

**FİNANSBANK ANONİM ŞİRKETİ**

**INDEPENDENT ACCOUNTANT'S  
LIMITED REVIEW REPORT,  
CONSOLIDATED FINANCIAL  
STATEMENTS AND NOTES  
FOR THE PERIOD ENDED  
SEPTEMBER 30, 2010**

*Translated into English from the  
Original Turkish Report*

## FINANSBANK ANONİM ŞİRKETİ AND ITS FINANCIAL SUBSIDIARIES

### INDEPENDENT ACCOUNTANT'S LIMITED REVIEW REPORT FOR THE INTERIM PERIOD JANUARY 1 – SEPTEMBER 30, 2010

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

We have reviewed the accompanying consolidated balance sheet of Finansbank A.Ş. ("The Bank") and its financial subsidiaries ("The Group") as of September 30, 2010 and the related consolidated statements of income, cash flows and changes in shareholders' equity for the period then ended. These financial statements are the responsibility of the Bank's management. As independent accountants our responsibility is to issue a report based on the review performed on these financial statements.

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

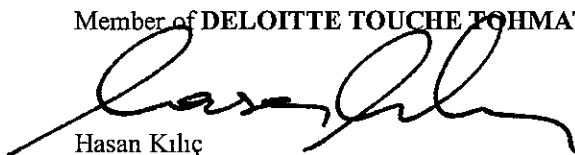
Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements are not presented fairly, in all material respects, the financial position, the results of its operations and its cash flows, of the Group for the period ended September 30, 2010 in accordance with the prevailing accounting principles and standards set out as per the Article No: 37 and No: 38 of the Banking Act No: 5411, and other regulations, communiqués and circulars in respect of accounting and financial reporting made by the Banking Regulation and Supervision Board and the 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 consolidated 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 LIMITED



Hasan Kılıç  
Partner

İstanbul, November 26, 2010

**THE CONSOLIDATED FINANCIAL REPORT OF FİNANSBANK A.Ş.  
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2010**

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 58 50  
Web page : [www.finansbank.com.tr](http://www.finansbank.com.tr)  
E-mail address : [name.surname@finansbank.com.tr](mailto:name.surname@finansbank.com.tr)

Genel Müdürlük  
Büyükdere Caddesi No: 129  
34394 Mecidiyeköy - İstanbul  
Tel : (0212) 318 50 00  
Faks : (0212) 318 58 50  
[www.finansbank.com.tr](http://www.finansbank.com.tr)

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

- GENERAL INFORMATION ABOUT THE PARENT BANK
- CONSOLIDATED INTERIM FINANCIAL STATEMENTS OF THE PARENT BANK
- EXPLANATIONS ON THE CONSOLIDATED FINANCIAL STATEMENTS OF THE PARENT BANK
- INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE OF THE GROUP
- FOOTNOTES AND EXPLANATIONS ON CONSOLIDATED FINANCIAL STATEMENTS
- OTHER EXPLANATIONS
- 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 Emeklilik ve Hayat Anonim Şirketi
6. Finans Tüketici Finansmanı Anonim Şirketi
7. Finans Faktoring Hizmetleri Anonim Şirketi

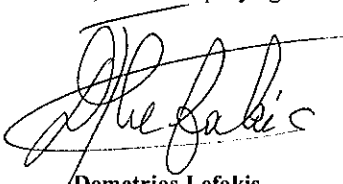
The consolidated financial statements and related disclosures and footnotes that were subject to limited review, are prepared in accordance with the Regulation on Principles Related to Banks' Accounting Applications and Preserving the Documents, Turkish Accounting Standards, Turkish Financial Reporting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




**Ömer  
A. Aras**  
Yönetim Kurulu  
Başkanı



**Mustafa  
A. Aysan**  
Yönetim Kurulu Üyesi ve  
Denetim Komitesi  
Başkanı



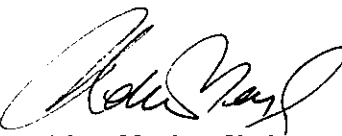
**Demetrios Lefakis**  
Yönetim Kurulu Üyesi  
ve Denetim Komitesi  
Üyesi



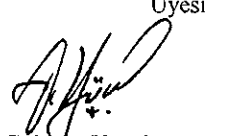
**Paul Mylonas**  
Yönetim Kurulu  
Üyesi ve Denetim  
Komitesi  
Üyesi



**Temel Güzeloglu**  
Managing Director  
and  
Member of the  
Board of Directors



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



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

Information related to the responsible personnel to whom the questions about the financial 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 CONSOLIDATED FINANCIAL STATEMENTS AND  
RELATED DISCLOSURES AND FOOTNOTES ORIGINALLY ISSUED IN TURKISH )**

**Finansbank Anonim Şirketi**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED SEPTEMBER 30, 2010**

*(Amounts expressed in Thousands of Turkish Lira (TL) 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 controlling group of the Parent Bank**

As of September 30, 2010, 77.22% of the Parent Bank's shares are owned by National Bank of Greece S.A. (NBG), 9.68% by NBG Finance (Dollar) PLC., 7.90% by NBGI Holdings B.V. and 5% by International Finance Corporation ("IFC").

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

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**Finansbank Anonim Şirketi**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED SEPTEMBER 30, 2010**

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

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

Name	Title	Date of Appointment	Education
Dr. Ömer A. Aras	Chairman and Executive Member	April 16, 2010	PhD
Sinan Şahinbaş	Deputy Chairman and Executive Member	April 16, 2010	Masters
Prof. Dr. Mustafa Aydın Aysan	Board Member and Head of Audit Committee	November 9, 2006	PhD
Demetrios Lefakis	Board Member and Audit Committee Member	April 17, 2007	Masters
Dimitrios Anagnostopoulos	Board Member	September 24, 2009	Graduate
Edward Nassim	Board Member	April 17, 2007	Masters
Anthimos Thomopoulos	Board Member	November 9, 2006	Masters
Paul Mylonas	Board Member and Audit Committee Member	March 11, 2010	PhD
Yener Dinçmen	Board Member	August 20, 2001	Masters
Temel Güzeleöğlu	Board Member and Managing Director	April 16, 2010	Masters
Mustafa Hamdi Gürtin <sup>(5)</sup>	Board Member and Audit Committee Member	April 16, 2010	Masters
Agis Leopoulous	Board Member	April 16, 2010	Masters
Adnan Menderes Yayla	Assistant Managing Director	May 20, 2008	Masters
Bekir Dildar <sup>(4)</sup>	Assistant Managing Director	September 10, 2003	Graduate
Vedat Mungan <sup>(3)</sup>	Assistant Managing Director	January 1, 2008	Masters
Metin Karabiber <sup>(3)</sup>	Assistant Managing Director	October 8, 2010	Graduate
Hakan Şenüinal	Assistant Managing Director	August 18, 2008	Graduate
Murat Şakar	Assistant Managing Director	August 18, 2008	Graduate
Köksal Çoban	Assistant Managing Director	August 18, 2008	Masters
Saruhan Doğan	Assistant Managing Director	October 9, 2009	Masters
Lale Maro <sup>(2)</sup>	Assistant Managing Director	October 13, 1999	Masters
Mehmet Kürşad Demirkol <sup>(2)</sup>	Assistant Managing Director	October 8, 2010	PhD
Özlem Cinemre	Assistant Managing Director	July 9, 1997	Graduate
Kerim Rota <sup>(6)</sup>	Assistant Managing Director	August 6, 2004	Graduate
Hakan Alp	Assistant Managing Director	July 7, 2010	Graduate
Kaan Arslan <sup>(1)</sup>	Assistant Managing Director	May 31, 2005	Masters
Tunç Erdal <sup>(1)</sup>	Assistant Managing Director	October 8, 2010	Graduate
Kubilay Güler	Assistant Managing Director	January 16, 2004	Graduate
Filiz Şafak	Assistant Managing Director	September 19, 2007	Graduate
Levent Yörük	Assistant Managing Director	February 1, 2010	Graduate
Elçin Yanık	Assistant Managing Director	February 1, 2010	Masters
Ahmet Cihat Kumuşoğlu	Statutory Auditor	March 27, 2008	Graduate
Sedat Eratalar	Statutory Auditor	April 1, 2000	Graduate

<sup>(1)</sup> Kaan Arslan resigned from his Assistant Managing Director of Private Banking duty as of July 31, 2010. Tunç Erdal is appointed as Assistant Managing Director of Private Banking.

<sup>(2)</sup> Lale Maro resigned from her Assistant Managing Director of Information Technologies and Process Management duty as of September 30, 2010.

Mehmet Kürşad Demirkol is appointed as Assistant Managing Director of Information Technologies and Process Management.

<sup>(3)</sup> Vedat Mungan resigned from his Assistant Managing Director of Corporate and Commercial Banking duty as of September 30, 2010. Metin Karabiber is appointed as Assistant Managing Director of Corporate and Commercial Banking.

<sup>(4)</sup> Bekir Dildar resigned from his Assistant Managing Director of Small&Medium Size Enterprise (SME) Banking duty as of October 21, 2010.

<sup>(5)</sup> Mustafa Hamdi Gürtin resigned from his Assistant Managing Director of Audit Committee Member duty as of October 21, 2010.

<sup>(6)</sup> Kerim Rota resigned from his Assistant Managing Director of Treasury duty as of November 3, 2010.

The directors listed above possess immaterial number of shares of the Bank.

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

**Finansbank Anonim Şirketi**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED SEPTEMBER 30, 2010**

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

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

Name Surname/Trade Name	Amount of Shares	Shareholding	Paid-up Shares	Unpaid Shares
National Bank of Greece S.A.	1,276,952	77.22%	1,276,952	-
NBG Finance (Dollar) PLC	160,073	9.68%	160,073	-
NBGI Holdings B.V.	130,646	7.90%	130,646	-

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 the Articles of Association. Accordingly, 5% of the distributable profit is appropriated as legal reserves, 5% of the paid up capital is paid out as first dividend and 10% of the remaining distributable profit is distributed to the founder shares. In addition, 10% of dividends distributed to founder shares are provided as additional legal reserve.

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

The Parent Bank's activities include trade finance and corporate banking, treasury, retail banking and credit card operations. In addition, the Bank carries out insurance agency activities on behalf of insurance companies through its branches. As of September 30, 2010, the Parent Bank operates through 62 corporate and commercial banking (December 31, 2009 - 61), 422 retail and consumer banking (December 31, 2009 - 398), 1 off shore banking (December 31, 2009 -1) and 1 Atatürk Airport Free Trade Zone (December 31, 2009 - 1) branches.

## **SECTION TWO**

### **CONSOLIDATED FINANCIAL STATEMENTS**

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



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

**Finansbank Anonim Şirketi**

**CONSOLIDATED BALANCE SHEET AS OF SEPTEMBER 30, 2010**

**(STATEMENT OF FINANCIAL POSITION)**

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

**I. CONSOLIDATED BALANCE SHEET – ASSETS**

		Reviewed 30.09.2010			Audited 31.12.2009			
		Section 5 Part I	TL	FC	Total	TL	FC	Total
I.	CASH AND BALANCES WITH THE CENTRAL BANK	(1)	749,927	888,898	1,638,825	1,014,658	779,548	1,794,206
II.	FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS (Net)	(2)	1,732,397	102,334	1,834,731	2,088,528	53,552	2,142,080
2.1	Financial assets held for trading		530,897	102,334	633,231	437,947	53,552	491,499
2.1.1	Public sector debt securities		112,828	957	113,785	54,904	925	55,829
2.1.2	Equity securities		-	-	-	-	-	-
2.1.3	Assets on trading derivatives		403,524	101,377	504,901	370,242	52,627	422,869
2.1.4	Other securities		14,545	-	14,545	12,801	-	12,801
2.2	Financial assets at fair value through profit and loss		1,201,500	-	1,201,500	1,650,581	-	1,650,581
2.2.1	Public sector debt securities		73,290	-	73,290	78,452	-	78,452
2.2.2	Equity securities		-	-	-	-	-	-
2.2.3	Loans		1,128,210	-	1,128,210	1,572,129	-	1,572,129
2.2.4	Other securities		-	-	-	-	-	-
III.	BANKS	(3)	133,648	307,501	441,149	116,986	1,204,501	1,321,487
IV.	MONEY MARKET PLACEMENTS		3,814	-	3,814	14,351	-	14,351
4.1	Interbank money market placements		-	-	-	-	-	-
4.2	Istanbul Stock Exchange money market placements		-	-	-	-	-	-
4.3	Receivables from reverse repurchase agreements		3,814	-	3,814	14,351	-	14,351
V.	INVESTMENT SECURITIES AVAILABLE-FOR-SALE (Net)	(4)	5,554,834	706,558	6,261,392	4,953,637	457,672	5,411,309
5.1	Equity securities		-	-	-	-	-	-
5.2	Public sector debt securities		5,451,391	604,390	6,055,781	4,873,092	338,804	5,211,896
5.3	Other securities		103,443	102,168	205,611	80,545	118,868	199,413
VI.	LOANS AND RECEIVABLES	(5)	19,672,579	2,341,947	22,014,526	15,516,792	2,042,351	17,559,143
6.1	Loans and receivables		19,574,518	2,341,947	21,916,465	15,410,830	2,042,351	17,453,181
6.1.1	Loans to risk group of the Bank		-	28,011	28,011	-	30,632	30,632
6.1.2	Public sector debt securities		-	-	-	-	-	-
6.1.3	Other		19,574,518	2,313,936	21,888,454	15,410,830	2,011,719	17,422,549
6.2	Non-performing loans		1,679,638	-	1,679,638	1,454,726	-	1,454,726
6.3	Specific provisions (-)		1,581,577	-	1,581,577	1,348,764	-	1,348,764
VII.	FACTORING RECEIVABLES	(6)	153,249	2,996	156,245	35,465	1,581	37,046
VIII.	INVESTMENT SECURITIES HELD TO MATURITY (Net)	(7)	-	-	-	-	-	-
8.1	Public sector debt securities		-	-	-	-	-	-
8.2	Other securities		-	-	-	-	-	-
IX.	INVESTMENT IN ASSOCIATES (Net)	(8)	5,769	-	5,769	6,016	-	6,016
9.1	Equity method associates		-	-	-	-	-	-
9.2	Unconsolidated		5,769	-	5,769	6,016	-	6,016
9.2.1	Financial Investments		-	-	-	-	-	-
9.2.2	Non-financial Investments		5,769	-	5,769	6,016	-	6,016
X.	INVESTMENT IN SUBSIDIARIES (Net)	(9)	14,986	-	14,986	14,986	-	14,986
10.1	Unconsolidated financial investments		-	-	-	-	-	-
10.2	Unconsolidated non-financial investments		14,986	-	14,986	14,986	-	14,986
XI.	ENTITIES UNDER COMMON CONTROL ( JOINT VENTURES) (Net)	(10)	2,800	-	2,800	800	-	800
11.1	Equity method entities under common control		-	-	-	-	-	-
11.2	Unconsolidated		2,800	-	2,800	800	-	800
11.2.1	Financial investments		-	-	-	-	-	-
11.2.2	Non-financial Investments		2,800	-	2,800	800	-	800
XII.	LEASE RECEIVABLES (Net)	(11)	147,847	633,993	781,840	148,543	746,914	895,457
12.1	Financial lease receivables		174,927	694,501	869,428	178,194	829,187	1,007,381
12.2	Operational lease receivables		-	-	-	-	-	-
12.3	Others		-	-	-	-	-	-
12.4	Unearned income (-)		27,080	60,508	87,588	29,651	82,273	111,924
XIII.	DERIVATIVE FINANCIAL ASSETS HEDGING PURPOSES	(12)	8,763	-	8,763	-	2,417	2,417
13.1	Fair value hedge		8,763	-	8,763	-	2,417	2,417
13.2	Cash flow hedge		-	-	-	-	-	-
13.3	Hedging of a net investment in foreign subsidiaries		-	-	-	-	-	-
XIV.	TANGIBLE ASSETS (Net)		372,479	30	372,509	387,549	19	387,568
XV.	INTANGIBLE ASSETS (Net)		102,981	-	102,981	74,426	-	74,426
15.1	Goodwill		8,969	-	8,969	8,969	-	8,969
15.2	Others		94,012	-	94,012	65,457	-	65,457
XVI.	INVESTMENT PROPERTIES (Net)		-	-	-	-	-	-
XVII.	TAX ASSETS	(13)	27,563	-	27,563	79,240	-	79,240
17.1	Current tax assets		-	-	-	50,499	-	50,499
17.2	Deferred tax assets		27,563	-	27,563	28,741	-	28,741
XVIII.	ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)	(14)	-	-	-	-	-	-
18.1	Held for sale		-	-	-	-	-	-
18.2	Discontinued operations		-	-	-	-	-	-
XIX.	OTHER ASSETS	(15)	531,981	549,308	1,081,289	381,238	150,073	531,311
TOTAL ASSETS			29,215,617	5,533,565	34,749,182	24,833,215	5,438,628	30,271,843

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 Şirketi**

**CONSOLIDATED BALANCE SHEET AS OF SEPTEMBER 30, 2010**

**(STATEMENT OF FINANCIAL POSITION)**

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

**I. CONSOLIDATED BALANCE SHEET – LIABILITIES**

		Reviewed 30.09.2010			Audited 31.12.2009			
		Section 5 Part II	TL	FC	Total	TL	FC	Total
I.	DEPOSITS	(1)	14,488,924	7,218,507	21,707,431	12,752,735	7,175,498	19,928,233
1.1	Deposits from risk group of the Bank		43,326	1,093,090	1,136,416	26,984	1,157,475	1,184,459
1.2	Other		14,445,598	6,125,417	20,571,015	12,725,751	6,018,023	18,743,774
II.	DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING	(2)	398,704	80,976	479,680	229,234	38,624	267,858
III.	FUNDS BORROWED	(3)	561,126	2,319,792	2,880,918	441,966	2,495,305	2,937,271
IV.	MONEY MARKET BORROWINGS		1,164,721	-	1,164,721	37,176	-	37,176
4.1	Interbank money markets takings		-	-	-	-	-	-
4.2	Istanbul Stock Exchange money markets takings		40,665	-	40,665	18,000	-	18,000
4.3	Funds provided under repurchase agreements	(4)	1,124,056	-	1,124,056	19,176	-	19,176
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		731,062	88,673	819,735	579,204	210,380	789,584
VIII.	OTHER LIABILITIES	(5)	1,089,937	21,190	1,111,127	320,098	9,216	329,314
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 lease expenses ( - )		-	-	-	-	-	-
XI.	DERIVATIVE FINANCIAL LIABILITIES FOR HEDGING PURPOSES	(7)	474,976	37,988	512,964	-	2,693	2,693
11.1	Fair value hedge		402,900	37,988	440,888	-	2,693	2,693
11.2	Cash flow hedge		72,076	-	72,076	-	-	-
11.3	Hedge of net investments in foreign subsidiaries		-	-	-	-	-	-
XII.	PROVISIONS	(8)	512,339	31,757	544,096	492,298	32,704	525,002
12.1	General provisions		212,181	31,757	243,938	166,747	32,704	199,451
12.2	Restructuring provisions		-	-	-	-	-	-
12.3	Reserve for employee benefits		66,408	-	66,408	74,120	-	74,120
12.4	Insurance technical provisions (Net)		43,814	-	43,814	31,983	-	31,983
12.5	Other provisions		189,936	-	189,936	219,448	-	219,448
XIII.	TAX LIABILITY	(9)	96,016	-	96,016	87,390	-	87,390
13.1	Current tax liability		60,336	-	60,336	4,328	-	4,328
13.2	Deferred tax liability		35,680	-	35,680	83,062	-	83,062
XIV.	PAYABLES RELATED TO ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (NET)	(10)	-	-	-	-	-	-
14.1	Held for sale		-	-	-	-	-	-
14.2	Discontinued operations		-	-	-	-	-	-
XV.	SUBORDINATED LOANS	(11)	-	957,773	957,773	-	1,473,260	1,473,260
XVI.	SHAREHOLDERS' EQUITY		4,465,780	8,941	4,474,721	3,861,701	32,361	3,894,062
16.1	Paid-in capital	(12)	1,653,750	-	1,653,750	1,575,000	-	1,575,000
16.2	Capital reserves		75,306	8,941	84,247	45,386	32,361	77,747
16.2.1	Share premium	(13)	-	-	-	-	-	-
16.2.2	Share cancellation profits		-	-	-	-	-	-
16.2.3	Securities value increase fund	(14)	82,926	8,941	91,867	45,386	32,361	77,747
16.2.4	Revaluation fund on tangible assets		-	-	-	-	-	-
16.2.5	Revaluation fund on intangible assets		-	-	-	-	-	-
16.2.6	Investment property revaluation differences		-	-	-	-	-	-
16.2.7	Bonus shares obtained from associates, subsidiaries and entities under common control (joint ventures)		-	-	-	-	-	-
16.2.8	Hedging funds (effective portion)		(7,620)	-	(7,620)	-	-	-
16.2.9	Accumulated valuation differences from assets held for sale and discontinued operations		-	-	-	-	-	-
16.2.10	Other capital reserves		-	-	-	-	-	-
16.3	Profit reserves		2,000,848	-	2,000,848	1,386,371	-	1,386,371
16.3.1	Legal reserves		204,185	-	204,185	168,051	-	168,051
16.3.2	Status reserves		-	-	-	-	-	-
16.3.3	Extraordinary reserves		1,796,346	-	1,796,346	1,218,320	-	1,218,320
16.3.4	Other profit reserves		317	-	317	-	-	-
16.4	Profit or loss		575,989	-	575,989	708,604	-	708,604
16.4.1	Prior years' income/ (losses)		15,694	-	15,694	154,748	-	154,748
16.4.2	Current period income/ (loss)		560,295	-	560,295	553,856	-	553,856
16.5	Minority shares		159,887	-	159,887	146,340	-	146,340
TOTAL LIABILITIES AND EQUITY			23,983,585	10,765,597	34,749,182	18,801,802	11,470,041	30,271,843

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 Şirketi**

**CONSOLIDATED STATEMENT OF OFF BALANCE SHEET COMMITMENTS AND  
CONTINGENCIES AS OF SEPTEMBER 30, 2010**

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

**II. CONSOLIDATED STATEMENT OF OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES**

		Reviewed 30.09.2010			Audited 31.12.2009		
	Section 5 Part III	TL	FC	TOTAL	TL	FC	TOTAL
<b>A. OFF BALANCE SHEET CONTINGENCIES AND COMMITMENTS (I+II+III)</b>		<b>39,327,214</b>	<b>28,732,492</b>	<b>68,059,706</b>	<b>26,799,990</b>	<b>19,983,792</b>	<b>46,783,782</b>
<b>I. GUARANTEES</b>	(1), (2), (3),(4)	<b>3,152,605</b>	<b>2,987,630</b>	<b>6,140,235</b>	<b>2,266,027</b>	<b>2,951,914</b>	<b>5,217,941</b>
1.1. Letters of guarantee		3,149,985	1,694,279	4,844,264	2,239,000	1,706,226	3,945,226
1.1.1. Guarantees subject to State Tender Law		139,053	13,920	152,973	94,304	16,130	110,434
1.1.2. Guarantees given for foreign trade operations		2,263,585	1,680,359	3,943,944	1,756,064	1,690,096	3,446,160
1.1.3. Other letters of guarantee		747,347	-	747,347	388,632	-	388,632
1.2. Bank loans		2,337	662,895	665,232	-	664,139	664,139
1.2.1. Import letter of acceptance		2,337	662,895	665,232	-	664,139	664,139
1.2.2. Other bank acceptances		-	-	-	-	-	-
1.3. Letters of credit		283	596,373	596,656	78	539,845	539,923
1.3.1. Documentary letters of credit		283	522,861	523,144	78	496,789	496,867
1.3.2. Other letters of credit		-	73,512	73,512	-	43,056	43,056
1.4. Prefinancing given as guarantee		-	-	-	-	-	-
1.5. Endorsements		-	-	-	-	-	-
1.5.1. Endorsements to the Central Bank of Turkey		-	-	-	-	-	-
1.5.2. Other endorsements		-	-	-	-	-	-
1.6. Securities issue purchase guarantees		-	-	-	-	-	-
1.7. Factoring guarantees		-	-	-	26,949	-	26,949
1.8. Other guarantees		-	34,083	34,083	-	41,704	41,704
1.9. Other collaterals		-	-	-	-	-	-
<b>II. COMMITMENTS</b>		<b>13,424,305</b>	<b>1,807,614</b>	<b>15,231,919</b>	<b>10,712,786</b>	<b>1,100,436</b>	<b>11,813,222</b>
2.1. Irrevocable commitments		13,423,291	1,807,614	15,230,905	10,630,439	1,100,436	11,730,875
2.1.1. Forward asset purchase commitments		512,878	1,798,847	2,311,725	435,640	1,082,526	1,518,166
2.1.2. Forward deposit purchase and sales commitments		-	-	-	-	-	-
2.1.3. Share capital commitment to associates and subsidiaries		5,187	-	5,187	2,250	-	2,250
2.1.4. Loan granting commitments		1,630,334	-	1,630,334	1,726,856	-	1,726,856
2.1.5. Securities underwriting commitments		-	-	-	-	-	-
2.1.6. Commitments for reserve deposit requirements		-	-	-	-	-	-
2.1.7. Payment commitment for checks		648,394	-	648,394	556,793	-	556,793
2.1.8. Tax and fund liabilities from export commitments		5,023	-	5,023	5,297	-	5,297
2.1.9. Commitments for credit card expenditure limits		10,536,665	-	10,536,665	7,764,698	-	7,764,698
2.1.10. Commitments for promotions related with credit cards and banking activities		24,411	-	24,411	21,074	-	21,074
2.1.11. Receivables from short sale commitments		-	-	-	-	-	-
2.1.12. Payables for short sale commitments		-	-	-	-	-	-
2.1.13. Other irrevocable commitments		60,399	8,767	69,166	117,831	17,910	135,741
2.2. Revocable commitments		1,014	-	1,014	82,347	-	82,347
2.2.1. Revocable loan granting commitments		1,014	-	1,014	82,347	-	82,347
2.2.2. Other revocable commitments		-	-	-	-	-	-
<b>III. DERIVATIVE FINANCIAL INSTRUMENTS</b>	(5)	<b>22,750,304</b>	<b>23,937,248</b>	<b>46,687,552</b>	<b>13,821,177</b>	<b>15,931,442</b>	<b>29,752,619</b>
3.1. Derivative financial instruments for hedging purposes		4,929,580	3,722,986	8,652,566	-	144,480	144,480
3.1.1. Fair value hedge		4,441,356	3,722,986	8,164,342	-	144,480	144,480
3.1.2. Cash flow hedge		488,224	-	488,224	-	-	-
3.1.3. Hedge of net investment in foreign operations		-	-	-	-	-	-
3.2. Held for trading transactions		17,820,724	20,214,262	38,034,986	13,821,177	15,786,962	29,608,139
3.2.1. Forward foreign currency buy/sell transactions		921,087	1,771,479	2,692,566	331,042	500,375	831,417
3.2.1.1. Forward foreign currency transactions-buy		608,985	735,328	1,344,313	126,393	287,420	413,813
3.2.1.2. Forward foreign currency transactions-sell		312,102	1,036,151	1,348,253	204,649	212,955	417,604
3.2.2. Swap transactions related to foreign currency and interest rates		9,584,764	10,273,914	19,858,678	10,755,114	11,151,653	21,906,767
3.2.2.1. Foreign currency swap-buy		4,075,030	5,444,692	9,519,722	2,281,147	7,281,113	9,562,260
3.2.2.2. Foreign currency swap-sell		5,132,322	4,449,414	9,581,736	7,648,449	2,607,602	10,256,051
3.2.2.3. Interest rate swaps-buy		188,706	139,112	327,818	412,759	631,469	1,044,228
3.2.2.4. Interest rate swaps-sell		188,706	240,696	429,402	412,759	631,469	1,044,228
3.2.3. Foreign currency, interest rate and securities options		7,296,315	7,709,703	15,006,018	2,735,021	3,825,276	6,560,297
3.2.3.1. Foreign currency options-buy		3,634,218	3,783,074	7,417,292	1,307,931	1,811,640	3,119,571
3.2.3.2. Foreign currency options-sell		3,468,097	3,926,629	7,394,726	1,413,806	1,712,496	3,126,302
3.2.3.3. Interest rate options-buy		-	-	-	-	150,570	150,570
3.2.3.4. Interest rate options-sell		-	-	-	-	150,570	150,570
3.2.3.5. Securities options-buy		97,000	-	97,000	6,642	-	6,642
3.2.3.6. Securities options-sell		97,000	-	97,000	6,642	-	6,642
3.2.4. Foreign currency futures		18,558	383,888	402,446	-	274,612	274,612
3.2.4.1. Foreign currency futures-buy		9,279	191,944	201,223	-	137,306	137,306
3.2.4.2. Foreign currency futures-sell		9,279	191,944	201,223	-	137,306	137,306
3.2.5. Interest rate futures		-	75,278	75,278	-	35,046	35,046
3.2.5.1. Interest rate futures-buy		-	37,639	37,639	-	17,523	17,523
3.2.5.2. Interest rate futures-sell		-	37,639	37,639	-	17,523	17,523
3.2.6. Other		-	-	-	-	-	-
<b>B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)</b>		<b>68,453,100</b>	<b>19,149,909</b>	<b>87,603,009</b>	<b>55,743,738</b>	<b>20,163,109</b>	<b>75,906,847</b>
<b>IV. ITEMS HELD IN CUSTODY</b>		<b>4,245,051</b>	<b>1,326,526</b>	<b>5,571,577</b>	<b>3,051,854</b>	<b>1,114,745</b>	<b>4,166,599</b>
4.1. Assets under management		128,826	-	128,826	110,560	10,702	121,262
4.2. Investment securities held in custody		2,581,816	1,007,340	3,589,156	1,980,007	853,205	2,833,212
4.3. Checks received for collection		934,261	149,579	1,083,840	710,122	111,910	822,032
4.4. Commercial notes received for collection		263,514	111,313	374,827	218,491	119,220	337,711
4.5. Other assets received for collection		-	-	-	-	-	-
4.6. Assets received for public offering		-	-	-	-	-	-
4.7. Other items under custody		336,631	58,294	394,925	32,671	19,708	52,379
4.8. Custodians		3	-	3	3	-	3
<b>V. PLEDGED ITEMS</b>		<b>64,208,049</b>	<b>17,823,383</b>	<b>82,031,432</b>	<b>52,691,884</b>	<b>19,048,364</b>	<b>71,740,248</b>
5.1. Marketable securities		145,420	170,413	315,833	246,832	212,766	459,598
5.2. Guarantee notes		91,431	55,101	146,532	94,036	59,206	153,242
5.3. Commodity		27,799	-	27,799	19,864	-	19,864
5.4. Warranty		-	-	-	-	-	-
5.5. Properties		28,264,804	7,641,263	35,906,067	23,328,456	8,493,260	31,821,716
5.6. Other pledged items		35,678,595	9,956,606	45,635,201	29,002,696	10,283,132	39,285,828
5.7. Pledged items-depository		-	-	-	-	-	-
<b>VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL OFF-BALANCE SHEET ACCOUNTS (A+B)</b>		<b>107,780,314</b>	<b>47,882,401</b>	<b>155,662,715</b>	<b>82,543,728</b>	<b>40,146,901</b>	<b>122,690,629</b>

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 Şirketi**

**CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED SEPTEMBER 30, 2010**

**(STATEMENT OF INCOME/LOSS)**

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

**III. CONSOLIDATED INCOME STATEMENT**

		Reviewed 01.01 – 30.09.2010	Reviewed 01.07 – 30.09.2010	Reviewed 01.01 – 30.09.2009	Reviewed 01.07 – 30.09.2009	
Section 5 Part IV						
I.	INTEREST INCOME	(1)	2,866,892	997,089	3,091,560	968,224
1.1	Interest on loans		2,439,431	857,786	2,485,943	799,795
1.2	Interest received from reserve deposits		-	-	-	-
1.3	Interest received from banks		58,000	15,775	63,257	13,286
1.4	Interest received from money market placements		9,181	86	4,590	365
1.5	Interest received from marketable securities portfolio		292,401	101,507	448,684	128,306
1.5.1	Held-for-trading financial assets		6,253	2,292	7,760	3,175
1.5.2	Financial assets at fair value through profit and loss		8,761	2,954	15,158	2,878
1.5.3	Available-for-sale financial assets		277,387	96,261	323,062	122,253
1.5.4	Investments held-to-maturity		-	-	102,704	-
1.6	Finance lease income		57,992	17,975	86,595	25,942
1.7	Other interest income		9,887	3,960	2,491	530
II.	INTEREST EXPENSE	(2)	1,129,958	416,328	1,346,414	377,020
2.1	Interest on deposits		976,515	350,433	1,074,368	295,968
2.2	Interest on funds borrowed		117,957	36,820	215,206	58,188
2.3	Interest on money market borrowings		34,912	29,030	56,468	22,834
2.4	Interest on securities issued		-	-	-	-
2.5	Other interest expense		574	45	372	30
III.	NET INTEREST INCOME (I- II)		1,736,934	580,761	1,745,146	591,204
IV.	NET FEES AND COMMISSIONS INCOME		512,255	182,943	473,409	156,591
4.1	Fees and commissions received		592,983	209,580	538,962	179,378
4.1.1	Non-cash loans		32,073	10,473	38,062	11,753
4.1.2	Other		560,910	199,107	500,900	167,625
4.2	Fees and commissions paid		80,728	26,637	65,553	22,787
4.2.1	Non-cash loans		624	191	339	134
4.2.2	Other		80,104	26,446	65,214	22,653
V.	DIVIDEND INCOME	(3)	324	155	1,481	-
VI.	NET TRADING INCOME	(4)	(299,621)	(65,331)	(177,763)	(103,773)
6.1	Securities trading gains/ (losses)		143,917	44,150	277,351	86,796
6.2	Gains / (losses) financial derivative transactions		(486,522)	(98,146)	(505,422)	(209,302)
6.3	Foreign exchange gains/ (losses)		42,984	(11,335)	50,308	18,733
VII.	OTHER OPERATING INCOME	(5)	119,997	53,358	83,943	19,812
VIII.	NET OPERATING INCOME (III+IV+V+VI+VII)		2,069,889	751,886	2,126,216	663,834
IX.	PROVISION FOR LOAN LOSSES AND OTHER RECEIVABLES (-)	(6)	299,105	94,442	621,090	221,551
X.	OTHER OPERATING EXPENSES (-)	(7)	1,061,125	370,826	890,906	295,598
XI.	NET OPERATING INCOME/(LOSS) (VIII-IX-X)		709,659	286,618	614,220	146,685
XII.	AMOUNT IN EXCESS RECORDED AS GAIN AFTER MERGER		-	-	-	-
XIII.	GAIN / (LOSS) ON EQUITY METHOD		-	-	-	-
XIV.	GAIN / (LOSS) ON NET MONETARY POSITION		-	-	-	-
XV.	PROFIT/(LOSS) FROM CONTINUED OPERATIONS BEFORE TAXES (XI+...+XIV)	(8)	709,659	286,618	614,220	146,685
XVI.	TAX CHARGE FOR CONTINUED OPERATIONS (±)	(9)	(138,165)	(53,369)	(132,174)	(37,910)
16.1	Current income tax charge		(185,994)	(59,249)	(165,012)	(51,594)
16.2	Deferred tax charge / benefit		47,829	5,880	32,838	13,684
XVII.	NET PROFIT/(LOSS) FROM CONTINUED OPERATIONS (XV±XVI)	(10)	571,494	233,249	482,046	108,775
XVIII.	INCOME ON DISCONTINUED OPERATIONS		-	-	97,422	-
18.1	Income on assets held for sale		-	-	-	-
18.2	Income on sale of associates, subsidiaries and entities under common control		-	-	43,324	-
18.3	Income on other discontinued operations		-	-	54,098	-
XIX.	LOSS FROM DISCONTINUED OPERATIONS (-)		-	-	39,067	-
19.1	Loss from assets held for sale		-	-	-	-
19.2	Loss on sale of associates, subsidiaries and entities under common control		-	-	-	-
19.3	Loss from other discontinued operations		-	-	39,067	-
XX.	PROFIT / (LOSS) ON DISCONTINUED OPERATIONS BEFORE TAXES (XVIII-XIX)	(8)	-	-	58,355	-
XXI.	TAX CHARGE FOR DISCONTINUED OPERATIONS (±)	(9)	-	-	(10,978)	-
21.1	Current income tax charge		-	-	(10,978)	-
21.2	Deferred tax charge / benefit		-	-	-	-
XXII.	NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XX±XXI)	(10)	-	-	47,377	-
XXIII.	NET PROFIT/LOSS (XVII+XXII)	(11)	571,494	233,249	529,423	108,775
23.1	Group's profit/loss		560,295	230,399	518,245	105,991
23.2	Minority shares		11,199	2,850	11,178	2,784
	Earnings per share		0.03388	0.01393	0.03134	0.00641

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 Şirketi**

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNTED FOR UNDER EQUITY  
FOR THE PERIOD ENDED SEPTEMBER 30, 2010  
(STATEMENT OF OTHER COMPREHENSIVE INCOME AND LOSS)**

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

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

	Reviewed 01.01 – 30.09.2010	Reviewed 01.01 – 30.09.2009
I. ADDITIONS TO MARKETABLE SECURITIES REVALUATION DIFFERENCES FOR AVAILABLE FOR SALE FINANCIAL ASSETS	64,538	172,786
II. TANGIBLE ASSETS REVALUATION DIFFERENCES	-	-
III. INTANGIBLE ASSETS REVALUATION DIFFERENCES	-	-
IV. FOREIGN EXCHANGE DIFFERENCES FOR FOREIGN CURRENCY TRANSACTIONS	-	-
PROFIT/LOSS FROM DERIVATIVE FINANCIAL INSTRUMENTS FOR CASH FLOW	-	-
V. HEDGE PURPOSES (EFFECTIVE PORTION OF FAIR VALUE DIFFERENCES)	(9,525)	-
PROFIT/LOSS FROM DERIVATIVE FINANCIAL INSTRUMENTS FOR HEDGE OF NET INVESTMENT IN FOREIGN OPERATIONS (EFFECTIVE PORTION OF FAIR VALUE DIFFERENCES)	-	-
VI. THE EFFECT OF CORRECTIONS OF ERRORS AND CHANGES IN ACCOUNTING POLICIES	-	-
VII. OTHER PROFIT LOSS ITEMS ACCOUNTED FOR UNDER EQUITY AS PER TURKISH ACCOUNTING STANDARDS	-	-
VIII. DEFERRED TAX OF VALUATION DIFFERENCES	(1,625)	(32,882)
IX. TOTAL NET PROFIT/LOSS ACCOUNTED UNDER EQUITY (I+II+...+IX)	53,388	139,904
XI. PROFIT/LOSS		
11.1 Change in fair value of marketable securities (Transfer to Profit/Loss)	(46,888)	(34,857)
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)	6,500	105,047

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

**Finansbank Anonim Şirketi**  
**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2010**  
(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)

**V. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

Reviewed	Paid-in Capital	Effect of Inflation Accounting on Capital and Other Reserves	Share Premium	Share Cancellation	Legal Reserves	Statutory Reserves	Extraordinary Reserves	Other Reserves	Current Period Net Income/(Loss)	Prior Period Net Income/(Loss)	Marketable Securities Increase	Tangible and Intangible Assets Revaluation Differences	Bonus Shares Obtained from Associates	Hedging Funds	Acc. Val. Diff. from Assets Held for Sale and from Disc. Op.	Total Equity Attributable to the Parent Shareholders	Minority Shares	Total Equity
Prior period – 01.01-30.09.2009																		
I Beginning balance	1,500,000	-	-	-	143,864	-	935,255	-	-	563,952	(6,901)	-	-	-	-	3,134,270	128,308	3,264,578
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)	1,500,000	-	-	-	143,864	-	935,255	-	-	563,952	(6,901)	-	-	-	-	3,134,270	128,308	3,264,578
Changes in period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IV Increase/decrease related to merger	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V Marketable securities valuation differences	-	-	-	-	-	-	-	-	-	-	105,047	-	-	-	-	105,047	-	105,047
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 entities under common control	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X Foreign exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI The disposal of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XII The reclassification of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIII The effect of change in associates' equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIV Capital increase	75,000	-	-	-	-	-	(75,000)	-	-	-	-	-	-	-	-	-	-	-
14.1 Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.2 Internal sources	75,000	-	-	-	-	-	(75,000)	-	-	-	-	-	-	-	-	-	-	-
XV Share issue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVI Share cancellation profits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVII Inflation adjustment to paid-in capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XVIII Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XIX Period net income/(loss)	-	-	-	-	-	-	-	-	518,245	-	-	-	-	-	-	518,245	111,778	529,423
XX Profit distribution	-	-	-	-	-	-	-	-	-	(409,204)	-	-	-	-	-	-	-	(26,952)
20.1 Dividends distributed	-	-	-	-	-	-	358,065	-	-	(26,952)	-	-	-	-	-	(26,952)	-	(26,952)
20.2 Transfers to reserves	-	-	-	-	-	-	358,065	-	-	(382,232)	-	-	-	-	-	-	-	-
20.3 Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance (III+IV+V+.....+ XVIII+XIX+XX)	1,575,000	-	-	-	168,051	-	1,218,320	-	518,245	154,748	98,246	-	-	-	-	3,732,610	139,486	3,872,096

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

**Finansbank Anonim Şirketi**  
**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2010**  
(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)

**V. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

Reviewed	Paid-in Capital	Accounting on Capital and Other Reserves	Effect of inflation	Share Premium	Share Cancellation	Legal Reserves	Statutory Reserves	Extraordinary Reserves	Other Reserves	Current Period Net Income/(Loss)	Prior Period Net Income/(Loss)	Marketable Securities Increase	Tangible and Intangible Assets Revaluation Differences	Bonus Shares Obtained from Associates	Hedging Funds	Acc. Valuation Diff. from Assets Held for Sale and Assets from Shareholders	Total Equity		
I. Current period – 01.01.–30.09.2010	1,575,000	-	-	-	-	168,051	-	1,218,320	-	-	708,604	77,747	-	-	-	3,747,722	146,340	3,894,062	
II. Changes in period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
III. Increase/decrease related to merger	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
IV. Marketable securities valuation differences	-	-	-	-	-	-	-	-	-	-	-	14,120	-	-	-	-	14,120	14,120	
IV. Hedging funds (effective portion)	-	-	-	-	-	-	-	-	-	-	-	-	(7,620)	-	(7,620)	(7,620)	(7,620)	(7,620)	
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 entities under common control	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VIII. Foreign exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
IX. The disposal of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
X. The reclassification of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XI. The effect of change in associates' equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XII. Capital increase	78,750	-	-	-	-	-	-	(78,750)	-	-	-	-	-	-	-	-	-	-	
12.1 Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
12.2 Internal sources	78,750	-	-	-	-	-	-	(78,750)	-	-	-	-	-	-	-	-	-	-	
XIII. Share premium	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XIV. Share cancellation profits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XV. Inflation adjustment to paid-in capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XVI. Other	-	-	-	-	-	-	-	-	317	-	-	-	-	-	-	-	-	-	
XVII. Period net income/(loss)	-	-	-	-	-	-	-	-	-	560,295	-	-	-	-	-	-	317	2,348	
XVIII. Profit distribution	-	-	-	-	-	36,134	-	656,776	-	-	(692,910)	-	-	-	-	-	560,295	2,665	
18.1 Dividends distributed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,199	
18.2 Transfers to reserves	-	-	-	-	-	36,134	-	656,776	-	-	(692,910)	-	-	-	-	-	-	571,894	
18.3 Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Closing balance (I+II+III+....+XVI+XVII+XVIII)	1,653,750	-	-	-	-	204,185	-	1,796,346	317	560,295	15,694	91,867	-	-	(7,620)	-	4,314,834	199,887	4,474,721

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 Şirketi**

**CONSOLIDATED CASH FLOWS STATEMENT**

**FOR THE PERIOD ENDED SEPTEMBER 30, 2010**

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

**VI. CONSOLIDATED CASH FLOWS STATEMENT**

	<b>Section 5 Part V</b>	<b>Reviewed 01.01- 30.09.2010</b>	<b>Reviewed 01.01 - 30.09.2009</b>
<b>A. CASH FLOWS FROM / (TO) BANKING OPERATIONS</b>			
<b>1.1 Operating profit before changes in operating assets and liabilities (+)</b>		<b>1,338,056</b>	<b>1,374,777</b>
1.1.1 Interest received (+)		2,960,307	3,197,526
1.1.2 Interest paid (-)		(1,126,102)	(1,434,715)
1.1.3 Dividend received (+)		324	1,481
1.1.4 Fees and commissions received (+)		592,983	538,962
1.1.5 Other income (+)		113,160	83,450
1.1.6 Collections from previously written off loans (+)		450,187	190,765
1.1.7 Payments to personnel and service suppliers (-)		(861,713)	(736,994)
1.1.8 Taxes paid (-)		(185,932)	(160,041)
1.1.9 Other (+/-)		(605,158)	(305,657)
<b>1.2 Changes in operating assets and liabilities</b>		<b>(1,364,852)</b>	<b>(902,496)</b>
1.2.1 Net (increase) decrease in financial assets held for trading (+/-)		(60,461)	(32,884)
1.2.2 Net (increase) decrease in financial assets at fair value through profit or loss (+/-)		427,347	142,765
1.2.3 Net (increase) decrease in due from banks (+/-)		(4,150)	(45)
1.2.4 Net (increase) decrease in loans (+/-)		(4,821,630)	(1,108,172)
1.2.5 Net (increase) decrease in other assets (+/-)		(648,846)	(1,160,870)
1.2.6 Net increase (decrease) in bank deposits (+/-)		603,036	(562,092)
1.2.7 Net increase (decrease) in other deposits (+/-)		1,487,953	(1,272,946)
1.2.8 Net increase (decrease) in funds borrowed (+/-)		(382,251)	(144,769)
1.2.9 Net increase (decrease) in matured payables (+/-)		-	-
1.2.10 Net increase (decrease) in other liabilities (+/-)		2,034,150	3,236,517
<b>I. Net cash provided from / (used in) banking operations (+/-)</b>		<b>(26,796)</b>	<b>472,281</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>II. Net cash provided from / (used in) investing activities (+/-)</b>		<b>(977,379)</b>	<b>(447,296)</b>
2.1 Cash paid for purchase of entities under common control, associates and subsidiaries (-)		(2,000)	(2,800)
2.2 Cash obtained from sale of entities under common control, associates and subsidiaries (+)		2,101	351,763
2.3 Fixed assets purchases (-)		(45,285)	(53,306)
2.4 Fixed assets sales (+)		3,191	712
2.5 Cash paid for purchase of financial assets available for sale (-)		(16,761,463)	(12,857,290)
2.6 Cash obtained from sale of financial assets available for sale (+)		15,876,705	12,142,029
2.7 Cash paid for purchase of investment securities (-)		-	-
2.8 Cash obtained from sale of investment securities (+)		-	-
2.9 Other (+/-)		(50,628)	(28,404)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>III. Net cash provided from / (used in) financing activities (+/-)</b>		<b>(22,909)</b>	<b>-</b>
3.1 Cash obtained from funds borrowed and securities issued (+)		-	-
3.2 Cash used for repayment of funds borrowed and securities issued (-)		-	-
3.3 Capital increase (+)		-	-
3.4 Dividends paid (-)		(22,909)	-
3.5 Payments for finance leases (-)		-	-
3.6 Other (+/-)		-	-
<b>IV. Effect of change in foreign exchange rate on cash and cash equivalents (+/-)</b>		<b>(25,965)</b>	<b>(1,528)</b>
<b>V. Net increase / (decrease) in cash and cash equivalents (I+II+III+IV)</b>		<b>(1,053,049)</b>	<b>23,457</b>
<b>VI. Cash and cash equivalents at the beginning of the period (+)</b>	<b>(1)</b>	<b>3,121,193</b>	<b>1,994,558</b>
<b>VII. Cash and cash equivalents at end of the period (V+VI)</b>	<b>(2)</b>	<b>2,068,144</b>	<b>2,018,015</b>

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



**Finansbank Anonim Şirketi**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED SEPTEMBER 30, 2010**

*(Amounts expressed in Thousands of Turkish Lira (TL) 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 and its financial subsidiaries ("The Group") prepared the accompanying financial statements as of September 30, 2010 and the related disclosures and footnotes in accordance with accounting and valuation standards as described in the "Regulation on Principles Related to Banks' Accounting Applications and Maintaining the Documents", dated November 1, 2006 which is published in the Official Gazette No 26333, "Communiqué on Financial Statements and the Accompanying Explanations and Footnotes to be Announced to the Public", dated February 10, 2007 which is published in the Official Gazette No 26430, Turkish Accounting Standards (TAS), Turkish Financial Reporting Standards (TFRS) and other circulars, communiqués and pronouncements in respect of accounting and financial reporting made by the Banking Regulation and Supervision Agency (BRSA).

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

**2. Classifications**

The Group classified TL 23,620 fees and commissions income from cash loans which was accounted for under "Net Fees and Commissions Income" as of September 30, 2009 to "Interest Income" to be consistent with the classification of current period's Income Statement.

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

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

**Explanation for Convenience Translation to English**

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

**Finansbank Anonim Şirketi**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED SEPTEMBER 30, 2010**

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

**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 reprised at an average period of 3-6 months. The Parent Bank diverts its placements to assets with high return, 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 TL 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 TL liquidity with long term swap transactions (fixed TL interest rate and floating FC interest rate). Thus, the Parent Bank generates TL 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 position based on the product. Risk limits are expressed in terms of "Value at Risk (VAR)" by taking the risk tolerance as a cap. The maximum VAR amounts are determined for the three main risk factors, which affect the securities portfolio that is subject to market risk, as well as determining the risk tolerance based on the total value at risk. The above mentioned limits are revised annually.

The strategies for hedging exchange rate risk generated from the 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 in the Interest Rate Risk section in detail.

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

**2. Foreign currency transactions**

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

The 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, 2010 are translated to TL by using historical foreign currency exchange rates. Balances of the foreign currency denominated assets and liabilities except for non-monetary amounts are translated into TL by using foreign currency exchange rates of the Parent Bank for the year end and the resulting exchange differences are recorded as foreign exchange gains and losses. The Parent Bank's foreign currency exchange rates for the related period ends are as follows:

	<u>September 30, 2010</u>	<u>December 31, 2009</u>
US Dollar	TL 1.4512	TL 1.5057
Euro	TL 1.9754	TL 2.1603

**Finansbank Anonim Şirketi**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED SEPTEMBER 30, 2010**

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

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

The net foreign exchange gain included in the consolidated income statement as of September 30, 2010 is TL 42,984 (September 30, 2009 - TL 50,308).

**2.3. Foreign subsidiaries**

As of September 30, 2010 the Parent Bank does not have any subsidiary abroad.

The Parent Bank sold its subsidiary Finans Malta Holdings Ltd., of which the Parent Bank had 100% shareholding, on February 23, 2009 to NBG International Holdings B.V. The profit amounting to TL 43,324 resulting from this sale is presented as "Income on sale of associates, subsidiaries and entities under common control" under the "Income on Discontinued Operations" in the prior period income statement. The income and expenses of the above mentioned subsidiary recognized between January 1, 2009 and the sale date of February 23, 2009 are presented as "Income on Discontinued Operations" and "Expenses on Discontinued Operations" in the accompanying consolidated financial statements. TL 54,098 is accounted for under "Other Income on Discontinued Operations" and TL 39,067 is accounted for under "Other Expenses on Discontinued Operations". The corporate tax payable of the Parent Bank arising from the sale of this subsidiary and the corporate tax charge of the subsidiary until the sale date amounting to TL 10,978 is accounted for under "Tax Charge for Discontinued Operations" in the prior period consolidated income statement.

**III. Information on associates and subsidiaries**

The accompanying consolidated financial statements are prepared in accordance with TAS 27 "Consolidated and Separate Financial Statements" and BRSA communiqué published on the Official Gazette numbered 26340 and dated November 8, 2006.

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 Activity	Effective Shareholding and Voting Rights (%)	
				September 30, 2010	December 31, 2009
1.	Finans Yatırım Menkul Değerler A.Ş. (Finans Invest)	Turkey	Securities Brokerage Intermediary	100.00	100.00
2.	Finans Portföy Yönetimi A.Ş. (Finans Portfolio)	Turkey	Portfolio Management	100.00	100.00
3.	Finans Yatırım Ortaklığı A.Ş. (Finans Investment Trust)	Turkey	Investment Trust	70.28	81.00
4.	Finans Finansal Kiralama A.Ş. (Finans Leasing)	Turkey	Financial Leasing	59.24	59.24
5.	Finans Emeklilik ve Hayat A.Ş. (Finans Pension Fund)	Turkey	Private Pension	99.99	99.99
6.	Finans Tüketici Finansmanı A.Ş.	Turkey	Consumer Finance	99.99	99.99
7.	Finans Faktoring Hizmetleri A.Ş.	Turkey	Factoring	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, 2010.

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**1. Subsidiaries**

The financial subsidiaries are fully consolidated and intercompany transactions and balances, including intercompany income and expenses are eliminated.

**2. Associates and entities under common control**

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 Group also carries out currency and interest options, swaption, credit default swap and futures agreements.

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

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

The fair value differences regarding the derivative financial instruments held for the hedge purposes are accounted for under "Securities Trading Gains/Losses", except for the foreign currency valuation differences. These foreign currency valuation differences are accounted for under "Foreign Exchange Gains/Losses" account. Information on Eurobond and loan portfolio, recognized as fair value hedged items, is presented in section 3, footnote VII, 2 and 4.

The Parent Bank applies cash flow hedge accounting with interest rate swaps in order to avoid the changes in interest rates of deposits within 1 month average maturity. The Bank runs effectiveness tests for hedge accounting as of the balance sheet date, the effective portions are accounted for under "Hedge Funds" under equity as defined in TAS 39 in the financial statements, and the amount related to ineffective portions is associated with the income statement.

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

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

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

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

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**V. Interest income and expenses**

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

**VI. Fees and commission income and expenses**

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

Dividend income is accrued when the investees' profit distribution decisions are approved. Dividend income from subsidiaries is 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 Group 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 in the income statement. If any of 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. These loans are presented under "Financial Assets at Fair Value through Profit or Loss (Net)" in the financial statements. The Parent Bank has not classified its mortgage loans that were initiated after January 1, 2008 as financial assets at fair value through profit or loss. Interest on related loans is presented under "Income statement" as "Interest on Loans" and fair value differences are presented as "Securities Trading Gains (Losses)".

The Group also has public sector debt securities in its financial assets at fair value through profit or loss portfolio.

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

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

**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.

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Premiums and discounts on investment 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 is recognized in the income statement whereas gains and losses arising from the change in the fair values of such securities are reflected in equity under "Securities value increase fund" (Unrealized Gains/Losses on Securities). When investment securities available for sale are sold, collected or otherwise disposed of, the cumulative fair value adjustments under equity is transferred to the income statement.

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

Some portion of the government bond portfolio which was recognized as available for sale securities are designated as fair value hedged items as at April 3, 2009. The fair value differences of hedged items that are disclosed under Investment Securities Available for Sale in order to be in line with balance sheet presentation are accounted for under "Securities Trading Gains/Losses" in the income statement. However, since the fair value hedge accounting could not be effectively continued as stated in TAS 39, the fair value hedge accounting was ceased as of May 1, 2009. The fair value differences are amortized through equity until the maturity of related hedged securities. The fair value differences are amortized through equity until the maturity of related hedged securities. The fair value differences of related portfolio securities sold prior to maturity are amortized through the income statement.

**3. Investment securities held to maturity**

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

As of October 1, 2008, due to the change of the intention, the Group classified securities from trading portfolio and available for sale portfolio to held to maturity portfolio with the nominal values of TL 94,198 and TL 2,571,462, respectively. The intention of the Group regarding holding the held to maturity portfolio has changed in 2009. As it is stated in TAS 39, paragraph 51, "while the intention or the possibility of holding the securities until the maturity changes, or when the investments become inappropriate to be classified as held to maturity; the related investments should be classified as investment securities available for sale and should be re-measured at their fair values"; the Parent Bank classified TL 2,643,811 nominal amount of held to maturity portfolio to available for sale portfolio effective from March 31, 2009 based on the Board of Directors' decision dated April 16, 2009. Because of this classification, the Group will not be able to classify any financial asset as held to maturity investment in 2009 and the following two years.

**4. Loans and specific provisions**

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

As it is mentioned in note "IV. Explanations on forward, option contracts and derivative instruments", the Group entered into swap transactions against TL in order to hedge the possible losses which might arise due to the changes in the fair value of a certain portion of its long-term loans and applies fair value hedge accounting as per TAS 39. The Parent Bank accounted for the hedged part of the loan portfolio at fair value, together with the swap transactions used as the hedging instrument and the related net gain or loss was included in the income statement.

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

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

If there is evidence for the uncollectibility of loans, the Parent Bank classifies related loans and advances in nonperforming loans and provides specific and general provision in accordance with the Communiqué dated November 1, 2006, published on the Official Gazette No 2633 and revised with the Communiqué dated March 6, 2010, published on the Official Gazette No 27513 and revised with the Communiqué dated January 23, 2009, published on the Official Gazette No 2719 "Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves". According to the fourth article of the revised Communiqué dated March 6, 2010, the Parent Bank does not provide any specific provision for the loans which are not at default whereas the other loans of the same loan customer are classified as non-performing loans. The Parent Bank provides 100% specific provision for non-performing loans, other than those loans stated above, without taking into consideration the collaterals obtained for these loans. The related provisions are charged in the current year income statement.

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

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

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

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

**VIII. Impairment of financial assets**

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

**IX. Netting of financial instruments**

In cases where the fair values of trading securities, securities available-for-sale, and 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 presented on the balance sheet.

The Group provides specific allowances for loans and other receivables in accordance with "Methods and Principles for the Determination of Loans and Other Receivables to be reserved for and Allocation of Reserves" and offset against non-performing loans.

The unearned interest income related to leasing agreements is presented by netting off with the "Leasing Receivables". Additionally, specific provision are provided for non performing leasing receivables and netted off with leasing receivables.

Financial assets and liabilities other than those explained above are offset when the Group has a legally enforceable right to set off, and the intention of collecting or paying the net amount of related assets and liabilities or the right to offset the assets and liabilities simultaneously. Otherwise, no offsetting is made.

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**X. Sales and repurchase agreements and lending of securities**

Securities sold under repurchase agreements are recorded on the balance sheet 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 Group 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 TL 1,149,569 as of balance sheet date (December 31, 2009 - TL 19,168).

The Group does not have securities that are subject to lending transactions as of September 30, 2010 (December 31, 2009 - TL 14,218).

Securities purchased with a commitment to resell (reverse repurchase agreements) are recorded in a separate account under "Money Market Placements" 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. Assets held for sale and discontinued operations**

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

The Group does not have 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 Parent Bank transferred its shares of Finans Malta Holdings LTD, which the Parent Bank used to own 100% of the shares, through its sale to NBG International Holdings B.V. on February 24, 2009. The gain on sale of TL 43,324 resulting from this sale is accounted for as "Income on sale of associates, subsidiaries and entities under common control" under "Income on Discontinued Operations" in the prior period income statement. The income of the subsidiary until the sale date is accounted for as "Other Income on Discontinued Operations" under "Income on Discontinued Operations" and expense is accounted for as "Other Expenses on Discontinued Operations" under "Expense on Discontinued Operations". The total of TL 10,978 comprising the tax charge amounting to TL 9,855 regarding the sale and the income tax charge of the subsidiary until the sale date amounting to TL 1,123 is accounted for under "Tax Charge for Discontinued Operations".

**XII. Goodwill and other intangible assets**

The Group's intangible assets consist of software, intangible rights and goodwill.

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

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 in subsequent years is determined as 3 years.

If there is an objective evidence of impairment, the asset's recoverable amount is estimated in accordance with Turkish Accounting Standard on Impairment of Assets (TAS 36) and if the recoverable amount is less than the carrying value of the related asset, a provision for impairment loss is made.

The difference between the acquisition cost of the subsidiaries and the net assets of the subsidiaries less impairment, if any, is represented as goodwill for the acquisition of subsidiaries before on July 1, 2009. 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 tangible assets are recorded at their historical cost less accumulated depreciation and provision for impairment, if any.

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

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

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

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

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

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

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

There is no purchase commitments related to the fixed assets.

**XIV. Leasing transactions**

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

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

The 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 rental 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.

The provisions for lease receivables are settled as per the BRSA communiqué numbered 26588 and dated July 20, 2007 "Methods and Principles for the Determination of Receivables of Leasing, Factoring and Financing Companies to be reserved for and Allocation of Reserves". Those provisions are accounted for under "Lease Receivables" in the accompanying financial statements.

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**XV. Factoring Receivables**

Factoring receivables are calculated on the basis of their historical cost that amortised with effective interest rate method after unearned interest income is charged and specific provisions for impairment are provided, if any. Factoring receivables are revised regularly. Specific provision for the impairment of factoring receivables is provided over the carrying amount of the factoring receivables for the purpose of adjusting their values to the collectable amount.

**XVI. Provisions and contingent liabilities**

Provisions and contingent liabilities, other than specific and general provisions for loans and other receivables 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 Group. Whenever the amount of such obligations cannot be measured, they are regarded as "contingent". If the possibility of an outflow of resources embodying economic benefits becomes probable and the amount of the obligation can reliably be measured, a provision is recognized.

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

**XVII. Obligations of the Group for employee benefits**

Provision for employee severance benefits of the Group 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 for the Group.

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

Provision for the employees' unused vacations has been booked and reflected to the accompanying consolidated financial statements.

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

**XVIII. 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 Liability" account and are deducted from the corporate taxes of the current year.

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

The provision for corporate and income taxes for the period is reflected as the "Current Tax Liability" at the liability side of the balance sheet and "Current Tax Charge" in the income statement.

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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 fully fledged individual taxpayers, who are exempt from corporate and income taxes, non-resident taxpayer companies (except for those companies having local offices or representatives) and non-resident individual taxpayers. That withholding tax was increased to 15% by the Resolution of the Council of Ministers No 2006/10731, dated July 22, 2006 and effective from July 23, 2006.

**2. Deferred taxes**

In accordance with Turkish Accounting Standards on Income Taxes (TAS 12), 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.

**XIX. Additional explanations on borrowings**

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

The 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.

**XX. Share issues**

In the current period, the share capital of the Parent Bank has been increased to TL 78,750 as bonus issue from extraordinary reserves (2009 – TL 75,000).

**XXI. Confirmed bills of exchange and acceptances**

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

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

**XXII. Government incentives**

The Group has various numerous investment incentive certificates in relation to its investment expenditures from its leasing company. The related certificates allow the Group to use 100% and 40% of investment incentives over its investment expenditures. As of January 1, 2006, the investment incentive application is no longer applicable in accordance with Law No: 5479 issued on March 30, 2006 and accordingly, vested investment incentives are permitted to be offset against the earnings solely related to 2006, 2007 and 2008. Offsetting is forbidden subsequent to December 31, 2008.

Upon the Constitutional Court's resolution no: 2009/144 published in the Official Gazette on January 8, 2010, the expression of "solely for the periods related to 2006, 2007 and 2008" in the Provisional Article No: 69 of Income Tax Law No: 193 has been annulled. Application of investment allowance exemption has been rearranged with the fifth article of Law no: 6009 published in the Official Gazette no: 27659 on August 1, 2010. Based on the new resolution, while computing tax base, the investment incentive deduction will not exceed 25% of the taxable income of the period effective for 2010 taxable income. The corporate tax will be computed for the remaining taxable income by the applicable current tax rate.

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

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**XXIII. Segment reporting**

In addition to corporate banking, consumer banking and commercial banking services, the Group also provides private banking, SME banking, treasury operations and credit card services through branches and alternative channels. The Group serves its consumer banking clients with demand, time deposits, also installment-based cash advance services, direct debit account services, consumer loans, vehicle loans, housing loans and investment fund services. The Group provides services including deposit and loans, foreign trade financing, forward and option agreements to its corporate clients. The Group also serves in trading financial instruments, portfolio management, insurance, factoring and both domestic and abroad leasing.

The calculations based on the income statement on corporate and commercial banking, consumer banking, SME banking, plastic cards, that have operational units designated as the main profit centers, have been made according to the product and customer types. During the profitability calculations, the pricing of transfers among these units and treasury unit are made by using cost/return ratios that are determined by the 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 firms that are institutional, big size, that have annual revenue of TL 100,000 and higher, and multi-national firms operating in Turkey. The firms that have annual revenue between TL 10,000 and TL 100,000 are considered as "Commercial Enterprise". The Bank gives importance to the commercial segmentation in order to hedge risk and decrease the concentration of income.

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

The Consumer Banking meets the needs and expectations of the retail banking customers. The Private Banking Unit has formed and started to operate to serve customers with high level income, in a more effective way. The installments, discounts and bonus advantages are provided to the users of Card Finans in the plastic cards line. The main function of Treasury Segment is managing the liquidity of the Parent Bank and interest and foreign currency risks resulting from 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.

<b>Current Period</b>	<b>Consumer Banking</b>	<b>Corporate and Commercial Banking</b>	<b>Treasury and Head Office</b>	<b>Total Operations of the Group</b>
Net Interest Income	822,622	304,113	610,199	1,736,934
Net Fees and Commissions Income	607,192	82,948	(177,885)	512,255
Other Operating Income and Net Trading Income	22,601	41,675	(243,900)	(179,624)
Dividend Income	-	-	324	324
<b>Operating Income</b>	<b>1,452,415</b>	<b>428,736</b>	<b>188,738</b>	<b>2,069,889</b>
Other Operating Expenses	661,372	229,854	169,899	1,061,125
Provision for Loan Losses and Other Receivables	210,798	15,016	73,291	299,105
<b>Profit Before Taxes</b>	<b>580,245</b>	<b>183,866</b>	<b>(54,452)</b>	<b>709,659</b>
<b>Tax Charge</b>				<b>(138,165)</b>
<b>Net Profit / Loss</b>				<b>571,494</b>
<b>Total Assets</b>	<b>17,324,287</b>	<b>6,114,759</b>	<b>8,734,283</b>	<b>34,749,182</b>
Segment Assets	17,324,287	6,114,759	8,734,283	32,173,329
Associates, Subsidiaries and Entities Under Common Control (Joint Ventures)	-	-	-	23,555
Undistributed Assets	-	-	-	2,552,298
<b>Total Liabilities</b>	<b>13,265,102</b>	<b>6,361,563</b>	<b>7,997,734</b>	<b>34,749,182</b>
Segment Liabilities	13,265,102	6,361,563	7,997,734	27,624,399
Undistributed Liabilities	-	-	-	2,650,062
Equity	-	-	-	4,474,721
<b>Other Segment Accounts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>217,431</b>
Capital Expenditures	-	-	-	137,717
Depreciation and Amortization	-	-	-	79,714
Value Decrease/ (Increase)	-	-	-	-

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<b>Prior Period (September 30, 2009)</b>	<b>Consumer Banking</b>	<b>Corporate and Commercial Banking</b>	<b>Treasury and Head Office</b>	<b>Total Operations of the Group(*)</b>
Net Interest Income	725,764	410,278	609,104	1,745,146
Net Fees and Commissions Income	513,482	107,385	(147,458)	473,409
Other Operating Income and Net Trading Income	17,202	40,404	(151,426)	(93,820)
Dividend Income	-	-	1,481	1,481
<b>Operating Income</b>	<b>1,256,448</b>	<b>558,067</b>	<b>311,701</b>	<b>2,126,216</b>
Other Operating Expenses	477,816	191,154	221,936	890,906
Provision for Loan Losses and Other Receivables	233,824	92,880	294,386	621,090
<b>Profit Before Taxes</b>	<b>544,808</b>	<b>274,033</b>	<b>(204,621)</b>	<b>614,220</b>
Tax Charge	-	-	-	(132,174)
<b>Net Profit / Loss</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>482,046</b>
Other Segment Accounts	-	-	-	151,363
Capital Expenditures	-	-	-	83,796
Depreciation and Amortization	-	-	-	67,567
Value Decrease/ (Increase)	-	-	-	-

(\*)The total operations include only the Group's continued operations.

<b>Prior Period (December 31, 2009)</b>	<b>Consumer Banking</b>	<b>Corporate and Commercial Banking</b>	<b>Treasury and Head Office</b>	<b>Total Operations of the Group</b>
<b>Total Assets</b>	<b>14,295,556</b>	<b>5,154,958</b>	<b>8,844,121</b>	<b>30,271,843</b>
Segment Assets	14,295,556	5,154,958	8,844,121	28,294,635
Associates and Subsidiaries and Entities Under Common Control (Joint Ventures)	-	-	-	21,802
Undistributed Assets	-	-	-	1,955,406
<b>Total Liabilities</b>	<b>11,912,627</b>	<b>6,443,409</b>	<b>6,217,921</b>	<b>30,271,843</b>
Segment Liabilities	11,912,627	6,443,409	6,217,921	24,573,957
Undistributed Liabilities	-	-	-	1,803,824
Equity	-	-	-	3,894,062

**XXIV. Explanations on other matters**

None.

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**SECTION FOUR**

**INFORMATION ON GROUP'S FINANCIAL STRUCTURE**

**I. Explanations Related to Capital Adequacy Ratio**

As of September 30, 2010, the Group's consolidated capital adequacy ratio is 17.70% (December 31, 2009 - 18.86%).

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

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

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

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

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**Consolidated and unconsolidated capital adequacy ratio:**

	Risk Weight							Risk Weight						
	Parent Bank							Consolidated						
	0%	10%	20%	50%	100%	150%	200%	0%	10%	20%	50%	100%	150%	200%
<b>Value at Credit Risk</b>														
<b>Balance Sheet Items (Net)</b>	<b>2,109,523</b>	-	<b>169,044</b>	<b>8,697,406</b>	<b>14,749,315</b>	<b>549,948</b>	<b>174,596</b>	<b>2,141,846</b>	-	<b>408,196</b>	<b>8,869,707</b>	<b>15,279,713</b>	<b>549,948</b>	<b>174,596</b>
Cash on Hand	350,612	-	189	-	-	-	-	353,666	-	189	-	-	-	-
Securities in Redemption	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances with the Central Bank of Turkey	749,181	-	-	-	-	-	-	749,181	-	-	-	-	-	-
Domestic and Foreign Banks, Foreign Head Offices and Branches	-	-	157,360	-	46,847	-	-	-	-	392,698	-	46,847	-	-
Money Market Placements	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Reverse Repurchase Agreements	-	-	-	-	-	-	-	-	-	3,814	-	-	-	-
Reserve Deposits	525,899	-	-	-	-	-	-	525,899	-	-	-	-	-	-
Loans and Receivables	471,815	-	11,189	8,241,161	12,883,460	549,948	174,596	471,815	-	11,189	8,241,161	12,877,302	549,948	174,596
Non-performing Loans (Net)	-	-	-	-	98,061	-	-	-	-	-	-	98,061	-	-
Lease Receivables	-	-	-	-	-	-	-	1,681	-	-	169,809	599,046	-	-
Investment Securities Available-for-Sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments Held-to-Maturity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Forward Sale of Assets	-	-	-	-	5,548	-	-	-	-	-	-	5,548	-	-
Sundry Debtors	-	-	-	-	551,200	-	-	-	-	-	-	565,717	-	-
Accrued Interest and Income	11,482	-	306	456,245	232,818	-	-	11,507	-	306	458,737	243,256	-	-
Investments in Associates, Subsidiaries and Entities Under Common Control (Net)	-	-	-	-	309,075	-	-	-	-	-	-	23,555	-	-
Tangible Assets (Net)	-	-	-	-	270,593	-	-	-	-	-	-	284,058	-	-
Other Assets(*)	534	-	-	-	351,713	-	-	28,097	-	-	-	536,323	-	-
<b>Off-Balance Sheet Items</b>	<b>1,212,733</b>	-	<b>1,044,901</b>	<b>308,845</b>	<b>5,888,118</b>	-	-	<b>1,212,733</b>	-	<b>1,044,901</b>	<b>308,845</b>	<b>5,888,146</b>	-	-
Non-Cash Loans and Commitments	1,212,733	-	43,511	308,845	5,824,329	-	-	1,212,733	-	43,511	308,845	5,824,329	-	-
Derivative Financial Instruments	-	-	1,001,390	-	63,789	-	-	-	-	1,001,390	-	63,817	-	-
<b>Non-Risk-Weighted Accounts</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Value at Risk</b>	<b>3,322,256</b>	-	<b>1,213,945</b>	<b>9,006,251</b>	<b>20,637,433</b>	<b>549,948</b>	<b>174,596</b>	<b>3,354,579</b>	-	<b>1,453,097</b>	<b>9,178,552</b>	<b>21,167,859</b>	<b>549,948</b>	<b>174,596</b>
<b>Total Risk Weighted Assets</b>	-	-	<b>242,789</b>	<b>4,503,126</b>	<b>20,637,433</b>	<b>824,922</b>	<b>349,192</b>	-	-	<b>290,619</b>	<b>4,589,276</b>	<b>21,167,859</b>	<b>824,922</b>	<b>349,192</b>

(\*) Factoring receivables are also included.

**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 (VACR)	26,557,462	22,543,392	27,221,868	23,343,038
Value at Market Risk (VAMR)	1,544,713	1,358,263	1,573,500	1,399,088
Value at Operational Risk (VAOR)	3,805,616	3,294,672	4,195,873	3,318,833
Shareholders' Equity	5,422,119	4,893,519	5,840,652	5,293,615
Shareholders' Equity/(VACR+VAMR+VAOR)x100	16.99%	17.99%	17.70%	18.86%
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
Paid-in Capital	1,653,750	1,575,000
Nominal Capital	1,653,750	1,575,000
Capital Commitments (-)	-	-
Capital Reserves from Inflation Adjustments to Paid-in Capital	-	-
Share Premium	-	-
Share Cancellation Profits	-	-
Legal Reserves	204,185	168,051
I. Legal Reserve (Turkish Commercial Code 466/1)	179,723	144,089
II. Legal Reserve (Turkish Commercial Code 466/2)	24,462	23,962
Reserves allocated as per Special Legislations	-	-
Status Reserves	-	-
Extraordinary Reserves	1,279,035	848,514
Reserve Allocated as per the Decision Held by the General Assembly	1,279,035	848,514
Retained Earnings	-	-
Accumulated Losses	-	-
Exchange Rate Differences on Foreign Currency Capital	-	-
Reserves from Inflation Adjustments to Legal, Status and Extraordinary Reserves	-	-
Profit	575,989	708,604
Current Period Profit	560,295	553,856
Prior Periods Profit	15,694	154,748
Free Reserves for Possible Losses (up to 25% of Core Capital)	82,340	100,835
Income on Sale of Equity Shares and Real Estates to be Used up for Capital Increase	517,630	369,806
Primary Subordinated Debt (up to 15% of Core Capital)	-	-
Minority Interest	159,887	146,340
Losses Excess of Reserves (-)	-	-
Current Period Loss	-	-
Prior Periods Loss	-	-
Leasehold Improvements (-)	88,451	89,392
Prepaid Expenses (-)	117,166	102,046
Intangible Assets (-)	94,012	65,457
Deferred Tax Asset Excess of 10% of Core Capital (-)	-	-
Limit Excesses as per the 3rd Paragraph of the Article 56 of the Banking Law (-)	-	-
Consolidation Goodwill (Net) (-)	8,969	8,969
<b>Total Core Capital</b>	<b>4,164,218</b>	<b>3,651,286</b>
<b>SUPPLEMENTARY CAPITAL</b>		
General Provisions	243,938	199,451
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 (*)	1,431,058	1,451,433
Securities Value Increase Fund	41,340	34,986
Associates and Subsidiaries	-	-
Investment Securities Available for Sale	41,340	34,986
Inflation Component of Capital Reserves, Profit Reserves and Prior Period Profits (Excluding Reserves from Inflation Adjustments to Legal, Status and Extraordinary Reserves)	-	-
Minority Shares	-	-
<b>Total Supplementary Capital</b>	<b>1,716,336</b>	<b>1,685,870</b>
<b>TIER III CAPITAL</b>		
<b>CAPITAL</b>	<b>5,880,554</b>	<b>5,337,156</b>
<b>DEDUCTIONS FROM CAPITAL</b>	<b>39,902</b>	<b>43,541</b>
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	27,656	30,244
Loan Granted to Customer against the Articles 50 and 51 of the Banking Law	-	-
Net Book Values of Properties exceeding 50% of the Capital and of Assets Acquired against Overdue Receivables and Held for Sale as per the Article 57 Of the Banking Law but Retained more than Five Years After Foreclosure	12,246	13,297
Others	-	-
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>5,840,652</b>	<b>5,293,615</b>

(\*) Includes TL 518,664 which is accounted for under capital advance that will be added to capital as per the 8 article 11 paragraph of the Regulation on Equity of Banks.



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**II . Information on Consolidated Market Risk**

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

Based on the proposal of High Level Risk Committee, the Board of Directors of the 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 Group to take necessary actions in order to identify, measure, control and manage the risks that the Group 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 Parent 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	95,937
(II) Capital Obligation against Specific Risks - Standard Method	18,611
(III) Capital Obligation against Currency Risk - Standard Method	8,895
(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	2,437
(VII) Capital Obligation against Market Risks of Banks applying Risk Measurement Models	-
(VIII) Total Capital Obligations against Market Risk (I+II+III+IV+V+VI+VII)	125,880
(IX) Value-At-Market Risk (12,5 x VIII) or (12,5 x VII)	1,573,500

**III. Explanations Related to the Operational Risk**

Value at operational risk is calculated with basic indicator method by using the gross profits for the last three years’ (2009, 2008 and 2007) as per the “Calculation of Value at Operational Risk” of the article (4) of “Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks” which was published in the Official Gazette No: 26333 dated November 1, 2006 and became effective as of June 1, 2007. As of September 30, 2010, the value at operational risk is amounting to TL 4,195,873 (December 31, 2009 - TL 3,318,833).

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**IV. Explanations related to Consolidated Foreign Exchange 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, 2010, the net foreign currency exposure of the Group is TL 169,089 short position (December 31, 2009 – TL 18,465 short position) resulting from on balance sheet short position amounting to TL 4,013,626 (December 31, 2009 – TL 4,883,847 short position) and off balance sheet long position amounting to TL 3,844,537 (December 31, 2009 – TL 4,865,382 long position). The long off balance sheet position amounting to TL 4,304,532 (December 31, 2009 – TL 4,673,511) is related with the FC/TL swap transactions entered into with banks and customers. The Group makes these transactions in order to manage foreign currency liquidity risk and to hedge itself from interest rate risk.

The Group enters into foreign currency forward 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 Exchange 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 Parent Bank sold its subsidiary Finans Malta Holdings Ltd., of which the Parent Bank used to own 100% of the shares, on February 23, 2009 to NBG International Holdings B.V. Accordingly, the Parent Bank has ceased the net investment hedging as of December 31, 2009.

- 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 Dollars purchase rate in the balance sheet date TL 1.4512

Euro purchase rate in the balance sheet date TL 1.9754

<u>Date</u>	<u>US Dollar</u>	<u>Euro</u>
September 30, 2010	TL 1.4512	TL 1.9754
September 29, 2010	TL 1.4669	TL 1.9724
September 28, 2010	TL 1.4686	TL 1.9778
September 27, 2010	TL 1.4786	TL 1.9803
September 24, 2010	TL 1.4809	TL 1.9753
September 23, 2010	TL 1.4773	TL 1.9717

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

The arithmetical average of the Parent Bank’s US Dollar and Euro purchase rates for September 2010 are TL 1.4889 and TL 1.9438; respectively.

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**5. Information on the consolidated foreign exchange risk of the Group (Thousands of TL)**

<b>Current Period</b>	<b>EUR</b>	<b>USD</b>	<b>YEN</b>	<b>Other FC</b>	<b>Total</b>
<b>Assets</b>					
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased, Precious Metal) and Balances with the Central Bank of Turkey	65,390	802,359	127	21,022	888,898
Due From Banks	118,282	183,217	604	5,398	307,501
Financial Assets at Fair Value through Profit/Loss <sup>(4)</sup>	4,295	84,126	-	-	88,421
Money Market Placements	-	-	-	-	-
Investment securities Available-for-Sale	58,335	648,223	-	-	706,558
Loans and Other Receivables <sup>(2)</sup>	1,355,457	1,982,961	101,387	90,865	3,530,670
Investments in Assoc., Subsidiaries and Entities under Common Control (Joint Vent.)	-	-	-	-	-
Investment securities Held-to-Maturity	-	-	-	-	-
Derivative Financial Assets Held for Hedging Purposes	-	-	-	-	-
Tangible Assets	-	-	-	30	30
Intangible Assets	-	-	-	-	-
Other Assets <sup>(3)</sup>	510,620	668,161	203	6,512	1,185,496
<b>Total Assets</b>	<b>2,112,379</b>	<b>4,369,047</b>	<b>102,321</b>	<b>123,827</b>	<b>6,707,574</b>
<b>Liabilities</b>					
Bank Deposits	75,150	1,279,043	96	8,850	1,363,139
Foreign Currency Deposits	1,995,303	3,776,237	1,059	82,769	5,855,368
Money Market Borrowings	-	-	-	-	-
Funds Provided from Other Financial Institutions	774,664	2,502,901	-	-	3,277,565
Securities Issued	-	-	-	-	-
Sundry Creditors	46,465	35,777	312	6,119	88,673
Derivative Fin. Liabilities Held for Hedging Purposes	2,952	35,036	-	-	37,988
Other Liabilities <sup>(5)</sup>	15,191	83,217	-	59	98,467
<b>Total Liabilities</b>	<b>2,909,725</b>	<b>7,712,211</b>	<b>1,467</b>	<b>97,797</b>	<b>10,721,200</b>
<b>Net Balance Sheet Position</b>	<b>(797,346)</b>	<b>(3,343,164)</b>	<b>100,854</b>	<b>26,030</b>	<b>(4,013,626)</b>
<b>Net Off-Balance Sheet Position</b>	<b>631,806</b>	<b>3,348,827</b>	<b>(110,987)</b>	<b>(25,109)</b>	<b>3,844,537</b>
Financial Derivative Assets	2,374,827	11,917,411	157,410	260,852	14,710,500
Financial Derivative Liabilities	1,743,021	8,568,584	268,397	285,961	10,865,963
Non-Cash Loans <sup>(1)</sup>	837,842	1,899,911	3,191	246,686	2,987,630
<b>Prior Period</b>					
Total Assets	2,616,253	3,595,505	120,622	180,319	6,512,699
Total Liabilities	2,849,409	8,469,384	2,556	75,197	11,396,546
<b>Net Balance Sheet Position</b>	<b>(233,156)</b>	<b>(4,873,879)</b>	<b>118,066</b>	<b>105,122</b>	<b>(4,883,847)</b>
<b>Net Off-Balance Sheet Position</b>	<b>262,557</b>	<b>4,826,302</b>	<b>(118,870)</b>	<b>(104,607)</b>	<b>4,865,382</b>
Financial Derivative Assets	780,366	9,947,743	142,718	68,848	10,939,675
Financial Derivative Liabilities	517,809	5,121,441	261,588	173,455	6,074,293
Non-Cash Loans <sup>(1)</sup>	886,871	1,796,917	4,092	264,034	2,951,914

<sup>(1)</sup> Does not affect net off balance sheet position.

<sup>(2)</sup> Includes foreign currency indexed loans amounting to TL 1,188,723 (December 31, 2009 – TL 1,080,361) that are classified as TL on the balance sheet.

<sup>(3)</sup> Does not include the prepaid expenses amounting to TL 801 (December 31, 2009 – TL 44) that are classified as FC on the balance sheet in accordance with the legislation issued by the BRSA and published in the Official Gazette No 26085 dated February 19, 2006.

<sup>(4)</sup> Foreign exchange income accruals on derivative transactions amounting to TL 13,913 (December 31, 2009 – TL 6,246) are excluded.

<sup>(5)</sup> Foreign exchange expense accruals amounting to TL 3,699 (December 31, 2009 – TL 8,430) on derivative transactions and the general loan loss provisions amounting to TL 31,757 (December 31, 2009 – TL 32,704) computed for foreign currency loans and accounted for as foreign currency amount in order to be in compliance with the Uniform Chart of Accounts are excluded.

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**V. Explanations related to 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 Parent Bank when necessary.

The assets and liabilities of the Parent Bank carry a positive interest yield, 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 growing long term fixed interest rate TL loan portfolio with long term (up to 10 years) floating interest rate foreign currency funds obtained from international markets. The Parent Bank changes the foreign currency liquidity obtained from the international markets to TL liquidity with long term swap transactions (fixed TL interest rate and floating FC interest rate). Therefore, the Parent Bank not only funds its long term fixed interest rate loans with TL but also hedges itself from interest rate and maturity risk.

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

Current Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non Interest Bearing <sup>(*)</sup>	Total
<b>Assets</b>							
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased, Precious Metal) and Balances with the Central Bank of Turkey	1,287,142	-	-	-	-	351,683	1,638,825
Due from Banks	289,688	5,700	4,150	-	-	141,611	441,149
Financial Assets at Fair Value Through Profit/Loss(**)	86,356	254,145	255,826	391,901	664,996	190,270	1,843,494
Money Market Placements	3,814	-	-	-	-	-	3,814
Inv. Securities Available for Sale	1,350,308	1,803,158	707,430	1,525,899	771,931	102,666	6,261,392
Loans and Other Receivables	6,153,715	2,693,281	6,046,625	6,072,258	1,048,647	-	22,014,526
Inv. Securities Held to Maturity	-	-	-	-	-	-	-
Other Assets	184,603	60,486	211,531	477,142	4,323	1,607,897	2,545,982
<b>Total Assets</b>	<b>9,355,626</b>	<b>4,816,770</b>	<b>7,225,562</b>	<b>8,467,200</b>	<b>2,489,897</b>	<b>2,394,127</b>	<b>34,749,182</b>
<b>Liabilities</b>							
Bank Deposits	1,869,682	59,248	28,220	-	-	44,528	2,001,678
Other Deposits	11,790,586	5,412,779	311,220	88,732	3,563	2,098,873	19,705,753
Money Market Borrowings	1,159,594	5,127	-	-	-	-	1,164,721
Sundry Creditors	-	-	548	-	-	819,187	819,735
Securities Issued	-	-	-	-	-	-	-
Funds Provided from Other Financial Institutions	1,697,806	554,741	1,435,502	80,131	70,348	163	3,838,691
Other Liabilities (*)	32,913	95,315	197,799	505,451	76,216	6,310,910	7,218,604
<b>Total Liabilities</b>	<b>16,550,581</b>	<b>6,127,210</b>	<b>1,973,289</b>	<b>674,314</b>	<b>150,127</b>	<b>9,273,661</b>	<b>34,749,182</b>
On Balance Sheet Long Position	-	-	5,252,273	7,792,886	2,339,770	-	15,384,929
On Balance Sheet Short Position	(7,194,955)	(1,310,440)	-	-	-	(6,879,534)	(15,384,929)
Off-Balance Sheet Long Position	53,331	94,868	-	-	-	-	148,199
Off-Balance Sheet Short Position	-	-	(160,207)	(490,115)	(76,142)	-	(726,464)
<b>Total Position</b>	<b>(7,141,624)</b>	<b>(1,215,572)</b>	<b>5,092,066</b>	<b>7,302,771</b>	<b>2,263,628</b>	<b>(6,879,534)</b>	<b>(578,265)</b>

(\*) "Other Assets" in "Non Interest Bearing" column include other assets amounting to TL 1,081,289, tangible assets amounting to TL 372,509, intangible assets amounting to TL 102,981, associates, subsidiaries and entities under common control amounting to TL 23,555 and tax assets amounting to TL 27,563; and "Other Liabilities" in the "Non Interest Bearing" column include shareholders' equity amounting to TL 4,474,721, other liabilities amounting to TL 1,111,127, provisions amounting to TL 544,096, tax liability amounting to TL 96,016 and trading derivative financial liabilities amounting to TL 84,950.

(\*\*) This account also includes hedging purpose derivatives amounting to TL 8,763.

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**Average interest rates applied to monetary financial instruments**

	EUR %	USD %	YEN %	TL %
<b>Current Period</b>				
<b>Assets</b>				
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	-	-	-	5.00
Due from Banks	1.34	0.53	-	7.59
Financial Assets at Fair Value Through Profit/Loss	5.74	6.96	-	11.86
Money Market Placements	-	-	-	6.88
Investment Securities Available for Sale	5.01	6.86	-	7.70
Loans and Other Receivables	5.15	4.33	5.21	18.38 <sup>(*)</sup>
Investment Securities Held to Maturity	-	-	-	-
<b>Liabilities</b>				
Bank Deposits	2.86	1.35	-	8.36
Other Deposits	2.69	2.63	0.90	8.68
Money Market Borrowings	-	-	-	7.14
Sundry Creditors	-	-	-	-
Securities Issued	-	-	-	-
Funds Provided from Other Financial Institutions	2.41	3.38	-	8.58

(\*) The yield of loans is 13.61% excluding credit cards.

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

*(Based on repricing dates)*

Prior Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non Interest Bearing <sup>(*)</sup>	Total
<b>Assets</b>							
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased, Precious Metal) and Balances with the Central Bank of Turkey	1,495,859	-	-	-	-	298,347	1,794,206
Due from Banks	1,160,264	26,243	-	-	-	134,980	1,321,487
Financial Assets at Fair Value Through Profit/Loss(**)	55,126	238,457	244,249	613,336	896,761	96,568	2,144,497
Money Market Placements	14,351	-	-	-	-	-	14,351
Inv. Securities Available for Sale	919,984	1,197,036	1,666,420	1,246,807	306,790	74,272	5,411,309
Loans and Other Receivables	5,035,640	2,336,308	5,143,934	4,690,170	353,091	-	17,559,143
Inv. Securities Held to Maturity	-	-	-	-	-	-	-
Other Assets	158,211	87,472	286,587	400,043	190	1,094,347	2,026,850
<b>Total Assets</b>	<b>8,839,435</b>	<b>3,885,516</b>	<b>7,341,190</b>	<b>6,950,356</b>	<b>1,556,832</b>	<b>1,698,514</b>	<b>30,271,843</b>
<b>Liabilities</b>							
Bank Deposits	1,432,499	16,369	204	-	-	50,589	1,499,661
Other Deposits	12,337,075	3,971,499	192,638	33,657	-	1,893,703	18,428,572
Money Market Borrowings	37,092	84	-	-	-	-	37,176
Sundry Creditors	-	-	-	-	-	789,584	789,584
Securities Issued	-	-	-	-	-	-	-
Funds Provided from Other Financial Institutions	964,287	933,621	1,523,391	499,731	-	489,501	4,410,531
Other Liabilities	20,959	38,588	55,812	90,931	24,152	4,875,877	5,106,319
<b>Total Liabilities</b>	<b>14,791,912</b>	<b>4,960,161</b>	<b>1,772,045</b>	<b>624,319</b>	<b>24,152</b>	<b>8,099,254</b>	<b>30,271,843</b>
On Balance Sheet Long Position	-	-	5,569,145	6,326,037	1,532,680	-	13,427,862
On Balance Sheet Short Position	(5,952,477)	(1,074,645)	-	-	-	(6,400,740)	(13,427,862)
Off-Balance Sheet Long Position	12,843	122,836	7,935	-	-	-	143,614
Off-Balance Sheet Short Position	-	-	-	(18,264)	(20,019)	-	(38,283)
<b>Total Position</b>	<b>(5,939,634)</b>	<b>(951,809)</b>	<b>5,577,080</b>	<b>6,307,773</b>	<b>1,512,661</b>	<b>(6,400,740)</b>	<b>105,331</b>

(\*) "Other Assets" in "Non Interest Bearing" column include, other assets amounting to TL 531,311, tangible assets amounting to TL 387,568, intangible assets amounting to TL 74,426, associates subsidiaries and entities under common control amounting to TL 21,802, tax asset amounting to TL 79,240 and "Other Liabilities" in the "Non Interest Bearing" column include shareholders' equity amounting to TL 3,894,062, other liabilities amounting to TL 329,314, provisions amounting to TL 525,002, tax liability amounting to TL 87,390 and trading derivative financial liabilities amounting to TL 40,109.

(\*\*) This account also includes hedging purpose derivatives amounting to TL 2,417.

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**Average interest rates applied to monetary financial instruments**

Prior Period	EUR %	USD %	YEN %	TL %
<b>Assets</b>				
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	-	-	-	5.20
Due from Banks	0.43	0.50	-	9.43
Financial Assets at Fair Value Through Profit/Loss	-	9.96	-	13.99
Money Market Placements	-	-	-	6.00
Investment Securities Available for Sale	5.62	6.53	-	10.91
Loans and Other Receivables	6.24	5.97	5.16	20.60 (*)
Leasing Receivables	7.90	8.80	-	15.50
Investment Securities Held to Maturity	9.44	8.41	-	26.03
<b>Liabilities</b>				
Bank Deposits	2.23	1.31	-	9.57
Other Deposits	2.67	2.70	0.90	9.54
Money Market Borrowings	-	-	-	6.24
Sundry Creditors	-	-	-	-
Securities Issued	-	-	-	-
Funds Provided from Other Financial Institutions	3.22	2.95	-	11.87

(\*) The yield of loans is 16.65% excluding credit cards.

**VI. Explanations Related to Consolidated Liquidity Risk**

- The sources of the current liquidity risk of the Group; whether the necessary precautions have been taken, whether the Board of Directors of the Parent Bank 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 evaluates liquidity position on a daily basis. Cash flow projections and scenarios are analyzed every two weeks by the top management at Asset/Liability Committee meetings. Liquidity ratio, calculated monthly by the Market Risk Committee is used as preliminary indicator of the general liquidity position of the Group. 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.

- 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.

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

In order to meet urgent liquidity needs 5% (December 31, 2009 – 6%) of the balance sheet is allocated as cash balances.

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

Cash flows of the Group are mainly denominated in Turkish Lira, US Dollars and Euro.

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**5. Presentation of assets and liabilities according to their remaining maturities**

<b>Current Period</b>	<b>Demand</b>	<b>Up to 1 Month</b>	<b>1-3 Months</b>	<b>3-12 Months</b>	<b>1-5 Years</b>	<b>5 Years and Over</b>	<b>Un-Distributed<sup>(*)</sup></b>	<b>Total</b>
<b>Assets</b>								
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased, Precious Metal) and Balances with the Central Bank of Turkey	351,683	1,287,142	-	-	-	-	-	1,638,825
Due from Banks	141,611	289,688	5,700	4,150	-	-	-	441,149
Financial Assets at Fair Value Through Profit/Loss (**)	-	48,682	167,578	360,247	601,924	665,063	-	1,843,494
Money Market Placements	-	3,814	-	-	-	-	-	3,814
Investment Securities Available for Sale	102,666	420	95,933	286,793	3,863,532	1,912,048	-	6,261,392
Loans and Other Receivables	-	6,102,997	2,616,463	5,985,086	6,209,867	1,100,113	-	22,014,526
Investment Securities Held to Maturity	-	-	-	-	-	-	-	-
Other Assets	653	1,070,252	100,750	240,293	506,457	11,366	616,211	2,545,982
<b>Total Assets</b>	<b>596,613</b>	<b>8,802,995</b>	<b>2,986,424</b>	<b>6,876,569</b>	<b>11,181,780</b>	<b>3,688,590</b>	<b>616,211</b>	<b>34,749,182</b>
<b>Liabilities</b>								
Bank Deposits	44,528	794,947	1,133,983	28,220	-	-	-	2,001,678
Other Deposits	2,098,873	11,790,586	5,412,779	311,220	88,732	3,563	-	19,705,753
Funds Provided from Other Financial Institutions	99,861	164,518	327,251	1,693,576	1,239,429	314,056	-	3,838,691
Money Market Borrowings	-	1,159,594	5,127	-	-	-	-	1,164,721
Securities Issued	-	-	-	-	-	-	-	-
Sundry Creditors	167	776,824	-	548	-	42,196	-	819,735
Other Liabilities (*)	5,721	1,049,447	76,811	199,672	716,373	84,836	5,085,744	7,218,604
<b>Total Liabilities</b>	<b>2,249,150</b>	<b>15,735,916</b>	<b>6,955,951</b>	<b>2,233,236</b>	<b>2,044,534</b>	<b>444,651</b>	<b>5,085,744</b>	<b>34,749,182</b>
<b>Liquidity Gap</b>	<b>(1,652,537)</b>	<b>(6,932,921)</b>	<b>(3,969,527)</b>	<b>4,643,333</b>	<b>9,137,246</b>	<b>3,243,939</b>	<b>(4,469,533)</b>	<b>-</b>
<b>Prior Period</b>								
<b>Total Assets</b>	<b>508,381</b>	<b>8,217,683</b>	<b>2,514,401</b>	<b>7,683,048</b>	<b>9,161,869</b>	<b>1,600,619</b>	<b>585,842</b>	<b>30,271,843</b>
<b>Total Liabilities</b>	<b>1,949,455</b>	<b>13,957,725</b>	<b>4,345,927</b>	<b>2,319,937</b>	<b>2,901,989</b>	<b>330,873</b>	<b>4,465,937</b>	<b>30,271,843</b>
<b>Net Liquidity Gap</b>	<b>(1,441,074)</b>	<b>(5,740,042)</b>	<b>(1,831,526)</b>	<b>5,363,111</b>	<b>6,259,880</b>	<b>1,269,746</b>	<b>(3,880,095)</b>	<b>-</b>

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

Unallocated other liabilities include shareholders' equity amounting to TL 4,474,721, unallocated provisions amounting to TL 515,007 and tax liability amounting to TL 96,016.

(\*\*) This account includes hedging purpose derivatives as well.

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**SECTION FIVE**

**EXPLANATIONS AND DISCLOSURES ON 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	
	TL	FC	TL	FC
Cash in TL/Foreign Currency	212,136	123,415	168,939	126,865
Central Bank of Turkey	533,685	751,285	842,286	652,072
Others	4,106	14,198	3,433	611
<b>Total</b>	<b>749,927</b>	<b>888,898</b>	<b>1,014,658</b>	<b>779,548</b>

**b) Balances with the Central Bank of Turkey**

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted Demand Deposits	533,685	751,285	842,286	210,818
Restricted Time Deposits	-	-	-	441,254
<b>Total</b>	<b>533,685</b>	<b>751,285</b>	<b>842,286</b>	<b>652,072</b>

The compulsory rates for the reserve deposits at the Central Bank of Turkey for Turkish Lira and foreign currency liabilities are 5.5% (December 31, 2009 – 5%) and 11% (December 31, 2009 – 9%) respectively.

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

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

**a) Trading securities given as collateral or blocked**

	Current Period		Prior Period	
	TL	FC	TL	FC
Share Certificates	-	-	-	-
Bonds, Treasury Bills and Similar Marketable Securities (*)	6,340	-	5,260	-
Other	-	-	-	-
<b>Total</b>	<b>6,340</b>	<b>-</b>	<b>5,260</b>	<b>-</b>

(\*) Government bonds given as collateral that mentioned above are classified under financial assets held for trading in the financial statements.

**b) Trading securities subject to repurchase agreements**

	Current Period		Prior Period	
	TL	FC	TL	FC
Government bonds	153	-	-	-
Treasury bills	-	-	-	-
Other debt securities	-	-	-	-
Bonds issued or guaranteed by banks	-	-	-	-
Asset backed securities	-	-	-	-
Other	-	-	-	-
<b>Total</b>	<b>153</b>	<b>-</b>	<b>-</b>	<b>-</b>



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**c) Positive differences on trading derivative instruments**

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	11,274	-	2,712	-
Swap Transactions	391,581	60,906	363,496	36,827
Futures	-	2,758	-	3,298
Options	669	37,502	165	12,502
Other	-	211	3,869	-
<b>Total</b>	<b>403,524</b>	<b>101,377</b>	<b>370,242</b>	<b>52,627</b>

**3. Information on banks**

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
Domestic	72,491	13,222	35,674	8,829
Foreign	61,157	294,279	81,312	1,195,672
Foreign Head Offices and Branches	-	-	-	-
<b>Total</b>	<b>133,648</b>	<b>307,501</b>	<b>116,986</b>	<b>1,204,501</b>

**4. Information on investment securities available for sale**

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

	Current Period		Prior Period	
	TL	FC	TL	FC
Share certificates	-	-	-	-
Bond, Treasury bill and similar marketable securities	425,865	-	273,797	7,339
Other	-	-	-	-
<b>Total</b>	<b>425,865</b>	<b>-</b>	<b>273,797</b>	<b>7,339</b>

**b) Investment securities available for sale subject to repurchase agreements:**

	Current Period		Prior Period	
	TL	FC	TL	FC
Government bonds	1,149,416	-	19,168	-
Treasury bills	-	-	-	-
Other debt securities	-	-	-	-
Bonds issued or guaranteed by banks	-	-	-	-
Asset backed securities	-	-	-	-
Other	-	-	-	-
<b>Total</b>	<b>1,149,416</b>	<b>-</b>	<b>19,168</b>	<b>-</b>

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**c) Investment securities available for sale**

	Current Period	Prior Period
<b>Debt securities</b>	<b>6,159,046</b>	<b>5,336,670</b>
Quoted on a stock exchange (*)	6,058,980	5,221,470
Unquoted on a stock exchange	100,066	115,200
<b>Share certificates</b>	<b>103,367</b>	<b>75,384</b>
Quoted on a stock exchange (**)	103,005	75,017
Unquoted on a stock exchange	362	367
<b>Impairment provision(-)</b>	<b>(1,021)</b>	<b>(745)</b>
<b>Total</b>	<b>6,261,392</b>	<b>5,411,309</b>

(\*)The Eurobond Portfolio amounting to TL 298,429 (December 31,2009 - TL 250,655) which has been accounted for as investment securities available for sale has been designated to the fair value hedge accounting starting from March and April 2009. The mentioned financial assets are accounted for as Investment Securities Available for Sale in order to be in line with balance sheet presentation.

(\*\*) Share certificates that are quoted on a stock exchange include "exchange traded mutual funds" amounting to TL 93,167 (December 31, 2009 – TL 71,239).

**5. Information related to loans and other receivables**

**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 (*)	40,352	-	38,638	-
<b>Total</b>	<b>40,352</b>	<b>-</b>	<b>38,638</b>	<b>-</b>

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

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**b) Information on the first and second group loans and other receivables including rescheduled or 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(**)
<b>Cash Loans(*)</b>				
<b>Non-specialized Loans</b>	<b>21,176,906</b>	<b>-</b>	<b>1,097,412</b>	<b>770,357</b>
Discount Notes	146,370	-	151	-
Export Loans	827,938	-	151,909	13,882
Import Loans	-	-	-	-
Loans Given to Financial Sector	371,989	-	-	-
Foreign Loans	30,110	-	-	-
Consumer Loans	8,072,947	-	324,712	277,478
Credit Cards	5,248,389	-	104,652	222,084
Precious Metals Loans	-	-	-	-
Other	6,479,163	-	515,988	256,913
<b>Specialized Loans</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Receivables</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>21,176,906</b>	<b>-</b>	<b>1,097,412</b>	<b>770,357</b>

(\*) The loans amounting to TL 1,128,210 (December 31, 2009 – TL 1,572,129) are disclosed as “Loans at Fair Value Through Profit/Loss” in the financial statements.

(\*\*) Presented balances are comprised of total carrying amounts of restructured and rescheduled loans within the frame of article 11 and provisional article 3 of “Regulation on the Procedures and Principles for Determination of Qualifications of Loans and Other Receivables by Banks and Provisions to be Set Aside”.

**c) Loans and other receivables 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(**)
<b>Cash Loans (*)</b>				
<b>Short-term Loans</b>	<b>10,864,535</b>	<b>-</b>	<b>104,652</b>	<b>222,084</b>
Non-specialized Loans	10,864,535	-	104,652	222,084
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
<b>Medium and Long-term Loans</b>	<b>10,312,371</b>	<b>-</b>	<b>992,760</b>	<b>548,273</b>
Non-specialized Loans	10,312,371	-	992,760	548,273
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
<b>Total</b>	<b>21,176,906</b>	<b>-</b>	<b>1,097,412</b>	<b>770,357</b>

(\*) The loans amounting to TL 1,128,210 (December 31, 2009 – TL 1,572,129) are disclosed as “Loans at Fair Value Through Profit/Loss” in the financial statements.

(\*\*) Presented balances are comprised of total carrying amounts of restructured and rescheduled loans within the frame of article 11 and provisional article 3 of “Regulation on the Procedures and Principles for Determination of Qualifications of Loans and Other Receivables by Banks and Provisions to be Set Aside”.

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

	Short Term	Medium and Long Term	Total	Interest and Income Accruals
<b>Consumer Loans-TL</b>	<b>135,240</b>	<b>7,549,696</b>	<b>7,684,936</b>	<b>374,777</b>
Real Estate Loans	4,845	5,149,736	5,154,581	329,494
Automobile Loans	1,997	232,287	234,284	7,066
General Purpose Loans	124,951	2,167,673	2,292,624	38,217
Other	3,447	-	3,447	-
<b>Consumer Loans-FC Indexed</b>	<b>-</b>	<b>223,379</b>	<b>223,379</b>	<b>63,847</b>
Real Estate Loans	-	203,839	203,839	60,280
Automobile Loans	-	2,587	2,587	356
General Purpose Loans	-	16,953	16,953	3,211
Other	-	-	-	-
<b>Consumer Loans-FC</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Real estate Loans	-	-	-	-
Automobile Loans	-	-	-	-
General Purpose Loans	-	-	-	-
Other	-	-	-	-
<b>Individual Credit Cards-TL</b>	<b>5,327,673</b>	<b>9,614</b>	<b>5,337,287</b>	<b>136,065</b>
Installment	2,334,722	9,614	2,344,336	59,777
Non- Installment	2,992,951	-	2,992,951	76,288
<b>Individual Credit Cards-FC</b>	<b>2,494</b>	<b>-</b>	<b>2,494</b>	<b>11</b>
Installment	-	-	-	-
Non- Installment	2,494	-	2,494	11
<b>Personnel Loans-TL</b>	<b>2,792</b>	<b>15,212</b>	<b>18,004</b>	<b>109</b>
Real Estate Loans	-	1,271	1,271	6
Automobile Loans	-	224	224	1
General Purpose Loans	2,792	13,717	16,509	102
Other	-	-	-	-
<b>Personnel Loans-FC Indexed</b>	<b>-</b>	<b>27</b>	<b>27</b>	<b>-</b>
Real Estate Loans	-	-	-	-
Automobile Loans	-	3	3	-
General Purpose Loans	-	24	24	-
Other	-	-	-	-
<b>Personnel Loans-FC</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Real Estate Loans	-	-	-	-
Automobile Loans	-	-	-	-
General Purpose Loans	-	-	-	-
Other	-	-	-	-
<b>Personnel Credit Cards-TL</b>	<b>21,561</b>	<b>-</b>	<b>21,561</b>	<b>-</b>
Installment	9,937	-	9,937	-
Non-Installment	11,624	-	11,624	-
<b>Personnel Credit Cards-FC</b>	<b>50</b>	<b>-</b>	<b>50</b>	<b>-</b>
Installment	-	-	-	-
Non-Installment	50	-	50	-
<b>Overdraft Accounts-TL (Real Persons)</b>	<b>301,114</b>	<b>-</b>	<b>301,114</b>	<b>8,944</b>
<b>Overdraft Accounts-FC (Real Persons)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>5,790,924</b>	<b>7,797,928</b>	<b>13,588,852</b>	<b>583,753</b>

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

	Short Term	Medium and Long Term	Total	Interest and Income Accruals
<b>Commercial Loans with Installment Facility</b>				
- TL	241,226	2,186,582	2,427,808	54,599
Real Estate Loans	76	137,478	137,554	6,252
Automobile Loans	7,094	284,859	291,953	10,931
General Purpose Loans	234,056	1,764,245	1,998,301	37,416
Other	-	-	-	-
<b>Commercial Loans with Installment Facility</b>				
- FC Indexed	18,726	483,900	502,626	14,058
Real Estate Loans	-	15,467	15,467	1,171
Automobile Loans	42	49,999	50,041	1,396
General Purpose Loans	18,684	418,434	437,118	11,491
Other	-	-	-	-
<b>Commercial Loans with Installment Facility</b>				
- FC	-	-	-	-
Real Estate Loans	-	-	-	-
Automobile Loans	-	-	-	-
General Purpose Loans	-	-	-	-
Other	-	-	-	-
<b>Corporate Credit Cards -TL</b>	75,206	50	75,256	1,911
Installment	18,956	50	19,006	483
Non-Installment	56,250	-	56,250	1,428
<b>Corporate Credit Cards -FC</b>	488	-	488	2
With Installment	-	-	-	-
Without Installment	488	-	488	2
<b>Overdraft Accounts-TL (Legal Entities)</b>	156,281	-	156,281	25
<b>Overdraft Accounts-FC (Legal Entities)</b>	-	-	-	-
<b>Total</b>	<b>491,927</b>	<b>2,670,532</b>	<b>3,162,459</b>	<b>70,595</b>

**f) Loans according to borrowers (\*)**

	Current Period	Prior Period
Public	55,065	-
Private	22,989,610	19,025,310
<b>Total</b>	<b>23,044,675</b>	<b>19,025,310</b>

(\*) The loans amounting to TL 1,128,210 (December 31, 2009 – TL 1,572,129) are disclosed as “Loans at Fair Value Through Profit/Loss” in the financial statements.

**g) Domestic and foreign loans (\*)**

	Current Period	Prior Period
Domestic Loans	23,014,565	18,993,689
Foreign Loans	30,110	31,621
<b>Total</b>	<b>23,044,675</b>	<b>19,025,310</b>

(\*) The loans amounting to TL 1,128,210 (December 31, 2009 – TL 1,572,129) are disclosed as “Loans at Fair Value Through Profit/Loss” in the financial statements.

**h) Loans granted to subsidiaries and associates**

None (December 31, 2009 – None).

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**i) Specific provisions for loans and other receivables**

Specific Provisions	Current Period	Prior Period
Loans and Receivables with Limited Collectability	177,134	251,500
Loans and Receivables with Doubtful Collectability	346,838	436,193
Uncollectible Loans and Receivables	1,057,605	661,071
<b>Total</b>	<b>1,581,577</b>	<b>1,348,764</b>

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

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

	III. Group Loans and receivables with limited collectability	IV. Group Loans and receivables with doubtful collectability	V. Group Uncollectible loans and receivables
<b>Current Period</b>			
(Gross Amounts Before the Specific Provisions)	2,914	894	48,652
Restructured Loans and Other Receivables	-	-	-
Rescheduled Loans and Other Receivables	2,914	894	48,652
<b>Prior Period</b>			
(Gross Amounts Before the Specific Provisions)	1,202	17,909	70,904
Restructured Loans and Other Receivables	-	-	-
Rescheduled Loans and Other Receivables	1,202	17,909	70,904

**j.2) Movement of non-performing loans other receivables**

	III. Group Loans and receivables with limited collectability	IV. Group Loans and receivables with doubtful collectability	V. Group Uncollectible loans and receivables
<b>Prior Period End Balance</b>	<b>301,379</b>	<b>481,107</b>	<b>672,240</b>
Additions (+)	676,860	-	-
Transfers from Other Categories of Non-Performing Loans (+)	-	521,957	546,306
Transfers to Other Categories of Non-Performing Loans (-)	521,957	546,306	-
Collections (-)	236,895	75,562	137,730
<b>Write-offs (-)</b>	<b>-</b>	<b>-</b>	<b>1,761</b>
Corporate and Commercial Loans	-	-	174
Consumer Loans	-	-	199
Credit Cards	-	-	1,388
Others	-	-	-
<b>Current Period End Balance</b>	<b>219,387</b>	<b>381,196</b>	<b>1,079,055</b>
Specific Provision (-)	177,134	346,838	1,057,605
<b>Net Balances on Balance Sheet</b>	<b>42,253</b>	<b>34,358</b>	<b>21,450</b>

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

None (December 31, 2009 – None).

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**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	Loans and receivables with doubtful	Uncollectible loans and receivables
<b>Current Period (Net)</b>	<b>42,253</b>	<b>34,358</b>	<b>21,450</b>
Loans to Real Persons and Legal Entities (Gross)	219,387	372,976	1,079,055
Specific provision (-)	177,134	338,618	1,057,605
Loans to Real Persons and Legal Entities (Net)	42,254	34,358	21,450
Banks (Gross)	-	-	-
Specific provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	8,220	-
Specific provision (-)	-	8,220	-
Other Loans and Receivables (Net)	-	-	-
<b>Prior Period (Net)</b>	<b>49,879</b>	<b>44,914</b>	<b>11,169</b>
Loans to Real Persons and Legal Entities (Gross)	301,379	473,758	672,240
Specific provision (-)	251,500	428,844	661,071
Loans to Real Persons and Legal Entities (Net)	49,879	44,914	11,169
Banks (Gross)	-	-	-
Specific provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	7,349	-
Specific provision (-)	-	7,349	-
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 Parent Bank prefers to liquidate the risk through negotiations with the debtors. If this cannot be possible, then the Parent Bank 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) Explanations on write-off policy:**

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

**6. Information on factoring receivables**

	Current Period		Prior Period	
	TL	FC	TL	FC
Short Term	153,249	2,996	35,465	1,581
Medium and Long Term	-	-	-	-
<b>Total</b>	<b>153,249</b>	<b>2,996</b>	<b>35,465</b>	<b>1,581</b>

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**7. Information on investment securities held-to-maturity**

None (December 31, 2009 – None).

**8. Investments in associates (Net)**

**8.1. Investments in associates**

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

(*)	Total Assets	Shareholder's Equity	Total Fixed Assets	Interest Income	Income on Securities Portfolio	Current Period Profit/Loss	Prior Period Profit/Loss	Company's Fair Value
	590	430	-	480	-	355	747	-
	19,837	16,925	6,019	661	-	2,525	1,067	-
	138,091	133,547	2,235	4,509	-	5,437	3,713	-

(\*) Current period information is obtained from financial statements as of September 30, 2010, prior period profit and loss information is obtained from financial statements as of December 31, 2009.

**8.2. Movements of investments in associates**

	Current Period	Prior Period
Balance at the Beginning of Period	6,016	4,016
Movements During the Period	(247)	2,000
Acquisitions	-	2,000(*)
Bonus Shares Received	-	-
Dividends From Current Year Profit	-	-
Sales	(247)**	-
Reclassifications	-	-
Increase/Decrease in Market Values	-	-
Currency Differences on Foreign Associates	-	-
Impairment Losses (-)	-	-
Balance at the End of the Period	5,769	6,016
Capital Commitments	2,000	2,250
Share Percentage at the End of the Period (%)	-	-

(\*) The Parent Bank participated to the capital of Garanti Fonu İşletme ve Araştırma A.Ş. with an amount TL 2,000 in the prior period.

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

**8.3. Sectoral distribution and the related carrying amounts on associates**

	Current Period	Prior Period
Banks	-	-
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	-	-
Finance Companies	-	-
Other Associates	5,769	6,016
Total	5,769	6,016



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**8.4. Quoted associates**

None (December 31, 2009 – None).

**8.5. Valuation methods of investments in associates**

	Current Period	Prior Period
Valued at Cost	5,769	6,016
Valued at Fair Value	-	-
Valued at Equity Method of Accounting	-	-
<b>Total</b>	<b>5,769</b>	<b>6,016</b>

**8.6. Investments in associates sold during the current period**

As explained in detail in section 5 footnote 8.2, decrease in associates accounts amounting to TL 247 occurred due to capital decrease of Gelişen Bilgi Teknolojileri A.Ş.

**8.7. Investments in associates acquired during the current period**

The Parent Bank does not have investments in associates acquired as of September 30, 2010. The Parent Bank has participated in to the capital of Garanti Fonu İşletme ve Araştırma A.Ş. in 2009 with TL 2,000 as explained in section 5 footnote 8.2.

**9. Investments in subsidiaries (Net)**

**a) Information on the Parent Bank's unconsolidated subsidiaries**

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

(*)	Total Assets	Shareholder's Equity	Total Fixed Assets	Interest Income	Income on Securities Portfolio	Current Period Profit/Loss	Prior Period Profit/Loss	Company's Fair Value
	21,516	19,689	17,459	-	-	1,054	1,452	-

(\*)Current period information is obtained from financial statements as of September 30, 2010, prior period profit and loss information is obtained from financial statements as of December 31, 2009.

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**b) Information on the consolidated subsidiaries:**

**b.1) Information on the consolidated subsidiaries**

Subsidiary	Address (City/Country)	Bank's Share – If Different, Voting Rights (%)	Bank's Risk Group Share (%)
1. Finans Yatırım Menkul Değerler A.Ş.	Istanbul/Turkey	99.60	100.00
2. Finans Finansal Kiralama A.Ş.	Istanbul/Turkey	51.06	59.24
3. Finans Yatırım Ortaklığı A.Ş.	Istanbul/Turkey	70.28 (*)	70.28 (*)
4. Finans Portföy Yönetimi A.Ş.	Istanbul/Turkey	0.001	100.00
5. Finans Emeklilik ve Hayat A.Ş.	Istanbul/Turkey	99.99	99.99
6. Finans Tüketici Finansmanı A.Ş.	Istanbul/Turkey	99.99	99.99
7. Finans Faktoring Hizmetleri A.Ş.	Istanbul/Turkey	99.99	99.99

(\*)The share of the Parent Bank is 10.01 %, the remaining 60.27% shareholding represents the purchases of publicly traded shares on the Istanbul Stock Exchange.

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

	Total Assets	Shareholder's Equity	Total Fixed Assets	Interest Income	Income on Securities Portfolio	Current Period Profit/Loss	Prior Period Profit/Loss	Company's Fair Value(***)
1. (*)	166,921	102,269	11,478	8,819	425	14,081	13,069	-
2. (**)	1,310,476	377,184	885	21,695	-	27,809	41,229	342,700
3. (**)	19,978	19,715	65	-	-	223	3,002	18,720
4. (*)	17,305	15,828	468	1,061	11	5,493	6,444	-
5. (*)	99,581	43,739	1,944	5,135	2,524	6,537	4,600	-
6. (*)	3,474	3,426	313	225	-	(832)	(955)	-
7. (*)	182,427	10,626	786	12,030	-	1,926	(1,333)	-

(\*) Current period information represents September 30, 2010 figures, and prior period profit/loss amounts represent December 31, 2009 figures prepared in accordance with the BRSA regulations.

(\*\*) Current period information represents September 30, 2010 figures, and prior period profit/loss amounts represent December 31, 2009 figures prepared in accordance with the CMB's Communiqué No: XI/29 accounting principles.

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

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**b.2) Movement of investments in subsidiaries**

	Current Period	Prior Period
Balance at the Beginning of the Period	222,588	350,156
Movements during the Period	62,932	(127,568)
Purchases	1,063 <sup>(6)</sup>	20,000 <sup>(2)</sup>
Bonus Shares Received	5,750 <sup>(4)</sup>	5,106 <sup>(3)</sup>
Dividends from Current Year Profit	-	-
Sales	(1,858) <sup>(5)</sup>	(201,928) <sup>(1)</sup>
Revaluation Difference	57,977	49,254
Impairment Losses (-)	-	-
Balance at the End of the Period	285,520	222,588
Capital Commitments	3,187	-
Share Percentage at the end of the Period (%)	-	-

<sup>(1)</sup> In the prior period the Bank sold its subsidiary Finans Malta Holdings Ltd., of which the Bank used to own 100% of the shares, for EUR 185 million in cash on February 24, 2009 to NBG International Holdings B.V. The gain of TL 197,090 resulting from the sale is accounted for as "Income on sale of associates, subsidiaries and entities under common control" under the "Income on Discontinued Operations" in the income statement.

<sup>(2)</sup> Purchases in the prior period include the participation in Finans Faktoring Hizmetleri A.Ş. amounting to TL 10,000 and the participation into the capital of Finans Emeklilik ve Hayat A.Ş. amounting to TL 10,000.

<sup>(3)</sup> The prior period amount includes bonus shares received from the Bank's subsidiaries Finans Finansal Kiralama A.Ş. amounting to TL 5,106.

<sup>(4)</sup> Purchases in the current period includes bonus shares received from the Bank's subsidiaries Finans Emeklilik ve Hayat A.Ş. amounting to TL 5,750.

<sup>(5)</sup> Sales in the current period include the sales of the shares of Finans Yatırım Ortaklığı A.Ş. The respective gain on sale is TL 317.

<sup>(6)</sup> Purchases in the current period include the participation in the capital of Finans Emeklilik ve Hayat A.Ş. amounting to TL 1,063.

**b.3) Sectoral distribution of the consolidated subsidiaries:**

	Current Period	Prior Period
Banks	-	-
Insurance Companies	36,812	30,000
Factoring Companies	10,000	10,000
Leasing Companies	174,983	117,438
Finance Companies	5,000	5,000
Other Subsidiaries	58,725	60,150
Total	285,520	222,588

The balances of the subsidiaries have been eliminated as part of the consolidation principles.

**b.4) Quoted subsidiaries within the context of consolidation:**

	Current Period	Prior Period
Quoted on Domestic Stock Exchanges	188,137	132,018
Quoted on International Stock Exchanges	-	-
Total	188,137	132,018

**10. Investments in entities under common control:**

	The Parent Bank's Share	The Group's Share	Current Assets	Fixed Assets	Long Term Debt	Current Period Profit/Loss	Prior Year Profit/Loss
Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş. (*)	33%	33%	8,279	5,790	3,289	1,561	(1,171)

(\*) Current period information represents September 30, 2010 figures, and prior period profit/loss amounts represent December 31, 2009 figures.

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**11. Information on financial lease receivables (Net):**

**11.1. Maturity analysis of financial lease receivables**

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	428,418	383,001	502,688	444,066
Between 1-4 years	414,115	373,659	481,504	429,950
Over 4 years	26,895	25,180	23,189	21,441
<b>Total</b>	<b>869,428</b>	<b>781,840</b>	<b>1,007,381</b>	<b>895,457</b>

Financial lease receivables include non performing financial lease receivables amounting to TL 125,265 (December 31, 2009 – TL 128,659) and specific provisions amounting to TL 70,663 (December 31, 2009 – TL 62,963).

As of September 30, 2010 and 2009, movement of provision on non performing finance lease receivables is as follows:

	Current Period 01.01-30.09.2010	Prior Period 01.01-30.09.2009
Prior year closing balance	62,963	24,702
Additions / (Reversals), Net	13,661	19,809
Collections	(5,961)	(206)
Deleted assets	-	(18)
<b>Provision at the end of the period</b>	<b>70,663</b>	<b>44,287</b>

**11.2. Information on net investments in financial leases**

	Current Period	Prior Period
Gross Financial Lease Investments	869,428	1,007,381
Unearned Finance Income (-)	87,588	111,924
Cancelled Leasing Agreements (-)	-	-
<b>Net Investment on Leases</b>	<b>781,840</b>	<b>895,457</b>

**11.3. Information of financial lease contracts of the Parent Bank**

The leasing balances between the Parent Bank and the subsidiaries have been eliminated as part of the consolidation principles.

**12. Information on hedging purpose derivatives:**

	Current Period		Prior Period	
	TL	FC	TL	FC
Fair Value Hedge (*)	8,763	-	-	2,417
Cash Flow Hedge	-	-	-	-
Hedge of Net Investment in Foreign Operations	-	-	-	-
<b>Total</b>	<b>8,763</b>	<b>-</b>	<b>-</b>	<b>2,417</b>

(\*)Derivative financial instruments held for the fair value hedge purposes include swaps. TL 8,763 represents the fair value of derivatives which are designated as hedging instruments to hedge the fair value changes in loans as of September 30, 2010 whereas TL 2,417 represents the fair value of derivatives which are designated as hedging instruments to hedge the fair value changes in available for sale investment securities as of December 31, 2009.

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**13. Information on tax asset:**

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

Consolidated subsidiaries' deferred tax assets and liabilities have been offset in their separate financial statements and the balance of deferred tax asset is disclosed as TL 27,563 (December 31, 2009 - TL 28,741), and the net deferred tax liability is TL 35,680 (December 31, 2009 - TL 83,062).

In cases whereby such differences are related with certain items under the shareholders' equity accounts, the deferred tax benefits/charges are netted under these accounts. The deferred tax liability amounting to TL 21,062 (December 31, 2009 - TL 19,437 deferred tax liability) is netted under "Securities Value Increase Fund" account in the equity.

	Temporary Differences		Deferred Tax Asset / (Liability)	
	September 30, 2010	December 31, 2009	September 30, 2010	December 31, 2009
Reserve for Employee Benefits	66,408	74,120	13,282	14,824
The differences between carrying and taxable amounts of financial assets	136,419	84,621	27,284	16,924
Unused investment incentive certificate	115,214	124,972	23,043	24,993
Other	239,062	18,735	47,812	3,745
<b>Deferred Tax Asset</b>			<b>111,421</b>	<b>60,486</b>
The differences between carrying and taxable amounts of tangible assets	(70,924)	(68,251)	(14,185)	(13,650)
The differences between carrying and taxable amounts of financial assets	(466,786)	(441,107)	(93,357)	(88,221)
Other	(59,979)	(64,681)	(11,996)	(12,936)
<b>Deferred Tax Liability</b>			<b>(119,538)</b>	<b>(114,807)</b>
<b>Deferred Tax Asset / (Liability), Net</b>			<b>(8,117)</b>	<b>(54,321)</b>
	Current Period		Prior Period	
	01.01-30.09.2010		01.01-30.09.2009	
Deferred Tax Asset/ (Liability) as of January 1 (Net)	(54,321)		(27,362)	
Deferred Tax (Charge) / Benefit	47,829		32,838	
Deferred Tax Items Accounted for Under the Equity	(1,625)		(32,882)	
The Effect of the Subsidiary Excluded from Consolidation	-		(1,011)	
<b>Deferred Tax Asset/ (Liability) as of September 30 (Net)</b>	<b>(8,117)</b>		<b>(28,417)</b>	

**14. Information on assets held for sale and discontinued operations:**

None (December 31, 2009 - None).

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**15. Information on other assets:**

**15.1. Information on prepaid expense, tax and similar items**

	Current Period	Prior Period
Collateral Given for Derivative Financial Transactions	499,080	91,810
Cheques Receivables from Other Banks	176,649	86,907
Assets Held for Resale (net)	118,118	89,660
Other Prepaid Expenses	99,277	87,298
Sundry Debtors	67,117	71,528
Advances Given on Finance Lease Transactions	45,144	60,963
Prepaid Rent Expenses	17,332	13,777
Advances Given	5,063	3,598
Prepaid Agency Commissions	557	971
Other	52,952	24,799
<b>Total</b>	<b>1,081,289</b>	<b>531,311</b>

**15.2. If other assets exceed 10% of total assets, excluding off balance sheet commitments, the names and the balances of these accounts, the name and the amount of the subaccounts which create at least 20% of them are:**

Details of the other assets are described in note 15.1 above.

**16. Accrued interest and income**

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

	Current Period		Prior Period	
	TL	FC	TL	FC
Central Bank of Turkey	9,890	-	7,910	-
Trading Securities	1,777	13	2,505	46
Financial Assets at Fair Value through Profit or Loss	3,931	-	10,527	-
Assets on Trading Derivatives	403,524	101,377	370,242	52,627
Banks	1,445	159	630	311
Money Market Placements	-	-	2	-
Investment Securities Available for Sale	178,672	52,448	200,896	40,975
Factoring Receivables	90	-	-	-
Loans and Other Receivables	327,138	23,494	339,453	20,711
Derivative Financial Assets Held for Hedging Purposes	8,763	-	-	2,417
Leasing Receivables	2,757	8,547	4,379	12,769
Other Accruals	-	-	1,988	-
<b>Total</b>	<b>937,987</b>	<b>186,038</b>	<b>938,532</b>	<b>129,856</b>

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

**Finansbank Anonim Şirketi**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**II. EXPLANATIONS AND DISCLOSURES RELATED TO CONSOLIDATED LIABILITIES**

**1. Information on maturity structure of deposits**

<b>Current Period</b>	<b>Demand</b>	<b>7 Days Notice</b>	<b>Up to 1 Month</b>	<b>1-3 Months</b>	<b>3-6 Months</b>	<b>6-12 Months</b>	<b>1 Year and Over</b>	<b>Accumulated Deposit Accounts</b>	<b>Total</b>
<b>Saving Deposits</b>	448,108	-	2,244,716	6,162,036	164,871	36,707	1,651	16,673	9,074,762
<b>Foreign Currency Deposits</b>	878,167	-	1,975,111	2,680,345	194,732	84,388	24,169	7,226	5,844,138
Residents in Turkey	845,741	-	1,926,518	2,519,892	186,699	65,898	24,169	7,181	5,576,098
Residents Abroad	32,426	-	48,593	160,453	8,033	18,490	-	45	268,040
<b>Public Sector Deposits</b>	98,649	-	4,215	57,420	536	-	-	-	160,820
<b>Commercial Deposits</b>	657,728	-	673,406	2,503,148	75,627	43,172	-	-	3,953,081
<b>Other Ins. Deposits</b>	10,145	-	45,081	565,115	41,363	10	-	-	661,714
<b>Precious Metal Deposits</b>	6,076	-	5,162	-	-	-	-	-	11,238
<b>Bank Deposits</b>	44,528	-	375,734	427,366	76,904	2,195	1,074,951	-	2,001,678
Central Bank of Turkey	-	-	-	-	-	-	-	-	-
Domestic Banks	3,089	-	343,436	-	4,520	-	-	-	351,045
Foreign Banks	19,624	-	32,298	427,366	72,384	2,195	1,074,951	-	1,628,818
Participation Banks	21,815	-	-	-	-	-	-	-	21,815
Other	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>2,143,401</b>	<b>-</b>	<b>5,323,425</b>	<b>12,395,430</b>	<b>554,033</b>	<b>166,472</b>	<b>1,100,771</b>	<b>23,899</b>	<b>21,707,431</b>

<b>Prior Period</b>	<b>Demand</b>	<b>7 Days Notice</b>	<b>Up to 1 Month</b>	<b>1-3 Months</b>	<b>3-6 Months</b>	<b>6-12 Months</b>	<b>1 Year and Over</b>	<b>Accumulated Deposit Accounts</b>	<b>Total</b>
<b>Saving Deposits</b>	392,954	-	2,146,539	5,553,446	64,748	39,117	110	17,516	8,214,430
<b>Foreign Currency Deposits</b>	763,060	-	1,757,664	2,963,642	140,842	145,498	7,561	8,936	5,787,203
Residents in Turkey	724,968	-	1,721,739	2,744,879	136,158	138,009	7,561	8,907	5,482,221
Residents Abroad	38,092	-	35,925	218,763	4,684	7,489	-	29	304,982
<b>Public Sector Deposits</b>	75,052	-	3,804	281,138	88	-	-	-	360,082
<b>Commercial Deposits</b>	647,870	-	514,757	2,412,491	222,857	7,928	-	-	3,805,903
<b>Other Ins. Deposits</b>	14,767	-	25,748	127,091	93,321	27	-	-	260,954
<b>Precious Metal Deposits</b>	-	-	-	-	-	-	-	-	-
<b>Bank Deposits</b>	50,589	-	183,861	142,819	-	-	1,122,392	-	1,499,661
Central Bank of Turkey	-	-	-	-	-	-	-	-	-
Domestic Banks	2,690	-	96,791	-	-	-	-	-	99,481
Foreign Banks	17,785	-	87,070	142,819	-	-	1,122,392	-	1,370,066
Participation Banks	30,114	-	-	-	-	-	-	-	30,114
Other	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,944,292</b>	<b>-</b>	<b>4,632,373</b>	<b>11,480,627</b>	<b>521,856</b>	<b>192,570</b>	<b>1,130,063</b>	<b>26,452</b>	<b>19,928,233</b>

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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	3,188,370	3,029,125	5,882,600	5,151,321
Foreign Currency Savings Deposits	668,982	689,194	2,976,524	2,981,232
Other Saving Deposits	-	-	-	-
Foreign Branches' Deposits Under Foreign Insurance Coverage	-	-	-	-
Off-Shore Deposits Under Foreign Insurance Coverage	-	-	-	-
<b>Total</b>	<b>3,857,352</b>	<b>3,718,319</b>	<b>8,859,124</b>	<b>8,132,553</b>

**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**

	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 <sup>nd</sup> Article of the 5237 numbered Turkish Criminal Code dated September 26, 2004.	-	-
Saving deposits in banks established in Turkey exclusively for off shore banking activities	13,838	33,984
<b>Total</b>	<b>13,838</b>	<b>33,984</b>

**2. Information on trading purpose derivatives**

**Negative value of trading purpose derivatives**

	Current Period		Prior Period	
	TL	FC	TL	FC
Forwards	17,581	-	7,245	-
Swaps	380,392	37,178	220,449	24,427
Futures	-	6,020	-	1,402
Options	731	37,573	60	12,795
Other	-	205	1,480	-
<b>Total</b>	<b>398,704</b>	<b>80,976</b>	<b>229,234</b>	<b>38,624</b>



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**3. a) Information on banks**

	Current Period		Prior Period	
	TL	FC	TL	FC
Central Bank Loans	-	-	-	-
Domestic Banks and Institutions	196,019	76,825	109,953	121,312
Foreign Banks, Institutions and Funds	365,107	2,242,967	332,013	2,373,993
<b>Total</b>	<b>561,126</b>	<b>2,319,792</b>	<b>441,966</b>	<b>2,495,305</b>

**b) Maturity information on funds borrowed**

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	261,111	875,944	141,953	675,556
Medium and Long-Term	300,015	1,443,848	300,013	1,819,749
<b>Total</b>	<b>561,126</b>	<b>2,319,792</b>	<b>441,966</b>	<b>2,495,305</b>

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

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 explained below:

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

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

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

As of September 30, 2010, the Group's liabilities comprise; 62% deposits (December 31, 2009 – 66%), 11% funds borrowed (December 31, 2009 – 15%) and 3% funds provided under repurchase agreements (December 31, 2009 – 0.06%).

**4. Information on funds provided under repurchase agreements:**

	Current Period		Prior Period	
	TL	FC	TL	FC
<b>From domestic transactions</b>	<b>1,116,551</b>	<b>-</b>	<b>13,034</b>	<b>-</b>
Financial institutions and organizations	1,102,727	-	-	-
Other institutions and organizations	3,090	-	3,705	-
Real persons	10,734	-	9,329	-
<b>From foreign transactions</b>	<b>7,505</b>	<b>-</b>	<b>6,142</b>	<b>-</b>
Financial institutions and organizations	-	-	-	-
Other institutions and organizations	7,505	-	6,139	-
Real persons	-	-	3	-
<b>Total</b>	<b>1,124,056</b>	<b>-</b>	<b>19,176</b>	<b>-</b>

**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 exceed 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 (December 31, 2009 – Does not exceed 10%).

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**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 flows of the Group are the main criteria which are taken into consideration for the 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 (December 31, 2009 – None).

**6.2. Financial Lease Payables**

The leasing balances between the Parent Bank and the subsidiaries have been eliminated as part of the consolidation principles.

**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 (December 31, 2009 – None).

**7. Information on liabilities arising from hedging purpose derivatives**

	Current Period		Prior Period	
	TL	FC	TL	FC
Fair Value Hedge (*)	402,900	37,988	-	2,693
Cash Flow Hedge (**)	72,076	-	-	-
Net Investment Hedge	-	-	-	-
<b>Total</b>	<b>474,976</b>	<b>37,988</b>	<b>-</b>	<b>2,693</b>

(\*)Derivative financial instruments held for the fair value hedge consist of swaps. TL 402,900 (December 31, 2009 – None) and TL 37,988 (December 31, 2009 – TL 2,693) represents the fair value of derivatives which are designated as hedging instruments to hedge the fair value changes in loans and available for sale investment securities respectively as of September 30, 2010.

(\*\*) TL 72,076 represents the fair value of derivatives which are designated as hedging instruments on cash flow hedge of deposits.

**8. Information on provisions**

**8.1. Information on general provisions**

	Current Period	Prior Period
Provisions for Loans and Receivables in Group I	156,335	116,889
Provisions for Loans and Receivables in Group II	33,337	37,585
Provisions for Non - Cash Loans	29,284	22,312
Other	24,982	22,665
<b>Total</b>	<b>243,938</b>	<b>199,451</b>

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**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 (*)	38,420	12,502

(\*) Netted against loans in assets.

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

The specific provision for non cash loans which are related with the non-performing cash loans or the loans which were written off from balance sheet is TL 66,771 (December 31, 2009 - TL 55,294).

**8.4 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 these accompanying financial statements.

As of September 30, 2010, TL 23,350 (December 31, 2009 - TL 21,210) reserve for employee termination benefits was provided in the accompanying financial statements.

As of September 30, 2010, the Group accrued TL 13,969 (December 31, 2009 - TL 12,393) for the unused vacations under reserve for employee benefits account in the accompanying financial statements.

As of September 30, 2010, TL 29,089 (December 31, 2009 - TL 40,517) bonus and premium provisions have been provided under reserve for employee benefits account in the accompanying financial statements.

**8.4.1 Movement of employee termination benefits**

	Current Period 01.01-30.09.2010	Prior Period 01.01-30.09.2009
As of January 1	21,210	18,524
Service cost	4,443	3,305
Interest Cost	1,692	1,172
Paid during the period	(3,995)	(1,871)
<b>Total</b>	<b>23,350</b>	<b>21,130</b>

**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 Loan Losses	82,340	100,835

As of September 30, 2010 the Group has provided TL 82,340 provision (December 31, 2009 - TL 100,835) for possible losses that could arise for loans in the watch list, considering their recovery rates.

**8.5.2. Information on other provisions**

Other provisions other than stated above at disclosures 8.3 and 8.5.1 are as follows;

	Current Period	Prior Period
Provision for Promotion Expenses of Credit Cards	12,021	11,805
Other Provisions	28,804	51,514
<b>Total</b>	<b>40,825</b>	<b>63,319</b>

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**9. Taxation**

**9.1. Current taxes**

**9.1.1. Current tax liability**

As of September 30, 2010, the Group has current tax liability of TL 185,994 (December 31, 2009 - TL 132,823) and advance taxes of TL 125,658 (December 31, 2009 - TL 178,994).

The corporate tax payable and the advance taxes of the consolidated subsidiaries have been offset separately in their financial statements. As of September 30, 2010, after the offsetting, the corporate tax payable is disclosed as TL 60,336 (December 31, 2009 - TL 4,328) in the accompanying consolidated financial statements. The Group has no existing current tax assets (December 31, 2009 - TL 50,499).

**9.1.2. Information on taxes payable**

	<b>Current Period</b>	<b>Prior Period</b>
Corporate taxes payable	60,336	4,328
Banking and Insurance Transaction Tax (BITT)	18,042	16,893
Taxation on Securities Income	2,342	3,093
Taxation on Real Estates Income	1,399	779
Other	25,981	26,201
<b>Total</b>	<b>108,100</b>	<b>51,294</b>

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

**9.1.3 Information on premiums**

	<b>Current Period</b>	<b>Prior Period</b>
Social Security Premiums - Employee Share	4,508	3,731
Social Security Premiums - Employer Share	5,017	4,021
Unemployment Insurance - Employee Share	315	261
Unemployment Insurance - Employer Share	637	529
<b>Total</b>	<b>10,477</b>	<b>8,542</b>

**9.2. Information on deferred tax liabilities**

Deferred tax liability amounting to TL 35,680 has been disclosed in the accompanying financial statements (December 31, 2009 - TL 83,062). The information on deferred tax is given in the section Explanations and Disclosures Related to Consolidated Assets, footnote 13.

**10. Information on payables related to assets held for sale**

None (December 31, 2009 - None).

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**11. Information on subordinated loans**

	Current Period		Prior Period	
	TL	FC	TL	FC
From Domestic Banks	-	-	-	-
From Other Domestic Institutions	-	-	-	-
From Foreign Banks	-	957,773	-	1,473,260
From Other Foreign Institutions	-	-	-	-
<b>Total</b>	<b>-</b>	<b>957,773</b>	<b>-</b>	<b>1,473,260</b>

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

**12. Information on shareholder's equity**

**12.1. Paid-in capital**

	Current Period	Prior Period
Common Stock	1,653,750	1,575,000
Preferred Stock	-	-

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

Capital System	Paid-in Capital	Ceiling
Registered Capital System	1,653,750	6,000,000

In accordance with the Board of Directors' decision dated August 2, 2010, the Parent Bank increased its paid-in capital from TL 1,653,750 to TL 2,205,000 by TL 551,250 within the capital ceiling of TL 6,000,000. TL 4,107 portion of the increase is to be incorporated from extraordinary reserves through bonus shares; the remaining TL 547,143 is to be met in cash.

TL 518,664 portion of the capital increase is collected from NBG Group in cash and accounted for as capital advances under other liabilities. The remaining TL 28,479 is to be received from other shareholders.

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

Capital Increase Date	Capital Increase Amount	Cash	Profit Reserves	Capital Reserves
			Subject to Capital Increase	Subject to Capital Increase
June 14, 2010	78,750	-	78,750	-

**12.4. Information on share capital increases from revaluation funds**

None (December 31, 2009 - None).

**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**

The 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 (December 31, 2009 - None).

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**12.7. Information on the preferences given to stocks representing the capital**

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

**13. Common stock issue premiums, shares and equity instruments**

	Current Period		Prior Period	
	TL	FC	TL	FC
Number of Shares (in Thousands)	16,537,500		15,750,000	
Preferred Stocks	-		-	
Common Stock Issue Premium	-		-	
Common Stock Cancelling Profit	-		-	
Other Equity Instruments	-		-	
<b>Total Common Stock Issued</b>	<b>16,537,500</b>		<b>15,750,000</b>	

**14. Marketable securities value increase fund**

	Current Period		Prior Period	
	TL	FC	TL	FC
<b>Associates, Subsidiaries and Entities under Common Control</b>	-	-	-	-
Valuation Differences	-	-	-	-
Foreign Exchange Rate Differences	-	-	-	-
<b>Securities Available-for-Sale</b>	<b>82,926</b>	<b>8,941</b>	<b>45,386</b>	<b>32,361</b>
Valuation Differences	82,926	8,941	45,386	32,361
Foreign Exchange Rate Differences	-	-	-	-
<b>Total</b>	<b>82,926</b>	<b>8,941</b>	<b>45,386</b>	<b>32,361</b>

**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	
	TL	FC	TL	FC
Deposits	73,673	10,124	65,120	9,479
Derivative Financial Liabilities Held for Trading	398,704	80,976	229,234	38,624
Funds Borrowed	1,891	20,996	1,461	22,158
Money Market Borrowings	472	-	10	-
Derivative Financial Liabilities Held for Hedging Purposes	474,976	37,988	-	2,693
Other Accruals	31,843	24	16,811	46
<b>Total</b>	<b>981,559</b>	<b>150,108</b>	<b>312,636</b>	<b>73,000</b>

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**SECTION FIVE**

**III. EXPLANATIONS 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	1,694,279	1,706,226
Letters of Guarantee in TL	3,149,985	2,239,000
Letters of Credit	596,656	539,923
Bank Loans	665,232	664,139
Factoring Guarantees	-	26,949
Other Guarantees	34,083	41,704
<b>Total</b>	<b>6,140,235</b>	<b>5,217,941</b>

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

Specific provision is provided for the non-cash loans amounting to TL 66,771 (December 31, 2009 – TL 55,294) followed in the off-balance sheet accounts that are not indemnified and not liquidated yet.

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

	Current Period	Prior Period
Provisional Letters of Guarantee	612,588	168,784
Final Letters of Guarantee	3,289,254	2,872,818
Advance Letters of Guarantee	179,175	206,120
Letters of Guarantee Given to Customs Offices	152,977	110,434
Other Letters of Guarantee	610,270	587,070
<b>Total</b>	<b>4,844,264</b>	<b>3,945,226</b>

**2. Total amount of non-cash loans**

	Current Period	Prior Period
<b>Non-Cash Loans granted for Obtaining Cash Loans</b>	<b>359,997</b>	<b>409,874</b>
With Original Maturity of 1 Year or Less than 1 Year	47,957	31,711
With Original Maturity of More Than 1 Year	312,040	378,163
<b>Other Non-Cash Loans</b>	<b>5,780,238</b>	<b>4,808,067</b>
<b>Total</b>	<b>6,140,235</b>	<b>5,217,941</b>

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

	Current Period				Prior Period			
	TL	%	FC	%	TL	%	FC	%
<b>Agricultural</b>	<b>39,214</b>	<b>1.24</b>	<b>54,104</b>	<b>1.84</b>	<b>52,066</b>	<b>2.33</b>	<b>73,805</b>	<b>2.53</b>
Farming and Raising Livestock	6,828	0.22	16,458	0.56	11,595	0.52	21,952	0.75
Forestry	31,950	1.01	37,477	1.27	40,064	1.79	51,775	1.78
Fishing	436	0.01	169	0.01	407	0.02	78	0.00
<b>Manufacturing</b>	<b>533,443</b>	<b>16.93</b>	<b>1,434,793</b>	<b>48.58</b>	<b>381,022</b>	<b>17.01</b>	<b>1,427,235</b>	<b>49.05</b>
Mining and Quarrying	24,813	0.79	41,610	1.41	17,479	0.78	31,608	1.09
Production	498,068	15.80	1,348,715	45.66	356,534	15.92	1,364,315	46.88
Electricity, gas and water	10,562	0.34	44,468	1.51	7,009	0.31	31,312	1.08
<b>Construction</b>	<b>814,027</b>	<b>25.82</b>	<b>458,326</b>	<b>15.52</b>	<b>495,233</b>	<b>22.12</b>	<b>391,914</b>	<b>13.47</b>
<b>Services</b>	<b>1,491,043</b>	<b>47.29</b>	<b>836,653</b>	<b>28.32</b>	<b>1,043,170</b>	<b>46.59</b>	<b>770,881</b>	<b>26.50</b>
Wholesale and Retail Trade	929,318	29.48	482,654	16.34	673,698	30.09	505,724	17.38
Hotel, Food and Beverage								
Services	19,558	0.62	7,517	0.25	8,993	0.40	6,287	0.22
Transportation&Communication	60,794	1.93	68,286	2.31	56,221	2.51	43,896	1.51
Financial Institutions	293,874	9.32	226,342	7.66	203,678	9.10	146,672	5.04
Real Estate and Renting Services	5,456	0.17	558	0.02	1,428	0.06	396	0.01
Self Employment Services	173,163	5.49	48,659	1.65	89,625	4.00	65,917	2.27
Educational Services	1,518	0.05	84	0.00	1,366	0.06	88	0.00
Health and Social Services	7,362	0.23	2,553	0.09	8,161	0.36	1,901	0.07
<b>Other (*)</b>	<b>274,878</b>	<b>8.72</b>	<b>169,671</b>	<b>5.74</b>	<b>267,587</b>	<b>11.96</b>	<b>246,375</b>	<b>8.46</b>
<b>Total</b>	<b>3,152,605</b>	<b>100.00</b>	<b>2,953,547</b>	<b>100.00</b>	<b>2,239,078</b>	<b>100.00</b>	<b>2,910,210</b>	<b>100.00</b>

(\*)Does not include "Other Guarantees" amounting to TL 34,083 (December 31, 2009- TL 41,704) and "Factoring Guarantees" amounting to TL 26,949 of as December 31, 2009.

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

	I. Group		II. Group	
	TL	FC	TL	FC
Letters of Guarantee	2,984,274	1,536,157	135,484	121,690
Bill of Exchange and Acceptances	2,337	651,851	-	10,932
Letters of Credit	283	589,763	-	6,610
Endorsements	-	-	-	-
Purchase Guarantees for Securities Issued	-	-	-	-
Factoring Related Guarantees	-	-	-	-
Other Collaterals and Sureties	-	34,083	-	-
<b>Non-cash Loans</b>	<b>2,986,894</b>	<b>2,811,854</b>	<b>135,484</b>	<b>139,232</b>

(\*) Does not include non-cash loans amounting to TL 66,771, for which provision is provided, but which are not indemnified and not liquidated yet.



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**5. Information related to derivative financial instruments**

	Current Period	Prior Period
<b>Types of trading transactions</b>		
<b>Foreign Currency Related Derivative Transactions (I)</b>	<b>39,514,213</b>	<b>28,701,663</b>
Forward transactions (*)	5,004,291	2,349,583
Swap transactions	19,101,458	19,818,311
Futures transactions	402,446	274,612
Option transactions	15,006,018	6,259,157
<b>Interest Related Derivative Transactions (II)</b>	<b>832,498</b>	<b>2,424,642</b>
Forward rate transactions	-	-
Interest rate swap transactions	757,220	2,088,456
Interest option transactions	-	301,140
Futures interest transactions	75,278	35,046
<b>Other trading derivative transactions (III)</b>	<b>-</b>	<b>-</b>
<b>A. Total Trading Derivative Transactions (I+II+III)</b>	<b>40,346,711</b>	<b>31,126,305</b>
<b>Types of hedging transactions</b>	<b>8,652,566</b>	<b>144,480</b>
Fair value hedges	8,164,342	144,480
Cash flow hedges	488,224	-
Net investment hedges	-	-
<b>B. Total Hedging Related Derivatives</b>	<b>8,652,566</b>	<b>144,480</b>
<b>Total Derivative Transactions (A+B)</b>	<b>48,999,277</b>	<b>31,270,785</b>

(\*)This account also includes Forward Asset Purchase Commitments accounted for under Commitments.

As of September 30, 2010 breakdown of the Group's foreign currency forward and swap and interest rate swap transactions based on currencies are disclosed below in their TL equivalents:

	Forward Buy(**)	Forward Sell(**)	Swap Buy (*)	Swap Sell (*)	Option Buy	Option Sell	Future Buy	Future Sell
<b>Current Period</b>								
TL	1,121,863	312,102	4,507,848	10,006,496	3,731,218	3,565,097	9,279	9,279
USD	782,521	1,454,836	8,339,655	4,348,335	2,594,799	2,666,561	229,460	229,460
EURO	628,844	409,201	676,080	186,217	1,069,780	1,147,480	123	123
Other	215,578	79,346	84,189	362,424	118,495	112,588	-	-
<b>Total</b>	<b>2,748,806</b>	<b>2,255,485</b>	<b>13,607,772</b>	<b>14,903,472</b>	<b>7,514,292</b>	<b>7,491,726</b>	<b>238,862</b>	<b>238,862</b>
<b>Prior Period</b>								
TL	335,301	431,381	2,693,906	8,061,208	1,314,573	1,420,448	-	-
USD	514,570	591,657	7,669,657	2,812,092	1,608,687	1,562,863	154,829	154,829
EURO	166,937	119,586	286,928	127,627	326,501	270,596	-	-
Other	156,307	33,844	28,237	371,592	27,022	29,607	-	-
<b>Total</b>	<b>1,173,115</b>	<b>1,176,468</b>	<b>10,678,728</b>	<b>11,372,519</b>	<b>3,276,783</b>	<b>3,283,514</b>	<b>154,829</b>	<b>154,829</b>

(\*) Includes hedging purpose derivatives.

(\*\*)This figure also includes Forward Asset Purchase Commitments and accounted for under Commitments.

As of September 30, 2010, the Group has no derivative transactions for hedge of net investment in foreign operations.

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**6. Information on contingent liabilities and assets**

None (December 31, 2009 – 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 October 2010		FITCH July 2010		CI January 2010	
Long Term Deposit Rating (FC)	Ba3	Long –Term Foreign Curr.	BBB-	Long – Term Foreign Curr.	BB-
Long-Term Deposit Rating (TL)	Baa2	Short-Term Foreign Curr.	F3	Short Term Foreign Curr.	B
Short-Term Deposit Rating (TL)	Prime-2	Long-term TL	BBB-	Financial Strength	BBB+
Financial Strength	C-	Short-term TL	F3	Support	2
		Long-term National	AAA		
		Individual	C		
		Support	3T		

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**SECTION FIVE**

**IV. EXPLANATIONS ON DISCLOSURES RELATED TO CONSOLIDATED INCOME STATEMENT**

**1. a) Information on interest income received from loans**

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest on loans				
Short Term Loans	1,268,215	38,954	1,385,712	67,137
Medium and Long-term Loans	1,031,808	40,886	943,418	67,630
Non-performing Loans	59,568	-	22,044	2
Premiums Received from Resource Utilization Support Fund	-	-	-	-
<b>Total</b>	<b>2,359,591</b>	<b>79,840</b>	<b>2,351,174</b>	<b>134,769</b>

**b) Information on interest income from banks**

	Current Period		Prior Period	
	TL	FC	TL	FC
Central Bank of Turkey	27,553	-	37,882	92
Domestic Banks	10,364	36	994	52
Foreign Banks	16,897	3,150	9,704	14,533
Foreign Headquarters and Branches	-	-	-	-
<b>Total</b>	<b>54,814</b>	<b>3,186</b>	<b>48,580</b>	<b>14,677</b>

**c) Information on interest income from securities portfolio**

	Current Period		Prior Period	
	TL	FC	TL	FC
Trading Financial Assets	6,057	196	7,475	285
Financial Assets at FVTPL	8,761	-	15,158	-
Investment Securities Available for Sale	251,178	26,209	295,794	27,268
Investment Securities Held to Maturity	-	-	102,704	-
<b>Total</b>	<b>265,996</b>	<b>26,405</b>	<b>421,131</b>	<b>27,553</b>

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

None (September 30, 2009 – None).

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

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
Central Bank of Turkey	-	-	-	-
Domestic Banks	7,769	1,279	11,718	6,579
Foreign Banks	32,090	76,819	31,906	165,003
Foreign Headquarters and Branches	-	-	-	-
Other Institutions	-	-	-	-
<b>Total</b>	<b>39,859</b>	<b>78,098</b>	<b>43,624</b>	<b>171,582</b>

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**b) Information on interest expense paid to associates and subsidiaries**

None (September 30, 2009 – None).

**c) Information on interest expense paid to securities issued:**

None (September 30, 2009 – None).

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

Account Name	Time Deposits						Accumulated Deposit Account	Total
	Demand Deposits	Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	Over 1 Year		
<b>Turkish Lira</b>								
Bank Deposits	-	8,703	7,165	1,332	59	6	-	17,265
Saving Deposits	129	156,706	409,372	8,155	3,084	909	-	578,355
Public Sector Deposits	1	246	1,675	6	-	-	-	1,928
Commercial Deposits	26	54,103	160,096	9,699	787	-	-	224,711
Other Deposits	1	4,384	27,338	9,381	275	-	-	41,379
7 Days Call Accounts	-	-	-	-	-	-	-	-
<b>Total</b>	<b>157</b>	<b>224,142</b>	<b>605,646</b>	<b>28,573</b>	<b>4,205</b>	<b>915</b>	<b>-</b>	<b>863,638</b>
<b>Foreign Currency</b>								
Foreign Currency Deposits	21	33,057	56,242	4,475	3,417	509	152	97,873
Bank Deposits	70	644	1,883	313	-	12,067	-	14,977
7 Days Call Accounts	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	27	-	-	-	-	-	27
<b>Total</b>	<b>91</b>	<b>33,728</b>	<b>58,125</b>	<b>4,788</b>	<b>3,417</b>	<b>12,576</b>	<b>152</b>	<b>112,877</b>
<b>Grand Total</b>	<b>248</b>	<b>257,870</b>	<b>663,771</b>	<b>33,361</b>	<b>7,622</b>	<b>13,491</b>	<b>152</b>	<b>976,515</b>

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

Account Name	Time Deposits						Accumulated Deposit Account	Total
	Demand Deposits	Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	Over 1 Year		
<b>Turkish Lira</b>								
Bank Deposits	-	12,291	6,466	154	308	981	-	20,200
Saving Deposits	171	229,263	461,595	13,837	2,035	1,344	-	708,245
Public Sector Deposits	12	317	2,277	37	-	-	-	2,643
Commercial Deposits	50	66,149	84,065	11,402	105	44	-	161,815
Other Deposits	7	5,790	27,354	3,451	1,623	-	-	38,225
7 Days Call Accounts	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	-	-	-	-	-	-	-
<b>Total</b>	<b>240</b>	<b>313,810</b>	<b>581,757</b>	<b>28,881</b>	<b>4,071</b>	<b>2,369</b>	<b>-</b>	<b>931,128</b>
<b>Foreign Currency</b>								
Foreign Currency Deposits	58	54,561	70,264	9,817	4,209	6	636	139,551
Bank Deposits	254	3,382	-	33	20	-	-	3,689
7 Days Call Accounts	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	-	-	-	-	-	-	-
<b>Total</b>	<b>312</b>	<b>57,943</b>	<b>70,264</b>	<b>9,850</b>	<b>4,229</b>	<b>6</b>	<b>636</b>	<b>143,240</b>
<b>Grand Total</b>	<b>552</b>	<b>371,753</b>	<b>652,021</b>	<b>38,731</b>	<b>8,300</b>	<b>2,375</b>	<b>636</b>	<b>1,074,368</b>

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**e) Information on interest expenses on repurchase agreements**

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest Expenses on Repurchase Agreements(*)	32,797	198	56,309	9

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

**f) Information on finance lease expenses**

None (September 30, 2009 – None).

**g) Information on interest expenses on factoring payables**

None (September 30, 2009 – None).

**3. Information on dividend income**

	Current Period	Prior Period
Financial Assets Held for Trading	169	151
Financial Assets at Fair Value Through Profit or Loss	-	-
Financial Assets Available for Sale	-	1,330
Other	155	-
<b>Total</b>	<b>324</b>	<b>1,481</b>

**4. Information on trading income/loss**

	Current Period	Prior Period
<b>Trading Gain</b>	<b>4,071,798</b>	<b>5,882,241</b>
Gains on Capital Market Operations	167,639	313,216
Derivative Financial Instruments	969,729	1,317,837
Foreign Exchange Gains	2,934,430	4,251,188
<b>Trading Loss (-)</b>	<b>4,371,419</b>	<b>6,060,004</b>
Losses on Capital Market Operations	23,722	35,865
Derivative Financial Instruments	1,456,251	1,823,259
Foreign Exchange Losses	2,891,446	4,200,880
<b>Net Trading Income/Loss</b>	<b>( 299,621 )</b>	<b>(177,763)</b>

**5. Information on other operating income**

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

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**6. Provision for losses on loans and other receivables**

	Current Period	Prior Period
<b>Specific Provisions For Loans and Other Receivables</b>	<b>234,575</b>	<b>533,821</b>
Loans and Receivables in Group III	136,974	13,254
Loans and Receivables in Group IV	688	258,532
Loans and Receivables in Group V	96,913	262,035
<b>Doubtful Fee, Commission and Other Receivables</b>	<b>-</b>	<b>-</b>
<b>General Provisions</b>	<b>44,487</b>	<b>20,340</b>
<b>Provision for Free Reserves on Possible Losses</b>	<b>-</b>	<b>38,794</b>
<b>Impairment Losses on Securities</b>	<b>62</b>	<b>-</b>
Financial assets at fair value through profit or loss	62	-
Financial assets - available for sale	-	-
<b>Impairment Losses on Associates, Subsidiaries and Investments Held-to-Maturity</b>	<b>-</b>	<b>-</b>
Associates	-	-
Subsidiaries	-	-
Entities under common control	-	-
Held-to-maturity investment securities	-	-
<b>Other</b>	<b>19,981</b>	<b>28,135</b>
<b>Total</b>	<b>299,105</b>	<b>621,090</b>

**7. Information on other operating expenses**

	Current Period	Prior Period
Personnel costs	480,221	412,749
Reserve for employee termination benefits	2,140	2,606
Provision for pension fund deficits	-	-
Impairment losses on tangible assets	-	-
Depreciation charge for tangible assets	56,364	52,126
Impairment losses of intangible assets	-	-
Impairment losses of goodwill	-	-
Amortization charge for intangible assets	22,073	14,277
Impairment losses on investments under equity method of accounting	-	-
Impairment losses on assets to be disposed	-	-
Depreciation on assets to be disposed	1,277	1,164
Impairment charge for assets held for sale and discontinued operations	-	-
<b>Other operating expenses</b>	<b>374,345</b>	<b>324,245</b>
Operational lease related expenses	72,193	65,802
Repair and maintenance expenses	32,187	22,916
Advertisement expenses	54,229	40,795
Other expenses	215,736	194,732
Losses on sales of assets	1,011	113
<b>Other</b>	<b>123,694</b>	<b>83,626</b>
<b>Total</b>	<b>1,061,125</b>	<b>890,906</b>

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

For the period ended September 30, 2010, net interest income of TL 1,736,934 (September 30, 2009 - TL 1,745,146), net fees and commission income of TL 512,255 (September 30, 2009 - TL 473,409) and other operating income of TL 119,997 (September 30, 2009 - TL 83,943) constitute an important part of the period income.

The Parent Bank sold its subsidiary Finans Malta Holdings Ltd., of which the Bank used to own 100% of the shares, for EUR 185 million in cash on February 24, 2009 to NBG International Holdings B.V. The gain of TL 43,324 resulting from the sale is accounted for as "Income on sale of associates, subsidiaries and entities under common control" under the "Income on Discontinued Operations" in the prior period income statement.

The income / expenses from discontinued operations as of September 30, 2009 are as follows:

	September 30, 2009
<b>Income / Expense from Discontinued Operations</b>	
Interest Income	34,796
Interest Expenses	(38,586)
<b>Net Interest Income / Expense</b>	<b>(3,790)</b>
Net Commission and Fee Income	62
Net Trading Income / Loss	19,240
Other Operating Income	-
<b>Total Operating Income</b>	<b>15,512</b>
Provisions for Losses on Loans and Other Receivables	-
Other Operating Expenses	(481)
<b>Profit / Loss from Discontinued Operations before Taxes</b>	<b>15,031</b>
Tax Charge(*)	(1,123)
<b>Net Profit / Loss from Discontinued Operations</b>	<b>13,908</b>
Gain on Sale of Discontinued Operations	43,324
Tax Charge of Gain on Sale of Discontinued Operations	(9,855)
<b>Profit</b>	<b>47,377</b>

(\*) The current income tax charge amounting to TL 9,855 related with the sale of subsidiary and accrued income tax until the day of sale amounting to TL 1,123 are presented under "Tax Charge for Discontinued Operations" of previous period income statement as total of TL 10,978.

**9. Explanations on tax charge for continued and discontinued operations**

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

As of September 30, 2010, the Group recorded current tax charge of TL 185,994 (September 30, 2009 - TL 165,012) and a deferred tax benefit of TL 47,829 (September 30, 2009 - TL 32,838).

The Parent Bank sold its 100% shares owned subsidiary Finans Malta Holdings Ltd. for EUR 185 million in cash to NBG International Holdings B.V. on February 24, 2009. The tax effect of this sale amounting to TL 9,855 is accounted for under "Tax Charge for Discontinued Operations" in the accompanying financial statements for 2009.

**9.2. Explanations on operating profit/loss after taxes**

None (September 30, 2009 - None).

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

In the current period, there is no profit of the Group from discontinued operations (September 30, 2009 - TL 47,377). The net profit of the Group from continued operations is TL 571,494 (September 30, 2009 - TL 482,046).

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**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 (September 30, 2009 – None).

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

**11.3. Profit or loss attributable to minority shares**

	<b>Current Period</b>	<b>Prior Period</b>
Profit / Loss Attributable to Minority Shares	11,199	11,178

- 11.4. There is no change in the accounting estimates, which have a material effect on current period or expected to have a material effect on subsequent periods.**

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

Fees and commissions from credit cards, transfers and insurance intermediaries are recorded to the “Fees and Commissions received” account and fees and commissions given to credit cards are recorded to the “Fees and Commissions given” account by the Group.



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**SECTION FIVE**

**V. EXPLANATIONS AND DISCLOSURES RELATED TO CONSOLIDATED CASH FLOW STATEMENT**

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

	Current Period	Prior Period
	January 1, 2010	January 1, 2009
<b>Cash</b>	<b>299,848</b>	<b>225,152</b>
Cash in TL	168,939	100,592
Cash in Foreign Currency	126,865	121,349
Other	4,044	3,211
<b>Cash Equivalents</b>	<b>2,821,345</b>	<b>1,769,406</b>
Balances with the Central Bank of Turkey	1,494,358	1,349,821
Banks	1,321,487	428,264
Interbank Money Market Placements	14,351	18,761
Less: Placements with Banks with Maturities Longer than 3 Months	-	(2,183)
Less: Accruals	(8,851)	(25,257)
<b>Cash and Cash Equivalents</b>	<b>3,121,193</b>	<b>1,994,558</b>

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

	Current Period	Prior Period
	September 30, 2010	September 30, 2009
<b>Cash</b>	<b>353,855</b>	<b>246,380</b>
Cash in TL	212,136	128,071
Cash in Foreign Currency	123,415	115,597
Other	18,304	2,712
<b>Cash Equivalents</b>	<b>1,714,289</b>	<b>1,771,635</b>
Balances with the Central Bank of Turkey	1,284,970	1,399,194
Banks	441,149	369,441
Interbank Money Market Placements	3,814	17,415
Less: Placements with Banks with Maturities Longer than 3 Months	(4,150)	(2,228)
Less: Accruals	(11,494)	(12,187)
<b>Cash and Cash Equivalents</b>	<b>2,068,144</b>	<b>2,018,015</b>

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

Restricted cash and cash equivalents include TL 46,847 (December 31, 2009 - TL 49,296) of cash blocked at foreign banks held for foreign money markets and capital markets and borrowings from foreign markets.

**4. Additional information**

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

None (September 30, 2009 – None).

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**SECTION FIVE**

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

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

- 1.1.** As of September 30, 2010, the Parent Bank's risk group has deposits, cash and non-cash loans at the Parent Bank amounting to TL 1,136,416 (December 31, 2009 – TL 1,184,459), TL 28,011 (December 31, 2009 – TL 30,632) and TL 13,074 (December 31, 2009 – TL 34,870); respectively.

**Current Period**

Parent Bank's Risk Group (*)	Associates and Subsidiaries		Bank's Direct and Indirect Shareholders		Other Legal and Real Persons in Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
<b>Loans and Other Receivables</b>						
Balance at the Beginning of the Period	-	385	-	11,745	30,632	22,740
Balance at the End of the Period	-	270	-	12,802	28,011	2
Interest and Commission Income	-	5	30	33	1,454	-

**Prior Period**

Parent Bank's Risk Group (*)	Associates and Subsidiaries		Bank's Direct and Indirect Shareholders		Other Legal and Real Persons in Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
<b>Loans and Other Receivables</b>						
Balance at the Beginning of the Period	-	115	-	-	10,005	3,051
Balance at the End of the Period	-	385	-	11,745	30,632	22,740
Interest and Commission Income	-	4	-	35	1,953	160

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

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

Parent Bank's Risk Group (*)	Associates and Subsidiaries		Bank's Direct and Indirect Shareholders		Other Legal and Real Persons in Risk Group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
<b>Deposits</b>						
Balance at the Beginning of the Period	10,199	80	1,116,699	529,562	57,561	14,973
Balance at the End of the Period	32,121	10,199	1,075,919	1,116,699	28,376	57,561
Interest on deposits	4,491	9	849	1,005	2,202	15,440

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

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

Parent Bank's Risk Group <sup>(*)</sup>	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
<b>Transactions for Trading Purposes</b>						
Beginning of the Period	-	-	105,265	70,407	273,419	142,115
End of the Period	-	-	282,373	105,265	438,187	273,419
Total Income/Loss <sup>(**)</sup>	-	-	-	-	-	-
<b>Transactions for Hedging Purposes</b>						
Beginning of the Period	-	-	-	-	-	-
End of the Period	-	-	-	-	-	-
Total Income/Loss <sup>(**)</sup>	-	-	-	-	-	-

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

(\*\*) Profit and loss amounts of transactions for trading purposes made with own Group cannot be differentiated in total profit and loss accounts.

**2. Disclosures of transactions with the Parent Bank'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 matters**

The pricing of transactions with the risk group companies is set in compliance with the market prices. As of September 30, 2010, cash loans of the risk group represented 0.1% (December 31, 2009 – 0.2%) of the Parent Bank's total cash loans; the deposits represented 5.2% (December 31, 2009 – 5.9%) of the Parent Bank's total deposits and the derivative transactions represented 2.9% (December 31, 2009 – 2.5%) of the total derivative transactions.

**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 places certain amount of its funds from time through time 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, advisory and improvement services.

Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş., in which the Parent Bank participated with 33.3% shareholding, provides cash transfer services to the Parent Bank.

The receivables, payables, income and expenses of the transactions conducted with the financial subsidiaries those stated above are eliminated from the accompanying consolidated financial statements.

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**SECTION SIX**

**OTHER EXPLANATIONS AND DISCLOSURES**

**I. Other explanations related to the Group's operations**

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

As of November 10, 2010, the Parent Bank mandated to a consortium of international banks in order to obtain a syndicated loan in USD and Euro with 1 year maturity.

NBG, the main shareholder of the Bank, has indicated its intention of the public offering of a certain portion of the Bank's capital that represents minority shares on the stock exchange statement on November 11, 2010. In this respect, a syndication of banks have been mandated to assist the Bank in this public offering process.

**2. Information about effects of significant changes in foreign exchange rates after balance sheet date that would affect decision making process of users**

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

**3. Other matters**

None.

**SECTION SEVEN**

**LIMITED REVIEW REPORT**

**I. Explanations on the Limited Review Report**

The consolidated financial statements of the Group have been reviewed by DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (Member of Deloitte Touche Tohmatsu Limited) and the independent accountant's limited review report dated November 26, 2010 is presented preceding the financial statements.

**II. Explanations on the notes prepared by Independent Auditor**

None (December 31, 2009 – None).