed Prefinancing		-	-	-	-	-	-
1.5 Endorsements		-	-	-	-	-	-
1.5.1 Endorsements to the Central Bank of Turkey		-	-	-	-	-	-
1.5.2 Other Endorsement		-	-	-	-	-	-
1.6 Purchase Guarantees for Securities Issued		-	-	-	-	-	-
1.7 Factoring Related Guarantees		-	-	-	-	-	-
1.8 Other Collaterals		-	52,773	52,773	-	126,931	126,931
1.9 Other Sureties		-	-	-	-	-	-
II. COMMITMENTS		7,353,821	21,087	7,374,908	6,794,152	24,440	6,818,592
2.1 Irrevocable Commitments		7,266,108	21,087	7,287,195	6,780,849	24,440	6,805,289
2.1.1 Asset Purchase Commitments		-	-	-	-	-	-
2.1.2 Deposit Purchase And Sales Commitments		-	-	-	-	-	-
2.1.3 Share Capital Commitment to Associates and Subsidiaries		3,750	-	3,750	14,950	-	14,950
2.1.4 Loan Granting Commitments		676,090	-	676,090	1,683,595	-	1,683,595
2.1.5 Securities Issue Brokerage Commitments		-	-	-	-	-	-
2.1.6 Commitments for Reserve Deposit Requirements		-	-	-	-	-	-
2.1.7 Commitments for Check Payments		539,802	-	539,802	473,777	-	473,777
2.1.8 Tax and Fund Obligations from Export Commitments		-	-	-	-	-	-
2.1.9 Commitments for Credit Card Expenditure Limits		5,851,355	-	5,851,355	4,394,068	-	4,394,068
2.1.10 Activities		17,121	-	17,121	16,213	-	16,213
2.1.11 Receivables for Short Sale Commitments		-	-	-	-	-	-
2.1.12 Payables for Short Sale Commitments		-	-	-	-	-	-
2.1.13 Other Irrevocable Commitments		177,990	21,087	199,077	198,246	24,440	222,686
2.2 Revocable Commitments		87,713	-	87,713	13,303	-	13,303
2.2.1 Revocable Loan Granting Commitments		87,713	-	87,713	13,303	-	13,303
2.2.2 Other Revocable Commitments		-	-	-	-	-	-
III. DERIVATIVE FINANCIAL INSTRUMENTS	(5)	14,568,789	16,472,424	31,041,213	9,605,428	14,515,804	24,121,232
3.1 Hedging Purpose Derivatives		-	-	-	-	-	-
3.1.1 Fair Value Hedge		-	-	-	-	-	-
3.1.2 Cash Flow Hedge		-	-	-	-	-	-
3.1.3 Hedging of Net Investments in Foreign Subsidiaries		-	-	-	-	-	-
3.2 Trading Purpose Derivatives		14,568,789	16,472,424	31,041,213	9,605,428	14,515,804	24,121,232
3.2.1 Forward Foreign Currency Purchases / Sales		381,284	660,095	1,041,379	420,088	2,696,521	3,116,609
3.2.1.1 Forward Foreign Currency Purchases		207,148	313,533	520,681	265,370	1,295,169	1,560,539
3.2.1.2 Forward Foreign Currency Sales		174,136	346,562	520,698	154,718	1,401,352	1,556,070
3.2.2 Currency and Interest Rate Swaps		8,479,571	9,051,022	17,530,593	6,837,981	6,097,485	12,935,466
3.2.2.1 Currency Swap-Purchases		910,944	6,152,791	7,063,735	761,775	4,466,433	5,228,208
3.2.2.2 Currency Swap-Sales		7,139,769	1,733,927	8,873,696	6,033,502	852,912	6,886,414
3.2.2.3 Interest Rate Swap-Purchases		214,429	582,152	796,581	21,352	389,070	410,422
3.2.2.4 Interest Rate Swap-Sales		214,429	582,152	796,581	21,352	389,070	410,422
3.2.3 Currency, Interest Rates and Securities Options		5,703,524	6,613,131	12,316,655	2,324,047	5,548,038	7,872,085
3.2.3.1 Currency Options-Purchase		2,824,204	3,345,841	6,170,045	1,161,138	2,764,781	3,925,919
3.2.3.2 Currency Options-Sales		2,879,320	3,267,290	6,146,615	1,162,909	2,783,257	3,946,166
3.2.3.3 Interest Rate Options-Purchase		-	866	866	-	-	-
3.2.3.4 Interest Rate Options-Sales		-	722	722	-	-	-
3.2.3.5 Securities Options-Purchase		-	-	-	-	-	-
3.2.3.6 Securities Options-Sales		-	-	-	-	-	-
3.2.4 Currency Futures		4,410	148,176	152,586	23,312	173,760	197,072
3.2.4.1 Currency Futures-Purchase		2,205	74,088	76,293	11,656	86,880	98,536
3.2.4.2 Currency Futures-Sales		2,205	74,088	76,293	11,656	86,880	98,536
3.2.5 Interest Rate Futures		-	-	-	-	-	-
3.2.5.1 Interest Rate Futures-Purchase		-	-	-	-	-	-
3.2.5.2 Interest Rate Futures-Sales		-	-	-	-	-	-
3.2.6 Others		-	-	-	-	-	-
B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)		7,424,702	1,316,190	8,740,892	7,078,210	1,248,566	8,326,776
IV. ITEMS HELD IN CUSTODY		2,971,613	719,386	3,690,999	2,558,710	683,391	3,242,101
4.1 Customers' Securities Held		22,245	-	22,245	14,640	-	14,640
4.2 Investment Securities Held in Custody		1,721,589	496,384	2,217,973	1,469,541	406,067	1,875,608
4.3 Checks Received For Collection		875,458	113,290	988,748	633,939	169,268	803,207
4.4 Commercial Notes Received for Collection		243,494	103,354	346,848	215,015	102,298	317,313
4.5 Other Assets Received for Collection		-	-	-	-	-	-
4.6 Asset Received for Public Offering		-	-	-	-	-	-
4.7 Other Items under Custody		108,824	6,358	115,182	195,569	5,613	201,182
4.8 Custodians		3	-	3	30,006	145	30,151
V. PLEDGED ITEMS		4,453,089	596,804	5,049,893	4,519,500	565,175	5,084,675
5.1 Securities		418,336	166,543	584,879	983,472	76,653	1,060,125
5.2 Guarantee Notes		92,685	57,504	150,189	94,435	55,378	149,813
5.3 Commodities		26,579	-	26,579	28,397	-	28,397
5.4 Warranties		-	-	-	-	-	-
5.5 Real Estates		-	-	-	-	-	-
5.6 Other Pledged Items		3,915,489	372,757	4,288,246	3,413,196	433,144	3,846,340
5.7 Pledged Items-Depository		-	-	-	-	-	-
VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES		-	-	-	-	-	-
TOTAL OFF-BALANCE SHEET ACCOUNTS (A+B)		31,790,541	21,071,320	52,861,861	25,528,358	18,876,096	44,404,454

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

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

FINANSBANK ANONIM SIRKETI

CONSOLIDATED INCOME STATEMENT FOR PERIOD ENDED SEPTEMBER 30, 2008

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

IV. CONSOLIDATED INCOME STATEMENT

		Reviewed 01.07- 30.09.2008	Reviewed 01.01- 30.09.2008	Reviewed 01.07- 30.09.2007	Reviewed 01.01- 30.09.2007
		Total		Total	
	Note Ref				
I.	INTEREST INCOME	1,071,130	2,930,173	831,024	2,314,622
1.1	Interest on loans	831,504	2,245,224	619,860	1,752,131
1.2	Interest received from reserve deposits	2,327	7,300	1,381	4,010
1.3	Interest received from banks	28,752	81,490	50,182	125,981
1.4	Interest received from money market placements	1,679	5,944	1,547	5,581
1.5	Interest received from marketable securities portfolio	173,860	484,386	130,029	350,188
1.5.1	Held-for-trading financial assets	12,689	14,181	157	444
1.5.2	Financial assets at fair value through profit and loss	20,362	42,872	-	-
1.5.3	Available-for-sale financial assets	140,809	427,333	129,872	349,744
1.5.4	Investments held-to-maturity	-	-	-	-
1.6	Finance lease income	32,999	104,485	27,530	75,067
1.7	Other interest income	9	1,344	495	1,664
II.	INTEREST EXPENSE	588,679	1,533,824	430,116	1,152,032
2.1	Interest on deposits	473,931	1,229,390	333,456	889,555
2.2	Interest on funds borrowed	64,318	199,231	66,428	194,965
2.3	Interest on money market borrowings	50,421	105,080	30,232	67,507
2.4	Interest on securities issued	-	-	-	-
2.5	Other interest expense	9	123	-	5
III.	NET INTEREST INCOME (I - II)	482,451	1,396,349	400,908	1,162,590
IV.	NET FEES AND COMMISSIONS INCOME	168,786	465,796	129,930	330,340
4.1	Fees and commissions received	194,703	541,150	140,597	372,614
4.1.1	Non-cash loans	11,889	40,459	15,348	51,424
4.1.2	Other	182,814	500,691	125,249	321,190
4.2	Fees and commissions paid	25,917	75,354	10,667	42,274
4.2.1	Non-cash loans	40	154	85	259
4.2.2	Other	25,877	75,200	10,582	42,015
V.	DIVIDEND INCOME	2	269	190	512
VI.	NET TRADING INCOME	(180,041)	(293,402)	(92,050)	(214,900)
6.1	Securities trading gains/ (losses)	(200,071)	(319,247)	(85,332)	(238,128)
6.2	Foreign exchange gains/ (losses)	20,030	25,845	(6,718)	23,228
VII.	OTHER OPERATING INCOME	5,085	90,003	20,421	89,236
VIII.	NET OPERATING INCOME (III+IV+V+VI+VII)	476,283	1,659,015	459,399	1,367,778
IX.	PROVISION FOR LOAN LOSSES AND OTHER RECEIVABLES (-)	112,330	302,006	79,717	181,567
X.	OTHER OPERATING EXPENSES (-)	273,496	828,663	243,041	689,608
XI.	NET OPERATING INCOME/(LOSS) (VIII-IX-X)	90,457	528,346	136,641	496,603
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)	90,457	528,346	136,641	496,603
XVI.	TAX PROVISION FOR CONTINUED OPERATIONS (±)	(22,694)	(137,483)	(28,618)	11,620
16.1	Provision for current income taxes	(50,406)	(112,128)	(38,828)	(36,292)
16.2	Provision for deferred taxes	27,712	(25,355)	10,210	47,912
XVII.	NET PROFIT/(LOSS) FROM CONTINUED OPERATIONS (XV±XVI)	67,763	390,863	108,023	508,223
XVIII.	INCOME ON DISCONTINUED OPERATIONS	-	-	-	-
18.1	Income on assets held for sale	-	-	-	-
18.2	Income on sale of associates, subsidiaries and jointly controlled entities (Joint vent.)	-	-	-	-
18.3	Income on other discontinued operations	-	-	-	-
XIX.	LOSS FROM DISCONTINUED OPERATIONS (-)	-	-	-	-
19.1	Loss from assets held for sale	-	-	-	-
19.2	Loss on sale of associates, subsidiaries and jointly controlled entities (Joint vent.)	-	-	-	-
19.3	Loss from other discontinued operations	-	-	-	-
XX.	PROFIT / (LOSS) ON DISCONTINUED OPERATIONS BEFORE TAXES (XVIII-XIX)	-	-	-	-
XXI.	TAX PROVISION FOR DISCONTINUED OPERATIONS (±)	-	-	-	-
21.1	Provision for current income taxes	-	-	-	-
21.2	Provision for deferred taxes	-	-	-	-
XXII.	NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XX±XXI)	-	-	-	-
XXIII.	NET PROFIT/LOSS (XVII+XXII)	67,763	390,863	108,023	508,223
23.1	Group's profit/loss	62,497	377,104	102,603	493,537
23.2	Minority shares	5,266	13,759	5,420	14,686
	Earnings per share	0.0042	0.0251	0.0068	0.0329

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

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

**FINANSBANK ANONIM SIRKETI
CONSOLIDATED STATEMENTS OF PROFIT AND LOSS ACCOUNTED FOR UNDER EQUITY FOR THE PERIOD ENDED SEPTEMBER 30, 2008**

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

IV. CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNTED FOR UNDER EQUITY

	Reviewed 01.01-30.09.2008	Reviewed 01.01-30.09.2007
I. Additions to marketable securities revaluation differences for available for sale financial assets	(62,319)	(10,317)
II. Tangible assets revaluation differences	-	-
III. Intangible assets revaluation differences	-	-
IV. Foreign exchange differences for foreign currency transactions	-	-
V. Profit/Loss from derivative financial instruments for cash flow hedge purposes (Effective portion of fair value differences)	-	-
VI. Profit/Loss from derivative financial instruments for hedge of net investment in foreign operations (Effective portion of fair value differences)	-	-
VII. The effect of 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	13,381	3,173
X. Total Net Profit/Loss accounted for under equity (I+II+...+IX)	(48,938)	(7,144)
XI. Profit/Loss	(892)	(1,759)
11.1 Change in fair value of marketable securities (Transfer to Profit/Loss)	(892)	(1,759)
11.2 Reclassification and transfer of derivatives accounted for cash flow hedge purposes recycled to Income Statement	-	-
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)	(49,830)	(8,903)

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

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

FINANSBANK ANONIM SIRKETI

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE PERIOD ENDED SEPTEMBER 30, 2008

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

V. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Reviewed		Note Ref	Paid-in Capital	Effect of inflation Accounting on Capital and Other Capital Reserves	Share premium	Share cancellation profits	Legal Reserves	Statutory Reserves	Extraordinary Reserves	Other Reserves	Current Period Net Income/(Loss)	Prior Period Net Income/(Loss)	Marketable Securities Value Increase	Tangible and Intangible Assets Revaluation Differences	Bonus shares obtained from Associates	Hedging Funds	Acc. valuation diff. from assets held for sale and from disc. op.	Total Equity Before Minority Shares	Minority Shares	Total Equity	
I	Prior Period – 01.01.-30.09.2007																				
	Beginning Balance		1,250,000	-	-	61,797	-	179,007	-	677,473	-	(13,398)						2,154,879	91,685	2,246,564	
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)		1,250,000	-	-	61,797	-	179,007	-	677,473	-	(13,398)						2,154,879	91,685	2,246,564	
	Changes in period																				
IV.	Increase/Decrease related to merger																				
V.	Marketable securities valuation differences												(8,903)					(8,903)		(8,903)	
VI.	Hedging Funds (Effective Portion)																				
6.1	Cash-flow hedge																				
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 jointly controlled entities (Joint vent.)																				
X.	Foreign exchange differences																				
XI.	The disposal of assets																				
XII.	The reclassification of assets																				
XIII.	The effect of change in associate's equity																				
XIV.	Capital increase		150,000																		
14.1	Cash							(150,000)													
14.2	Internal sources		150,000					(150,000)													
XV.	Share issue																				
XVI.	Share cancellation profits																				
XVII.	Inflation adjustment to paid-in capital																				
XVIII.	Other																				
XIX.	Period net income/(loss)									493,537								493,537	14,686	508,223	
XX.	Profit distribution					45,382		522,139		(677,473)	45,809							(64,143)		(64,143)	
20.1	Dividends distributed									(64,143)								(64,143)		(64,143)	
20.2	Transfers to reserves					45,382		522,139		(613,330)	45,809										
20.3	Other																				
	Closing Balance																				
	(III+IV+V+VI+VII+VIII+IX+X+XI+XII+XIII+XIV+XV+XVI+XVII+XVIII+XIX+XX)		1,400,000	-	-	107,179	-	551,146	-	493,537	45,809	(22,301)						2,575,370	106,371	2,681,741	

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

**(CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS AND RELATED DISCLOSURES AND FOOTNOTES
ORIGINALLY ISSUED IN TURKISH)
FINANSBANK ANONIM SIRKETI
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIOD ENDED SEPTEMBER 30, 2008**

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

V. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

		Reviewed													Acc. valuation diff. from assets held for sale and assets from disc. op.			
	Note Ref	Paid-in Capital	Effect of inflation Accounting on Capital and Other Capital Reserves	Share premium	Share cancellation profits	Legal Reserves	Statutory Reserves	Extraordinary Reserves	Other Reserves	Current Period Net Income/(Loss)	Prior Period Net Income/(Loss)	Marketable Securities Value Increase Fund	Tangible and Intangible Assets Revaluation Differences	Bonus shares obtained from Associates	Hedging Funds	Total Equity Before Minority Shares	Minority Shares	Total Equity
I	Current Period – 01.01.-30.09.2008	1,400,000	-	-	-	107,179	-	556,929	-	-	648,760	(3,678)	-	-	-	2,709,190	113,036	2,822,226
	Changes in period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
II.	Increase/Decrease related to merger	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Marketable securities valuation differences	-	-	-	-	-	-	-	-	-	-	(49,830)	-	-	-	(49,830)	-	(49,830)
IV.	Hedging Funds (Effective Portion)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1	Cash-flow hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2	Hedge of net investment in foreign operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V.	Tangible assets revaluation differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Intangible assets revaluation differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Bonus shares obtained from associates, subsidiaries and jointly controlled entities (Joint vent.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Foreign exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	The disposal of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	The reclassification of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	The effect of change in associate's equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII.	Capital increase	100,000	-	-	-	-	-	(100,000)	-	-	-	-	-	-	-	-	-	-
12.1	Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2	Internal sources	100,000	-	-	-	-	-	(100,000)	-	-	-	-	-	-	-	-	-	-
XIII.	Share issue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV.	Share cancellation profits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XV.	Inflation adjustment to paid-in capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI.	Other (*)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(674)	(674)
XVII.	Period net income/(loss)	-	-	-	-	-	-	-	377,104	-	-	-	-	-	-	377,104	13,759	390,863
XVIII.	Profit distribution	-	-	-	-	36,685	-	478,326	-	-	(558,508)	-	-	-	-	(43,497)	-	(43,497)
18.1	Dividends distributed	-	-	-	-	-	-	-	-	-	(43,497)	-	-	-	-	(43,497)	-	(43,497)
18.2	Transfers to reserves	-	-	-	-	36,685	-	478,326	-	-	(515,011)	-	-	-	-	-	-	-
18.3	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Closing Balance																	
	(I+II+III+IV+V+VI+VII+VIII+IX+X+XI+XII+XIII)	1,500,000	-	-	-	143,864	-	935,255	-	377,104	90,252	(53,508)	-	-	-	2,992,967	126,121	3,119,088

(*) Includes the share increase of the Group on Finans Invest Trust from 75.98% to 82.11%.

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

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

FINANSBANK ANONIM SİRKETİ

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED SEPTEMBER 30, 2008

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

VI. CONSOLIDATED CASH FLOW STATEMENT

	Note Ref	Reviewed 01.01-30.09.2008	Reviewed 01.01-30.09.2007
A. CASH FLOWS FROM / (TO) BANKING OPERATIONS			
1.1		365,297	1,359,184
1.1.1		2,940,951	2,452,151
1.1.2		(1,504,346)	(1,114,926)
1.1.3		269	512
1.1.4		541,150	372,614
1.1.5		108,048	118,696
1.1.6		103,203	83,748
1.1.7		(707,014)	(614,377)
1.1.8		(104,429)	(126,574)
1.1.9		(1,012,535)	187,340
1.2		695,055	(2,399,270)
1.2.1		(124,246)	(231,196)
1.2.2		11,302	-
1.2.3		(38,268)	28,289
1.2.4		(3,761,105)	(2,774,831)
1.2.5		185,533	(427,570)
1.2.6		(71,118)	1,391,869
1.2.7		3,585,109	(532,228)
1.2.8		521,723	(269,249)
1.2.9		-	-
1.2.10		386,125	415,646
I.		1,060,352	(1,040,086)
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II.		(818,252)	(668,858)
2.1		(1,256)	(1,485)
2.2		-	-
2.3		(59,296)	(56,516)
2.4		9,388	668
2.5		(1,770,363)	(1,389,870)
2.6		1,003,275	778,345
2.7		-	-
2.8		-	-
2.9		-	-
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III.		(107,640)	-
3.1		-	-
3.2		-	-
3.3		-	-
3.4		(107,640)	-
3.5		-	-
3.6		-	-
IV.		29,588	(40,447)
V.		164,048	(1,749,391)
VI.	(1)	1,283,265	3,143,504
VII.	(2)	1,447,313	1,394,113

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

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

FINANSBANK ANONIM SIRKETI

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2008

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

SECTION THREE

ACCOUNTING POLICIES

I. Basis of presentation

1. Preparation of the consolidated 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 Parent Bank prepared the accompanying consolidated financial statements and the related disclosures and footnotes in accordance with Turkish Accounting Standards (TAS), Turkish Financial Reporting Standards (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 circulars, communiqués, pronouncements and declarations in respect of accounting and financial reporting made by the Banking Regulation and Supervision Agency (BRSA).

Consolidated financial statements and the related disclosures and footnotes have been presented in thousands of YTL unless otherwise specified.

2. Other classifications

The Group has classified YTL 76,723 leasehold improvements in "Intangible Assets (Net)" to "Tangible Assets (Net)" in the financial statements as of December 31, 2007.

The Group has classified YTL 9,388 appraisal expenses in "Other Operating Expenses", to "Net Fee and Commission Income" in the income statement for the period ended September 30, 2007.

The Group has classified YTL 102,687 fees and commissions received for cash loans in "net fee and commission income" to "interest income" in the income statement for the period ended September 30, 2007.

The Group has classified YTL 3,644 fees and commissions paid to the banks in "net fee and commission expenses" to "interest expense" in the income statement for the period ended September 30, 2007.

The Group has classified YTL 43,924 interest income in "Interest Income from the Reserve Deposits" to "Interest Income from Banks" in the income statement for the period ended September 30, 2007.

The Group has classified YTL 76,350 from "Other Operating Expenses" to "Current Tax Provision" in the income statement for the period ended September 30, 2007. The explanation is disclosed in section five disclosure IV.9.1.

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

Accounting policies and valuation principles used in the preparation of the consolidated 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 and "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.

4. Presentation of the consolidated financial statements according to the current purchasing power of the money

The Group's consolidated financial statements have been prepared in accordance with TAS 29 "Reporting in Hyperinflationary Economies" until December 31, 2004. By a circular declared by the BRSA on April 28, 2005, it was stated that the indicators leading to comply with inflation accounting is no longer applicable and therefore, inflation accounting would not be applied starting from January 1, 2005.

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

FINANSBANK ANONIM SIRKETI

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2008

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

Explanation for Convenience Translation to English

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

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 Parent Bank are customer deposits and funds borrowed from international markets. The customer deposits are with fixed rate and have an average maturity of 1-3 months. Funds borrowed from abroad are generally with floating rates and are repriced at an average period of 3-6 months. The Parent Bank channels its placements to assets with high return and sufficient collaterals. The Parent 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 Parent Bank, the main activities generating yields higher than the calculated average yield are credit card transactions.

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

The Parent 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 effect 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 yearly.

The strategies for hedging exchange rate risk generated from the Group'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 at interest rate risk section in detail.

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

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FINANSBANK ANONIM SIRKETI

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2008

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

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 Group 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, 2008 are translated to YTL by using historical foreign currency exchange rates. Balances of the foreign currency denominated assets and liabilities are translated into YTL by using foreign currency exchange rates of the Parent Bank and the resulting exchange differences are recorded as foreign exchange gains and losses. The Bank’s foreign currency exchange rates are as follows:

	<u>September 30, 2008</u>	<u>December 31, 2007</u>
US Dollars	YTL 1.2316	YTL 1.1647
Euro	YTL 1.7978	YTL 1.7102

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

As of September 30, 2008 the net foreign exchange loss included in the income statement are YTL 25,845 (September 30, 2007 - net foreign exchange gain of YTL 23,228).

2.3. Foreign subsidiaries

The assets and liabilities of consolidated foreign subsidiaries are translated to New Turkish Lira using the Parent Bank’s period end closing foreign exchange rates at the balance sheet date and income statements are translated using the Parent Bank’s annual average exchange rates. Translation differences resulting from the translation of income statements of the consolidated subsidiaries are reflected in “Securities Value Increase Fund” in the accompanying consolidated financial statements. The aforementioned translation loss is YTL 1,295 as of September 30, 2008 (December 31, 2007 – YTL 3,512 translation loss).

The effective portion of foreign currency differences stems from foreign investment and corresponding designated funding is recorded in “hedging reserves” under shareholders’ equity in compliance with the “net investment hedging”.

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FINANSBANK ANONIM SİRKETİ

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2008

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

III. Presentation of information regarding the consolidated subsidiaries

The accompanying consolidated financial statements are prepared in accordance with TAS 27 “Consolidated and Separate Financial Statements”.

The subsidiaries and associates included in consolidation and their places of incorporation, nature of activities and shareholding percentages are as follows:

		Place of Incorporation	Principal Activities	Effective Shareholding and Voting Rights (%)	
				September 30, 2008	December 31, 2007
1.	Finans Yatırım Menkul Değerler A.Ş. (Finans Yatırım)	Turkey	Brokerage	100.00	100.00
2.	Finans Portföy Yönetimi A.Ş. (Finans Portföy)	Turkey	Asset Management	100.00	100.00
3.	Finansbank Malta Limited	Malta	Banking	100.00	100.00
4.	Finans Malta Holdings Limited	Malta	Holding	100.00	100.00
5.	Finans Yatırım Ortaklığı A.Ş. (Finans Yatırım Ortaklığı)	Turkey	Investment Trust	82.11	75.98
6.	Finans Finansal Kiralama A.Ş. (Finans Leasing)	Turkey	Leasing	59.24	59.24
7.	Finans Emeklilik ve Hayat A.Ş.	Turkey	Private Pension and Insurance	99.99	99.99
8.	Finans Tüketici Finansmanı A.Ş.	Turkey	Consumer Finance	99.99	99.99

Subsidiaries which are incorporated in Turkey, maintain their books of account and prepare their financial statements in accordance with the regulations on accounting and reporting framework and accounting standards which are determined by the accounting standards promulgated by the Turkish Capital Markets Board regulations, Turkish Commercial Code and Financial Leasing Law and the foreign subsidiaries maintain their books of account and prepare their statutory financial statements in accordance with the regulations of the countries in which they operate. Certain adjustments and reclassifications were made on the financial statements of the subsidiaries for the purpose of fair presentation in accordance with the prevailing regulations and accounting standards according to the Articles 37 and 38 of the Turkish Banking Law No 5411 and other regulations, circulars, communiqués and pronouncements in respect of accounting and financial reporting issued by the BRSA.

Differences between the accounting policies of the subsidiaries and associates and the Parent Bank are adjusted, if material. The financial statements of the subsidiaries are prepared as of September 30, 2008, December 31, 2007 and September 30, 2007.

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FINANSBANK ANONIM SIRKETI

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2008

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

1. Subsidiaries

As of September 30, 2008, December 31, 2007 and September 30, 2007 financial subsidiaries are fully consolidated and intercompany transactions and balances, including intercompany profits and losses are eliminated.

2. Associates

The Parent Bank does not have any associates or entities under common control that are consolidated in the accompanying financial statements.

IV. Explanations on forwards, option contracts and derivative instruments

The Group enters into forward currency agreements and swap transactions to reduce the foreign currency risk and interest rate risk and manage foreign currency liquidity risk. The Parent Bank also carries out currency and Eurobond option, swaption, credit default swap and futures agreements.

In accordance with TAS 39 "Financial Instruments: Recognition and Measurement", forward foreign currency purchase/sale contracts, swaps, options and futures 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 valued at fair value using the pricing models subsequent to initial recognition and are presented in the "Assets on Trading Derivatives" and "Liabilities on Trading Derivatives" items of the balance sheet depending on the resulting positive or negative amounts of the computed value. The amounts in the balance sheet refers to the fair value of derivatives.

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. The unrealized gains and losses are reflected in the income statement in the current period.

The Parent Bank funds its long term fixed interest rate YTL loan portfolio with long term (up to 10 years) floating interest rate foreign currency funds obtained from international markets. The Parent Bank changes the foreign currency liquidity obtained from the international markets to YTL liquidity with long term swap transactions (fixed YTL interest rate and floating FC interest rate). By this transaction the Parent Bank provides YTL fund for the long term maturity with fixed interest rate loans and avoids the interest risk .

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 and swaption transactions are valued by 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.

Credit default swap transactions are valued by market prices as of the balance sheet date and related unrealized gains and losses are reflected in the current period income statement.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2008

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

V. Interest income and expense

Interest income and expense 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 expense

Fees and commissions income and expenses are accounted for on an accrual basis, except for certain transactions that income is recognized immediately. Other fee and commission expenses are considered as transaction cost and included in the amortised cost by using internal rate of return method. Income generated through agreements or through the sale and purchases of assets on behalf of third parties, are recorded as income when collected.

Dividend income is accrued when the subsidiaries' and associates' profit distribution decisions are approved. Dividend income from subsidiaries are eliminated in the accompanying financial statements by adjusting in the retained earnings as part of the consolidation principles.

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 Parent Bank accounts for its trading securities at fair value. The difference between interest income that has been gained by holding the trading securities and acquisition cost and fair value of the trading securities, is reflected as interest income at income statement. If any of the these financial assets are sold before their maturity the gain or loss is realized as security trading gains / losses.

1.2. Financial assets at fair value through profit or loss

The Parent 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. They are presented under loans, 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 financial assets at fair value through profit or loss and accordingly recorded at amortised cost instead of fair value as of the balance sheet date.

The Group has government bonds in its financial assets at fair value through profit or loss.

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

Fair value of 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.

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 taken into account in computing the internal rate of return and are included in interest income in the income statement. Accrued interest income on investment securities available for sale are recognized in the income statement whereas gains and losses arising from the change in the fair values of such securities are reflected in equity net of their tax effect under "Securities value increase fund" (Unrealized Gains/Losses on Securities). When investment securities

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available for sale are sold, collected or otherwise disposed of, the cumulative fair value adjustments under equity is transferred to the income statement.

3. Investment securities held to maturity

The Group does not have investment securities held to maturity in its portfolio.

4. Loans and specific provisions

The Group initially records loans and receivables at cost; except for the loans that are recorded with fair value through profit or loss, and subsequently, these loans are carried at amortized cost by using the effective interest rate method. Taxes, transaction costs and other expenses paid for the guarantees taken are not considered as part of the cost of the transactions and expensed in the related period. As of December 31, 2005 the Parent Bank, as it is explained in the “IV. Explanations on Forward, Option Contracts and Derivative Instruments”, entered into swap transactions against YTL in order to hedge the possible losses which might arise from the changes in the fair value of a certain portion of its long-term loans. The Parent Bank accounted for the hedged part of the loan portfolio at its 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. The Parent Bank stopped fair value hedge accounting as of January 1, 2006.

The allowance for possible loan losses is established through a provision charged to expenses. The allowance is an estimated amount that management believes to be adequate to absorb possible future losses on existing loans that may become uncollectible with taking into account current economic conditions, quality and inherent risks in the Group’s loan portfolio and other relevant factors as well as the related legislation.

If there is evidence for the uncollectibility of loans extended, the Parent Bank classifies related loans and advances in non performing loans and provides specific reserves in accordance with the Communiqué dated November 1, 2006 and published on the Official Gazette No 2633 on “Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves”. Specific provisions are charged to the statement of income in the related period.

The collections made in relation to amounts provided in the current period are offset against the “Provision for Impairment on Loans and Other Receivables” account in the income statement. The principal collections made related to the loans that were written-off or for which a provision was made in previous years are recorded under “Other Operating Income” account and interest collections are recorded under the “Interest on Loans under Follow-up” account.

VIII. Impairment of financial assets

If the amount computed by discounting expected future cash flows of financial asset with using the effective interest rate method or (if any) the fair value is lower than the carrying value of financial assets, impairment can be recognised. Provision is made 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 on the stock exchanges, associates and subsidiaries are less than their carrying values, a provision for impairment is allocated, and the net value is shown on the balance sheet.

The Parent Bank provides specific allowances for loan 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 Parent Bank has a legally enforceable right to set off, and the intention of collecting or paying the net amount of related assets and liabilities or the right to offset the assets and liabilities simultaneously.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2008

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

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 Parent 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 amounted to YTL 757,789 as of September 30, 2008 (December 31, 2007 - YTL 37,041).

Securities that are subject to lending transactions amounted to YTL 3,090 as of September 30, 2008 (December 31, 2007 - 12,005).

Securities purchased with a commitment to resell (reverse repurchase agreements) are recorded in a separate account under interbank money market takings 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. Asset 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 Group does not have any assets held for sale.

A discontinued operation is a part of the Group’s business classified as sold or held-for-sale. The operating results of the discontinued operations are disclosed separately in the income statement. The Group does not have any discontinued operation.

XII. Goodwill and other intangible assets

Group’s intangible assets consist of softwares, intangible rights and goodwill.

The cost of intangible assets purchased before December 31, 2004 are restated from the purchasing dates to December 31, 2004. The intangible assets purchased after December 31, 2004 are recorded at their historical cost less accumulated amortization and provision for impairment, if any. Amortisation is calculated on a straight-line basis.

Software has been classified as other intangible fixed assets. The useful life of software is determined as 5 years for periods before 2004 while the useful life for additions after 2004 are determined as 3 years.

If the Parent Bank decides that there is objective evidence of impairment, the asset’s recoverable amount is estimated in accordance with the Turkish Accounting Standard 36 (TAS 36) “Impairment of Assets” and if the recoverable amount is less then the carrying value of the related asset, a provision for impairment loss is made.

The difference between the acquisition cost of the subsidiaries and the net assets of the subsidiaries less impairment, if any, is represented as goodwill. An assessment for impairment is conducted for each balance sheet date, if there are any instances and changes indicating that the carrying amount of the goodwill would not be realized.

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XIII. Tangible assets

The cost of tangible assets purchased before December 31, 2004 are restated from the purchasing dates to December 31, 2004. The tangible assets purchased after December 31, 2004 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:

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

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 are no purchase commitments related to the fixed assets.

XIV. Leasing transactions

Fixed assets acquired under finance lease contracts are recorded under "Tangible Fixed Assets" in the assets and under "Financial Lease Payables" in the liabilities 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 gross lease receivables including interest and principal amounts regarding the Group's financial leasing activities as "Lessor" are stated under the finance lease receivables. The difference between the total of rent payments and the cost of the related fixed assets is reflected to the "unearned income" account. The interest income is recognized based on a pattern reflecting a constant periodic rate of return on the net investment outstanding.

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XV. Provisions and contingencies

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 Parent 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. If the amount of the obligation cannot be measured reliably or the possibility of an outflow of resources embodying economic benefits is remote, such liabilities are disclosed in the footnotes.

Provisions made during the period are recorded under “provision for losses on loans and other receivables”; provisions that were booked in the prior periods and released in the current year are recorded under “other operating income”.

XVI. Obligations of the Group concerning employee rights

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 Group 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 Group 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 in the Group.

The Group has reflected the retirement pay liability amount, which was calculated by an independent actuary, into the accompanied consolidated financial statements.

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

The Group has been booked provision for the employees’ unused vacations has been booked and reflected to the financial statements.

There are no foundations, pensions and similar associations of which the employees of the Group are members.

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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, effective from January 1, 2006, statutory income is subject to corporate tax at 20%. Advance corporate taxes paid are followed under current tax assets account and are deducted from the corporate taxes of the the current year.

Companies file their tax returns between the 1st and 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 Liability” in the liabilities and “Current Tax Provision” in the income statement.

Effective from April 24, 2003, statutory income, including retained earnings from 2002 and before, is not subject to withholding tax if retained, or transferred to share capital or distributed as dividend to the full fledged taxpayer corporations. However, it is subject to withholding tax at 10% if distributed as dividend to full 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. That withholding tax was increased to 15% by the Resolution of the Council of Ministers No 2006/10731, dated July 22, 2006.

2. Deferred taxes

In accordance with TAS 12 “Income Taxes”, the Group 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.

Consolidated subsidiaries’ deferred tax assets and liabilities at their financial statements have been offset and the balance of net deferred tax asset is disclosed as YTL 12,613 (December 31,2007 – YTL 24,803), and the net deferred tax liability as YTL 3,177 (December 31,2007 –YTL 3,393).

As of September 30, 2008, deferred tax charge resulting from temporary differences is YTL 25,355 (September 30, 2007- YTL 47,912 deferred tax benefit). The deferred tax is reflected in “Deferred Tax Provision” in the accompanying income statement.

Deferred taxes directly related to equity items are recognized and offset in related equity accounts. The deferred tax liability amounting to YTL 14,530 (December 31,2007 – YTL 1,149 – deferred tax liability) has been offset with “Securities Value Increase Fund” account under equity.

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XVIII. Additional explanations on borrowings

The Group generates funds from domestic and foreign sources whenever required. The funds borrowed from foreign sources are mainly in the form of syndications and securitizations. The funds borrowed are shown at their amortised cost by using the internal rate of return method.

The Group has not issued convertible bonds. There are no debt instruments directly issued by the Group. The funds obtained through the debt instruments issued by the special purpose vehicles (SPV's) are classified under funds borrowed.

XIX. Shares and share issuances

The Parent Bank has not issued any bonus shares in the current period.

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 obligation 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, 2008, the Group does not have any government incentives or grants.

XXII. Segment reporting

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

The calculation for the income statement of operational units designated as profit centers such as corporate and commercial banking, consumer banking, SME banking, plastic cards, 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 Parent Bank's senior management and which are updated periodically. In this pricing method, general market conditions and the Parent Bank's internal policies are considered.

The Corporate Marketing Unit provides services to large scale corporate multinational firms in Turkey, that have annual revenue of USD 15 million and higher, and multi-national firms operating in Turkey. The firms that have annual revenues between USD 2 million and 15 million are considered as "Commercial Enterprise". The Parent Bank places 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 revenue between YTL 750 and YTL 5,000. The Parent Bank offers sectoral solution packages to these small and medium-size firms.

The Consumer Banking meets the needs and expectations of customers. The Private Banking Unit has been formed in 2003 and started to serve customers with high level income. 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 Parent Bank and interest and foreign currency risks resulting the market conditions. This segment is in close relation with corporate, commercial, consumer, SME and private banking units in order to increase the number of customers and the volume of transactions in treasury products of the Parent Bank.

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Current Period	Retail Banking	Corporate and Commercial Banking	Other	Total Operations of the Bank
Operating Income	1,346,924	333,907	(21,816)	1,659,015
Other (*)	(341,409)	(8,842)	350,251	-
Operating Income	1,005,515	325,065	328,435	1,659,015
Operating Profit	359,035	220,012	(50,970)	528,077
Income from Subsidiaries	-	-	-	269
Profit Before Tax	-	-	-	528,346
Corporate Tax	-	-	-	(137,483)
Profit After Tax	-	-	-	377,104
Minority Rights	-	-	-	13,759
Net Profit	-	-	-	390,863
Total Assets	12,307,375	8,546,217	6,376,992	28,645,414
Segment Assets	12,307,375	8,546,217	6,376,992	27,230,584
Associates and Subsidiaries	-	-	-	3,486
Undistributed Assets	-	-	-	1,411,344
Total Liabilities	9,923,012	5,508,505	9,021,983	28,645,414
Segment Liabilities	9,923,012	5,508,505	9,021,983	24,453,500
Undistributed Liabilities	-	-	-	1,072,826
Equity	-	-	-	3,119,088
Other Segment Accounts	-	-	-	170,427
Capital Investment	-	-	-	115,649
Depreciation and Amortization	-	-	-	55,618
Impairment	-	-	-	(840)

(*) The net operating income generated from transactions with other segments.

Prior Period (September 30, 2007)	Retail Banking	Corporate and Commercial Banking	Other	Total Operations of the Bank
Operating Income	733,578	366,390	267,810	1,367,778
Other (*)	(206,340)	(59,966)	266,306	-
Operating Income	527,238	306,424	534,116	1,367,778
Operating Profit	236,419	275,730	(16,058)	496,091
Income From Associates	-	-	-	512
Profit Before Tax	-	-	-	496,603
Corporate Tax	-	-	-	11,620
Profit After Tax	-	-	-	493,537
Minority Shares	-	-	-	14,686
Net Profit	-	-	-	508,223
Other Segment Accounts	-	-	-	116,398
Capital Investments	-	-	-	78,560
Depreciation and Amortization	-	-	-	42,260
Value Decrease/Increase	-	-	-	(4,422)

(*) The net operating income generated from transactions with other segments.

Prior Period (December 31, 2007)	Retail Banking	Corporate and Commercial Banking	Other	Total Operations of the Bank
Total Assets	9,936,566	6,125,412	6,459,009	24,121,771
Segment Assets	9,936,566	6,125,412	6,459,009	22,520,987
Associates and Subsidiaries	-	-	-	2,230
Undistributed Assets	-	-	-	1,598,554
Total Liabilities	7,881,054	4,975,479	7,004,184	24,121,771
Segment Liabilities	7,881,054	4,975,479	7,004,184	19,860,717
Undistributed Liabilities	-	-	-	1,438,828
Equity	-	-	-	2,822,226

XXIII. Explanations on other Matters

None.

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SECTION FOUR

INFORMATION ON GROUP'S FINANCIAL STRUCTURE

I. Consolidated capital adequacy ratio

The Group's consolidated capital adequacy ratio is 13.11% as of September 30, 2008 (December 31, 2007 – 12.75%).

1. Risk measurement methods in the calculation of consolidated capital adequacy ratio

Capital adequacy ratio is calculated in accordance with the "Regulation on Measurement and Assessment of Capital Adequacy Ratio of Banks" published in the Official Gazette No.26333, dated November 1, 2006, And also "The Regulation of the Change at the Regulation on Measurement and Assessment of Capital Adequacy Ratio of Banks" published in the Official Gazette No:26669 dated October 10, 2007. 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 "Regulation on Banks' Internal Control and Risk Management Systems" 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 are weighted after netting off specific provisions that are classified under respective offsetting accounts and calculated based on the "Regulation on Identification of and Provision against Non-Performing Loans and Other Receivables". The net amounts are then multiplied by the rates stated in the Article 5 of "Regulation regarding 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 and classified according to the related risk groups after being multiplied by the rates stated in the Article 5 of "Regulation regarding Measurement and Assessment of Capital Adequacy Ratios of Banks".

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Consolidated and Unconsolidated capital adequacy ratio

	Risk Weight													
	Parent Bank							Consolidated						
	%0	%10	%20	%50	%100	%150	%200	%0	%10	%20	%50	%100	%150	%200
Value at Credit Risk														
Balance Sheet Items (Net)	1,790,295	-	452,266	5,420,811	12,692,553	233,126	7,745	1,871,435	-	753,499	6,460,153	14,816,133	233,126	7,745
Cash on Hand	263,205	-	437	-	-	-	-	261,460	-	2,302	-	-	-	-
Securities in Redemption	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances with the Central Bank of	379,943	-	-	-	-	-	-	379,943	-	-	-	-	-	-
Domestic and Foreign Banks, Foreign	-	-	450,827	-	79,012	-	-	-	-	727,720	-	79,012	-	-
Interbank Money Market Placements	70,000	-	-	-	-	-	-	73,000	-	-	-	-	-	-
Receivables from Reverse Repurchase	-	-	-	-	-	-	-	-	-	14,143	-	-	-	-
Reserve Deposits	716,799	-	-	-	-	-	-	716,799	-	-	-	-	-	-
Loans	328,355	-	-	5,365,075	11,126,669	233,126	7,745	404,021	-	8,193	6,174,325	12,608,610	233,126	7,745
Loans under Follow-Up (Net)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lease Receivables	-	-	-	-	-	-	-	1,957	-	-	218,074	899,269	-	-
Investment Securities Available-for-Sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments Held-to-Maturity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Forward Sale of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sundry Debtors	-	-	-	-	488,560	-	-	-	-	-	-	496,904	-	-
Accrued Interest and Income	20,721	-	1,002	55,736	203,652	-	-	21,642	-	1,141	67,754	233,672	-	-
Investments in Associates, Subsidiaries	-	-	-	-	390,076	-	-	-	-	-	-	3,486	-	-
Tangible Assets (Net)	-	-	-	-	354,611	-	-	-	-	-	-	368,062	-	-
Other Assets	11,272	-	-	-	49,973	-	-	12,613	-	-	-	127,118	-	-
Off-Balance Sheet Items	55,343	-	647,581	273,772	4,776,041	-	-	55,343	-	647,536	273,772	4,772,740	-	-
Non-Cash Loans and Commitments	55,343	-	-	273,772	4,722,315	-	-	55,343	-	-	273,772	4,722,315	-	-
Derivative Financial Instruments	-	-	647,581	-	53,726	-	-	-	-	647,536	-	50,425	-	-
Non-Risk-Weighted Accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Value at Risk	1,845,638	-	1,099,847	5,694,583	17,468,594	233,126	7,745	1,926,778	-	1,401,035	6,733,925	19,588,873	233,126	7,745
Total Risk Weighted Assets	-	-	219,969	2,847,292	17,468,594	349,689	15,490	-	-	280,207	3,366,963	19,588,873	349,689	15,490

Summary information related to consolidated and unconsolidated capital adequacy ratio

	Parent Bank		Consolidated	
	Current Period	Prior Period	Current Period	Prior Period
Value at Credit Risk	20,901,034	18,272,288	23,601,222	20,598,082
Value at Market Risk	1,580,413	1,405,338	1,594,200	1,484,463
Value at Operational Risk	2,698,723	2,084,276	2,626,528	2,088,439
Shareholders' Equity	3,300,214	2,827,904	3,648,585	3,081,000
Shareholders' Equity/(VaCR+VaMR+VaOR)x100	%13.11	%12.99	%13.11	%12.75
VACR	: Value at Credit Risk			
VAMR	: Value at Market Risk			
VAOR	: Value at Operational Risk			

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Components of consolidated shareholders' equity items

	Current Period	Prior Period
CORE CAPITAL		
Paid-in Capital		
Nominal Capital	1,500,000	1,400,000
Capital Commitments (-)	1,500,000	1,400,000
Capital Reserves from Inflation Adjustments to Paid-in Capital	-	-
Share Premium	-	-
Share Cancellation Profits	-	-
Legal Reserves	143,864	107,179
I. Legal Reserve (Turkish Commercial Code 466/1)	122,597	93,038
II. Legal Reserve (Turkish Commercial Code 466/2)	21,267	14,141
Reserves allocated as per Special Legislations	-	-
Status Reserves	-	-
Extraordinary Reserves	565,449	187,123
Reserve Allocated as per the Decision Held by the General Assembly	565,449	187,123
Retained Earnings	-	-
Accumulated Losses	-	-
Exchange Rate Differences on Foreign Currency Capital	-	-
Reserves from Inflation Adjustments to Legal, Status and Extraordinary Reserves	-	-
Profit	377,104	608,734
Current Period Profit	90,252	40,026
Prior Periods Profit	60,883	85,688
Provision for Possible Losses (up to 25% of Core Capital)	369,806	369,806
Income on Sale of Equity Shares and Real Estates to be Used up for Capital Increase	-	-
Primary Subordinated Debt (up to 15% of Core Capital)	126,121	113,036
Minority Interest	467,356	648,760
Losses Excess of Reserves (-)	-	-
Current Period Loss	-	-
Prior Periods Loss	-	-
Limit Excesses as per the 3rd Paragraph of the Article 56 of the Banking Law (-)	-	-
Consolidation Goodwill (Net) (-)	8,969	8,969
Total Core Capital	3,224,510	2,902,623
SUPPLEMENTARY CAPITAL		
General Provisions	151,912	122,759
45% of Revaluation Surplus on Movables	-	-
45% of Revaluation Surplus on Real Estate	-	-
Bonus Shares of Associates, Subsidiaries and Entities Under Common Control	-	-
Primary Subordinated Debt excluding the Portion included in Core Capital	-	-
Secondary Subordinated Debt	455,059	232,940
Securities Value Increase Fund	(53,508)	(3,678)
Associates and Subsidiaries	(1,295)	(3,512)
Investment Securities Available for Sale	(52,213)	(166)
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	553,463	352,021
TIER III CAPITAL		
CAPITAL	3,777,973	3,254,644
DEDUCTIONS FROM CAPITAL	129,388	173,644
Leasehold Improvements (-) (*)	-	76,723
Prepaid Expenses (-)	85,097	67,892
Intangible Assets (-)	42,861	27,576
Deferred Tax Asset Exceeding 10% of Core Capital (-)	-	-
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	-	-
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	1,430	1,453
Others	-	-
TOTAL SHAREHOLDERS' EQUITY	3,648,585	3,081,000

(*)The leasehold improvements stated above are not included in deductions from capital as of September 30, 2008 and instead included at 100% risk weight in credit risk calculation.

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II. Information on consolidated market risk

The Group has established market risk operations and has taken the necessary precautions 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 Parent 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 Parent 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 Parent Bank requires risk management group and the top management of the Parent Bank to take necessary actions in order to identify, measure, control and manage the risks that the Parent 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".

1. Information on consolidated market risk

	Amount
(I) Capital Obligation against General Market Risk - Standard Method	95,859
(II) Capital Obligation against Specific Risks - Standard Method	20,123
(III) Capital Obligation against Currency Risk - Standard Method	6,923
(IV) Capital Obligation against Commodity Risks - Standard Method	-
(V) Capital Obligation against Settlement Risks - Standard Method	-
(VI) Capital Obligation against Market Risks of Options - Standard Method	4,631
(VII) Capital Obligation against Market Risks of Banks applying Risk Measurement	-
(VIII) Total Capital Obligations against Market Risk (I+II+III+IV+V+VI)	127,536
(IX) Value-At-Market Risk (12,5 x VIII) or (12,5 x VII)	1,594,200

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

III. Information on consolidated foreign currency exchange rate risk

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

As of September 30, 2008, net foreign currency exposure of the Group is YTL 149,061 short (December 31, 2007 - YTL 189,832 short) resulting from on balance sheet short position amounting to YTL 4,317,057 (December 31, 2007 - YTL 3,678,694 short) and long off balance sheet position amounting to YTL 4,466,118 (December 31, 2007 - YTL 3,488,862 long). The long off balance sheet position amounting to YTL 4,418,864 (December 31, 2007 – YTL 3,613,521)is related with the FC/YTL swap transactions performed with banks and customers. The Group performs these transactions to manage foreign currency liquidity risk and to hedge itself from interest rate risk.

The Group enters into foreign currency forward transactions and swap transactions to decrease foreign currency position risk. The Group 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 Group does not hedge foreign currency borrowings and net foreign currency investments by derivative instruments.

The Group designated a hedging relationship amounting to EUR 100 million to hedge its investment in Finans Malta Holdings Ltd. Accordingly the Group has taken a position on deposits equal to its net investment in foreign operations. The valuation differences of the net investment for the current year amounting to YTL 4,540 loss and the valuation differences in the hedging instrument amounting to YTL 4,540 gain have been accounted for under “Securities Value Increase Fund”.

3. The Parent 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	YTL 1.2316	
Euro purchase rate at the date of the balance sheet	YTL 1.7978	
<u>Date</u>	<u>US Dollars</u>	<u>Euro</u>
September 30, 2008	YTL 1.2316	YTL 1.7978
September 29, 2008	YTL 1.2316	YTL 1.7978
September 26, 2008	YTL 1.2313	YTL 1.8104
September 25, 2008	YTL 1.2345	YTL 1.8199
September 24, 2008	YTL 1.2345	YTL 1.8199
September 23, 2008	YTL 1.2351	YTL 1.7996

4. The basic arithmetical average of the Parent 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 2008 are YTL 1.2297 and 1.7709; respectively.

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5. Information on the consolidated foreign currency exchange rate risk

Current Period	EUR	USD	YEN	Other FC	Total
Assets					
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	1,025,754	60,962	145	5,467	1,092,328
Due from Banks and Other Financial Institutions	304,668	248,581	6,872	18,312	578,433
Financial Assets at Fair Value through Profit/Loss (***)	1,556	69,662	-	199	71,417
Interbank Money Market Placements	-	-	-	-	-
Securities Available-for-Sale	47,918	292,053	-	-	339,971
Loans (**)	2,040,196	3,263,276	109,305	120,506	5,533,283
Investments in Assoc., Subsidiaries and Entities Under Common Control (Joint Vent.)	-	-	-	-	-
Securities Held-to-Maturity	-	-	-	-	-
Derivative Financial Assets Held for Hedging	-	-	-	-	-
Tangible Assets	159	-	-	15	174
Intangible Assets	-	-	-	-	-
Other Assets (***)	697,175	644,071	219	11,905	1,353,370
Total Assets	4,117,426	4,578,605	116,541	156,404	8,968,976
Liabilities					
Bank Deposits	1,544,188	1,228,305	18	4,570	2,777,081
Foreign Currency Deposits	2,008,464	4,262,252	3,585	88,619	6,362,920
Money Market Deposits	-	32,367	-	-	32,367
Funds Provided from Other Financial Institutions	723,044	3,230,834	88	-	3,953,966
Securities Issued	-	-	-	-	-
Sundry Creditors	28,718	30,029	3,071	10,147	71,965
Derivative Financial Liabilities Held for Hedging	-	-	-	-	-
Other Liabilities (***)	15,220	70,428	1,651	435	87,734
Total Liabilities	4,319,634	8,854,215	8,413	103,771	13,286,033
Net Balance Sheet Position	(202,208)	(4,275,610)	108,128	52,633	(4,317,057)
Net Off-Balance Sheet Position	223,014	4,403,273	(114,235)	(45,934)	4,466,118
Financial Derivative Assets	805,281	9,512,140	51,631	100,219	10,469,271
Financial Derivative Liabilities	582,267	5,108,867	165,866	146,153	6,003,153
Non-Cash Loans (*)	965,642	2,044,535	11,482	239,960	3,261,619
Prior Period					
Total Assets	2,669,910	5,008,495	7,224	74,429	7,760,058
Total Liabilities	2,578,272	8,746,176	4,936	109,368	11,438,752
Net Balance Sheet Position	91,638	(3,737,681)	2,288	(34,939)	(3,678,694)
Net Off-Balance Sheet Position	(22,760)	3,458,690	2,685	50,247	3,488,862
Financial Derivative Assets	1,294,006	7,258,347	39,001	410,979	9,002,333
Financial Derivative Liabilities	1,316,766	3,799,657	36,316	360,732	5,513,471
Non-Cash Loans (*)	858,482	1,958,275	4,349	266,180	3,087,286

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

(**) Includes foreign currency indexed loans amounting to YTL 1,135,170 (December 31, 2007 - YTL 650,146) that are classified as YTL on the balance sheet.

(***) Does not include the prepaid expenses amounting to YTL 1,134 (December 31, 2007 – YTL 1,170) that are classified as FC on the balance sheet in accordance with the legislation issued by BRSA and published in the Official Gazette No 26085 dated February 19, 2006.

(****)Accrued foreign exchange income and expenses on derivative transactions amounting to YTL 6,261 and YTL 5,117 (December 31, 2007 – YTL 5 and YTL 1,084), are excluded. Other liabilities do not include YTL (18,415) (December 31, 2007 – YTL (565)) of valuation difference of securities.

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IV. Information on consolidated interest rate risk

Interest rate risk that would arise from the changes in interest rates depending on the Parent Bank's position is managed by the Asset/Liability Committee of the Parent 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 Parent 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 Parent Bank carry positive interest yield and assets and liabilities are repriced within an average of 6 months. Consequently the Parent Bank carries limited interest rate risk.

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

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Information related to the consolidated interest rate sensitivity of assets, liabilities and off-balance sheet items
(Based on repricing 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) and Balances with the Central Bank of Turkey	1,115,535	-	-	-	-	264,914	1,380,449
Due form Banks and Other Financial Institutions	630,274	-	11,256	-	-	166,538	808,068
Financial Assets at Fair Value Through Profit/Loss	8,519	87,186	42,199	339,074	6,788	108,779	592,545
Interbank Money Markets	87,269	-	-	-	-	-	87,269
Securities Available for Sale	83,469	436,262	1,763,361	1,150,405	226,611	112,313	3,772,421
Loans	5,461,829	3,430,874	5,396,856	4,190,364	1,232,410	-	19,712,333
Securities Held to Maturity	-	-	-	-	-	-	-
Other Assets (*)	102,074	76,527	284,568	659,054	15,684	1,154,422	2,292,329
Total Assets	7,488,969	4,030,849	7,498,240	6,338,897	1,481,493	1,806,966	28,645,414
Liabilities							
Interbank Deposits	1,676,291	943,468	458,830	-	-	80,657	3,159,246
Other Deposits	11,664,153	1,789,224	142,402	8,006	8,785	1,818,939	15,431,509
Money Market Borrowings	747,406	-	-	-	-	-	747,406
Sundry Creditors	-	-	-	-	-	474,093	474,093
Securities Issued	-	-	-	-	-	-	-
Funds Provided from Other Financial Institutions	1,598,093	1,211,212	776,813	611,018	246,480	-	4,443,616
Other Liabilities (*)	31,090	80,268	103,695	350,973	19,384	3,804,134	4,389,544
Total Liabilities	15,717,033	4,024,172	1,481,740	969,997	274,649	6,177,823	28,645,414
On Balance Sheet Long Position	-	6,677	6,016,500	5,368,900	1,206,844	-	12,598,921
On Balance Sheet Short Position	(8,228,064)	-	-	-	-	(4,370,857)	(12,598,921)
Off-Balance Sheet Long Position	-	6,393	-	-	-	-	6,393
Off-Balance Sheet Short Position	(27,082)	-	(95,004)	(334,121)	(17,009)	-	(473,216)
Total Position	(8,255,146)	13,070	5,921,496	5,034,779	1,189,835	(4,370,857)	(466,823)

(*) "Other Assets" in "Non Interest Bearing" column include other assets amounting to YTL 718,431, tangible assets amounting to YTL 368,062, intangible assets amounting to YTL 51,830, associates and subsidiaries amounting to YTL 3,486, tax asset amounting to YTL 12,613; and "Other Liabilities" in the "Non Interest Bearing" column includes shareholders' equity amounting to YTL 3,119,088 other external resources amounting to YTL 187,166, provisions amounting to YTL 365,533, derivative financial liabilities held for trading amounting to YTL 86,313 and tax liability amounting to YTL 46,034.

Average interest rates applied to monetary financial instruments

Current Period	EUR %	USD %	Yen %	YTL %
Assets				
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	1.90	0.75	-	12.56
Due form Banks and Other Financial Institutions	4.35	2.86	-	16.82
Financial Assets at Fair Value Through Profit/Loss	6.50	11.53	-	18.45
Interbank Money Markets	-	-	-	16.75
Securities Available for Sale	5.88	9.03	-	17.68
Loans	7.38	5.96	3.18	22.99(*)
Lease Receivables	9.05	8.61	-	25.59
Securities Held to Maturity	-	-	-	-
Liabilities				
Bank Deposits	5.54	4.52	-	18.45
Other Deposits	5.03	4.44	0.10	19.05
Money Market Borrowings	-	1.95	-	17.13
Sundry Creditors	-	-	-	-
Securities Issued	-	-	-	-
Funds Provided from Other Financial Institutions	5.97	5.39	2.39	13.27

(*) The interest rate of loans is 19.9% excluding credit cards.

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Information related to the consolidated 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) and Balances with the Central Bank of Turkey	607,873	-	-	-	-	605,086	1,212,959
Due form Banks and Other							
Financial Institutions	601,136	5,218	8,962	-	-	117,681	732,997
Financial Assets at Fair Value Through Interbank Money Markets	8,837	1,399	74,761	158,985	-	56,901	300,883
Securities Available for Sale	17,728	-	-	-	-	-	17,728
Loans	1,007,075	1,318,507	199,389	657,314	-	93,741	3,276,026
Securities Held to Maturity	2,380,620	6,293,371	3,407,292	2,558,787	1,527,142	-	16,167,212
Other Assets (*)	-	-	-	-	-	-	-
	80,628	61,441	275,120	552,156	9,140	1,435,481	2,413,966
Total Assets	4,703,897	7,679,936	3,965,524	3,927,242	1,536,282	2,308,890	24,121,771
Liabilities							
Interbank Deposits	987,314	1,029,235	104,121	-	-	41,528	2,162,198
Other Deposits	7,849,886	2,823,637	337,041	4,062	11,537	1,874,961	12,901,124
Money Market Borrowings	51,914	94	-	-	-	-	52,008
Sundry Creditors	-	-	-	-	-	531,074	531,074
Securities Issued	-	-	-	-	-	-	-
Funds Provided from Other							
Financial Institutions	82,940	252,353	1,717,716	1,487,295	368,106	-	3,908,410
Other Liabilities (*)	157,592	589,240	4,966	-	-	3,815,159	4,566,957
Total Liabilities	9,129,646	4,694,559	2,163,844	1,491,357	379,643	6,262,722	24,121,771
On Balance Sheet Long Position	-	2,985,377	1,801,680	2,435,885	1,156,639	-	8,379,581
On Balance Sheet Short Position	(4,425,749)	-	-	-	-	(3,953,832)	(8,379,581)
Off-Balance Sheet Long Position	-	-	-	-	-	-	-
Off-Balance Sheet Short Position	(156,759)	(587,841)	(4,966)	-	-	-	(749,566)
Total Position	(4,582,508)	2,397,536	1,796,714	2,435,885	1,156,639	(3,953,832)	(749,566)

(*) "Other Assets" in "Non Interest Bearing" column include other assets amounting to YTL 1,031,196, tangible assets amounting to YTL 340,707, intangible assets amounting to YTL 36,545, associates and subsidiaries amounting to YTL 2,230, tax asset amounting to YTL 24,803 and "Other Liabilities" in the "Non Interest Bearing" column includes shareholders' equity amounting to YTL 2,822,226, other external resources amounting to YTL 511,324, provisions amounting to YTL 375,444, derivative financial liabilities held for trading amounting to YTL 72,905, tax liability amounting to YTL 33,260.

Average interest rates applied to monetary financial instruments

Prior Period	EUR %	USD %	Yen %	YTL %
Assets				
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	1.80	1.95	-	11.81
Due form Banks and Other Financial Institutions	3.07	4.33	-	16.43
Financial Assets at Fair Value Through Profit/Loss	-	-	-	-
Interbank Money Markets	-	-	-	-
Securities Available for Sale	5.95	10.28	-	18.60
Loans	7.17	7.35	2.84	23.30(*)
Lease Receivables	9.45	10.63	-	25.66
Securities Held to Maturity	-	-	-	-
Liabilities				
Bank Deposits	4.11	5.26	-	16.00
Other Deposits	4.32	5.18	-	17.38
Money Market Borrowings	-	4.59	-	15.78
Sundry Creditors	-	-	-	-
Securities Issued	-	-	-	-
Funds Provided from Other Financial Institutions	5.75	6.73	-	12.82

(*) The interest rate of loans is 18.84 % excluding credit cards.

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V. Information related to consolidated liquidity risk

- 1. The sources of the current liquidity risk of the Parent 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 of not having sufficient 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 Group diversifies funding sources as customer deposits and funds borrowed from abroad and keep certain level of assets as cash and cash equivalents.

The Parent Bank monitors the liquidity position on a daily basis. Cash flow projections and scenarios are analyzed in 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 Parent 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**

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

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

In order to meet urgent liquidity needs of the Group approximately 5 % of the balance sheet size is allocated to cash balance.

- 4. Evaluation of the Group's cash flows and their resources**

Cash flows mainly consist of New Turkish Lira, US Dollars and Euro.

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5. Presentation of consolidated 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	Un-allocated (*)	Total
Assets								
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	264,914	1,115,535	-	-	-	-	-	1,380,449
Due form Banks and Other Financial Institutions	166,538	630,274	-	11,256	-	-	-	808,068
Financial Assets at Fair Value Through Profit/Loss	-	49,322	103,192	75,057	349,775	15,199	-	592,545
Interbank Money Markets	-	87,269	-	-	-	-	-	87,269
Securities Available for Sale	108,547	17,151	87,537	199,558	2,886,695	469,167	3,766	3,772,421
Loans	-	4,668,700	2,352,243	5,258,738	6,173,175	1,259,477	-	19,712,333
Securities Held to Maturity	-	-	-	-	-	-	-	-
Other Assets	21,218	564,050	103,243	286,071	792,983	15,684	509,080	2,292,329
Total Assets	561,217	7,132,301	2,646,215	5,830,680	10,202,628	1,759,527	512,846	28,645,414
Liabilities								
Bank Deposits	80,657	1,676,291	943,468	458,830	-	-	-	3,159,246
Other Deposits	1,818,939	11,664,153	1,789,224	142,402	8,006	8,785	-	15,431,509
Funds Provided from Other Financial Institutions	-	82,114	1,259,139	934,724	1,912,170	255,469	-	4,443,616
Interbank Money Markets	-	747,406	-	-	-	-	-	747,406
Securities Issued	-	-	-	-	-	-	-	-
Sundry Creditors	-	434,155	5,290	1,984	4,014	28,650	-	474,093
Other Liabilities	16,533	166,519	116,792	206,445	355,263	28,861	3,499,131	4,389,544
Total Liabilities	1,916,129	14,770,638	4,113,913	1,744,385	2,279,453	321,765	3,499,131	28,645,414
Liquidity Gap	(1,354,912)	(7,638,337)	(1,467,698)	4,086,295	7,923,175	1,437,762	(2,986,285)	-
Prior Period								
Total Assets	857,000	4,483,406	3,931,690	4,603,856	7,531,952	2,259,937	453,930	24,121,771
Total Liabilities	1,917,398	9,957,074	3,997,613	2,106,008	2,522,113	478,727	3,142,838	24,121,771
Liquidity Gap	(1,060,398)	(5,473,668)	(65,923)	2,497,848	5,009,839	1,781,210	(2,688,908)	-

(*) 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 at stock exchange, office supply inventory, and prepaid expenses are classified under this column.

Unallocated other liabilities column includes shareholders' equity amounting to YTL 3,119,088, unallocated provisions amounting to YTL 334,009 and tax liability amounting YTL 46,034.

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SECTION FIVE

EXPLANATIONS AND DISCLOSURES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS

I. Explanations and Disclosures Related to Consolidated Assets

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

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Cash in YTL/Foreign Currency	148,701	111,706	95,045	97,397
Central Bank of Turkey	138,367	978,320	179,796	840,076
Others	1,053	2,302	51	594
Total	288,121	1,092,328	274,892	938,067

b) Balances with the Central Bank of Turkey:

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Unrestricted demand deposit	138,367	261,521	179,796	232,203
Restricted time deposit	-	716,799	-	607,873
Total	138,367	978,320	179,796	840,076

According to the 2005/1 numbered announcement of the Central Bank of Turkey, "Announcement on Reserve Deposits", all banks operating in Turkey should provide a reserve at 6% of the liabilities in Turkish Lira and 8% restricted and 3% unrestricted for liabilities in US Dollars and Euros. The Central Bank of Turkey makes interest payments on a quarterly basis. The interest rates given by the Central Bank of Turkey are 12.56% for YTL, 0.75% for USD and 1.9% for Euro as of September 30, 2008.

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

a) Trading securities given as collateral or blocked

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Share Certificates	-	-	-	-
Bonds, Treasury Bills and Similar	-	-	-	-
Marketable Securities	-	-	205,711	-
Other	-	-	-	-
Total	-	-	205,711	-

Amount of the financial assets at fair value through profit and loss is YTL 208,505 (December 31,2007- YTL 233,748) and all of the portfolio is kept as unrestricted (December 31, 2007 – YTL 28,037) . As of December 31, 2007 YTL 205,711 is kept as collateral.

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b) Financial assets at fair value through profit or loss subject to repurchase agreements

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Government Bonds (*)	30,843	-	-	-
Treasury Bills	-	-	-	-
Other Debt Securities	-	-	-	-
Bonds Issued or Guaranteed by Banks	-	-	-	-
Asset Backed Securities	-	-	-	-
Other	-	-	-	-
Total	30,843	-	-	-

(*)Government bond that is subject to repurchase agreements amounting to YTL 30,843 is disclosed in financial assets at fair value through profit or loss at financial statements.

c) Positive differences on trading derivative instruments

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Forward Transactions	4,154	125	7,031	420
Swap Transactions	130,823	13,292	15,225	5
Futures	-	2,989	-	158
Options	61	56,579	-	267
Other	2,185	31	726	-
Total	137,223	73,016	22,982	850

3.a) Banks and other financial institutions

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Banks				
Domestic	190,044	4,470	12,045	77,148
Foreign	39,591	573,963	137,269	506,535
Foreign Head Offices and Branches	-	-	-	-
Total	229,635	578,433	149,314	583,683

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FINANSBANK ANONIM SIRKETI

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4. Information on investment securities available for sale

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

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Share Certificates	-	-	-	-
Bonds, Treasury Bills and Similar Marketable Securities	521,913	8,760	604,307	25,004
Other	-	-	-	-
Total	521,913	8,760	604,307	25,004

b) Investment securities available-for-sale subject to repurchase agreements

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Government Bonds	692,734	-	13,927	-
Treasury Bills	-	-	-	-
Other Debt Securities	-	34,212	-	23,114
Bonds Issued or Guaranteed by Banks	-	-	-	-
Asset Backed Securities	-	-	-	-
Other	-	-	-	-
Total	692,734	34,212	13,927	23,114

c) Investment securities available-for-sale

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Debt Securities	3,694,953		3,181,675	
Quoted on a Stock Exchange	3,584,856		3,024,651	
Unquoted on a Stock Exchange (*)	110,097		157,024	
Share Certificates	113,608		95,671	
Quoted on a Stock Exchange	109,480		91,905	
Unquoted on a Stock Exchange	4,128		3,766	
Impairment provision	(36,140)		(1,320)	
Total	3,772,421		3,276,026	

(*) Debt securities that are not quoted include "credit linked notes" amounting to YTL 110,097 (December 31, 2007 - YTL 133,893) and included government bonds of foreign countries amounting to YTL 23,131 as of December 31, 2007.

5. Information related to loans

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

	Current Period		Prior Period	
	Cash	Non-Cash	Cash	Non-Cash
Direct Loans Granted to Shareholders	-	-	-	-
Corporate Shareholders	-	-	-	-
Individual Shareholders	-	-	-	-
Indirect Loans Granted to Shareholders	-	-	-	-
Loans Granted to Employees(*)	30,844	-	26,490	-
Total	30,844	-	26,490	-

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

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

b) Information on the first and second group loans and other receivables including rescheduled and restructured 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
Cash Loans				
Non-Specialized Loans	19,111,746	-	578,148	22,439
Discount Notes	101,101	-	-	-
Export Loans	1,138,418	-	-	-
Import Loans	1,490	-	-	-
Loans Given to Financial Sector	369,861	-	-	-
International Loans	2,730	-	-	-
Consumer Loans (*)	5,708,452	-	-	-
Credit Cards	3,349,026	-	-	-
Precious Metals Loans (Gold etc.)	-	-	-	-
Other	8,440,668	-	578,148	22,439
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
Total	19,111,746	-	578,148	22,439

(*) The mortgage loans amounting to YTL 2,678,931 utilized between January 1, 2006 and December 31, 2007 which are classified in consumer loans as per the balance sheet structure, are valued as fair value through profit/loss. As of September 30, 2008 the fair value loss of these mortgage loans is amounting to YTL 65,934.

c) Loans according to their maturity structure

	Standard Loans and Other Receivables		Loans and Other Receivables Under Close Monitoring	
	Loans and Other Receivables	Restructured or Rescheduled	Loans and Other Receivables	Restructured or Rescheduled
Cash Loans				
Short Term Loans	8,950,635	-	-	-
Non-Specialized Loans	8,950,635	-	-	-
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
Medium and Long Term Loans	10,161,111	-	578,148	22,439
Non-Specialized Loans	10,161,111	-	578,148	22,439
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
Total	19,111,746	-	578,148	22,439

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

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-YTL	129,580	5,028,090	5,157,670	48,456
Real Estate Loans	2,698	3,565,240	3,567,938	30,969
Automobile Loans	8,434	482,695	491,129	5,606
General Purpose Loans	118,448	980,155	1,098,603	11,881
Other	-	-	-	-
Consumer Loans-FC Indexed	1,083	333,172	334,255	10,308
Real Estate Loans	299	298,017	298,316	9,145
Automobile Loans	569	13,262	13,831	340
General Purpose Loans	215	21,893	22,108	823
Other	-	-	-	-
Consumer Loans-FC	-	-	-	-
Real estate Loans	-	-	-	-
Automobile Loans	-	-	-	-
General Purpose Loans	-	-	-	-
Other	-	-	-	-
Individual Credit Cards-YTL	3,221,423	7,745	3,229,168	78,605
Installment	1,150,120	7,745	1,157,865	28,185
Non- Installment	2,071,303	-	2,071,303	50,420
Individual Credit Cards-FC	2,552	-	2,552	62
Installment	-	-	-	-
Non- Installment	2,552	-	2,552	62
Personnel Loans-YTL	2,544	11,418	13,962	113
Real Estate Loans	-	1,715	1,715	13
Automobile Loans	38	162	200	2
General Purpose Loans	2,506	9,541	12,047	98
Other	-	-	-	-
Personnel Loans-FC Indexed	50	-	50	-
Real Estate Loans	-	-	-	-
Automobile Loans	-	-	-	-
General Purpose Loans	50	-	50	-
Other	-	-	-	-
Real Estate Loans	-	-	-	-
Personnel Loans-FC	-	-	-	-
Automobile Loans	-	-	-	-
General Purpose Loans	-	-	-	-
Other	-	-	-	-
Personnel Credit Cards-YTL	15,364	-	15,364	374
Installment	6,633	-	6,633	161
Non-Installment	8,731	-	8,731	213
Personnel Credit Cards-FC	70	-	70	2
Installment	-	-	-	-
Non-Installment	70	-	70	2
Overdraft Accounts-YTL (Real Persons)	138,943	-	138,943	4,695
Overdraft Accounts-FC (Real Persons)	-	-	-	-
Total	3,511,609	5,380,425	8,892,034	142,615

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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 Accrual
Commercial Loans with Installment Facility-YTL	277,247	1,734,077	2,011,324	43,531
Real Estate Loans	78	141,995	142,073	1,560
Automobile Loans	10,298	650,087	660,385	15,169
General Purpose Loans	266,871	941,995	1,208,866	26,802
Other	-	-	-	-
Commercial Loans with Installment Facility-FC Indexed	44,273	308,629	352,902	8,866
Real Estate Loans	-	22,466	22,466	467
Automobile Loans	898	60,565	61,463	1,444
General Purpose Loans	43,375	225,598	268,973	6,955
Other	-	-	-	-
Commercial Loans with Installment Facility-FC	-	-	-	-
Real Estate Loans	-	-	-	-
Automobile Loans	-	-	-	-
General Purpose Loans	-	-	-	-
Other	-	-	-	-
Corporate Credit Cards - YTL	21,833	-	21,833	532
Installment	5,008	-	5,008	122
Non-Installment	16,825	-	16,825	410
Corporate Credit Cards - FC	453	-	453	11
Installment	-	-	-	-
Non-Installment	453	-	453	11
Deposit Accounts - YTL (Legal Entities)	108,484	-	108,484	308
Deposit Accounts - FC (Legal Entities)	-	-	-	-
Total	452,290	2,042,706	2,494,996	53,248

f) Loans according to borrowers

	Current Period	Prior Period
Public	-	-
Private	19,712,333	16,167,212
Total	19,712,333	16,167,212

g) Domestic and foreign loans

	Current Period	Prior Period
Domestic Loans	19,709,603	16,158,809
Foreign Loans	2,730	8,403
Total	19,712,333	16,167,212

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h) Loans granted to subsidiaries and associates

	Current Period	Prior Period
Direct Loans Granted to Subsidiaries and Associates	-	-
Indirect Loans Granted to Subsidiaries and Associates	-	-
Total	-	-

i) Specific provisions for loans

	Current Period	Prior Period
Specific Provisions		
Loans and Receivables with Limited Collectability	122,053	90,034
Loans and Receivables with Doubtful Collectability	144,922	130,985
Uncollectible Loans and Receivables	259,566	182,755
Total	526,541	403,774

j) Non-performing loans (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)	2,067	4,156	27,675
Restructured Loans and Other Receivables	-	-	-
Rescheduled Loans and Other Receivables	2,067	4,156	27,675
Prior Period			
(Gross Amounts Before the Specific Provisions)	505	7,456	15,530
Restructured Loans and Other Receivables	-	-	-
Rescheduled Loans and Other Receivables	505	7,456	15,530

j.2) Movement of loans under follow-up

	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	90,034	130,985	182,755
Additions (+)	321,296	-	28,683
Transfers from Other Categories of Loans under Follow-up (+)	-	223,876	192,655
Transfers to Other Categories of Loans under Follow-up (-)	223,876	192,655	-
Collections (-)	65,401	17,284	20,518
Write-offs (-)	-	-	124,009
Corporate and Commercial Loans	-	-	61,487
Consumer Loans	-	-	5,970
Credit Cards	-	-	56,552
Others	-	-	-
Current Period End Balance	122,053	144,922	259,566
Specific Provision (-)	122,053	144,922	259,566
Net Balances on Balance Sheet	-	-	-

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j.3) Information on foreign currency loans and other receivables under follow-up

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)			
Loans to Real Persons and Legal Entities (Gross)	122,053	144,922	259,566
Specific provision (-)	122,053	144,922	259,566
Loans to Real Persons and Legal Entities (Net)	-	-	-
Banks (Gross)	-	-	-
Specific provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	-
Specific provision (-)	-	-	-
Other Loans and Receivables (Net)	-	-	-
Prior Period (Net)			
Loans to Real Persons and Legal Entities (Gross)	90,034	130,985	182,755
Specific provision (-)	90,034	130,985	182,755
Loans to Real Persons and Legal Entities (Net)	-	-	-
Banks (Gross)	-	-	-
Specific provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	-
Specific provision (-)	-	-	-
Other Loans and Receivables (Net)	-	-	-

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 Group prefers to liquidate the risk through negotiations with the debtors. If this can not be possible than the Group starts the legal procedures for the liquidation of the risk. Ongoing legal follow up procedures does 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) Explanation on write-off policy

In compliance with the "Procedure for Write Off and Procedures for Delayed Receivables" unrecoverable non performing loans with 100% provision and with no collateral that are deemed as uncollectible are written off with decision of the management according to legal policies and the Parent Bank's policies.

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6.	Information on investment securities held-to-maturity				
6.1.	Information on securities subject to repurchase agreement and given as collateral or blocked				
6.1.1.	Information on securities subject to repurchase agreement				
		Current Period		Prior Period	
		YTL	FC	YTL	FC
	Government Bonds	-	-	-	-
	Treasury Bills	-	-	-	-
	Other Debt Securities	-	-	-	-
	Bonds Issued or Guaranteed by the Group	-	-	-	-
	Asset Backed Securities	-	-	-	-
	Other	-	-	-	-
	Total	-	-	-	-
6.1.2.	Information on subject to given as collateral or blocked				
		Current Period		Prior Period	
		YTL	FC	YTL	FC
	Bills	-	-	-	-
	Bonds and Similar Marketable Securities	-	-	-	-
	Other	-	-	-	-
	Total	-	-	-	-
6.2.	Information on accounts in which government securities held-to-maturity are reflected				
		Current Period		Prior Period	
	Government Bonds		-		-
	Treasury Bills		-		-
	Other Debt Securities		-		-
	Total		-		-
6.3.	Information on investment securities held-to-maturity				
		Current Period		Prior Period	
	Debt Securities				
	Quoted on Stock Exchange		-		-
	Non-quoted on Stock Exchange		-		-
	Impairment (-)		-		-
	Total		-		-
6.4.	Information on the movement of the investment securities held-to-maturity during the period				
		Current Period		Prior Period	
	Balance in the Beginning of the Period		-		-
	Foreign Exchange Differences		-		-
	Purchases		-		-
	Redemptions		-		-
	Impairment (-)		-		-
	Balance at the End of the Period		-		-

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7. Investments in associates (Net)

7.1. Information on associates

Description	Address (City/ Country)	The Parent Bank's Share-If Different, Voting Rights (%)	Group's Risk Group Share (%)
Gelişen İşletmeler Piyasaları A.Ş. (GİP) (*)	İstanbul/Turkey	%5	%5

Gelişen İşletmeler Piyasaları (GİP), operates as an organized securities market for companies unquoted on a stock exchange.

Total Assets	Shareholder's Equity	Total Fixed Assets	Interest Income	Income on Securities Portfolio	Current Period Profit/Loss	Prior Period Profit/Loss	Fair Value
7,195	7,016	3	927	1	721	662	-

(*) Current period information is obtained from financial statements as of September 30, 2008, prior period profit and loss information is obtained from financial statements as of December 31, 2007.

7.2. Movements of investments in associates that are in consolidation scope

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

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7.3. Sector information and the related carrying amounts on associates that are not included in consolidation

	Current Period	Prior Period
Banks	-	-
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	-	-
Finance Companies	-	-
Other Subsidiaries	250	250
Total	250	250

7.4. Quoted associates that are not included in consolidation

None.

7.5. Valuation methods of investments in associates that are not included in consolidation

	Current Period	Prior Period
Valued at Cost	250	250
Valued at Fair Value	-	-
Valued at Equity Method of Accounting	-	-
Total	250	250

7.6. Investments in associates, that are not included in consolidation, sold during the current period

None.

7.7. Investments in associates, that are not included in consolidation, acquired during the current period

None.

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8. Investments in subsidiaries

8.1. Information on the Parent Bank's unconsolidated subsidiaries

a.1) Information on the unconsolidated subsidiaries

Description	Address (City/ Country)	The Parent Bank's Share-If Different, Voting Rights (%)	Group's Risk Group Share (%)
Ibtech Uluslararası Bilişim ve İletişim Teknolojileri Araştırma, Geliştirme, Danışmanlık, Destek San. ve Tic. A.Ş. (*)	İstanbul/Turkey	99.80	99.80

a.2) Information on unconsolidated subsidiaries in the order presented in the above table

Total Assets	Shareholder's Equity	Total Fixed Assets	Interest Income	Income on Securities Portfolio	Current Period Profit/Loss	Prior Period Profit/Loss	Fair Value
8,499	4,516	6,438	-	-	(293)	960	-

Current period information represents September 30, 2008 figures, and prior period profit/loss amounts represent December 31, 2007 figures.

8.2. Information on the Parent Bank's consolidated subsidiaries

Description	Address (City/ Country)	Bank's share percentage-If different voting percentage(%)	Other shareholders' share percentage (%)
1. Finans Yatırım Menkul Değerler A.Ş.	İstanbul/Turkey	99.60	100.00
2. Finans Finansal Kiralama A.Ş.	İstanbul/Turkey	51.06	59.24
3. Finans Yatırım Ortaklığı A.Ş.	İstanbul/Turkey	82.11	82.11
4. Finans Malta Holdings Ltd.	Sliema/Malta	100.00	100.00
5. Finans Portföy Yönetimi A.Ş.	İstanbul/Turkey	0.001	100.00
6. Finansbank Malta Limited	Sliema/Malta	100.00	100.00
7. Finans Emeklilik ve Hayat A.Ş.	İstanbul/Turkey	99.99	99.99
8. Finans Tüketici Finansmanı A.Ş.	İstanbul/Turkey	99.96	99.99

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

	Total Assets	Shareholder's Equity	Total Fixed Assets	Interest Income	Income on Securities Portfolio	Current Period Profit/Loss	Prior Period Profit/Loss	Fair Value
1. (*)	67,344	52,321	10,894	3,619	420	6,371	7,254	-
2. (**)	1,340,490	299,867	1,007	7,834	-	39,561	50,415	193,200
3. (**)	20,814	20,649	20	572	758	(7,549)	3,466	16,200
4. (*)	197,761	197,744	-	-	-	(1)	(14)	-
5. (*)	13,497	12,503	564	368	40	4,640	3,527	-
6. (*)	3,605,003	309,432	160	194,687	60,468	40,635	38,237	-
7. (*)	44,950	18,510	2,152	1,853	699	(299)	(1,179)	-
8. (*)	5,019	5,019	-	19	-	19	-	-

(*) Current period information represents September 30, 2008 figures, and prior period profit/loss amounts represent December 31, 2007 figures prepared in accordance with BRSA regulations.

(**) Current period information represents September 30, 2008 figures, and prior period profit/loss amounts represent December 31, 2007 figures prepared in accordance with CMB's Communiqué No: XI/29 accounting principles.

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8.3. Movement of investments in subsidiaries

	Current Period	Prior Period
Balance at the Beginning of the Period	398,518	318,810
Movements during the Period	(11,928)	79,708
Purchases	16,241 (***)	100,795 (*)
Bonus Shares Received	15,650 (****)	1,026 (**)
Dividends from Current Year Profit	-	-
Sales	-	-
Revaluation Increase	(43,876)	(28,871)
Impairment Provision (+)	57	6,758
Balance at the End of the Period	386,590	398,518
Capital Commitments	-	-
Share Percentage at the end of the Period (%)	-	-

(*) The Bank has increased "paid in capital" of Finans Malta Holdings Ltd., in which the Bank owns 100 % of shares, by 50,000,000 Euro and this amount has been fully paid in cash by the Parent Bank. The Parent Bank invested YTL 10,000 in Finans Emeklilik and Hayat A.Ş.

(**) Includes the free shares received from the Parent Bank's subsidiary Finans Yatırım Ortaklığı A.Ş.

(***) Purchases include YTL 1,241 share purchase of Finans Yatırım Ortaklığı A.Ş., investing YTL 10,000 in Finans Emeklilik and Hayat A.Ş. and investing YTL 5,000 in Finans Tüketici Finansmanı A.Ş.

(****) Includes the free shares received from the Parent Bank's subsidiary Finans Yatırım Ortaklığı A.Ş and Finans Finansal Kiralama A.Ş.

8.3.1. Sectoral distribution of subsidiaries

	Current Period	Prior Period
Banks	-	-
Insurance Companies	20,000	10,000
Factoring Companies	-	-
Leasing Companies	98,648	127,139
Finance Companies	5,000	-
Other Subsidiaries	262,942	261,379
Total	386,590	398,518

8.3.2. Quoted subsidiaries within the context of consolidation

	Current Period	Prior Period
Quoted at Domestic Stock Exchanges	114,287	141,272
Quoted at International Stock Exchanges	-	-
Total	114,287	141,272

9. Investments in Entities Under Common Control

None.

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10. Information on financial lease receivables

10.1. Maturity analysis of financial lease receivables

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	559,217	455,910	498,302	395,994
Between 1-4 years	728,405	629,255	638,813	544,158
Over 4 years	58,351	52,742	41,653	38,333
Total	1,345,973	1,137,907	1,178,768	978,485

10.2. Information on net investments in financial leases

	Current Period	Prior Period
Gross Financial Lease Investment	1,345,973	1,178,768
Unearned Finance Income (-)	208,066	200,283
Cancelled Leasing Agreements (-)	-	-
Net Investment on Leases	1,137,907	978,485

10.3. Information of financial lease contracts of the Parent Bank

Financial lease payables of the Parent Bank and its subsidiaries has been eliminated.

11. Information on hedging purpose derivatives

None.

12. Information on deferred tax asset

According to TAS 12, consolidated subsidiaries' deferred tax assets and liabilities are offset against each other in the financial statements.

Consolidated subsidiaries' deferred tax assets and liabilities at their financial statements have been offset and the balance of net deferred tax asset is disclosed as YTL 12,613 (December 31, 2007 – YTL 24,803), and the net deferred tax liability as YTL 3,177 (December 31, 2007 – YTL 3,393).

In cases whereby such differences are related with certain items under the shareholders' equity accounts, the deferred taxes are charged or credited directly to these accounts. The deferred tax liability amounting to YTL 14,530 (December 31, 2007 – YTL 1,149 deferred tax liability) "Securities Value Increase Fund" account in the equity.

13. Information on assets held for sale and discontinued operations :

None.

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14. Information on other assets

14.1. Information about prepaid expenses, tax and similar items:

	Current Period	Prior Period
Collateral Given for Derivative Financial Assets	425,494	570,863
Sundry Debtors	71,410	51,978
Advances Given for Financial Leases	43,487	91,287
Checks For Other Banks	-	171,018
Other Prepaid Expenses	65,773	47,361
Assets Held for Resale	44,724	34,122
Prepaid Rent Expenses	13,326	11,056
Prepaid Agency Commission	5,998	9,866
Advances Given	2,641	2,113
Other	45,578	41,532
Total	718,431	1,031,196

14.2. Other assets do not exceed 10% of total assets excluding the off-balance sheet items.

15. Accrued interest and income

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

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Central Bank of Turkey	17,362	2,583	13,251	4,248
Fin. Assets Held for Trading	6,228	24	-	-
Fin. Assets at Fair Value through Profit or Loss	188	-	13,147	-
Trading Derivatives	137,223	73,016	22,982	850
Banks and Other Financial Institutions	551	785	486	2,435
Interbank Money Markets	126	-	-	-
Financial Assets- Available for Sale	98,820	2,374	217,574	6,818
Loans	233,181	43,132	127,644	42,236
Investments Held to Maturity	-	-	-	-
Receivables From Renting Operations	6,718	11,889	7,409	6,968
Other Accruals	7,882	-	465	-
Total	508,279	133,803	402,958	63,555

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II. Explanations and Disclosures Related to Consolidated Liabilities

1. Information related to maturity structure of deposit

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	266,121	-	2,692,161	3,156,277	67,183	15,794	5,560	6,421	6,209,517
Foreign Currency Deposits	895,393	-	3,200,834	2,041,021	122,369	86,099	4,752	12,453	6,362,921
Residents in Turkey	867,867	-	3,083,423	1,942,004	107,130	81,994	4,752	11,641	6,098,811
Residents Abroad	27,526	-	117,411	99,017	15,239	4,105	-	812	264,110
Public Sector Deposits	132,971	-	7,312	131,440	128	-	-	-	271,851
Commercial Deposits	513,520	-	948,726	1,040,823	23,216	711	2,138	-	2,529,134
Other Ins. Deposits	10,934	-	22,259	23,456	1,060	377	-	-	58,086
Precious Metal Deposits	-	-	-	-	-	-	-	-	-
Bank Deposits	80,657	-	574,179	1,124,515	545,545	501,473	332,877	-	3,159,246
Central Bank of Turkey	-	-	-	-	-	-	-	-	-
Domestic Banks	17,041	-	99,722	-	1,031	1,075	-	-	118,869
Foreign Banks	63,616	-	474,457	1,124,515	544,514	500,398	332,877	-	3,040,377
Special Financial Inst.	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	1,899,596	-	7,445,471	7,517,532	759,501	604,454	345,327	18,874	18,590,755

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	287,559	-	2,052,883	1,887,869	325,198	22,136	5,519	64	4,581,228
Foreign Currency Deposits	978,302	-	2,844,293	2,038,975	444,321	263,592	4,035	11,535	6,585,053
Residents in Turkey	941,218	-	2,775,140	1,991,380	430,994	261,841	3,121	10,889	6,414,583
Residents Abroad	37,084	-	69,153	47,595	13,327	1,751	914	646	170,470
Public Sector Deposits	10,890	-	7,551	2,698	47	-	-	-	21,186
Commercial Deposits	577,775	-	435,070	379,932	108,911	156,850	503	-	1,659,041
Other Ins. Deposits	20,435	-	15,208	7,746	11,074	153	-	-	54,616
Precious Metal Deposits	-	-	-	-	-	-	-	-	-
Bank Deposits	41,528	-	576,837	771,915	348,989	345,620	72,304	5,005	2,162,198
Central Bank of Turkey	-	-	-	-	-	-	-	-	-
Domestic Banks	29,135	-	128,142	-	-	4,200	-	-	161,477
Foreign Banks	12,393	-	448,695	771,915	348,989	341,420	72,304	5,005	2,000,721
Special Financial Inst.	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	1,916,489	-	5,931,842	5,089,135	1,238,540	788,351	82,361	16,604	15,063,322

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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 Deposit Insurance Fund		Exceeding the Deposit Insurance Limit	
	Current Period	Prior Period	Current Period	Prior Period
Saving Deposits	2,589,697	2,072,013	3,614,524	2,509,215
Foreign Currency Savings Deposits	758,415	744,647	2,779,362	2,559,632
Other Saving Deposits	-	-	-	-
Foreign Branches' Deposits Under Foreign Insurance Coverage	-	-	-	-
Off-Shore Deposits Under Foreign Insurance Coverage	-	-	-	-
Total	3,348,112	2,816,660	6,393,886	5,068,847

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

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

Information on trading purpose derivatives	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	5,297	7,617
Total	5,297	7,617

2. Information on trading purpose derivatives

a) Negative value of trading purpose derivatives

Trading purpose derivatives	Current Period		Prior Period	
	YTL	FC	YTL	FC
Forwards	5,663	6	3,801	85
Swaps	589,203	14,454	818,213	1,320
Futures	-	2,439	-	1,266
Options	222	57,136	-	-
Other	2,600	-	18	-
Total	597,688	74,035	822,032	2,671

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3. a) Information on banks and other financial institutions

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Central Bank of Turkey	-	-	-	-
Domestic Bank and Institutions	82,566	131,144	56,731	101,623
Foreign Bank, Institutions and Funds	407,084	3,313,375	409,237	3,103,080
Total	489,650	3,444,519	465,968	3,204,703

b) Maturity information on funds borrowed

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Short-Term	82,566	131,144	54,804	128,839
Medium and Long-Term	407,084	3,313,375	411,164	3,075,864
Total	489,650	3,444,519	465,968	3,204,703

In accordance with the Board of Directors' decision dated November 12, 2004 numbered 189, via special purpose entities (SPE's), the Bank obtained a securitization loan from abroad on November 23, 2004 with five years maturity, quarterly fixed rate interest payment and no principal payment for two years amounting to USD 125 million. Similarly on March 15, 2005 with the Board of Directors' decision dated February 23, 2005 numbered 41, the Bank obtained another securitization loan from abroad amounting to USD 500 million with seven years maturity, quarterly floating interest payment and no principal payment for three years.

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 an SPE.

As of March 31, 2006, with the Board of Directors' decision dated March 27, 2006 numbered 68, the Bank received a loan of YTL 300,000 with fixed interest rate and 5 years maturity.

As of December 14, 2006, with the Board of Directors' decision dated November 30, 2006 numbered 279, a syndication loan of USD 700 million with three years maturity and quarterly interest payment with floating interest rate was obtained from a banking consortium for export financing.

As of November 19, 2007 with the Board of Directors' Decision dated November 9, 2007 numbered 315 a syndication loan of USD 425 million with one year maturity, was obtained from a banking consortium coordinated by Landesbank Baden-Württemberg London Branch and organized by The Bank of New York for export financing .

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

As of September 30, 2008, the Group's liabilities comprise; 65% deposits (62% as of December 31, 2007), 16% funds borrowed (16 % as of December 31, 2007) and 3% funds provided from transactions by repurchase transactions (0.2 % as of December 31, 2007).

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4. Information on funds provided from repurchase agreement transactions:

	Current Period		Prior Period	
	YTL	FC	YTL	FC
From domestic transactions	714,713	-	29,342	-
Financial institutions and organizations	698,763	-	-	-
Other institutions and organizations	4,053	-	2,717	-
Real persons	11,897	-	26,625	-
From foreign transactions	326	32,367	189	19,977
Financial institutions and organizations	-	32,367	-	19,977
Other institutions and organizations	326	-	189	-
Real persons	-	-	-	-
Total	715,039	32,367	29,531	19,977

5. 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 consolidated balance sheet

Other liabilities account does not exceed 10% of total liabilities excluding the off-balance sheet items.

6. 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 Parent Bank are the main criteria which are taken into consideration determination of payment plans in the leasing contracts.

6.1 Changes in agreements and further commitments arising

No changes have been made to the leasing agreements in the current period.

6.2 Financial Lease Payables

Financial lease payables of the Parent Bank and its subsidiaries has been eliminated.

6.3 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.

6.4 Information on “Sale – and – lease back” agreements

The Group does not have any sale and lease back transactions in the current period.

7. Information on liabilities arising from hedging purpose derivatives

None.

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8. Information on provisions

8.1. Information on general provisions

	Current Period	Prior Period
Provisions for Loans and Receivables in Group I	115,185	84,892
Provisions for Loans and Receivables in Group II	2,900	2,600
Provisions for Non-Cash Loans	17,267	15,120
Other	16,560	20,147
Total	151,912	122,759

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

	Current Period	Prior Period
Foreign Exchange Provision for Foreign Currency Indexed Loans (*)	26,379	48,927

(*) Netted against loans in assets.

8.3 Information on employee termination benefits and unused vacation accrual:

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

As of September 30, 2008, YTL 16,456 (December 31, 2007 - YTL 16,080) reserve for employee termination benefits was provided in the accompanying financial statements.

As of September 30, 2008, the Group provided a reserve of YTL 9,772 (December 31, 2007 - YTL 9,034) for the unused vacations under reserve for employee benefits account in the accompanying financial statements.

As of September 30, 2008, YTL 31,524 (December 31, 2007 – YTL 40,310) bonus and premium provisions has been provided under reserve for employee benefits account in the accompanying financial statements.

8.3.1. Movement of employee termination benefits

	Current Period	Prior Period
As of January 1	16,080	13,670
Arising during the year	(3,546)	(2,189)
Benefits paid	3,922	4,599
Total	16,456	16,080

8.4. Information on insurance technical provisions

	Current Period	Prior Period
Insurance technical provisions (Net)	23,943	624
Total	23,943	624

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8.5. Information on other provisions

8.5.1. Information on free reserves for possible loan losses

	Current Period	Prior Period
Free Reserves for Possible Loans	60,883	85,688

As of September 30, 2008 the Group has provided YTL 60,883 provision (December 31, 2007 - YTL 85,688) for possible losses that could arise in the loans in the watch list, considering their collection rates.

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

	Current Period	Prior Period
Loans and Receivables with Limited Collectibility	4,053	6,240
Loans and Receivables with Doubtful Collectibility	11,120	7,092
Uncollectible Loans and Receivables	22,325	19,683
Total	37,498	33,015

8.5.3. Information on other provisions

	Current Period	Prior Period
Provision for Promotion Expenses of Credit Cards	17,098	22,538
Other Provisions	16,447	45,396
Total	33,545	67,934

9. Taxation

9.1. Current taxes

9.1.1. Current tax liability

The Group has current tax liability of YTL 75,204 (December 31, 2007 – 135,465) and prepaid taxes of YTL 32,347 (December 31, 2007 – 105,598) as of September 30, 2008. The Group has netted the current tax liability and advance taxes in its financial statements.

9.1.2. Information on taxes payable

	Current Period	Prior Period
Corporate taxes payable	42,857	29,867
Banking and Insurance Transaction Tax (BITT)	19,104	14,882
Taxation on Securities Income	9,830	5,639
Foreign Exchange Transaction Tax	-	1,390
Taxation on Real Estates Income	1,052	574
Other	27,230	23,278
Total	100,073	75,630

The corporate tax payable balance is shown in the “Current Tax Liabilities” account and taxes other than income balance in the “Other Liabilities” account in the accompanying unconsolidated financial statements.

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9.1.3 Information on premiums

	Current Period	Prior Period
Social Security Premiums - Employee Share	7,177	3,135
Social Security Premiums - Employer Share	10,182	4,438
Unemployment Insurance - Employee Share	505	221
Unemployment Insurance - Employer Share	1,018	447
Total	18,882	8,241

9.2. Information on deferred tax liabilities

After netting off the deferred tax assets and liabilities in the individual financial statements of the consolidated subsidiaries, the remaining deferred tax liability is amounting to YTL 3,177 (December 31, 2007 -YTL 3,393 deferred tax liability). The details of deferred taxes are stated in note 12 in the "Explanations and disclosures related to assets" section.

10. Information on payables related to assets held for sale

None.

11. Information on subordinated loans

	Current Period		Prior Period	
	YTL	FC	YTL	FC
From Domestic Banks	-	-	-	-
From Other Domestic Institutions	-	-	-	-
From Foreign Banks	-	252,298	-	-
From Other Foreign Institutions	-	257,149	-	237,739
Total	-	509,447	-	237,739

The Parent Bank obtained a subordinated loan on October 7, 2004 from international markets via special purpose entities (SPE's) with leadership of an international investment bank with ten years maturity, semi annual interest payments and principal payment at the maturity amounting to USD 200 million. The interest rate of loan is 9% and there is a repayment option at the end of the 5th year.

The Parent Bank has signed an agreement with its main shareholder National Bank of Greece S.A. on April 24, 2008 for a subordinated loan amounting to total USD 650 million. The loan consist of 3 tranches of USD 200 million, USD 250 million and USD 200 million. The first tranche of USD 200 million was taken on April 29, 2008 .The maturity of the loan is 10 years beginning from the value date of each tranche. For each tranche a repayment option at the end of the 5th year is available. While interest payments are semi annually, the principle payment is at the maturity.

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12. Information on shareholder's equity

12.1. Paid-in capital

	Current Period	Prior Period
Common Stock	1,500,000	1,400,000
Preferred Stock	-	-

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

Capital System	Paid-in Capital	Ceiling
Registered Capital System	1,500,000	3,000,000

12.3. 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	Cash	Profit Reserves	Capital Reserves
September 22, 2008	100,000	-	100,000	-

12.4. Information on share capital increases from revaluation funds

Revaluation of Securities	Revaluation of Tangible and Intangible Assets.	Associates, Subsidiaries and Entities under Common Control	Bonus Shares Sales Profit	Other
-	-	-	-	-

12.5. 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

Group does not have any capital commitment; the capital is fully paid-in.

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

None.

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

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

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13. Common stock issue premiums, shares and equity instruments

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Number of Shares (in Thousands)	15,000,000		14,000,000	
Preferred Stocks	-		-	
Common Stock Issue Premium	-		-	
Common Stock Cancelling Profit	-		-	
Other Equity Instruments	-		-	
Total Common Stock Issued	15,000,000		14,000,000	

14. Securities value increase fund

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Associates, Subsidiaries and Entities under				
Common Control	(1,295)	-	(3,512)	-
Valuation Difference	-	-	-	-
Foreign Exchange Rate Difference	(1,295)	-	(3,512)	-
Securities Available-for-Sale	(33,798)	(18,415)	399	(565)
Valuation Difference	(33,798)	(18,415)	399	(565)
Foreign Exchange Rate Difference	-	-	-	-
Total	(35,093)	(18,415)	(3,113)	(565)

15. Accrued interest and expenses

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

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Deposits	90,717	37,098	82,031	32,342
Funds Borrowed	22,226	36,475	13,295	31,923
Interbank Money Markets	2,539	46	27	194
Other Accruals	15,440	2	15,311	2
Total	130,922	73,621	110,664	64,461

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III. Explanation and Disclosures Related to Consolidated Off-Balance Sheet Items

1. Information related to consolidated off-balance sheet contingencies

1.1. Type and amount of irrevocable commitments

	Current Period	Prior Period
Letters of Guarantee in FC	1,676,045	1,565,936
Letters of Guarantee in YTL	2,443,229	2,050,555
Letters of Credit	608,487	615,825
Bills of Exchange and Acceptances	924,314	778,607
Other Guarantees	52,773	126,931
Total	5,704,848	5,137,854

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

100% specific provision is allocated for the non-cash loans amounting to YTL 37,498 (December 31, 2007 – 33,015 YTL) followed at the consolidated off-balance sheet that are not indemnified and liquidated.

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

	Current Period	Prior Period
Provisional Letters of Guarantee	156,729	196,511
Final Letters of Guarantee	2,862,857	2,320,070
Letters of Guarantee for Advance	283,854	294,544
Letters of Guarantee Given to Customs Offices	168,958	174,791
Other Letters of Guarantee	646,876	630,575
Total	4,119,274	3,616,491

2. Total amount of non-cash loans

	Current Period	Prior Period
Non-Cash Loans granted for Obtaining Cash	495,253	546,694
Less Than or Equal to One Year with Original Maturity	21,724	6,198
More Than One Year with Original Maturity	473,529	540,496
Other Non-Cash Loans	5,209,595	4,591,160
Total	5,704,848	5,137,854

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3. Information on sectoral risk concentrations of non-cash loans

	Current Period ^(*)				Prior Period			
	YTL	%	FC	%	YTL	%	FC	%
Agricultural	3,426	0.15	78,556	2.45	19,474	0.96	74,534	2.52
Farming and Raising	1,605	0.07	18,563	0.58	5,258	0.26	9,723	0.33
Forestry	1,697	0.07	58,967	1.84	14,078	0.69	63,742	2.15
Fishing	124	0.01	1,026	0.03	138	0.01	1,069	0.04
Manufacturing	2,057,903	84.23	1,698,329	52.93	442,831	21.60	1,489,590	50.32
Mining	2,049	0.08	20,619	0.64	24,996	1.22	21,218	0.72
Production	2,055,624	84.14	1,631,612	50.85	392,436	19.14	1,432,414	48.39
Electric, gas and water	230	0.01	46,098	1.44	25,399	1.24	35,958	1.21
Construction	148,636	6.07	419,512	13.07	504,445	24.59	353,601	11.94
Services	214,961	8.80	843,210	26.28	1,003,017	48.91	941,433	31.80
Wholesale and Retail Trade	167,343	6.85	502,997	15.68	676,058	32.97	451,654	15.26
Hotel, Food and Beverage Services	2,315	0.09	12,995	0.40	5,785	0.28	10,344	0.35
Transportation and Telecommunication	11,264	0.46	64,027	2.00	59,000	2.88	77,844	2.63
Financial Institutions	10,436	0.43	193,760	6.04	123,704	6.03	310,515	10.49
Real Estate and Renting Services	42	0.00	327	0.01	2,523	0.12	1,271	0.04
Self-Employment Services	20,593	0.84	68,605	2.14	129,036	6.29	88,924	3.00
Educational Services	130	0.01	68	0.00	534	0.03	6	0.00
Health and Social Services	2,838	0.12	431	0.01	6,377	0.31	875	0.03
Other ^(*)	18,303	0.75	169,239	5.27	80,801	3.94	101,197	3.42
Total	2,443,229	100.00	3,208,846	100.00	2,050,568	100.00	2,960,355	100.00

(*) Does not include "Other Guarantees" account amounting to YTL 52,773 (December 31, 2007 -126,931 YTL).

4. Information on non-cash loans classified as group I and II

	I. Group		II. Group	
	YTL	FC	YTL	FC
Letters of Guarantees	2,361,274	1,558,851	67,766	93,988
Bills of Exchange and Acceptances	-	908,271	-	15,940
Letters of Credits	-	603,443	-	5,044
Endorsements	-	-	-	-
Purchase Guarantees for Securities Issued	-	-	-	-
Factoring Related Guarantees	-	-	-	-
Other Collaterals and Sureties	-	52,773	-	-
Non-cash Loans	2,361,274	3,123,338	67,766	114,972

(*) Does not include non-cash loans amounting to YTL 37,498 that are not indemnified, but 100% provision is made.

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5. Information on derivative transactions

	Current Period	Prior Period
Trading Derivatives		
Foreign Currency Related Derivative Transactions (I)	29,446,463	23,300,388
Currency Forward	1,041,379	3,116,609
Currency Swaps	15,937,431	12,114,622
Currency Futures	152,586	197,072
Currency Options	12,315,067	7,872,085
Interest Rate Related Derivative Transactions (II)	1,594,750	820,844
Interest Rate Forwards	-	-
Interest Rate Swaps	1,593,162	820,844
Interest Rate Options	1,588	-
Interest Rate Futures	-	-
Other Trading Derivatives (III)	-	-
A. Total Trading Derivatives (I+II+III)	31,041,213	24,121,232
Hedging Derivatives		
Fair Value Hedge	-	-
Cash Flow Hedge	-	-
Hedges for Foreign Currency Investments	-	-
B. Total Hedging Derivatives	-	-
Total Derivative Transactions (A+B)	31,041,213	24,121,232

As of September 30, 2008, breakdown of the Group's foreign currency forward and swap transactions based on currencies are disclosed below in their YTL equivalents:

	Forward Buy	Forward Sell	Swap Buy	Swap Sell	Option Buy	Option Sell	Future Buy	Future Sell
Current Period								
YTL	207,148	174,136	1,125,373	7,354,198	2,824,204	2,879,320	2,205	2,205
USD	174,349	269,382	6,255,154	1,833,384	3,008,549	2,932,013	74,088	74,088
EURO	80,134	75,671	410,161	190,289	314,986	316,307	-	-
OTHER	59,050	1,509	69,628	292,406	23,172	18,104	-	-
Total	520,681	520,698	7,860,316	9,670,277	6,170,911	6,145,744	76,293	76,293
Prior Period								
YTL	265,369	154,718	783,128	6,054,854	1,161,138	1,162,909	11,656	11,656
USD	547,450	822,585	4,781,912	1,028,349	1,842,105	1,861,843	86,880	86,880
EURO	599,445	445,699	1,392	180,159	693,169	690,908	-	-
OTHER	148,275	133,068	72,198	33,474	229,507	230,506	-	-
Total	1,560,539	1,556,070	5,638,630	7,296,836	3,925,919	3,946,166	98,536	98,536

As of September 30, 2008, the Group has no derivatives for cash flow hedges.

As of September 30, 2008, the Group has no derivatives for hedge of net investment in foreign operations.

6. Information on contingent liabilities and assets

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None.

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

The Parent 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 Parent Bank's rating by international rating institutions

MOODY'S September 2008	FITCH September 2008		CI September 2008		
Long Term Deposit Rating (Foreign Curr.)	B1	Long –Term Foreign Curr. Short-Term Foreign Curr.	BB	Long – Term Foreign Curr.	BB-
Long-Term Deposit Rating (YTL)	A3	Long-term YTL	B	Short Term Foreign Curr.	B
Short-Term Deposit Rating (YTL)	Prime-2	Short-term YTL	BBB-	Financial Strength	BBB+
Financial Strength	C-	Long-term National Outlook	F3	Support	2
Outlook	Stable	Individual Support	AAA	Outlook	Stable
			Stable		
			C		
			3T		

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IV. Explanations and Disclosures Related to the Consolidated Income Statement

1. Interest income

a) Information on interest income received from loans

Interest on loans (*)	Current Period		Prior Period	
	YTL	FC	YTL	FC
Short Term Loans	1,115,282	54,508	848,799	56,393
Medium and Long Term Loans	887,369	175,614	656,681	175,185
Loans Under Follow-up	12,451	-	11,830	3,243
Premiums Received from Resource Utilization Support Fund	-	-	-	-
Total	2,015,102	230,122	1,517,310	234,821

(*) Includes fees and commissions obtained from cash loans amounting to YTL 131,574 (September 30, 2007: YTL 102,687).

b) Information on interest income from banks

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Central Bank of Turkey	44,215	2,232	33,943	9,981
Domestic Banks	4,416	326	2,440	159
Foreign Banks	1,678	28,623	46,366	33,092
Foreign Headquarters and Branches	-	-	-	-
Total	50,309	31,181	82,749	43,232

c) Information on interest income from securities portfolio

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Trading Financial Assets	14,181	-	444	-
Financial Assets Valued at Fair Value Through Profit or Loss	42,872	-	-	-
Financial Assets Available for Sale	346,986	80,347	252,551	97,193
Investments Held to Maturity	-	-	-	-
Total	404,039	80,347	252,995	97,193

d) Information on interest income received from associates and subsidiaries

	Current Period	Prior Period
Interest Received from Associates and Subsidiaries	-	-

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2. Interest expenses

a) Information on interest expense related to funds borrowed(*)

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Banks				
Central Bank of Turkey	-	-	-	-
Domestic Banks	20,972	1,511	6,658	2,425
Foreign Banks	62,699	114,049	28,191	157,691
Foreign Head Offices and Branches	-	-	-	-
Other Institutions	-	-	-	-
Total	83,671	115,560	34,849	160,116

(*) Includes fee and commission expenses paid for borrowings amounting to YTL 5,219 (September 30, 2007: YTL 3,644).

b) Information on interest expense paid to associates and subsidiaries

	Current Period	Prior Period
Interest Paid to Associates and Subsidiaries	-	-

c) Information on interest expense paid to securities issued

None.

d) Information on maturity structure of interest expense on deposits (Current Period)

Account Name	Time Deposits						Accumulating Deposits	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	-	8,402	-	2,843	2,843	18,123	-	32,211
Saving Deposits	59	322,997	334,220	14,248	2,207	779	-	674,510
Public Sector Deposits	3	760	751	15	-	-	-	1,529
Commercial Deposits	23	154,523	80,654	15,609	2,059	3,329	-	256,197
Other Deposits	4	9,804	15,480	463	14	-	-	25,765
7 Days Call Accounts	-	-	-	-	-	-	-	-
Precious metal deposits	-	-	-	-	-	-	-	-
Total	89	496,486	431,105	33,178	7,123	22,231	-	990,212
Foreign Currency								
Foreign Currency	15	77,653	62,409	11,095	5,473	81	885	157,611
Bank Deposits	600	67,781	3,564	3,114	-	6,508	-	81,567
7 Days Call Accounts	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	-	-	-	-	-	-	-
Total	615	145,434	65,973	14,209	5,473	6,589	885	239,178
Grand Total	704	641,920	497,078	47,387	12,596	28,820	885	1,229,390

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Information on maturity structure of interest expense on deposits (Prior Period)

Account Name	Time Deposits						Accumulating Deposits	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	-	29,275	-	-	4,295	1,566	-	35,136
Saving Deposits	15	259,982	212,442	26,264	1,517	469	-	500,689
Public Sector Deposits	3	430	305	6	-	-	-	744
Commercial Deposits	26	120,601	24,099	6,967	5,148	2,404	-	159,245
Other Deposits	4	5,094	1,947	1,109	5	-	-	8,159
7 Days Call Accounts	-	-	-	-	-	-	-	-
Precious metal deposits	-	-	-	-	-	-	-	-
Total	48	415,382	238,793	34,346	10,965	4,439	-	703,973
Foreign Currency								
Foreign Currency	138	88,812	38,205	5,781	3,082	179	627	136,824
Bank Deposits	544	40,127	-	3,594	4,493	-	-	48,758
7 Days Call Accounts	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	-	-	-	-	-	-	-
Total	682	128,939	38,205	9,375	7,575	179	627	185,582
Grand Total	730	544,321	276,998	43,721	18,540	4,618	627	889,555

e) Information on interest expense on repurchase agreements

	Current Period		Prior Period	
	YTL	FC	YTL	FC
Interest Expense on Repurchase Agreements ^(*)	104,540	499	66,178	1,304

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

f) Information on finance lease expense

	Current Period	Prior Period
Finance Lease Expenses	-	3

g) Information on interest expense on factoring payables

None.

3. Information on dividend income

	Current Period	Prior Period
Trading Securities	269	512
Financial Assets at Fair Value Through Profit / Loss	-	-
Investment Securities Available for Sale	-	-
Other	-	-
Total	269	512

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4. Information on trading income/loss

	Current Period	Prior Period
Gain	5,507,674	2,704,835
Gain on Capital Market Operations	1,316,135	636,590
Derivative Financial Instruments	1,239,650	593,300
Other	76,485	43,290
Foreign Exchange Gain	4,191,539	2,068,245
Loss (-)	5,801,076	2,919,735
Losses on Capital Market Operations	1,635,382	874,718
Derivatives Financial Transactions	1,569,834	851,451
Other	65,548	23,267
Foreign Exchange Loss	4,165,694	2,045,017
Net Trading Income/Loss	(293,402)	(214,900)

5. Information on other operating income

The Group has been recorded the current year collections from loans written off in the previous period, portfolio management fee and commissions and expense provision at "Other Operating Income" accounts.

6. Provision for losses on loans and other receivables

	Current Period	Prior Period
Specific Provisions For Loans and Other Receivables	246,776	141,948
Loans and Receivables in Group III	101,459	48,170
Loans and Receivables in Group IV	27,181	47,315
Loans and Receivables in Group V	118,136	46,463
General Provisions	32,741	18,980
Provision for Free Reserves on Possible Losses	-	-
Impairment Losses on Securities	983	-
Financial assets at fair value through profit or loss	983	-
Financial Assets - Available for sale	-	-
Impairment Losses on Associates, Subsidiaries and Inv. Held-to-Maturity	-	-
Associates	-	-
Subsidiaries	-	-
Entities under Common Control	-	-
Held-to-maturity investment securities	-	-
Other^(*)	21,506	20,639
Total	302,006	181,567

(*) Includes specific provisions amounting to YTL 4,483 (September 30, 2007 - YTL 18,841) for the non-cash loans that are not indemnified and not liquidated.

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7. Information on other operating expense

	Current Period	Prior Period
Personnel Expenses	386,229	319,555
Retirement Pay Provision	2,085	2,366
Provision for Pension Fund Deficits	-	-
Impairment Expenses of Fixed Assets	-	-
Depreciation Expenses of Fixed Assets	44,509	25,508
Impairment Expenses of Intangible Assets	-	-
Impairment expense of goodwill	-	-
Amortization expenses of intangible assets	10,068	15,626
Impairment Expenses of Equity Participations for Which Equity Method is Applied	-	-
Impairment Losses on Assets to be Disposed	16	50
Depreciation on Assets to be Disposed	1,041	1,126
Impairment on Assets Held for Sale	-	-
Other Operating Expenses	312,738	298,934
Operational Leasing Expenses	52,895	41,777
Maintenance Expenses	15,576	12,173
Advertisement Expenses	36,358	35,269
Other Expenses	207,909	209,715
Losses on Sales of Assets	82	56
Others	71,895	26,387
Total	828,663	689,608

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

For the period ended September 30, 2008, net interest income of YTL 1,396,349 (September 30, 2007 – YTL 1,162,590), net fees and commission income of YTL 465,796 (September 30, 2007 – YTL 330,340) and other operating income of YTL 90,003 (September 30, 2007 – YTL 89,236) constitute an important part of the period 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

As of September 30, 2008, the Group recorded current tax charge of YTL 112,128 (September 30, 2007 – YTL 36,292 charge) and a deferred tax charge of YTL 25,355 (September 30, 2007 – YTL 47,912 benefit). The detail of the current tax charge is as follows:

	Current Period	Prior Period
Corporate Tax Provision	73,247	40,058
Adjustment to Prior Period Corporate Taxes	38,881(*)	(76,350)**
Total	112,128	36,292

(*) The Parent Bank has applied for the settlement of the lawsuit filed against the tax authority by renouncing the total amount of YTL 121,739 for the overpaid tax due to the fact that it was not allowed to deduct the losses incurred because of the inflation accounting application in 2001 calendar year from the corporate income base, in line with Article 3 of Tax Law No 5736. The application for the settlement of the previously filed lawsuit has been made to be able to use 65 percent of losses realized amounting to YTL 363,733 due to inflation accounting as previous year losses and deduct the amount from the previous year corporate the tax base. The tax amount of YTL 38,881 paid to the tax authority due to the settlement has been accounted for under “current tax provision” in the accompanying financial statements at September 30, 2008.

(**) Due to the fact that it was not allowed to deduct the losses incurred because of the inflation accounting application in 2001 calendar year from the corporate income in 2004 calendar year the Parent Bank filed a lawsuit demanding the cancellation and redemption of the additional tax paid resulted in favor of the Bank. Hence, as of September 30, 2007 YTL 76,350 has been offset against the taxes that would be paid and was accounted for under “current tax provision” account.

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9.2. Explanations on operating profit/loss after taxes

None.

10. Information continued and discontinued operations for current period net profit and loss:

Groups net profit from the continued and discontinued operations is YTL 390,863 (September 30, 2007- YTL 508,223).

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 Group's performance for the period

None.

11.2. Effect of changes in accounting estimates on income statement for the current and, if any for subsequent periods

None.

11.3. Income/loss attributable to minority shares

	Current Period	Prior Period
Income/loss related to minority shares	13,759	14,686

11.4. Nature and amount of changes in accounting estimates, which have a material effect on current period or expected to have a material effect on subsequent periods

None.

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

Other fee and commission income include, credit card fee and commissions amounting to YTL 287,270 (September 30, 2007 – YTL 182,700), transfer commissions amounting to YTL 17,815 (September 30, 2007 YTL 15,950) and insurance commissions amounting to YTL 20,248 (September 30, 2007 – YTL 13,664).

Other fee and commission expenses include credit card fees and commissions amounting to YTL 38,257 (September 30, 2007 – YTL 30,922).

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V. Explanations and Disclosures Related with Consolidated Cash Flow Statement

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

	Current Period	Prior Period
	01.01.2008	01.01.2007
Cash	193,087	148,601
Cash	95,045	74,805
Cash in Foreign Currency	97,397	73,652
Other	645	144
Cash Equivalents	1,090,178	2,994,903
Balances with the Central Bank of Turkey	394,500	796,296
Banks and Other Financial Institutions	730,077	2,238,762
Interbank Money Market Placements	17,728	25,422
Less: Placements with Banks with Maturities Longer than 3 Months	(8,962)	(9,055)
Less: Restricted Cash and Cash Equivalents	(43,165)	(56,522)
Cash and Cash Equivalents	1,283,265	3,143,504

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

	Current Period	Prior Period
	30.09.2008	30.09.2007
Cash	263,762	150,719
Cash	148,701	72,343
Cash in Foreign Currency	111,706	77,587
Other	3,355	789
Cash Equivalents	1,183,551	1,243,394
Balances with the Central Bank of Turkey	379,943	331,911
Banks and Other Financial Institutions	806,732	942,543
Interbank Money Market Placements	87,143	28,321
Less: Placements with Banks with Maturities Longer than 3 Months	(11,256)	(13,290)
Less: Restricted Cash and Cash Equivalents	(79,011)	(46,091)
Cash and Cash Equivalents	1,447,313	1,394,113

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

Restricted cash and cash equivalents include YTL 79,012 (September 30, 2007 – YTL 46,091) of cash at foreign banks held for transactions made for foreign money and capital markets and borrowings from foreign markets which are not ready to daily use.

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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VI. Explanations and Disclosures Related to The Group's Risk Group

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

- 1.1. As of September 30, 2008, the Group's risk group has deposits, and non-cash loans at the Bank amounting to YTL 877,074 (December 31, 2007-YTL 583,136) and YTL 3,686 (December 31, 2007- YTL 63), respectively.

Current Period

Group'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	-	63	-	-	34,278	5,284
Balance at the End of the Period	-	100	-	-	9,359	3,586
Interest and Commission Income	-	1	-	-	-	-

Prior Period

Group'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	-	76	-	-	28,284	25,189
Balance at the End of the Period	-	63	-	-	34,278	5,284
Interest and Commission Income	-	-	-	-	414	10

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

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

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

FINANSBANK ANONIM SIRKETI

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

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

Group'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	-	25	583,136	1,742,968	158,488	-
Balance at the End of the Period	743	-	650,038	583,136	226,293	158,488
Interest on deposits	-	-	14,766	11,112	1,235	-

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

(**) Includes the deposits obtained from the Parent Bank's indirect subsidiaries.

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

Group'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	-	-	654,886	-	-	27,018
End of the Period	-	-	-	654,886	1,846,868	-
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 transactions made within the Parent Bank's indirect subsidiaries.

(***) Profit and loss amounts of transactions for trading purposes can not be diversified at total profit and loss accounts.

The Parent Bank has signed an agreement with its main shareholder National Bank of Greece S.A. on April 24, 2008 for a subordinated loan amounting to total USD 650 million. The loan consist of 3 tranches of USD 200 million, USD 250 million and USD 200 million. The first tranche of USD 200 million was taken on April 29, 2008 .

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

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

2.1. Relations with entities in the risk group of / or controlled by the Parent 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. The proportion of the loans given to risk group companies to total loans is 0.048% and the proportion of the deposits taken from risk group companies to total deposits is 4.72%.

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 Parent Bank enters into finance lease agreements with Finans Finansal Kiralama A.Ş.

The Parent Bank invests certain amount of its funds to Finans Portföy Yönetimi A.Ş.

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

The receivables, payables and income and expenses resulting from transactions with financial subsidiaries during the year, are netted in the consolidated financial statements.

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SECTION SIX

OTHER EXPLANATIONS AND DISCLOSURES

I. Other explanations related to the Parent Bank's operations

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

The Parent Bank has signed an agreement with its main shareholder National Bank of Greece S.A. on April 24, 2008 for a subordinated loan amounting to total USD 650 million. The first tranche of USD 200 million was taken on April 29, 2008 .The rest tranche of USD 450 million was taken on October 30, 2008.The maturity of the loan is 10 years beginning from the value date of each tranche. For each tranche a repayment option at the end of the 5th year is available. While interest payments are semi annually, the principle payment is at the maturity.

At the result of the investigation of Banking and Insurance Transaction Tax (BITT) by Republic of Turkey Ministry of Finance Revenue Administration about five tax research report arranged at the years 2003,2004,2005,2006 and 2007.As a result of settlement negotiation with Republic of Turkey Revenue Administration "Istanbul Tax Office Settlement Commission" at November 20, 2008. It has been settled that the amount YTL 615,981 of Banking and Insurance Transaction Tax (BITT) is going to be paid and there is no need for tax penalty for the years 2003,2004,2005,2006 and 2007. After the settlement date, provision have been booked for the said principal amount.

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 Parent Bank

The foreign currency position was prepared by the current period exchange rates, but exchange rate and interest rate risks were prepared by considered the economic conditions in consideration of curren period, that were shown at the third disclosure of the fourth section. After the current period significant fluctuations was occurred at financial markets, and at the date of this report YTL was lose in value against USD at the rate of 27% and also against EUR at the rate of 12%, and indicator bond compound return was increased from 19.42% to 21.48%.

3. Other subjects

None.

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FINANSBANK ANONIM SİRKETİ

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SECTION SEVEN

LIMITED REVIEW REPORT

I. Explanations on the Limited Review Report

The consolidated financial statements of the Group were reviewed by DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (Member of Deloitte Touche Tohmatsu) and the independent accountants' limited review report dated November 26, 2008 is presented preceding the financial statements.

II. Explanations on the notes prepared by Independent Auditors

None.