

**BANKING
REGULATION AND SUPERVISION AGENCY**

**ANNUAL REPORT
2004**



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Banking Regulation and Supervision Agency
Atatürk Bulvarı No: 191 06680 Kavaklıdere Ankara-TÜRKİYE

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The Annual report about the activities of the Banking Regulation and Supervision Agency is submitted to the Council of Ministers by the end of May every year and the Planning and Budget Commission of the Grand National Assembly of Turkey is being informed about the activities of the Agency in accordance with Articles 3/2 and 6/3 of the Banks Act Nr. 4389 and Article 7 of the Act Nr. 4743 once a year.

The Annual report prepared within this framework consists of five main parts. National and international economic and financial developments affecting the banking sector are evaluated in the first part of the report. The second part includes the developments in the banking sector and the special finance houses in 2004. The structure of the Board and the Agency, staff of the Agency is presented in the third part. Regulation and supervision and other facilities of the BRSA are presented in the fourth part of the report. Developments related to the results and the budget performance is presented in the last part.

PREFACE

Turkish economy has been experiencing an extensive and positive transformation process. After the unstable and non-sustainable structure lasting for years; now it is a period in which economic growth, relief of debt burden problem, decrease in interest ratios, decrease in inflation rate and increases in the confidence to the Turkish currency are experienced.

The Turkish banking sector has a structure with high growth potential. Our expectation is that, as long as the economic and political stability is maintained, the banking is going to keep on growing, as well. Within the scope of the stability provided in economic and political fields in the country, the contribution of the emerging sector to the economy increased in 2004.

In order to set up the infrastructure for a new financial architecture; the Agency was built with a more flexible, effective and highly coordinated organization structure which will be compatible with the developing and changing conditions; the transition to the New Turkish Lira (NTL) was provided; savings deposit guarantee in banks and assurance provided for savings of natural persons holding current accounts and profit and loss participation accounts at special finance institutions (SFI) was limited by NTL 50 thousand and the insurance premiums are provisioned to be calculated over the said amount; the SFI's were made subject to the same principles that the banks apply in accounting and independent audit practices; the studies on the Draft Act on Financial Services (Draft Banking Act) as well as Draft Act on Bank Cards and Credit Cards were carried out; the process concerning the sales of Yapı ve Kredi Bankası A.Ş. and the merger process of Pamukbank T.A.Ş - T. Halk Bankası A.Ş. were completed.

In the following years, the success of financial systems are going to be provided by the indicators such as; the domination of corporate administration, the efficiency of risk management, the power to compete in international market, the level of contribution made to the financing of the economic growth, the variety and the accessibility of products. Within this scope, the BRSA which aims to reach a healthier structure and competitiveness in international scale, carries on preparations in parallel with the recommendations of the BASEL Committee as regards risk measurement and management, and the accordance of the banking sector to BASEL II is being monitored and supported closely, by taking into consideration the international principles and standards as well as the best applications.

One of the most important success criteria of the institutions such as the BRSA is to take the required measures by determining the problems on time. Accordingly, the BRSA has adopted the fundamental principles and values of impartiality, transparency, effectiveness, responsiveness, cooperation and innovation. Within this scope, periodic publications have been started to be generated in order to contribute to the Agency's transparency and to illuminate the public. Therefore, the interactive bulletin (e-bulletin) which is one of the publications made with the aim of being accessed by the users as being convenient to analyze and charged with historical background without losing the actuality of the financial informations, has been made public in our website.

The BRSA will continue to carry out its operations in an impartial manner, by a professional management understanding with amateur spirit which knows the problems and potential of the system.

Tevfik BİLGİN
Chairman

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ABBREVIATIONS AND EXPLANATIONS

EU	European Union
Dec.03	December 2003
Dec.04	December 2004
Arranged Free Capital (1)	Free Capital- Past-due Loans (net)
Arranged Free Capital (2)	Free Capital-Postponed Tax Asset-Prepaid Expenses
Basel II	The New Capital Adequacy Framework
BRSA	Banking Regulation and Supervision Agency
BCBS	Basel Committee on Banking Supervision
BIS	Bank for International Settlements
Euro	European Union Common Monetary Unit
FED	USA Central Bank
GATS	General Agreement of Trade Service
GRECO	Group of States Against Corruption
GNP	Gross National Product
IFC	International Finance Corporation
IMF	International Monetary Fund
TRNC	Turkish Republic of Northern Cyprus
SP	Securities Portfolio
OECD	Organization for Economic Cooperation and Development
SFI	Special Finance Institutions
QIS-TR	Basel II Numerical Impact Study
Free Capital	Own Funds-Participations and Affiliates-Fixed Assets
CAR	Capital Adequacy Ratio
TL	Turkish Lira (New Turkish Lira)
NPL	Non-Performing Loans
NPL (net)	Non-Performing Loans- Non-Performing Loans Equivalent
BAT	Banks Association of Turkey
CBRT	Central Bank of the Republic of Turkey
SDIF/Fund	Savings Deposit Insurance Fund
USD	US Dollar
WTO	World Trade Organization
FX	Foreign Exchange
FXNGP Ratio	FX Net General Position/Own Fund Standart Ratio
NTL	New Turkish Lira

OUR MISSION

Our mission is to safeguard the rights and benefits of the depositors, to provide the proper environment in which banks and financial institutions can operate with market discipline, in a healthy, efficient and globally competitive manner, thus contributing to the achievement of long-run economic growth and stability of the country.

OUR VISION

Based on of the understanding of “Strong Banking-Strong Economy”, innovative approach and professionalism, our vision is becoming a regulation and supervision authority at international standards through realizing the transition to an internationally competitive banking sector resistant to internal and foreign shocks and focused on the activation of the intermediary function.

OUR MAIN VALUES AND TARGETS

BRSA shall establish, implement and develop the required regulatory and supervisory frame in order to carry out its mission and implement its vision. In this scope, BRSA’s main values are:

Impartiality: The BRSA equally treats all institutions that operate in its scope, and fulfills its responsibilities with care and impartiality, avoiding all types of discrimination.

Transparency: In order to carry out the operations in an accountable and transparent manner, informing the public about the operations and operation results is ensured.

Effectiveness: Regulatory and supervisory practices are carried out regarding cost/benefit approach and special attention is given to preventing the occurrence of any possible effects that could distort the competitiveness between sector institutions. Activities are carried out by a specialist and devoted staff with high ethical values.

Responsiveness: Demands of the individuals and institutions related to the activities of the Agency are timely and effectively responded.

Cooperation: Due diligence is given to effective and open communication with the sector, professional institutions, academic environments, and other related parties during the process of drafting regulations and implementation hereof. Besides, cooperation with other public agencies is made for ensuring consistency as regards policy implementation and regulations,

Innovation: Within the framework of the necessities of national economy, cooperation with national, international institutions and organizations responsible for the regulation of the financial sector is ensured considering the rapid development and change in finance.

The targets of the Agency, within the framework of the values clarified above, are;

Safeguarding the rights and benefits of depositors: Safeguarding the rights and benefits of depositors by setting up the balance between the requirement of safeguarding the rights of depositors and the effects of deposit insurance system which increases the moral hazards and destroys the market discipline.

Effective supervision and regulation: Establishing the framework of the auditing structure which will enable banks to operate in a sound environment; will be in line with the developments in the banking sector; will safeguard the competitive structure of the system and also use the early warning and intervention systems within a legal and corporate framework.

Improving the endurance of the sector: Increasing the resistance and flexibility of the sector against risks by developing the risk-based and consolidated supervision and regulation capacity of the Agency,

Strong and healthy banking sector: Ensuring the continuity of a transparent and competitive banking sector with a strong capital structure and performing within international standards.

SECTION 1. DEVELOPMENTS IN TURKISH AND WORLD ECONOMY

1.1. World Economy

1.1.1. Macroeconomic Developments

The recovery process began in the world economy in 2003 continued in 2004 and the growth rate of the world economy reached to 5,1% in 2004 from 4% in 2003. The growth rate and structure significant differ among regions. While the growth rate in developed countries increased to 3,4% from 2%, the growth rate in emerging market economies and developing countries group increased to 7,2% from 6,4%.

The growth rate in the USA economy in 2004 was 4,4%, 2% in the Euro Area and 2,6% in Japan. While the countries experiencing high growth rates recently like China, Russia and India have carried on their performances, the Brazil and Argentina economies, which weakened after 2000, left its place to recovery.

In parallel with the economic growth, the capacities of foreign trade volume and employing of the economies increased. While the global foreign trade volume increased by 9,9%, the unemployment rate in the USA decreased but it still is a significant problem in the Euro Area. The import demand in the USA economy and in the Euro Area in 2004 increased by 9,9% and 6%.

The economic growth throughout the world was realized in relatively low interest atmosphere. Besides the grow rate, the inflation rate especially in the USA economy showed an increasing tendency by the impact of the increase seen in the oil prices as a result of the Iraq War and uncertainties concerning the economies of some countries.

In the acceleration of the world output increase rate, the high growth in the USA and Asian countries was effective. Following the slow down seen in economic activities in 2001, the fact that the interest rates decreased to relatively low levels and the expansionary fiscal policy applied by the government especially in defence expenditures, created liquidity abundance and demand expansion in the USA economy and the world economy. The Asian countries which adopted competitive exchange rate policy after the crisis experienced in 1998 as well as emerging market economies which are successful in direct foreign capital investments have succeeded in reaching to high growth rates. On the other hand, the increasing oil prices affected positively the growth rates of oil exporter countries.

Domestic demand which increased as a result of low interest rates and expansionary fiscal policy leded USA economy to have a deficiency in balance of payments; and the excessive balance of payments increased in the Euro Area, in Japan as well as in emerging and developing countries group.

The increasing international reserves which had deficiency in balance payments in emerging and developing countries were used significantly in the purchase of USA-originated securities. The Asian countries which had approximately the half of net portfolio investments made to this country have played an important role in financing the deficiency in payments balance of the USA economy.

While the rate of public sector financing deficiency to national income was 2,7% in Euro Area, it was realized as 4,3% in USA economy. The increase realized in public expenditures in order to recover the economy, leded the public sector financing deficiency in Japan increase to 7,8% in 2003. This rate decreased to 7,1% in 2004.

The expansion of economies and phases experienced in transition to market economy especially in China as well as the Central and East European Countries, increased significantly the direct foreign investments into these countries. On the other hand, the capital movements increasing as a result of low the interest rates in developed countries have affected the economies positively by supply, demand and foreign demand dimensions.

The recovery process began in the world economy in 2003 continued in 2004.

Table 1.1 The Selected World Economic Indicators (% Change)

	2002	2003	2004
World Output	3,0	4,0	5,1
Developed Countries	1,6	2,0	3,4
-USA	1,9	3,0	4,4
-Euro Area	0,9	0,5	2,0
-Germany	0,1	-0,1	1,7
-Japan	-0,3	1,4	2,6
-Emerging Market Economies and Developing Countries	4,7	6,4	7,2
-Argentina	-10,9	8,8	9,0
-Brazil	1,9	0,5	5,2
-China	8,3	9,3	9,5
-Russia	4,7	7,3	7,1
Foreign Trade Volume	3,3	4,9	9,9
Export			
-Developed Countries	2,2	2,8	8,1
- Emerging Market Economies and Developing Countries	6,6	10,7	13,8
Import			
-USA	3,4	4,4	9,9
-Euro Area	0,6	1,8	6,0
-Germany	-1,6	4,0	5,7
Balance of Payments (% Rate to National Income)			
-USA	-4,5	-4,8	-5,7
-Euro Area	0,8	0,3	0,4
-Germany	2,2	2,2	3,6
-Japan	2,8	3,2	3,7
-Argentina	8,5	5,8	2,0
-Brazil	-1,7	0,8	1,9
-China	2,8	3,2	4,2
-Russia	9,0	8,2	10,2
Consumer Prices			
-Developed Countries	1,5	1,8	2,0
-USA	1,6	2,3	2,7
-Euro Area	2,3	2,1	2,2
-Japan	-1,0	-0,2	0,0
- Emerging Market Economies and Developing Countries	6,0	6,0	5,7
Unemployment Rate			
- Developed Countries	6,4	6,6	6,3
- Newly Industrialized Asian Countries (*)	4,1	4,3	4,1
Public Sector General Balance (% Rate to National Income)			
-USA	-4,0	-4,6	-4,3
-Euro Area	-2,4	-2,8	-2,7
-Japan	-7,9	-7,8	-7,1
Capital Flows Special to Emerging and Developing Countries (USD billion)	75,8	149,5	196,6
-Direct Investments (net)	144,4	151,9	186,4
-Portfolio Investments (net)	-90,0	-9,90	28,8
-Balance of Payments	142,5	233,8	336,3
- China	35,4	45,9	70,0
- Russia	30,9	35,4	59,6
- Newly Industrialized Asian Economies (*)	59,3	84,5	89,6
- Middle Eastern Countries	29,4	59,3	112,5

Source: IMF, World Economic Outlook, April 2005.

(*) South Korea, Taiwan, Singapore and Hong Kong.

1.1.2. Financial Developments

The increase in interest rates in the USA economy and in oil prices were the leading factors that affected the world finance system in 2004.

Worries about the economy, increasing public deficits and the significant increase in foreign trade deficit led the USA Federal Bank (FED) to increase the interest rates.

However, as a result of the fact that the FED successfully applied its policy of increasing interest rates, no important fluctuations were experienced in real and financial markets.

Euro which was weak against USD until April 2003, has entered into a rapid evaluation process in the following period and USD/Euro parity increased by 1,36% in end-2004. A similar development was experienced in Yen. In general, currency units of developing countries gained value against USD in 2004, as well.

Depending on the high economic growth performance and increasing company profitability, stock markets had a progress in 2004. While the rate of increase in Dow Jones and NASDAQ indexes remained relatively limited, other main stock-exchange indexes increased significantly in USD terms.

Although the spreads of Eurobonds which was exported to developing countries had an increasing tendency in the first half of 2004, it decreased to relatively low levels in end 2004. Though Eurobond spreads of Argentina that suffered in paying its debts were high, they decreased significantly in 2004.

The increases in interest rates in the USA economy and in oil prices were the leading factors that affected the world finance system in 2004.

Table 1.2 International Financial Indicators*

	2003	2004											
	December	Jan.	Feb.	Mar.	Apr.	May.	June.	July.	Aug.	Sept.	Oct.	Nov.	Dec.
Interest Rates (%)													
USD 3-Month Libor Rate													
Interest Rate	1,15	1,13	1,12	1,11	1,18	1,32	1,61	1,70	1,80	1,98	2,17	2,41	2,56
Euro 3-Month Libor Rate													
Interest Rate	2,12	2,09	2,05	1,96	2,07	2,09	2,12	2,12	2,11	2,12	2,15	2,17	2,15
USA 5 Year T-Bill Rate	3,22	3,15	2,95	2,79	3,62	3,80	3,77	3,69	3,31	3,37	3,32	3,71	3,69
Exchange Rates													
USD/ Euro	1,258	1,247	1,249	1,231	1,1831	1,2269	1,208	1,205	1,218	1,243	1,274	1,329	1,360
Yen/ USD	107,31	105,76	109,15	104,28	110,36	109,96	108,86	111,43	109,11	110,0	106,25	102,90	103,76
Brazil Real/ USD	2,890	2,934	2,905	2,895	2,932	3,09	3,083	3,035	2,926	2,858	2,861	2,719	2,667
Ruble/ USD	29,24	28,52	28,52	28,51	29,01	29,021	29,07	29,10	29,25	29,22	28,76	28,13	27,85
Stock-exchange Indexes**													
-USD (DJI)	100,0	100,3	101,2	99,1	97,8	97,5	99,8	97,0	97,3	96,4	95,7	99,8	103,6
-USD (NASDAQ)	100,0	103,1	101,3	99,5	95,8	99,2	102,2	94,2	91,8	94,7	98,6	104,7	108,7
-Euro Area (FTEU1)	100,0	101,0	103,5	99,0	96,3	98,7	98,3	96,6	96,5	100,1	104,1	110,5	115,2
-Japan (Nikkei)	100,0	102,5	101,7	112,9	107,1	103,4	109,5	102,2	102,1	98,9	102,7	106,5	110,2
-Brazil (Bovespa)	100,0	96,8	97,3	99,4	86,9	82,7	89,2	95,7	101,3	105,7	104,2	120,1	127,5
-Russia	100,0	110,4	121,1	136,0	112,1	103,6	103,4	95,7	103,0	111,4	117,9	115,1	110,8
Eurobond Spread (Points)***													
-Argentina	7.049	5.236	4.864	4.858	4.628	4.867	5.323	5.008	5.019	5.246	5.174	5.091	4.795
-Russia	133	188	187	170	211	220	222	222	203	203	151	128	107
-Brazil	379	520	577	543	683	732	657	580	481	410	421	324	263
-Turkey	306	355	341	310	416	548	496	427	315	289	295	251	208
Petrobond Prices (\$)													
	30,3	29,7	32,5	32,4	34,7	36,9	34,0	41,7	39,6	47,3	49,0	44,2	38,9

*Data provided reflect end-month figures.

** In USD terms, end-December 2003=100

*** Stands for the spreads of 2009or the closest maturity bills to 2009 in respect of Treasury bills interest of the USA due 2009.

Source: Reuters.

1.2. Turkish Economy

1.2.1 Overview

In 2004, Turkish economy carried on its high growing tendency which was gained by the reliance established by political stability as well as the success of macroeconomic policies and structural transformation projects been applied since 2002. 5% of GNP growth target determined for 2004 was exceeded and economy grew by 9,9%. GNP per capita increased by 23% to USD 4.172 with current prices.

Inflation, which is the other significant indicator of the macroeconomic stability, decreased under the prescribed rate in 2004 and was realized as 9,3%, which is the lowest value since 1970.

The economic program put into practice after the crisis experienced in 2001 was completed by end-2004. Studies concerning signing of a 3-year Stand-by agreement with IMF in December 2004 are continuing.

By the Resolution dated December 17, 2004 of EU heads of governments and states concerning the initiation of membership negotiations with Turkey on September 2005, Turkey's EU relations of 41 years have entered into a new period. Within this scope, the policies which Turkey is to apply in the negotiations process will contribute significantly to improve the current economic structure.

The domestic demand recovered in 2004 as a result of realization of consumption expenditures and private investment expenditures which were delayed in previous years, due to macroeconomic developments and expectations. Within this scope, the main determiner of the high growth rate was regarded as the increase in domestic demand. The increase in domestic demand which was also affected by gaining value of TL in real terms resulted in the distortion of external balance. In spite of the high export increase in 2004, the deficiency in foreign trade increased to USD 23,9 billion, current accounts deficit amounted to USD 15,6 billion and reached to 5% of the estimated GNP. The fact that the share of direct foreign investments in the financing of current deficits low and the financing of said deficit with significantly short term funds are evaluated as a risk factor.

The positive progress in Macroeconomic structure, the negotiations to begin with EU and remarks on a new program to begin with IMF are strengthening the expectations on that foreign financing opportunities will not reduce and the exchange rate policy practiced is increasing the resistance of economy against crisis have stabilizing impacts on high current accounts deficit.

Tight finance policies applied have been considered to have an important role in macroeconomic structure recovery. The achievement of targets in 2004 Program proofs the continuation of the fiscal discipline. It is expected that continuation of the fiscal discipline shall contribute to the maintenance of public finance policies being applied and to the continuation of the economic growth rate and also to the decrease of the rate of debt stock to the national income.

The realization of the inflation target predicted for CPI amounting to 12% by the CBRT, increased the credibility of monetary policies in 2004, which is the third sequential year. The Central Bank declared that transition to open inflation targeting will be realized in 2006. In realization of inflation target, it is considered that carrying on fiscal discipline policies like previous periods and completing the structural reforms are of critical importance.

The high growth rate in 2004 has not led to the expected employment increase. According to Household Labor Survey, the unemployment rate throughout the economy in 2004 was around 10,3%. When the deficient employment rate is added, total unemployment rate reaches to about 14,5%. The increase in civil employment was 2,0% in 2004. Real wage index per hour in manufacturing industry increased by 2,9% and the partial profitability index per person working in production increased by 10% in the first 9-months of 2004. Therefore, the real wage increase throughout the economy was recognized to get behind the profitability increase.

1.2.2 Financial Developments

The growth performance presented in the Turkish economy in the first quarter of 2002 continued also in 2004. When the sources of high growth realized in 2004 are evaluated, the rapid increase in domestic demand is seen as the main determining factor. As a result of the private sector fixed capital investments increased by 45,5% and private consumption increased by 10,1%, total domestic final demand increased by 14,1% in 2004. The inflation and nominal interest rates showed a rapid decrease as a result of the success of the economic program being applied and the structural reforms being realized in 2004. Asset effect of savings increased in the high real interest period due to the decrease in interests with positive economic frame resulted with the realization of delayed consumer prices. When the special consumption composition is evaluated, a demand increase especially for durable and semi durable goods is observed. Positive developments in macroeconomic indicators and that TL gained value prepared the proper environment to meet the investment need. The capacity utilization rates overreached to 80% as a result of the production increase created by high domestic demand and accordingly expanding the product capacity came to the agenda. The main source of the increase in private sector investments was that the sector increased its equipment investments by 60,3%.

Growth and inflation rates realized in Turkey in 2004 are the indicators of a successful economy.

When the sectoral growth rate is examined, it is observed that the industry increased by 9,4%, construction by 4,6%, trade by 12,8%, transportation and communication by 6,8%. Even though it was a product year in agriculture, growth was limited by 2,0%.

Table 1.3 Growth Rates (%)

	Annual		2004			
	2003	2004	1 st quarter	2 nd quarter	3 rd quarter	4 th quarter
Total Consumption	5,6	9,0	11,6	15,4	5,9	4,7
Public	-2,4	0,5	2,6	-7,8	-7,0	11,1
Private	6,6	10,1	12,4	18,4	7,3	3,6
Fixed Capital Investments	10	32,4	57,6	47,4	26,1	11,2
Public	-11,5	-4,7	-5,9	-8,7	-10,8	0,9
Private	20,3	45,5	65,5	63,1	38,9	17,7
Stock Change*	3,0	1,2	3,0	1,4	-0,9	3,5
Total Domestic Final Demand	6,5	14,1	19,8	22,9	9,9	6,3
Export of Goods and Service	16	12,5	10,9	17,2	8,2	14,4
Import of Goods and Service	27,1	24,7	31,3	32,7	16,1	19,6
GDP (Expenditure)	5,8	8,9	11,8	14,4	5,3	6,3
GNP	5,9	9,9	13,9	15,7	5,7	6,6

*Contribution to the growth.

The Central Bank carried on its monetary policy focused on implied inflation in 2004. Within this scope, short-term interest rates were used as the main instrument; several monetary size targets played a currency peg function in the system. When the developments in monetary sizes are observed, it is seen that the issue increased by 24%, reserve money by 32% and M2 by 35% in 2004. By the impact of regression in foreign exchange rates and reverse currency substitution in 2004, it is observed that the M2Y increased by 24% as a result of a limited increase of 10% in the FX Deposit Account of domestic residents. The Central Bank made reduction for four times in short-term interest rates and overnight debt interests decreased to 18% from 26%, loan interests decreased to 22% from 31% by considering the economic expectations and the developments in inflation in 2004.

The USD/Euro parity has progress in favor of Euro during 2004 and the parity increased to 1,34 in December 2004 from 1,22 in December 2003. When the development of foreign exchanges throughout 2004 is evaluated by monthly average; it is observed that Euro exchange rate increased by 6,4% and USD exchange rate decreased by 2,5% when compared to end-2003. According to real effective exchange rate index in CPI terms, TL gained value by 5,1% in 2004.

Current account balance had a deficit amounting to USD 15,6 billion in 2004. It is seen that this deficit is derived significantly from trade balance, in other words, from import realized above export. Import increased by 40% and export by 34% in the said year. The decrease in cost due to the increase in import input used in export goods has been effective on the increase in export despite the evaluation in the exchange rates. The strong foreign demand also affected the export performance positively. When the import composition is examined, that the import of intermediate and investment goods constitutes 87% of the total import despite the fact that the increase in domestic demand has increased the consumption goods, is interpreted as the import expanded the production capacity. The highness of short-term portfolio investments in the financing of current transactions deficit is regarded as a risk element. On the other hand, that the rate of current transactions deficit to the national income reached to 5% in 2004 rises the curiosity about sustainability in external balance. Although the gaining value of TL is evaluated as a positive progress in struggling with inflation, it has a distorting effect on external balance. The agreement to be signed with the IMF, EU negotiations positive impacts on the expectations of the investors, the relative endurance of floating exchange policy against crisis decrease the negativities in external balance.

The rate of external public debt to the national income decreased to 30,5% from 38,1% in 2004.

Consolidated budget targets were achieved by thanks to the tight fiscal policies practiced in 2004. The rate of consolidated budget deficit to GNP decreased to 7,1% in 2004 from 11,3% in 2003. Due to the fiscal discipline, the decrease in nominal interest rates and inflation as well as the positive expectations, the average internal borrowing interest rate of the Treasury decreased to 24,8% in 2004 from 42,7% in 2003. The average maturity structure in internal borrowing increased to 372 days from 302 days.

Interest rates in government securities secondary market experienced a parallel progress with the developments in the primary market and the interest of the security with utmost effect transactions decreased to 25% in 2004 from 46% at average in 2003. Although the investment environment and debt cost are negatively affected by the high levels of real interest rate of the internal debt of the Treasury to the market (16,5% on December 2004, 10,7% on December 2003), they cause the continuation of speculative quality capital access into the country.

By the positive impact of the increase in the national income, the rate of internal debt stock to GNP decreased to 52,9% in 2004 from 54,5% in 2003 and 69,2% in 2001. While the share of the fixed yielded portion in total internal debt in 2004 increased to 42% from 25%, variable interested portion decreased to 40% from 43%, foreign exchange and foreign exchange indexed portion decreased to 18% from 22%.

Total external debt stock increased by USD 16,4 billion to USD 161,7 billion in 2004 when compared to end-2003. The share of short-term debts in external debt stock in the said period increased to 19,7% from 15,8%. The external public debt increased by 9% to USD 91,9 billion in 2004 when compared to the end of previous year. The rate of external public debt to the national income decreased to 30,5% from 38,1% in the same period. The consolidated budget gross liability stock decreased to 73,8% in 2004 from 79,3% in 2003 and 100,9% in 2001.

ISE National 100-Composite Index was unstable due to the fluctuation in international financial markets in the first half of 2004, but gone into an increasing tendency in the following period as a result of the positive progress of economic expectations and increase of investor confidence. Accordingly, index increased by 34% in TL terms and was realized as 24.972 levels in 2004. The increase in index in US dollar terms was 38%.

Positive macroeconomic developments especially such as the stable decrease in inflation and internal debt interest rates have also affected deposit interest rates and TL-deposit simple interest rate with a maturity of 1-month decreased to 23% in 2004 from 38% at average in 2003.

Chart 1.1 Basic Macroeconomic Indicators

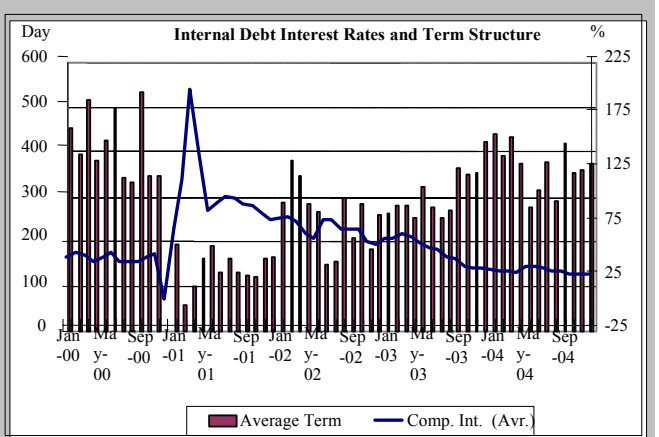
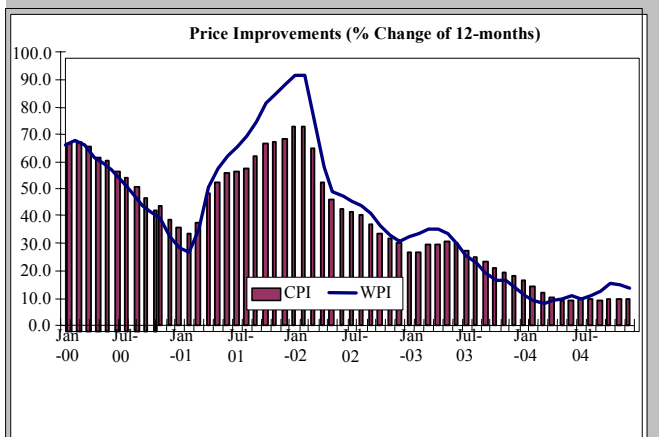
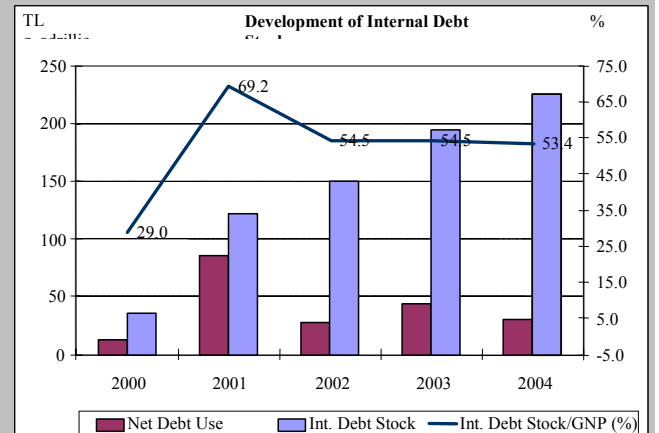
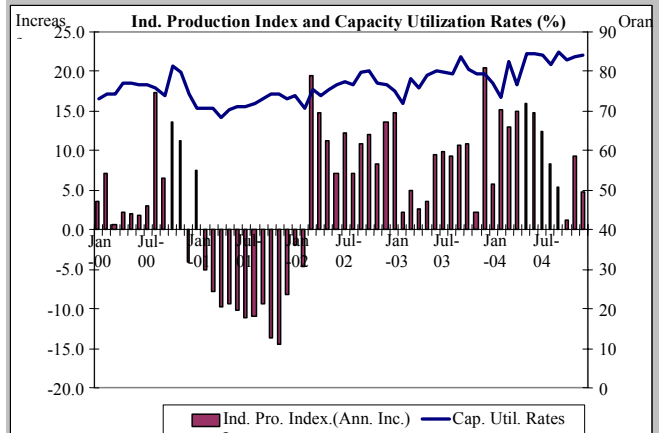
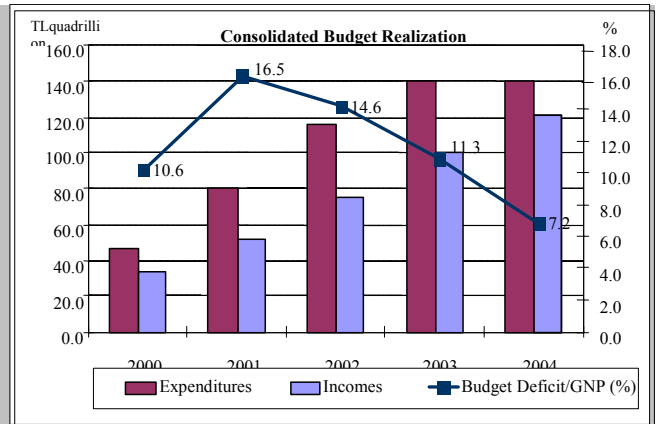
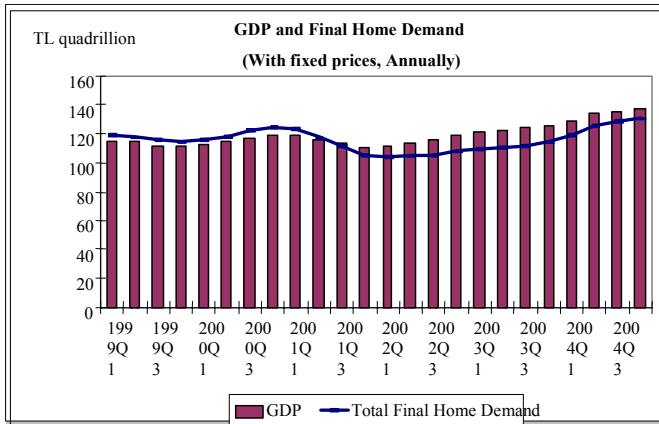


Chart 1.2 Basic Indicators Concerning External Balance

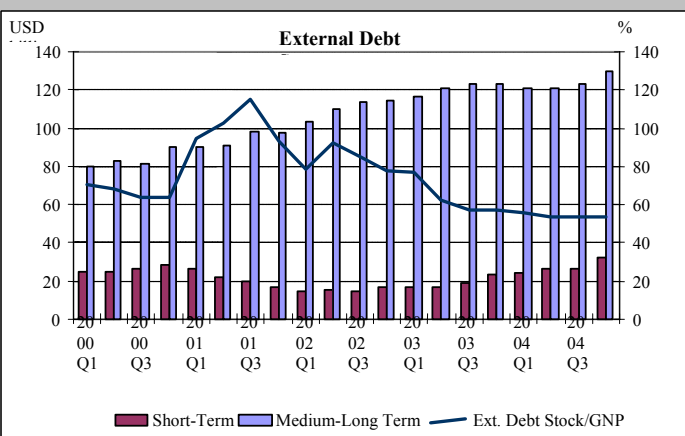
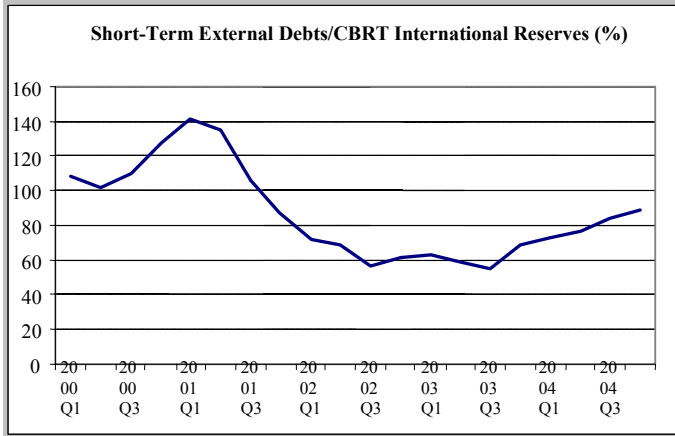
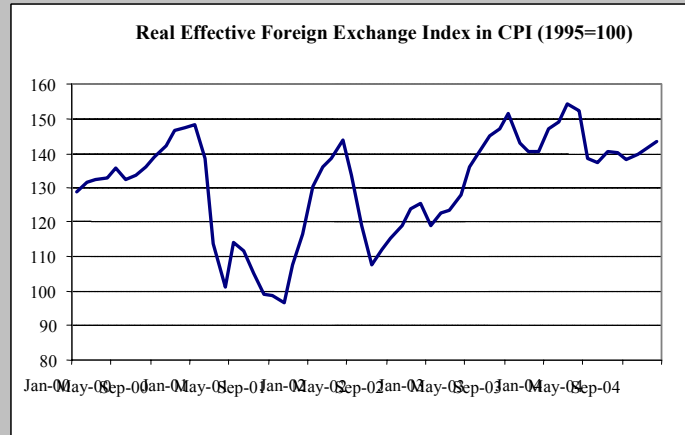
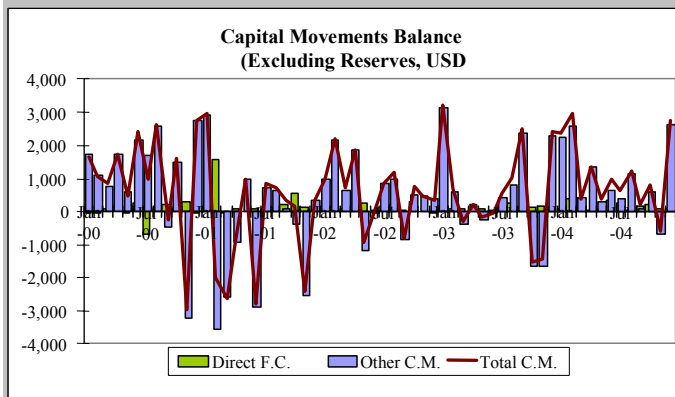
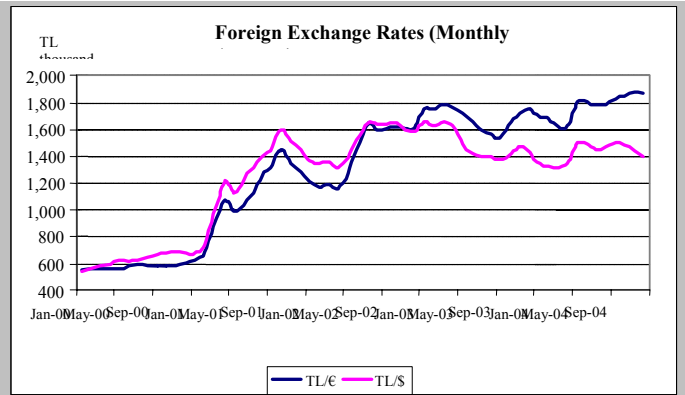
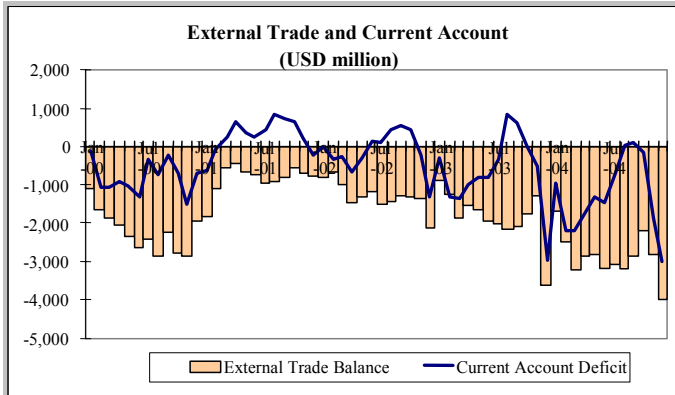


Chart 1.3 Basic Financial Indicators

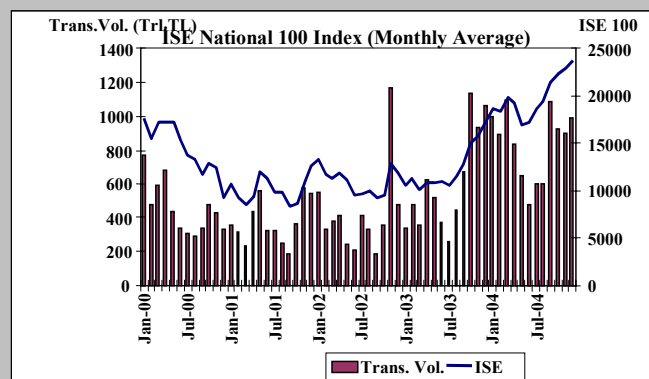
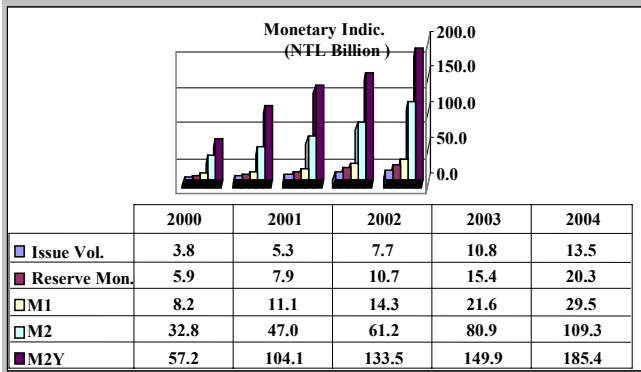
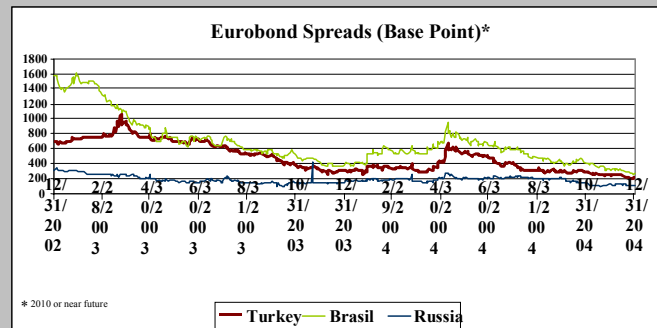
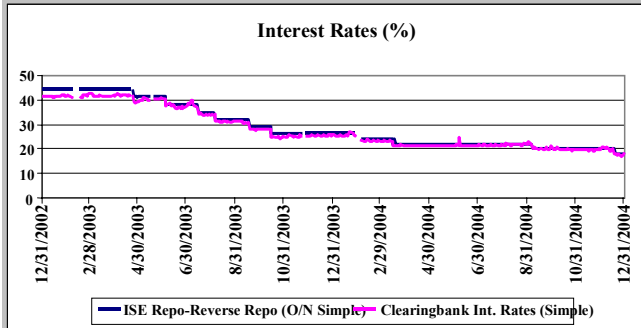
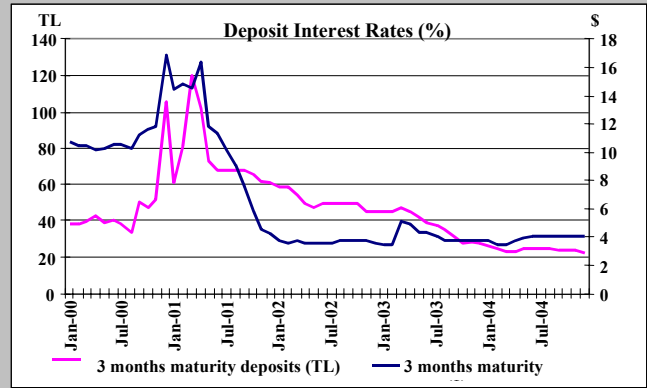
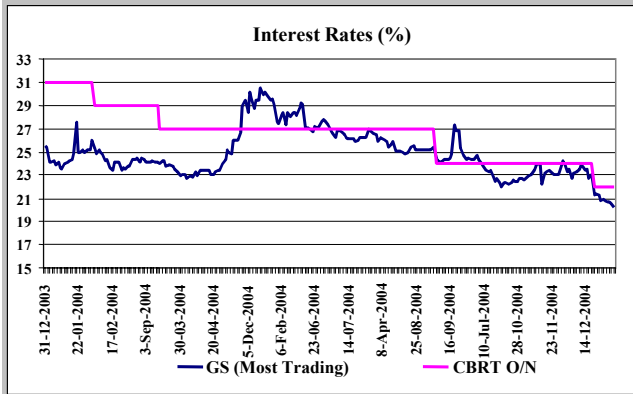


Table 1.4 Basic Economic and Financial Indicators

	2003	2004	2004			
			I	II	III	IV
GNP Growth (%)	5,9	9,9	13,9	15,7	5,7	6,6
Monthly Industrial Production Index (% Change)	8,5	9,8	11,1	15,2	8,6	4,9
Monthly Special Production Industry Capacity Utilizing Rate (%)	75,3	79,9	76,3	82,8	79,8	80,8
WPI (% Change of 12-Months-End-Period)	13,9	13,8	8,0	10,5	12,5	13,8
CPI (% Change of 12-Months-End of the Period)	18,4	9,3	11,8	8,9	9,0	9,3
NTL/USD (Period Average)	1,4931	1,4223	1,3276	1,4470	1,4714	1,4389
NTL/USD (% Change of 12-Months)	-14,6	-3,8	-23,2	4,5	8,8	-3,8
NTL/USD (End-Period)	1,3958	1,3421	1,3113	1,4859	1,4977	1,3421
CBRT Real Foreign Exchange Index (CPI 1995=100)	136,5	143,5	150,2	142,8	139,6	141,5
Export (USD billion)	47,3	62,8	13,5	15,5	16,0	17,8
Export (% Change)	31,0	32,8	30,1	37,1	31,1	32,9
Import (USD billion)	69,3	97,2	20,9	24,4	25,1	26,8
Import (% Change)	34,5	40,1	45,3	48,1	36,0	33,6
External Trade Deficit (USD billion)	-22,1	-34,4	-7,4	-8,9	-9,1	-9,0
Current Account Balance (USD billion)	-8,0	-15,6	-5,4	-4,5	-0,6	-5,1
Capital Movements Balance (USD billion)	3,0	12,5	5,9	1,6	1,4	3,6
Reserve Movements (Balance of Payments Definition) (USD billion)	-4,0	-0,8	0,2	-1,1	-0,6	0,6
CBRT International Reserves (USD billion)	33,6	36,0	32,9	33,8	34,7	36,0
Short-Term External Debts/CBRT International Reserves (%)	68,5	88,6	72,9	76,9	84,1	88,6
Consolidated Budget Balance (NTL billion)	-40,2	-30,3	-7,0	-7,6	-6,5	-9,2
Excessive Primary Surplus (NTL billion)	18,4	26,2	7,9	7,2	9,1	2,1
Internal Debt Stock-Total (Milyar NTL)	194,4	224,5	203,7	209,1	217,6	224,5
Internal Debt Stock (Total)/M2Y (%)	128,6	121,1	131,6	126,4	121,8	121,1
Internal Debt Stock (Cash)/M2Y (%)	86,3	89,3	90,9	89,1	87,5	89,3
Total External Debt Stock (USD billion)	145,4	161,7	145,0	147,5	152,2	161,7
Public Sector External Debt Stock (USD billion)	91,1	91,9	88,6	88,0	88,2	91,9
Central Bank Net Domestic Assets (NTL billion)	6,3	9,7	6,6	7,4	7,2	9,7
Monetary Base (IMF Introduction)(NTL billion)	23,3	23,9	24,7	25,1	24,4	23,9
M2Y (NTL billion)	151,2	185,4	154,8	165,4	178,6	185,4
CBRT O/N Interest (Annual Simple, Average,%)	42,3	26,5	29,3	27,0	26,2	23,7
Government Securities Secondary Market Interest Rate (Compound, Average, %)	46,0	24,9	24,3	26,7	25,7	22,8
Treasury Tender Interest Rate (Compound, Average, %)	45,0	25,7	26,3	27,4	26,3	22,6
Treasury Tender Average Maturity (Weigh. Average, Day)	302	372	421	322	363	362
TL Deposit Interest Rate with Maturity of 1-Month (Annual, Simple, %)	37,5	23,1	24,3	22,8	23,1	22,3
ISE International 100 Index (end-period)	18.625	24.972	20.191	17.968	21.954	24.972
ISE International 100 Index (USD, end-period)	778	1.075	897	707	854	1.075

Source: SIS, Turkish Treasury, Ministry of Finance, CBRT, SPO

SECTION 2. DEVELOPMENTS IN BANKING SECTOR¹

2.1. Overview ²

The Turkish banking sector had a successful performance in 2004 with the effect of stability in economic and political environment. The number of banks in the sector in 2004 decreased to 48 as a result of; the merger of two foreign banks (transfer of Credit Lyonnais S.A. to Credit Agricole Indosuez Türk Bank A.Ş.), that Deutsche Bank A.G. which was in development and investment bank status passed over to foreign bank status by taking out the license of collecting deposits and that Pamukbank T.A.Ş. was merged with T. Halk Bankası A.Ş. Of the said 48 banks, 35 are deposit-taking banks and 13 are development and investment banks.

The number of consolidated branches of banks in 2004 increased by 128 to 6.215. The said increase was due to the increase in number of branches of private banks (127). With the effect of the merger of T.Halk Bankası A.Ş. with Pamukbank T.A.Ş., the number of branches in the SDIF banks group decreases while the number of branches increased in state banks. The increase in number of employee was similar and the total number of employee in the banking sector increased by 3.909 persons to 127.939.

Table 2.1 Number of Banks and Employees

	Number of Banks		Number of Branches		Number of Personnel		Number of Branches Abroad		Number of Employees Abroad	
	December 2003	2004	December 2003	2004	December 2003	2004	December 2003	2004	December 2003	2004
State banks	3	3	2.070	2.236	37.982	39.454	12	14	124	168
Private Banks	18	18	3.609	3.736	70.622	76.932	22	24	302	350
SDIF Banks	2	1	175	1	4.518	403	1	-	3	-
Foreign Banks	13	13	209	209	5.451	5.798	4	4	29	35
Total of Deposit Banks	36	35	6.063	6.182	118.573	122.587	39	42	458	553
Dev. And Inv. Banks	14	13	24	33	5.457	5.352	-	-	-	-
Public Capital	3	3	20	21	4.698	4.605	-	-	-	-
Total	50	48	6.087	6.215	124.030	127.939	39	42	458	553

The Turkish banking sector had a successful performance in 2004.

When the concentration rates in the sector are evaluated, it is observed that the share of the 5 biggest banks by assets size did not change when compared to 2003 and was realized as 59,9%. The share of the biggest 10 banks increased to 84,0% from 82,3 % in the same period. The assets size of the biggest 5 banks decreased to 44% from 44,6% within the same period.

The total assets size of the banks operating in the Turkish banking sector increased by 23% to NTL 306,4 billion when compared to end-2003. In USD terms, the total assets increased by 28% to USD 228,3 billion with the effect of gaining value of TL against US dollar, in end-2004.

In parallel with the rapid decrease in inflation and interest rates and the increase in internal demand and high growth caused by gaining value of TL against US dollar, a significant increase in loan demand was experienced. The total loans of the banking sector increased by 50% to NTL 99,3 billion in end-2004 when compared to end-2003. The share of the first 5 banks which extend loans increased to 54,1% from 46,7%, in 2003. That the share of total loans in the total assets in the sector increased to 32,4% from 26,5% in the said period is evaluated as the banks optimized the mediation function in 2004.

The total deposits of the banking sector increased by 23% to NTL 191,1 billion in end-2004 when compared to end-2003. The share of the total deposit in total liabilities

¹ The data in this section of the Annual Report was prepared in respect of the declarations of the banks to the BRSA about 2004 by April 7, 2004 and is temporary. The small differences between the figures are derived from round up.

² State banks stands for Public Deposit Banks; Private banks for Private Deposit banks and Foreign banks for Foreign Deposit banks. Besides, all analyses were based on local-foreign branches consolidated amounts. USD infos states US dollar consideration of data.

remained the same and realized as 62,3% in end-2004. In the highlight of these progresses, loan/deposit rate increased to 52% from 42,6% within the said period.

Table 2.2 Turkish Banking Sector Main Indicators

NTL million	Total Assets	% Share in Sector Total	Total Loans	% Share in Sector Total	Total Deposits	% Share in Sector Total
State Banks	106.902	34,9	20.926	21,1	81.086	42,4
Private Banks	175.926	57,4	68.432	68,9	105.195	55,1
SDIF Banks	1.938	0,6	11	0,0	69	0,0
Foreign Banks	10.356	3,4	4.665	4,7	4.714	2,5
Deposit Banks	295.123	96,3	94.034	94,7	191.065	100,0
Dev.and Inv. Banks	11.327	3,7	5.308	5,3	-	-
Public Capital	8.014	2,6	4.084	4,1	-	-
Total	306.449	100,0	99.342	100,0	191.065	100,0
- First 5 Banks	182.398	59,5	53.771	54,1	123.965	64,9
- First 10 Banks	257.350	84,0	78.529	79,0	171.103	89,6
- First 5 Private Banks	134.688	44,0	50.280	50,6	80.627	42,2

BRSA - Banking Sector Performance Index (PI)³

Data concerning the development of performance index (PI) monthly followed with the aim of evaluating the performance of the banking sector in 2004 is as follows:

- According to PI, the banking sector had a relatively better performance in the second half of the year. The index started to increase beginning from May and remained above the value of end-2003 in the rest of the months of 2004.
- When the PI is evaluated by its components, the preference of the banking sector to remain liquid has increased due to private banks in the second half of 2004. Operating of banks with high liquidity may have negative results as regards asset quality and profitability.
- When the performance of the banking sector relating to equity adequacy is evaluated, it is observed that the decrease arising from the reduction in equities of state banks is remarkable, however the performances of private banks relating to equity adequacy increased in the second half of 2004.
- The banking sector had a successful performance in exchange rate risk management especially in the second half of 2004. In the view of the circumstances, gaining value of TL against US dollar rapidly in the second half of 2004 is considered to be effective.
- The profitability performances of the banks in the first half of 2004 were above the realized level in 2003. The profitability performances of state banks were above the performances of private banks throughout 2004.
- A distinctive progress was experienced in the asset qualities of banks in 2004. The improvement of the sector's asset quality in 2004 was mainly due to the fact that banks reduced fixed assets thereof and acted picky in extending loans besides the increase in the ability of repayments made by customers depending on the recovery in economy.

³ The BRSA Performance Index being calculated within the scope of macro supervision of the banking sector in monthly frequency includes all deposit banks excluding the SDIF banks. 10 indicators are used in the Index, concerning the liquidity, equity adequacy, foreign exchange risk, profitability and asset quality blocks, which were determined to be the basic criterias of sector performance. First, the selected indicators are transformed into index within the block they belong, and then by taking average of the indexes, a compound index is constituted. Please turn page 39-41 of the BRSA Banking Sector Evaluation Programme June 2004 about the methodology used in the BRSA-PI.

Chart 2.1 Banking Sector Performance Index

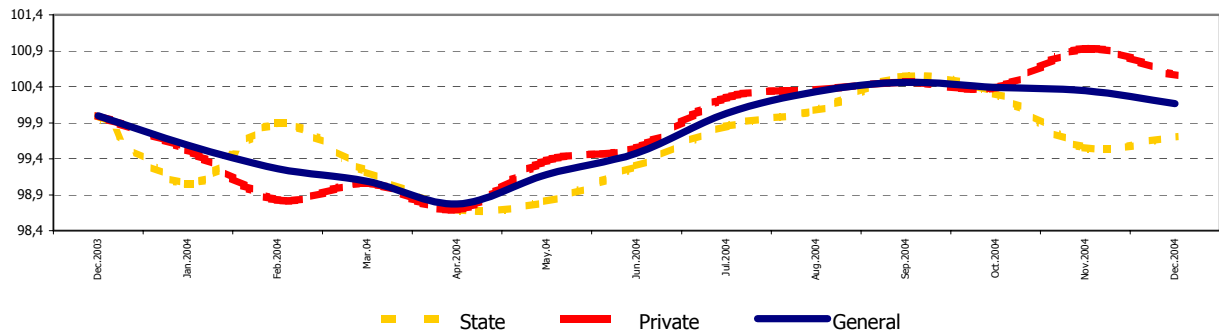


Table 2.3 Banking Sector Performance Index

Deposit Banks (Excluding the SDIF banks group)						
	PI-Sector	Liquidity	Equity	FX Risk	Profitability	Asset Quality
December 2003	100,0	100,0	100,0	100,0	100,0	100,0
January 2004	99,6	98,1	100,7	99,8	99,5	99,8
February 2004	99,3	98,5	100,7	97,9	99,4	99,8
March 2004	99,1	98,5	100,5	97,9	98,7	99,9
April 2004	98,8	97,9	99,5	99,0	97,1	100,3
May 2004	99,2	97,9	98,7	100,5	97,9	100,9
June 2004	99,5	98,8	97,8	99,7	99,5	101,5
July 2004	100,0	99,4	98,3	100,6	100,1	101,6
August 2004	100,3	100,0	98,5	100,9	100,3	102,0
September 2004	100,5	100,3	98,8	101,0	100,3	101,9
October 2004	100,4	99,9	99,1	100,9	100,2	101,9
November 2004	100,3	100,2	99,0	100,3	100,1	102,1
December 2004	100,2	100,6	99,4	100,5	99,7	100,6
State Banks						
	PI-Sector	Liquidity	Equity	FX Risk	Profitability	Asset Quality
December 2003	100,00	100,0	100,0	100,0	100,0	100,0
January 2004	99,05	98,3	100,4	99,1	97,3	100,2
February 2004	99,89	99,4	100,6	100,2	98,9	100,4
March 2004	99,21	98,5	100,2	100,7	96,1	100,6
April 2004	98,69	98,3	98,6	100,4	95,2	100,9
May 2004	98,81	98,0	97,5	100,4	97,0	101,3
June 2004	99,3	98,3	94,3	100,6	100,6	102,6
July 2004	99,9	100,0	94,7	100,2	101,8	102,6
August 2004	100,1	100,9	94,9	99,9	101,9	102,7
September 2004	100,5	101,5	95,6	100,2	102,7	102,8
October 2004	100,3	100,3	95,7	100,2	102,4	102,9
November 2004	99,6	98,7	95,4	98,4	102,4	102,8
December 2004	99,7	99,6	95,7	98,0	102,0	103,2
Private Banks						
	PI-Sector	Liquidity	Equity	FX Risk	Profitability	Asset Quality
December 2003	100,0	100,0	100,0	100,0	100,0	100,0
January 2004	99,5	98,0	100,8	98,2	101,1	99,6
February 2004	98,8	98,2	100,7	96,0	99,9	99,4
March 2004	99,1	98,7	100,6	96,6	100,0	99,5
April 2004	98,7	97,7	99,9	97,8	98,0	100,1
May 2004	99,4	97,9	99,1	100,6	98,4	100,9
June 2004	99,6	99,0	99,3	98,9	99,2	101,3
July 2004	100,2	99,3	99,9	101,0	99,5	101,5
August 2004	100,4	99,6	100,2	100,4	99,7	102,0
September 2004	100,5	99,7	100,3	101,1	99,4	101,8
October 2004	100,4	99,8	100,7	100,6	99,3	101,7
November 2004	100,9	101,4	100,7	101,3	99,2	102,0
December 2004	100,6	101,5	100,9	99,8	98,7	101,8

2.2. Asset Structure

The asset structure of the banking sector affected positively from developments experienced in economy such as the increasing optimism in economic expectations, the recovery of domestic demand and the growth in 2004. Changes have been observed in favor of loans depending on the decrease experienced in interest and foreign exchange rates in the asset structure of the sector while a decrease was realized in the shares of the items like liquid assets⁴ and securities portfolio when compared to end-2003.

The increase experienced in loan demand due to the regression in the interest rates and the recovery in economic activities caused the loans extended by the banking sector to increase by 31,8% in real terms and the share thereof in total assets to increase by 5,9 points to 32,4% in 2004 when compared to the previous year. Although the securities portfolio increased by 1,7% in real terms within this period, its share in total assets decreased by 2,4 points to 40,4%.

That the banks carried out a more effective liquidity management in order to increase the profitability performances, regression of exchange rates nominally and the decrease in banks' needs for fund providing from other banks and money markets depending on the efforts of the Central Bank to keep the liquidity within the market in the adequate level have led the share of liquid assets in total assets to decrease by 0,9 points to 10,7% when compared to end-2003.

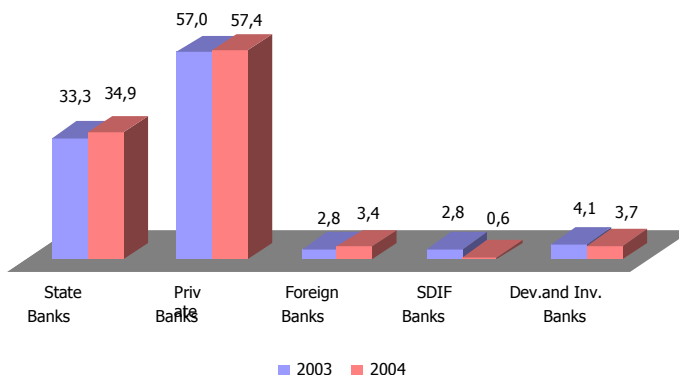
Table 2.4 Banking Sector Asset Structure (% Share)

	Loans		Securities Portfolio		Liquid Assets		Subsidiaries, Affiliates, Fixed Assets		Other Assets	
	December		December		December		December		December	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
State Banks	14.6	19.6	57.4	57.8	13.2	10.8	3.1	2.6	11.8	9.1
Private Banks	32.2	38.9	36.2	32.1	9.0	9.0	9.8	9.4	12.8	10.6
Foreign Banks	39.0	45.0	23.2	24.4	21.1	16.2	4.0	3.0	12.8	11.3
SDIF Banks	10.0	0.6	70.2	78.0	7.2	10.1	3.8	5.5	8.8	5.7
Dev.and Inv.Banks	48.1	46.9	10.4	12.2	31.1	31.7	3.6	3.5	6.8	5.8
Sector Total	26.5	32.4	42.8	40.4	11.6	10.7	7.0	6.6	12.1	9.9

While the share of loans extended in total assets increased due to the decrease in interest rates and the recovery in economic activities, the share of securities portfolio decreased.

When the distribution of the total assets of the banking sector by groups is examined as of end-2004, it observed that while the share of state banks, private banks and foreign banks increased by 1,6, 0,4 and 0,6 points respectively, shares of other groups decreased when compared to end-2003. Total assets increased in real terms by 13% in state banks, by 8,6% in private banks and by 31% in foreign banks.

Chart 2.2 Total Assets by Banking Groups (%)



vious Bank

⁴ Liquid assets: Cash Assets, Receivables from the Central Bank, Receivables from Money Markets, Receivables from Banks.

In the changes realized in total assets by groups when compared to the previous year, the transfer of Pamukbank T.A.Ş. to T.Halk Bankası A.Ş., and that Deutsche Bank A.Ş. passed over foreign bank status by taking the license to collect deposits were effective. As a result of these progresses, total assets of SDIF banks group decreased by 75,9% and development and investment banks by 3,1% in real terms.

Table 2.5 Total Assets by Banking Groups

	NTL million		% Share		Nominal Change	Real Change
	Dec.03	Dec.04	Dec.03	Dec.04		
State Banks	83.134	106.902	33,3	34,9	28,6	13,0
- TL	61.583	81.629	74,1	76,4	32,6	16,4
- FX	21.551	25.273	25,9	23,6	17,3	3,0
Private Banks	142.270	175.926	57,0	57,4	23,7	8,6
- TL	77.437	98.902	54,4	56,2	27,7	12,2
- FX	64.833	77.024	45,6	43,8	18,8	4,4
Foreign Banks	6.944	10.356	2,8	3,4	49,1	31,0
- TL	3.898	6.598	56,1	63,7	69,2	48,7
- FX	3.045	3.758	43,9	36,3	23,4	8,4
SDIF Banks	7.075	1.938	2,8	0,6	-72,6	-75,9
- TL	6.310	1.767	89,2	91,1	-72,0	-75,4
- FX	765	172	10,8	8,9	-77,5	-80,3
Dev. And Inv. Banks	10.265	11.327	4,1	3,7	10,3	-3,1
- TL	5.590	6.704	54,5	59,2	19,9	5,3
- FX	4.675	4.623	45,5	40,8	-1,1	-13,1
Total	249.688	306.449	100,0	100,0	22,7	7,8
- TL	154.819	195.600	62,0	63,8	26,3	11,0
- FX	94.869	110.849	38,0	36,2	16,8	2,6

* Percentage Share for the group stands for the share in total banking sector; and for TL-FX, the share within the relevant group.

Another development experienced in the asset structure of the banking sector in 2004 is the change experienced in Turkish Lira-foreign exchange (TL-FX) composition⁵ when compared to end of the previous year. The value of TL-denominated assets in total assets increased by 63,8% in 2004 from 62% in 2003 in the sector. The share of TL-denominated assets in total assets increased by groups in 2004 when compared to the previous year. The nominal decrease of exchange rates and reverse currency substitution were determinant in this progress.

2.2.1. Liquid Assets

Cash assets decreased by 1,4% in real terms and was realized as NTL 2,3 billion in 2004. A decrease in real terms was observed in all groups, excluding private and foreign banks.

The receivables of the banks from the Central Bank increased by 59,7% in real terms and were reached to NTL 5,4 billion in the related period. There was an increase of NTL 0,6 billion in the receivables of state banks from the Central Bank and NTL 1,9 billion in the receivables of private banks when compared to 2003.

The receivables from money market decreased by 58,5% in real terms and were realized as NTL 4,2 billion in 2004. The receivables from money market in all banking groups decreased nominally and in real terms.

The receivables from banks item increased by NTL 5,9 billion to NTL 21 billion in 2004. The increase in both TL-denominated and FX-denominated receivables from banks items were determinant in this increase. While the receivables from banks in all groups increased nominally and in real terms, excluding the SDIF group, the highest increase in real terms was experienced in foreign banks group by 64,4% and followed by 37,9 % in development and investment banks and by 30,8% in private banks group.

The liquid assets of the banking sector increased nominally by 13,6% and the share in total assets decreased by 0,9 points to 10,7% in 2004. The decrease in the share of liquid assets in the balance sheet is evaluated as an indicator for banks' expectations in economy is in a positive way.

⁵ The FX indexed items are included in TL amounts.

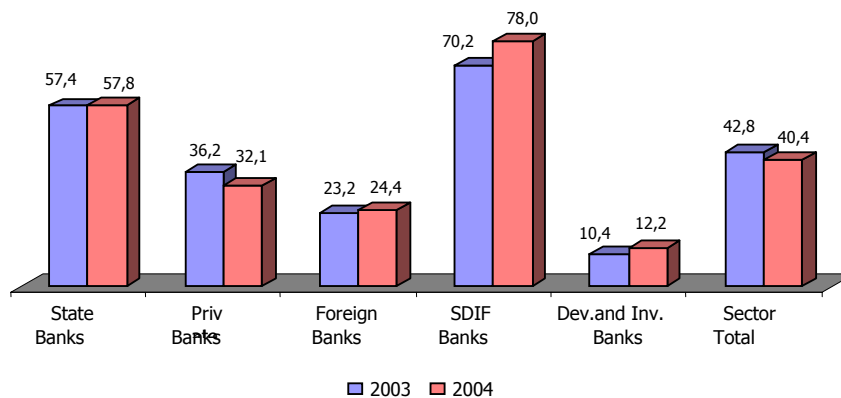
The decrease in the share of liquid assets in the balance sheet is the indicator for banks' expectations in economy is in a positive way.

2.2.2. Placements Made to Securities Portfolio

The banking sector security portfolio (SP) increased by 1,7% in real terms and reached to NTL 123,7 billion in 2004. The share of SP in total assets decreased by 40,4% in 2004 from 42,8% in 2003. While the share of securities available-for-sale in SP increased, the held-to-maturity securities decreased. While 56,7% of the SP was comprised of securities available-for-sale and held-to-maturity securities in end-2003, the said ratio increased by 1,2 points to 57,9% in 2004.

When evaluated by groups, the share of the securities in total assets increased in groups excluding private banks in 2004. While the highest increase was in the SDIF banks by 7,8 points, the share of securities in total assets decreased by 4,1 points in private banks group.

Chart 2.3 Share of Securities Portfolio in Total Assets (%)



In parallel with extension of borrowing maturity of the Treasury, the share of government bills in securities increased and the share of treasury bills decreased within the last one-year.

Table 2.6 Securities Portfolio by Groups

	NTL Million		% Share		Change	
	Dec.03	Dec.04	Dec.03	Dec.04	Nominal	Real
State Banks	47.716	61.820	44,7	50,0	29,6	13,8
- Securities Available-for-Sale	14.801	20.096	13,9	16,2	35,8	19,3
- Held-to-Maturity Securities	32.914	41.724	30,8	33,7	26,8	11,4
Private Banks	51.485	56.448	48,2	45,6	9,6	-3,7
- Securities Available-for-Sale	38.981	46.713	36,5	37,8	19,8	5,3
- Held-to-Maturity Securities	12.504	9.735	11,7	7,9	-22,1	-31,6
Foreign Banks	1.608	2.526	1,5	2,0	57,1	38,0
- Securities Available-for-Sale	1.276	2.255	1,2	1,8	76,7	55,2
- Held-to-Maturity Securities	332	271	0,3	0,2	-18,4	-28,3
SDIF Banks	4.964	1.513	4,6	1,2	-69,5	-73,2
- Securities Available-for-Sale	4.779	1.513	4,5	1,2	-68,3	-72,2
- Held-to-Maturity Securities	185	0	0,2	0,0	-100,0	-100,0
Dev. And Inv. Banks	1.072	1.377	1,0	1,1	28,5	12,9
- Securities Available-for-Sale	794	1.089	0,7	0,9	37,2	20,5
- Held-to-Maturity Securities	278	288	0,3	0,2	3,8	-8,9
Total	106.844	123.684	100,0	100,0	15,8	1,7
- Securities Available-for-Sale	60.632	71.666	56,7	57,9	18,2	3,8
- Held-to-Maturity Securities	46.212	52.018	43,3	42,1	12,6	-1,1

SP increased nominally by 9,6% in private banks group, by 29,6% in state banks group, 57,1% in foreign banks group, 28,5% in development and investment banks group in 2004. In parallel with the decrease in internal debt interests, it is observed that the

share of trading securities and securities available-for-sale in state, private, foreign and development and investment banks group increased when compared to end of the previous year. The share of the held-to-maturity securities portfolio decreased, excluding the state banks. In the examined period, the securities available-for-sale of state banks increased nominally by 35,8%, while held-to-maturity securities portfolio increased by 26,8%. Within the same period, while trading securities and securities available-for-sale of private banks increased nominally by 19,8%, held-to-maturity securities portfolio decreased by 22,1%.

95,5% of the banking sector's securities portfolio is comprised of government securities. The distribution of government securities in SP is as 75,6% government bonds, 12,6% Eurobonds, 4,3% FX-indexed bills and 3% treasury bills.

When compared to end-2003, the share of government securities in total securities portfolio of the banking sector decreased by 0,2 points. Furthermore, in parallel with extension of borrowing maturity of the Treasury, the share of government bills in securities increased and the share of treasury bills decreased within the last one-year.

Table 2.7 Distribution of the Securities (NTL million)

(Trilyon TL)	December 2003			December 2004			% Share December		% Change	
	TL	FX	Total	TL	FX	Total	2003	2004	Nominal	Real
Government Securities	67.408	34.868	102.276	79.520	38.613	118.134	95,7	95,5	15,5	1,5
-Government Bonds	54.921	20.644	75.564	70.448	23.029	93.478	70,7	75,6	23,7	8,7
-Treasury Bills	3.769	86	3.855	3.722	0	3.722	3,6	3,0	-3,4	-15,2
-FXIndexed Securities	8.719	0	8.719	5.350	0	5.350	8,2	4,3	-38,6	-46,1
-Eurobonds(Treasury)	0	14.138	14.138	0	15.584	15.584	13,2	12,6	10,2	-3,2
Stocks	850	75	925	1.185	80	1.265	0,9	1,0	36,8	20,1
Other	1.735	1.908	3.643	1.829	2.456	4.285	3,4	3,5	17,6	3,3
Securities Portfolio	69.994	36.851	106.844	82.534	41.149	123.684	100	100	15,76	1,69

In parallel with the borrowing policy of the Treasury, the shares of TL-denominated securities in securities portfolio increased in 2004. The rate of TL-denominated securities, excluding the FX indexed bills increased to 62,4% in 2004 from 57,3% in end-2003. When the distribution of FX-denominated securities is examined, it is observed that the FX-denominated securities were weighted. The share of USD-denominated securities in total FX securities was realized as 80,2% and the share of Euro-denominated securities as 19,8% by end-2004.

When interest structure of securities portfolio is examined, it is seen that 51,9% of total securities is comprised of floating-interest securities and 43,7% is of fixed-interest securities in 2004.

When evaluated by bank groups the share of the floating-interest securities in total securities decreased and the share of fixed-interest securities increased in state banks when compared to end-2003. Quite a contrary situation was experienced in private banks group within the same period. The share of floating-interest securities and fixed-interest securities in total securities according to the banking groups were respectively 73,1% and 23,8% for state banks, 29,8% and 64,2% for private banks, 21,5% and 76% for foreign banks, 16,3% and 79,3% for development and investment banks, 93,1% and 6,9% for SDIF banks.

Table 2.8 Interest Structure of Securities Portfolio (NTL million)

	December 2003			December 2004			% Share		% Change	
	TL	FX	Total	TL	FX	Total	Dec. 2003	Dec. 2004	Nominal	Real
-Fixed Rate Securities	20.390	26.342	46.732	23.845	30.223	54.068	43,7	43,7	15,7	1,6
-Floating Rate Securities	47.189	8.524	55.713	55.838	8.392	64.230	52,1	51,9	15,3	1,3
-Non-Interest Bearing Securities	2.414	1.985	4.399	2.851	2.534	5.386	4,1	4,4		7,5
Securities Portfolio	69.994	36.851	106.844	82.534	41.149	123.684	100	100	15,8	1,7

When the distribution of maturity structure of securities in the portfolio of banking sector is evaluated as of end-2004, it is seen that 46% are comprised of TL-denominated securities with maturities exceeding one year. When compared to end-2003, the share of securities with maturities exceeding one year in total securities decreased by 1,3 to 65,8%. The share of long-term securities is 73,7% in state banks and 60,2% in private banks.

Table 2.9 Securities by Maturities (%)

	TL Denominated Securities						FX Denominated Securities					
	-1 Month	1-3 M	3-6 M	6-12 M	1 year +	Total	-1 Month	1-3 M	3-6 M	6-12 M	1 year +	Total
Banking Sector												
December 2003	2,1	1,7	7,1	13,1	41,6	65,5	1,6	1,4	0,4	5,7	25,5	34,5
June 2004	1,1	1,5	4,2	10,2	48,8	65,8	0,5	1,6	4,2	6,7	21,1	34,2
September 2004	2,2	0,4	2,3	14,6	44,6	64,3	1,0	3,3	2,1	11,5	17,8	35,7
December 2004	2,2	0,4	4,0	14,3	46,0	66,7	0,6	1,9	3,6	7,4	19,8	33,3
State Banks												
December 2003	0,1	0,2	4,3	10,5	60,3	75,4	0,1	0,6	0,7	5,2	17,9	24,6
June 2004	0,1	0,4	4,4	5,8	64,9	75,6	0,0	0,6	4,1	3,5	16,2	24,4
September 2004	2,2	0,4	2,9	16,9	52,3	74,8	1,2	2,9	0,8	8,9	11,4	25,2
December 2004	1,7	0,1	2,0	14,1	61,0	79,0	0,0	0,7	1,8	5,9	12,7	21,0
Private Banks												
December 2003	3,8	2,8	10,1	15,2	21,9	53,7	3,3	2,2	0,1	6,6	34,1	46,3
June 2004	2,0	2,6	4,1	12,6	31,8	53,0	1,0	2,9	4,4	10,7	28,0	47,0
September 2004	2,3	0,3	1,6	10,8	35,7	50,8	0,9	4,2	3,2	15,7	25,3	49,2
December 2004	2,4	0,4	3,8	14,0	31,5	52,0	1,2	3,0	5,9	9,1	28,7	48,0

2.2.3. Loans

Recovery in macroeconomic indicators and expectations, rapid revival tendency of the economy, decrease in exchange rates and especially in interest rates, realization of postponed consumption expenditures and abolishment of some taxes and funds on loan transactions (see. Box 1) led to the expansion tendency experienced in the credit volume of the banking sector in 2003 also to continue strongly in 2004. As of end-2004, total credit volume of the banking sector increased by 31,8% in real terms to NTL 99,3 billion. In parallel, the share of loans in total assets increased by 5,9 points to 32,4% in 2004 from 26,5% in end-2003.

While the share of TL-denominated loans in TL-denominated assets of banks increased by 9,5 points to 32,9%, the rate of FX-denominated loans to FX-denominated assets remained almost the same and was realized as 31,6% in 2004. This progress states that there has been a remarkable increase in the TL-denominated loans extended by the banks. The banking sector which was extending almost ¼ of the total funds to loans in

The increase in sector resources allocated to loans indicates that banks fulfill the intermediation function which is the fundamental function thereof in a more effective way.

previous years, has extended 1/3 of its funds as loans in 2004, this means that the banking sector has oriented to its original function, namely financing of the real sector, although it is not in sufficient levels.

TL-denominated loans extended in loan portfolio remained weighted in 2004 as well as in 2003 and increased by 56,2% in real terms. On the contrary, FX-denominated loans realized a limited real increase by 2,3% with the effect of the decrease in exchange rates. FX-denominated loans amounting to USD 21,5 billion in end-2003 increased to USD 26,1 billion in 2004 and the share thereof in total assets decreased to 11,4% from 12,0%.

BOX 1: Developments on the Mediation Cost

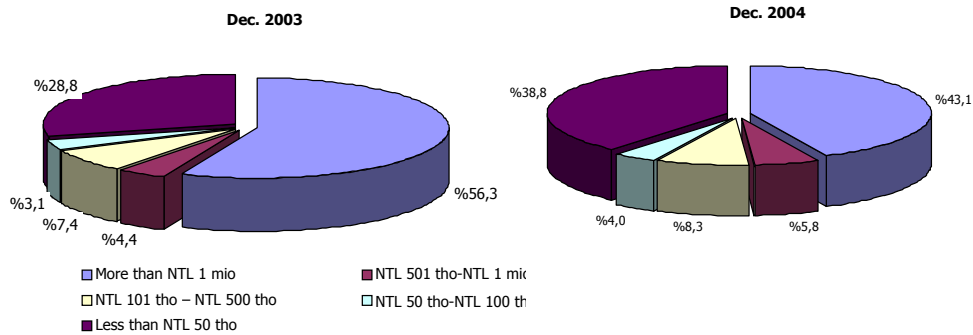
As regards credit cost, significant developments were experienced arising from positive market conditions as well as the regulations concerning the public liabilities in 2004. Within this scope, while the interest rates decreased significantly, the interest rates paid to statutory provisions by the CBRT were reduced gradually to 12,5% from 20%. This situation led to narrowing in profit margins and the operational expenses to be revised by banks. On the other hand, regulations to reduce the mediation costs were made in public liabilities field. These regulations are as follows:

- Pursuant to the Resolution published in the Official Gazette dated December 30, 2003 Nr. 2003/6577 of the Council of Ministers (RCM), the stoppage rate of income tax on the interest of FX Deposit account with a maturity of less than 1 year was increased to 24% from 19,8%.
- Pursuant to the Act Nr. 4481, the said application was terminated without extending the period for special transaction tax prescribed to be collected from time deposit and participation account owners till December 31, 2003.
- Pursuant to the "Act on Making Amendments to Some Act" Nr. 5035 published in the Official Gazette dated January 2, 2004, stamp taxes and fees from papers regulated concerning the loan transactions.
- Pursuant to the RCM Nr. 2004/7633 published in the Official Gazette dated July 29, 2004, the deduction from resource utilization support fund concerning commercial and corporate loans extended by the banks and financial companies was reduced to zero.
- Pursuant to the RCM Nr. 2004/7735 published in the Official Gazette dated August 15, 2004, the resource utilization support fund deduction rate on the consumer loans increased to 15% from 10%.
- Pursuant to the Resolution dated November 25, 2004 Nr. 1419 of the Banking Regulation and Supervision Board, the SDIF premium tax base was defined as the insured portion of the deposits and the premium burden in the sector was reduced.

In the following table, the process of transformation of TL deposit to TL loan was attempted to be figured for 2003 and 2004 by loan costs. The year 2004 was examined within the scope of old and new legislation in order to observe separately the effects arising from the changes in public liabilities on loan costs.

(from TL deposit to TL loan)	2003	2004	
		Old Legislation+New Market Conditions	New Legislation+New Market Conditions
(a) Net Interest passed to depositor (%)	36,9	16,8	16,7
+ Liabilities of depositor (Income Tax, fund, Special Transaction Tax) (points)	7,9	3,6	3,7
(b) Interest the bank gave to deposits (%)	44,8	20,4	20,4
+ Burdens in Bank stage (Reserve Requirement, Disp., BRSA share, SDIF premium) (points)	2,5	1,9	1,1
+ Operational expense and profit margin (points)	4,7	11,2	11,2
(c) Loan interest (%)	52,0	33,6	32,7
+ Public burdens on loan transactions (Stamp Duty, Banking Insurance Transaction Tax, Resource Utilization Support Fund, fees etc.)	7,9	5,6	2,8
(d) Cost on loan customer (%)	59,9	39,2	35,5
Total margin (points) (d - a)	23,0	22,4	18,8
Margin derived from public liabilities (points)	18,3	11,1	7,6
Share of public liabilities in loan cost (%)	30,6	28,3	21,4

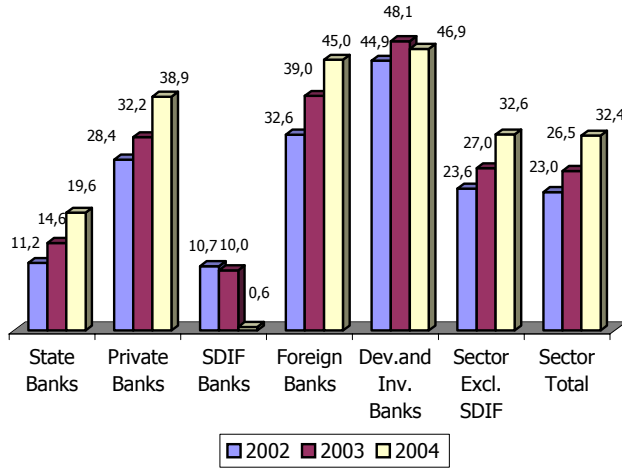
As it is seen in the table above, the loan cost on loan customers decreased to 35,5% in 2004 from 59,9% at average in 2003. A significant part (20,7 points) of the said decrease by 24,4 points arose from the positive developments in market conditions, while the rest (3,7 points) arose from the reduction of public liabilities. As a result of these developments, the margin between the net interest the intermediary bank paid to the depositor and loan cost of loan customer decreased to 18,8 points from 23 points, the share of public liabilities in loan costs decreased to 21,4% from 30,6%.

Chart 2.4 Distribution of Loans by Size**Table 2.10 Distribution of Total Credits by Their Size and Number of Customers***

Loan Size	December 2003		December 2004	
	Number of Customers	% Share	Number of Customers	% Share
Loans exceeding NTL 1 million	7.625	0,04	7.250	0,03
Loans from NTL 501 thousand to NTL 1 million	4.072	0,02	7.355	0,03
Loans from NTL 101 thousand to NTL 500 thousand	20.288	0,11	37.389	0,15
Loans from NTL 50 thousand to NTL 100 thousand	27.673	0,15	55.347	0,22
Loans under TL 50 thousand	18.647.204	99,68	25.060.892	99,57
Total Number of customers	18.706.862	100,00	25.168.233	100,00

*Excluding İller Bank

When the distribution of loan sizes as of end-2004 are analyzed, it is observed that 43% of total loans is composed of loans above NTL 1 million and 39% is composed of loans below NTL 50 thousand. There is a decrease by 13 points in the rate of loans above NTL 1 million while there is an increase by 10 points in the rate of loans below NTL 50 thousand when compared to the previous year. This situation arose depending on the growth observed in consumer loans volume and the decrease in the number of customers who used loans above NTL 1 million. On the other hand, total number of customers increased by 35% and the increasing ratio is especially high in medium-size loans when compared to the previous year. While total number of customers who used loans below NTL 50 thousand increased by 34%, the number of customers used loans above NTL 1 million decreased by 5% when compared to the previous year. The number of customers used loans between NTL 50 thousand- NTL 1 million increased by 92%.

Chart 2.5 Distribution of Loans in Total Assets by Groups (%)**Table 2.11 Loans by Groups**

	NTL million		% Share *		Nominal Change	Real Change
	Dec. 2003	Dec. 2004	Dec. 2003	Dec. 2004		
State Banks	12.100	20.926	18,3	21,1	72,9	51,9
- TL	10.232	17.828	84,6	85,2	74,2	53,1
- FX	1.868	3.098	15,4	14,8	65,8	45,6
Private Banks	45.763	68.432	69,1	68,9	49,5	31,4
- TL	21.741	40.468	47,5	59,1	86,1	63,5
- FX	24.022	27.964	52,5	40,9	16,4	2,3
Foreign Banks	2.711	4.665	4,1	4,7	72,1	51,2
- TL	1.423	3.064	52,5	65,7	115,4	89,2
- FX	1.288	1.601	47,5	34,3	24,3	9,2
SDIF Banks	707	11	1,1	0,0	-98,4	-98,6
- TL	433	4	61,2	38,9	-99,0	-99,1
- FX	275	7	38,8	61,1	-97,5	-97,8
Dev. and Inv. Banks	4.940	5.308	7,5	5,3	7,4	-5,6
- TL	2.348	2.982	47,5	56,2	27,0	11,6
- FX	2.592	2.325	52,5	43,8	-10,3	-21,2
Total	66.222	99.342	100,0	100,0	50,0	31,8
- TL	36.176	64.347	54,6	64,8	77,9	56,2
- FX	30.045	34.995	45,4	35,2	16,5	2,3

(*) Percentage share for the group stands for the share of the group in total banking sector and fro TL-FX; for the share within the relevant group.

When analyzed by banking groups, the share of loans in total assets increased in all banking groups except SDIF banks and development and investment banks. The highest increase in the rate of loans to assets was in private banks by 6,7 points and followed by foreign banks by points and state banks by 5 points. While the decrease experienced in SDIF banks group arose from the take over of Pamukbank T.A.Ş. by T.Halk Bankası A.Ş., the decrease in the development and investment banks group arose from the decrease in loans extended by Eximbank in this group.

Loans of whole bank groups except for SDIF banks and development and investment banks increased in real terms in 2004 and the highest real increase was experienced in state banks by 51,9%. In parallel with the positive developments, state banks re-expanded their credit volumes in 2004, which they had narrowed after the economic crisis experienced. When compared to 2003, the total loans of private banks increased by 31,4% in real terms to NTL 68,4 billion. The high increase in TL loans of foreign banks whose loan volume increased by 51,2 in real terms to NTL 4,7 billion is remarkable. That TL loans of foreign banks, which are generally deliberate to open TL-denominated loans, increased by 89,2% in real terms indicates that the tendency of these banks to take TL-denominated risks has increased.

Another striking case seen in 2004 is that credit volume increase rate decreased in whole bank groups in the second half of the year, depending on the slow-down of the increase especially in consumer loans. Therefore, loan volume which had increased by 32% in the first half of 2004, increased by 14% in the second half of the year.

The share of especially consumer loans and business loans in credit portfolio increased in 2004. The share of consumer loans and credit cards in total loans increased to 27,4% in 2004 from 19,9% in end-2003. On the other hand, the share of business loans increased by 4,6 points to 18,9% and ascended to the first rank by passing over the export loans which had the highest share in loan types in 2003 and whose share decreased to 13,9% from 17,5% in 2004.

Besides business loans, credit cards and consumer loans affected the increase in loans.

Table 2.12 Loans by Type (%)*

	December 2003	December 2004
Discounted Loans	0,7	0,4
Export Loans	17,5	13,9
Export Guaranteed Investment Loans	2,7	2,3
Other Investment Loans	3,3	3,3
Working Capital Loans	14,3	18,9
Specialized Loans	2,2	3,2
Fund-based Loans	7,4	5,0
Consumer Loans	9,0	13,1
Credit Cards	10,9	14,3
Other	32,0	25,6
Total	100,0	100,0

* Excluding İller Bank.

Consumer loans increased by 95% in real terms in 2004 and its share in total loans increased to 13,1% in 2004 from 9% in 2003. The decrease in interests, recovery in postponed consumption expenditures together with the recovery in expectations and the decrease provided in tax and fund burdens on loan transactions by junk vehicles discount led to the increase in consumer loans.

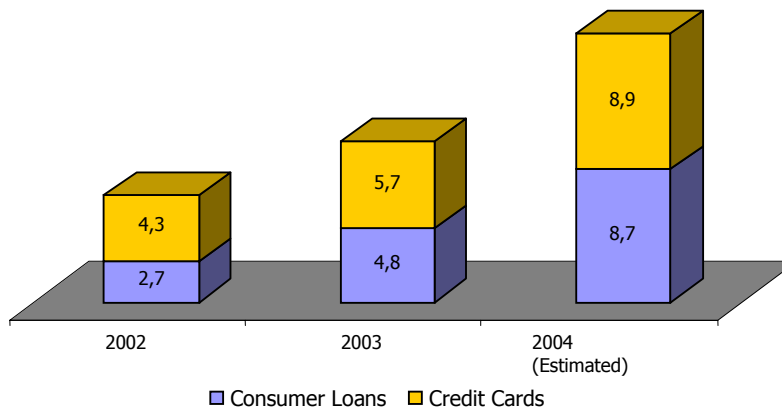
As regards goods and services subject to consumer loans, the highest real increase was realized in housing loans by 248%, and housing loans as well as vehicle loans by a real increase of 111% were the foremost reasons of rapid increase in consumer loans. A similar increase trend (even though it is low) is observed in FX-indexed consumer loans and housing loans had the highest increase in this type of loans.

Table 2.13 Consumer Loans and Credit Cards (NTL million)

	December 2003	December 2004	Nominal Change	Real Change
Consumer Loans	5.331	11.831	122	95
- Housing	506	2.008	297	248
- Vehicle	1.655	3.974	140	111
- Other	3.169	5.850	85	62
FX Indexed Consumer Loans	482	900	87	64
- Housing	280	624	123	96
- Vehicle	122	221	81	59
- Other	80	56	-30	-39
Credit Cards	7.030	13.920	98	74
Total	12.842	26.651	108	82

In parallel with the expansion in economy and in loan volume, a distinctive increase was realized in credit cards which have an important role within the financial system by reducing the unregistered economy, increasing the number of customers benefited from financial services and by providing easy payment. When compared to the previous year, the share of credit card debt balance in total loans increased in real terms by 74% from 10,6% to 14% in 2004. 27,2% of credit card balances is comprised of installment balance as of end-2004.

As a result of the increase in consumer loans, the rate of the household debt stock and the annual interest burden arose from the said stock to household disposable income had a distinctive increase in 2004, similar to 2003. This rate which increased from 7,0% in 2002 to 10,5% in 2003 is estimated to be realized as 17,6% in 2004.

Chart 2.6 Burden Derived from Consumer Loans (Debt Stock+Annual Interest Amount) / Household Disposable Income (%)

Source: BRSA, SIS

The frequency of the reportings made by banks in order to monitor and limit the risks which may occur due to the increase in consumer loans, concerning the sector and macroeconomic balances was increased, taking into consideration ratio of credit card limits in loan risk account was increased, junk vehicles decrease was abolished and resource utilization support fund rate taken over consumer loans was increased to 15% from 10%.

As a result of the fact that consumption expenditures the consumer prices, which was postponed because of the effects of the crisis and the regulations made were realized in the first half of the year, the increase rate of consumer loans slowed down in the second half of the year.

When analyzed by the distribution of loans extended by the banking sector, it is observed that there is a industry sector-weighted placement structure. Therefore, 37,7% of the loans was extended to industry sector and 31,3% thereof to services sector by end-2004.

Table 2.14 Loans by Sector

Main Sectors	% Share	5 Major Sectors	% Share
Agriculture	3,6	Wholesale,Ret.Com. Mot.Veh. Serv.	10,4
Industry	37,7	Textile and Textile Products	7,6
Services	31,3	Financial Intermediation	4,9
Other	27,4	Food, Beverage and Tobaccoi	4,8
Total	100,0	Construction	4,0

Source: CBRT, BRSA

As for sectoral breakdown, the total share of the highest 5 sectors in the total loan portfolio was 31,7% in 2004. As of end-2004, the sector holding the largest share was the wholesale and retail commerce sector with a share of 10,4% and followed by respectively textile sector, financial intermediation, food industry and construction sectors.

As a result of the positive developments in 2004, the gross non-performing loans (NPL) decreased in real terms by 35,3% to NTL 6,4 billion from NTL 8,6 billion. When NPL (gross) item is analyzed by groups, a real regression is observed in all banking groups, excluding foreign banks in 2004. When the decrease in NPL's of SDIF banks as a result of the take over of Pamukbank T.A.Ş. by T.Halk Bankası A.Ş. is excluded, the highest real decrease was observed in state banks by 51,1% and followed by respectively development and investment banks by 13% and private banks by 3,7%. In this progress, the increase in loans taken under the scope of İstanbul Approach, selective approach of banks while extending loans and the increase in the repayment ability of loan users depending on the growth performance in the economy when compared to the previous periods as well as the problem loans belonging to T.Emlak Bankası A.Ş. which was merged with T.C.Ziraat Bankası A.Ş. were taken out of T.C.Ziraat Bankası A.Ş.'s balance sheet in 2004 were determiners.

Provisions set aside for NPLs amounting to NTL 7,6 billion as of end-2003 decreased in real terms by 35,7% in parallel with the regression in NPL amounts and was realized as NTL 5,6 billion in end-2004.

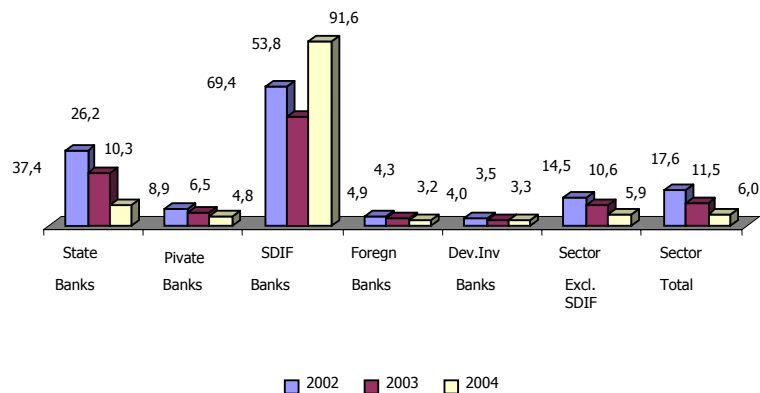
The rate of provisions to non-performing loans in end-2004 decreased by 0,4% to 88,1% when compared to the end of the previous year. Consequently the net non-performing loans of the banking sector decreased in real terms by 32,5% when compared to end of the previous year. While the provisions set aside for their NPLs in this period increased from NTL 2,6 billion to NTL 2,9 billion in private banks; it decreased in state banks from NTL 4,2 billion to NTL 2,3 billion and in SDIF banks from NTL 622 million to NTL 106 million.

Table 2.15 NPL's by Banking Groups (NTL million)

	December 2003	December 2004	% Change	
			Nominal	Real
NPL's (Gross)	8.629	6.356	-26,3	-35,3
- State Banks	4.300	2.396	-44,3	-51,1
- Private Banks	3.200	3.508	9,6	-3,7
- SDIF Banks	825	121	-85,3	-87,1
- Foreign Banks	123	152	23,4	8,4
- Development and Investment Banks	180	179	-0,9	-13,0
Provisions	7.641	5.596	-26,8	-35,7
- State Banks	4.198	2.292	-45,4	-52,0
- Private Banks	2.561	2.929	14,4	0,5
- SDIF Banks	622	106	-83,0	-85,0
- Foreign Banks	97	114	17,6	3,3
- Development and Investment Banks	163	156	-4,4	-16,0
Provisions/ NLP's (Gross) (%)	88,5	88,1	-	-
- State Banks	97,6	95,6	-	-
- Private Banks	80,0	83,5	-	-
- SDIF Banks	75,4	87,3	-	-
- Foreign Banks	78,5	74,8	-	-
- Development and Investment Banks	90,3	87,2	-	-

The ratio of non-performing loans decreased to 6% in end-2004 from 11,5% as of end-2003, depending especially on the developments in the ratios of state banks. Sustainability of and decreasing the ratio of 6% which appeared by the contributions of the real decrease of 35,3% in gross NPL as well as the increase of 31,8% in credit volume and which was considered to be a reasonable level in the light of international experiences highly depends on the positive developments in macroeconomic indicators.

*Ratio of Loans
to NPLs
decreased
to 6 %.*

Chart 2.7 Non-Performing Loans Ratio by Groups (%)

As of end-2003, 75,4% of NPL's were comprised of collateralized receivables and this rate decreased to 71,4% in end-2004. When the collateral structure of NPL's is analyzed, it is observed that;

- NPL's with Group I collaterals consisting of cash and deposits, treasury bills, the securities issued by or under the guarantee of the central administrations and central banks of the OECD countries, are at a very low level of 0,7%,
- The share of NPL's with Group II collaterals consisting of gold and precious metals, stocks quoted on the stock exchange, asset-backed securities, private sector bills, suretyships and letters of guarantee given by banks operating in Turkey within their lending limits, guarantees of banks operating in OECD countries, guarantees of the central administrations and central banks of the OECD countries, guarantee and suretyships extended by European Central Bank, credit derivatives, transfer or pledge of firms' receivables from public sector, liquid securities, mortgages on real estate title deed and mortgages on allocated land plots, provided that their appraisal value is sufficient, is 55,2%,
- NPL's with Group III collaterals consisting of commercial pledges, export documents, pledges on motor vehicles, mortgages on aircrafts or ships, guarantees of natural persons and legal entities with high credibility, other notes obtained from customers, compose 12,3% of total NPL's,
- Other Group IV. Collaterals compose 3,2 of NPL's,
- 28,6% of NPL's had no collateral.

Total of restructured loans and other receivables decreased by NTL 2 billion to NTL 1,1 billion in 2004 when compared to 2003. There has been no significant change in rescheduled receivables.

Table 2.16 NPL's and their Collaterals (NTL million)

	December 2003	December 2004	Distribution (%)
Total NPL's Liabilities	8.629	6.356	100,0
With Group I Collateral	64	44	0,7
With Group II Collateral	3.411	3.507	55,2
With Group III Collateral	2.729	785	12,3
With Group IV Collateral	301	202	3,2
Without Collateral	2.124	1.818	28,6
Restructured Loans and Other Receivables	75,4	71,4	-
Rescheduled Loans and Other Receivables	3.113	1.119	-
Total NPL's Liabilities	1.029	1.137	-

According to Central Bank data, 18% of loans to be liquidated belongs to textile sector, 15,4% to wholesale and retail commerce, 8,2% to food, soft drinks and tobacco industry in end-2004.

9 large and 7 small-scale companies were included in the framework of Istanbul Approach and the debt amounting to USD 201 million belonging to 21 large and 29 small-scale companies were restructured in 2004.

Credit risks were reduced with more realistic determination of loan collaterals and distribution of risks among different sectors as well as recovery of the economic activity and the provisions set aside for most of existing non-performing loans and the increase in the consumer loans which distribute credit risk among many customers.

2.2.4. Developments in Other Assets⁶

Other total assets of the banking sector decreased both in real and nominal terms in 2004. The share of fixed assets in total assets decreased by 0,5 points to 2,8%, the share of interest income accruals and rediscounts, financial leasing receivables, assets to be disposed off and other assets decreased by 2,4 points to 5,3%, while the share of affiliates and subsidiaries increased by 0,1 points to 3,8% within the same period.

Table 2.17 Other Assets (Development of Shares in Total Assets) (%)

	December 2003	December 2004
Fixed Assets (Net)	3,3	2,8
Subsidiaries, Affiliates and Jointly-Controlled Partnerships (Net)	3,7	3,8
Interest Income and Rediscounts, Receivables from Leasing Activities, Assets to be Disposed Off, Fixed and Other Assets	7,7	5,3
Total	14,6	11,9

The real decrease by 10% observed especially in fixed assets contributed positively to the significant improvement in the free capital of the banking sector in 2004. (Ref. Table 2.26).

2.3. Developments in Liability Structure

When the liability structure of the banking sector in 2004 is evaluated; it is observed that no significant change occurred when compared to the same period of the previous year. While the share of repos in total liabilities decreased by 1 points, the share of deposits increased by 0,1 points and the CBRT money markets and debts to banks items increased by 0,4 points by the effect of syndication and securitization loans. The share of equities in total liabilities increased by 0,8 points.

When analyzed by bank groups, the share of deposits in total liabilities in state banks increased and the share of equities and other liabilities decreased. The transfer of T.İmar Bankası T.A.Ş. deposits to T.C.Ziraat Bankası A.Ş. was effective in this progress.

The share of deposit and repos in private banks decreased on the contrary, an increase was experienced in debts to the CBRT, money markets and banks, equities and other liabilities items. The increase in debts to the CBRT, money markets and banks items arose from the increase in the debts to banks by the impact of syndication and securitization loans.

While there was a decrease in the shares of equities and other liabilities items in foreign banks; the share of deposit, repos and debts to banks increased. The equities remained as the basic fund source in the development and investment banks, which does not accept deposits.

No significant change occurred in the weight of items in total liabilities in 2004, however there is an increase in favor of TL accounts.

⁶ Consists of Interest Income and Rediscounts, Receivables from Leasing Activities, Subsidiaries, Affiliates and Jointly-Controlled Partnerships, Assets to be Disposed Off, Fixed and Other Assets

Table 2.18 Developments in Liability Structure of the Banking Sector (%)

	Deposits		Funds Generated from Repo Transactions		Claims to the CBRT, Money Markets and Banks		Shareholders Equity		Other Liabilities	
	Dec.03	Dec.04	Dec.03	Dec.04	Dec.03	Dec.04	Dec.03	Dec.04	Dec.03	Dec.04
State Banks	72,0	75,8	1,2	1,1	4,9	5,0	11,5	9,4	10,3	8,6
Private Banks	62,0	59,8	5,7	5,1	13,0	13,9	14,7	15,6	4,6	5,6
Foreign Banks	45,2	45,5	0,3	2,3	20,5	24,1	24,0	20,1	10,1	8,0
SDIF Banks	58,4	3,6	28,6	0,1	12,1	5,2	-12,0	65,6	12,8	25,5
Dev. & Inv. Banks	0,0	0,0	0,7	1,6	32,7	29,3	40,8	45,4	25,8	23,7
Total	62,2	62,3	4,5	3,5	11,3	11,7	14,2	15,0	7,8	7,5

TL-FX composition of total liabilities reveals that while share of TL-denominated items increased, share of FX-denominated items decreased in all groups. Share of TL-denominated liabilities which accounted for 56,7% in 2003, increased to 59,9% in December 2004 and this was mainly driven by the decrease in exchange rates and the adverse money substitution brought by the increasing reliance in Turkish Liras. As a matter of fact, this fact is also observed in the increase of deposit share in all banking groups. TL-FX composition reveals that the share of TL-denominated deposit in liability increased, on the contrary, the FX-denominated deposit in liability decreased.

Table 2.19 Total Liabilities by Groups

	NTL million		% Share*		% Change	
	Dec.03	Dec.04	Dec.03	Dec.04	Nominal	Real
State Banks	83.134	106.902	33,3	34,9	28,6	13,0
- TL	60.705	79.491	73	74,4	30,9	15,0
- FX	22.429	27.411	27	25,6	22,2	7,4
Private Banks	142.270	175.926	57,0	57,4	23,7	8,6
- TL	67.218	89.281	47,2	50,7	32,8	16,7
- FX	75.052	86.645	52,8	49,3	15,4	1,4
Foreign Banks	6.943	10.356	2,8	3,4	49,2	31,0
- TL	3.469	5.941	50	57,4	71,2	50,4
- FX	3.474	4.415	50	42,6	27,1	11,6
SDIF Banks	7.075	1.938	2,8	0,6	-72,6	-75,9
- TL	4.305	1.664	60,8	85,9	-61,3	-66,0
- FX	2.770	274	39,2	14,1	-90,1	-91,3
Dev. & Inv. Banks	10.265	11.327	4,1	3,7	10,3	-3,1
- TL	5.967	7.046	58,1	62,2	18,1	3,7
- FX	4.298	4.280	41,9	37,8	-0,4	-12,5
Total	249.687	306.449	100	100	22,7	7,8
- TL	141.664	183.423	56,7	59,9	29,5	13,7
- FX	108.023	123.026	43,3	40,1	13,9	0,0

*Percentage share for the group stands for the share of the group in total banking sector and for the sub-details, the share within the relevant group.

2.3.1. Deposit

The deposit volume of the banking sector increased by 8,1% in real terms and reached to NTL 191 billion as of December 2004, when compared to the end-2003. The rate of increase was 27,9% in USD basis and total deposits reached to USD 142,4 billion. 44,6% of the deposit in the banking sector was composed of foreign exchange deposit accounts and 32,7% of the deposit was from TL-denominated savings deposits and 22,6% thereof was from TL-denominated official, commercial and other institutions deposits by December 2004.

When deposit by bank groups is evaluated, the shares of State Banks and the Foreign Banks in total deposits increased and share of other groups in deposits decreased in 2004. In 2004, the share of State Banks in total deposits increased from 38,5 to 42,4. In this increase, the deposit transferred to T.C. Ziraat Bankası A.Ş. for the payments to be made to depositors of Türkiye İmar Bank T.A.Ş was effective.

Table 2.20 Composition of Deposits by Banking Groups

	NTL Million		% Share		%Share	
	Dec.03	Dec.04	Dec.03	Dec.04	Nominal	Real
State Banks	59.862	81.086	38,5	42,4	35,5	19,0
- TL	42.344	59.242	70,7	73,1	39,9	22,9
- FX	17.518	21.844	29,3	26,9	24,7	9,5
Private Banks	88.179	105.195	56,8	55,1	19,3	4,8
- TL	34.864	45.064	39,5	42,8	29,3	13,5
- FX	53.315	60.131	60,5	57,2	12,8	-0,9
Foreign Banks	3.137	4.714	2,0	2,5	50,3	32,0
- TL	591	1.377	18,8	29,2	132,9	104,6
- FX	2.546	3.338	81,2	70,8	31,1	15,2
SDIF Banks	4.132	69	2,7	0,0	-98,3	-98,5
- TL	2.044	22	49,5	31,7	-98,9	-99,1
- FX	2.088	47	50,5	68,3	-97,7	-98,0
Total	155.310	191.065	100	100,0	23,0	8,1
- TL	79.843	105.705	51,4	55,3	32,4	16,3
- FX	75.467	85.360	48,6	44,7	13,1	-0,6

While the volume of deposits increased in real terms when compared to 2003, its ratio in total liabilities remained the same.

In 2004, TL-deposits increases by 16,3% in real terms to NTL 105,7 billion and FX-Deposit Account decreased by 0,6% to NTL 85,4 billion. When compared to end-2003, it can be seen that the shares of FX-deposits decreased and the share of the TL-deposits increased in all bank groups excluding the SDIF bank groups in 2004. In 2004, the share of the FX Deposit Accounts in the total deposits decreased by 3.9 points when compared to end- 2003. Decrease in foreign exchange rates and the increasing confidence in Turkish Lira have been a determining factor in the decrease of the shares of FX-deposits.

Although the share of FX-deposits decreased, it is seen that FX-weighted deposit structure continued both in Foreign Banks and Private Banks in 2004. TL-deposits are weighted in state banks.

Table 2.21 Deposit by Types

	NTL Million		% Share		%Change	
	December 03	December 04	December 03	December 04	Nominal	Real
TL denominated Saving Deposits	45.368	62.523	29,2	32,7	37,8	21,1
Fx Deposit Accounts *	75.413	85.203	48,6	44,6	13,0	-0,8
- Deposits of Domestic Residents(Natural Persons)	70.748	79.759	45,6	41,7	12,7	-1
Official,Commercial and Other Institutions Deposits	34.475	43.183	22,2	22,6	25,3	10
Precious Metal Deposit Accounts	54	157	0	0,1	190,7	155,2
Sectoral Total	155.310	191.065	100	100	23,0	8,1

* Comprised of Saving Deposits having the feature of FX deposit accounts and other FX-denominated deposits.

Distribution of FX deposit accounts by currencies indicates that while USD-denominated accounts decreased, EUR-denominated accounts increased in 2004. Hence, share of USD denominated accounts decreased by 1.2 points from 60.3% in end-2003 to 59.1% in 2004. Within the same period, share of EUR-denominated accounts increased by 3.2 points and reached to 36,6% mainly driven by the change in EUR/USD parity in favor of EUR.

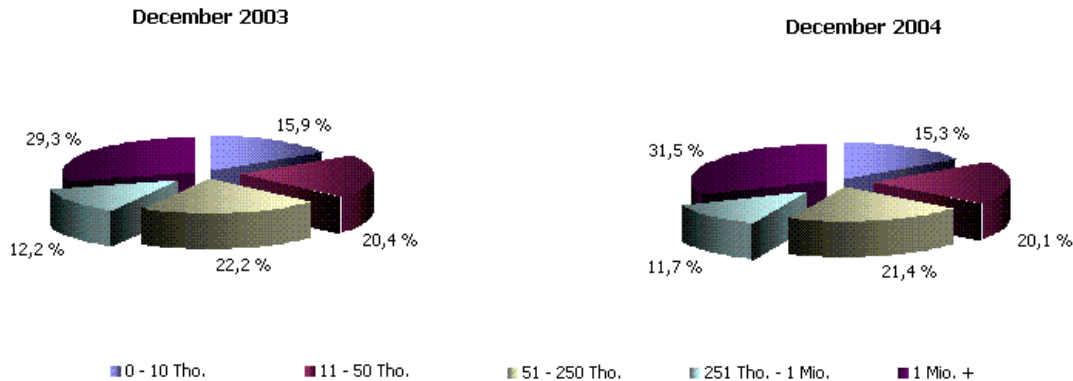
When the deposit which has the most important share in the sources of the banking system is evaluated by maturity, it is seen that the maturity of both TL-denominated deposits and the FX-denominated deposits shortened. When the increase in the share of TL-deposits with a maturity of up to 12 months and above (by the effect of the deposit of T.İmar Bank T.A.Ş.) is not regarded, the share of all maturity tranches excluding the maturity tranche up to 1 month decreased for both TL-deposits and FX-deposits; however share of deposits with a maturity of up to 1 month in total deposits increased. While 45,9% of TL-deposits have a maturity up to 1 month, 69% of FX deposit accounts are within the maturity tranche of up to 1 month.

Table 2.22 Distribution of Deposits by Maturity

%	% Share		% Change	
	December 2003	December 2004	Nominal	Real
TL Deposits (Total)	100	100	32,4	16,3
Up to one Month	43,9	45,9	38,5	21,7
1-3 Months	41,3	40,1	28,6	13,0
3-6 Months	10,4	6,7	-14,9	-25,2
6-12 Months	3,8	2,9	2,3	-10,1
12 Months+	0,6	4,4	823,5	711,3
FX Deposit Account (Total)*	100	100	13,1	-0,6
Up to one month	61,2	69,0	27,6	12,1
1-3 Months	24,2	19,0	-11,5	-22,2
3-6 Months	6,2	5,8	6,6	-6,4
6-12 Months	6,7	5,0	-14,9	-25,3
12 Months +	1,7	1,2	-22,6	-32,0

* Comprised of savings deposits having the feature of FX deposit accounts and other FX-denominated deposits.

Since short-term deposits are the main funding source of the Turkish banking sector, average maturity of interest-rate-sensitive liabilities are shorter than that of interest-rate-sensitive assets. Thus the decrease in interest rates will affect the sector positively while an increase will have an adverse affect.

Chart 2.8 Distribution of Deposits by Size

Distribution of deposits by volume and number of customers indicates that composition of the domestic residents' deposits did not change significantly in December 2004 when compared to end-2003 and mainly concentrated on deposits amounting to between NTL 51-250 thousand and above NTL 1 million. While share of deposits amounting to above NTL 51 thousand accounted for 64,6 % as of December 2004, share of the deposits amounting to below NTL 51 thousand accounted for 35,4 %.

The number of total accounts amounting to 79,7 million by the end of the year 2003, increased by 1,5% to 80 million by the end of 2004. Of the said accounts, deposit accounts of domestic residents accounted for 99,5% by number and 96.7% by size while that of foreign residents accounted for 0,5% and 3,3% respectively. Of the total deposits, deposits amounting to NTL 0-10 thousand accounted for 15,3%, deposits amounting to NTL 11-50 thousand accounted for 20,1%, deposits amounting to NTL 51-250 thousand accounted for 21,4%. The share of deposits amounting to NTL 251 thousands and above in total deposits was %43,2.

Table 2.23 Distribution of Deposits According to Size and Number of Accounts(December 2004)

	NTL 0 - 10 Thousand	NTL 11 - 50 Thousand	NTL 51 - 250 Thousand	NTL 251 Thousand- NTL 1 Million	Over NTL 1 Million	Total
Deposits According to Size (Share per cent)						
Domestic Residents	15,1	19,6	20,6	10,8	30,6	96,7
Saving Deposits	8,3	10,0	6,7	3,3	4,1	32,3
Official, Commercial and Other Institutions Deposits	1,2	1,2	1,3	2,4	16,4	22,5
FX Deposit Accounts	5,5	8,5	12,6	5,1	10,1	41,7
Residents Abroad	0,2	0,5	0,7	0,9	1,0	3,3
FX Deposit Accounts	0,1	0,4	0,6	0,9	0,8	2,8
General Total	15,3	20,1	21,4	11,7	31,5	100,0
Number of Accounts According to Size						
Domestic Residents	77.450.405	1.660.964	536.647	41.184	12.360	79.701.560
- Natural Prsons	69.059.974	1.399.772	445.897	24.458	5.186	70.935.287
- Legal entities	8.390.431	261.192	90.750	16.726	7.174	8.766.273
Residents Abroad	338.540	31.483	12.476	2.804	425	385.728
Number of Accounts	77.788.945	1.692.447	549.123	43.988	12.785	80.087.288

2.3.2. Claims to Banks

Claims-to-banks are another major funding source and its share in total liabilities increased by 0,6% compared to previous year-end and accounted for 11% as of end-2004. While the share of "claims-to-domestic banks and quasi-bank institutions" which are recognized under "claims-to-banks" item decreased by 0,1 points. Share of funds obtained from banks and the quasi-bank institutions abroad in total liabilities increased by 0,7 points.

TL-FX composition of the "claims-to-banks" indicates that while FX-denominated claims account for 87,5% at end-2003, the ratio decreased to 86,4% at end-2004.

Table 2.24 Claims to Banks by Groups

	NTL Million		% Share in Total Liabilities		Nominal Change	Real Change
	Dec.03	Dec.04	Dec.03	Dec.04		
Claims to Banks (1+2)						
- State	2.338	4.148	2,8	3,9	77,4	55,8
- Private	18.158	23.920	12,8	13,6	31,7	15,7
- SDIF	837	101	11,8	5,2	-87,9	-89,4
- Foreign	1.362	2.354	19,6	22,7	72,8	51,8
- Dev.&Inv. Banks	3.223	3.242	31,4	28,6	0,6	-11,6
Sector	25.918	33.765	10,4	11	30,3	8,3
- Domestic Banks and Quasi-Bank Institutions(1)						
- State	610	1.525	0,7	1,4	150	119,6
- Private	2.770	2.781	1,9	1,6	0,4	-11,8
- SDIF	680	87	9,6	4,5	-87,2	-88,7
- Foreign	467	1.251	6,7	12,1	167,9	135,3
- Dev.&Inv.Banks	947	926	9,2	8,2	-2,2	-14,1
Sector	5.474	6.570	2,2	2,1	20	5,4
- Banks&Quasi-Bank Institutions Abroad (2)						
- State	1.728	2.623	2,1	2,5	51,7	33,3
- Private	15.388	21.139	10,8	12	37,4	20,6
- SDIF	157	14	2,2	0,7	-91,1	-92,2
- Foreign	895	1.103	12,9	10,7	23,2	8,3
- Dev.&Inv.Banks	2.276	2.316	22,1	20,4	1,9	-10,5
Sector	20.439	27.193	8,2	8,9	33	9,1

When considered the "claims-to-banks" item by groups, it is seen that there exists a decrease in real terms in SDIF banks as well as Development and Investment Banks and an increase in real terms in other bank groups. Increasing reliability of the Turkish Economy in international markets also facilitated private banks to obtain syndication and securitization loans. As of December 2004, syndication loans obtained amounted to a total of USD 6,5 billion and securitization loans obtained amounted to a total of USD 3,5 billion. The sector obtained syndication and securitization loans in higher amounts in 2004 when compared to 2003.

Table 2.25 Loans Received from Abroad (USD Million)

	December,31, 2003 (Cumulative)	December, 31, 2004 (Cumulative)
Syndication Loans	3.782	6.512
Securitization Loans	1.325	3.548
Total	5.107	10.060

While the syndication loans have an average maturity of 1 year, securitization loans have an average maturity of 6 months to 10 years in 2004. This development is important since it indicates that confidence in the Turkish banking system in international finance markets has increased.

2.3.3. Own-Fund

Own-funds of the banking sector, which amounted to NTL 35,5 billion in 2003, increased by 13,6% in real terms to NTL 45,9 billion. In dollar terms, own-funds increased to USD 34,2 billion from USD 25,5 billion. The increase was mainly driven by the increase in paid-up capital and period profits as well as the decrease in previous years' losses. In spite of the real change by 13,6% in total own-funds, the sector's total paid-up capital decreased by 4,4% in real terms. When evaluated by group basis, own funds of all banking groups excluding the state banks increased in real terms when compared to 2003.

Table 2.26 Own-Fund

	% Share in Total Liabilities					
	NTL Million		% Change			
	December 2003	December 2004	December 2003	December 2004	Nominal	Real
Total Own-Fund*	35.538	45.964	14,2	15	29,3	13,6
- State Banks	9.574	10.068	11,5	9,4	5,2	-7,6
- Private Banks	20.958	27.399	14,7	15,6	30,7	14,8
- SDIF Banks	-847	1.273	-	-	-	-
- Foreign Banks	1.666	2.084	24	20,1	25,1	9,9
- Dev.&Inv.Banks	4.188	5.140	40,8	45,4	22,7	7,8
Paid-up Capital	13.615	14.824	5,5	4,8	8,9	-4,4
- State Banks	3.693	3.792	4,4	3,5	2,7	-9,8
- Private Banks	6.470	7.784	4,5	4,4	20,3	5,7
- SDIF Banks	1.084	441	15,3	22,7	-59,3	-64,3
- Foreign Banks	513	567	7,4	5,5	10,5	-3
- Dev.&Inv.Banks	1.857	2.240	18,1	19,8	20,6	6
Reserves**	43.573	42.544	17,5	13,9	-2,4	-14,2
- State Banks	3.984	3.088	4,8	2,9	-22,5	-31,9
- Private Banks	12.632	13.978	8,9	7,9	10,7	-2,8
- SDIF Banks	22.062	19.543	311,8	1007,2	-11,4	-22,2
- Foreign Banks	1.057	1.216	15,2	11,7	15,0	1,1
-Dev.&Inv.Banks	3.838	4.719	37,4	41,7	23,0	8
Profit/Loss for the Period	5.608	6.481	2,2	2,1	15,6	1,5
- State Banks	1.790	2.708	2,2	2,5	51,3	32,9
- Private Banks	2.917	2.830	2,1	1,6	-3,0	-14,8
- SDIF Banks	272	386	3,8	19,9	41,9	24,7

- Foreign Banks	186	240	2,7	2,3	29,0	13,3
- Development&Inv.Banks	443	316	4,3	2,8	-28,7	-37,3
Previous Years' Profit/Loss	-29.333	-21.604	-	-	-	-
- State Banks	0	232	-	-	-	-
- Private Banks	-2.897	-502	-	-	-	-
- SDIF Banks	-24.268	-19.100	-	-	-	-
- Foreign Banks	-118,7	36	-	-	-	-
- Development&Inv.Banks	-2.049	-2.274	-	-	-	-

* Fixed Asset Re-valuation Fund and Securities Value Increase Fund items not included to the total Own-fund in the table

** Formed from the Reserves in the Balance-Sheet and Inflation Accounting Derived from the Capital Reserves Items

Although total paid-up capital of the sector increased by NTL 1,209 million to NTL 14,824 million as of December 31, 2004 when compared to the end-2003, it decreased in real terms. When evaluated by banking groups, the paid-up capitals of private banks and development and investment banks increased in real terms and other banking groups' paid-up capitals decreased in real terms.

The paid-up capitals of private banks increased by NTL 1.314 million to NTL 7.784 million when compared to end-2003. 4,5% of the increase was engendered from the increase in in-cash capital and the rest of the amount was engendered from adding internal sources like reserves, previous years' profits and the sales of subsidiaries to the paid-up capital.

On the other hand, a recovery was observed in total free capital of the banking sector in 2004. Free capital of the banking system increased by 24,7% in real terms by the impact of the increase in the own-funds and the arranged free capital of the banking sector increased by 28% and 17,7% respectively, within the scope of the definitions in the following table. When evaluated by groups, free capital and the arranged free capital decreased in real terms in state banks and the SDIF banks groups and the said capital items of other bank groups increased in real terms.

Table 2.27 Free Capital by Banking Groups (NTL Million)

	Free Capital *		Arranged Free Capital (1)**		Arranged Free Capital (2)**	
	December 2003	December 2004	December 2003	December 2004	December 2003	December 2004
- State Banks	7.016	7.222	6.914	7.117	6.980	6.688
- Private Banks	6.993	10.806	6.355	10.228	6.837	9.760
- SDIF Banks	-1.116	1.165	-1.319	1.150	-1.120	1.165
- Foreign Banks	1.390	1.770	1.364	1.731	1.465	1.654
- Dev.&Inv. Banks	3.823	4.745	3.806	4.722	3.732	4.703
Total	18.107	25.707	17.119	24.948	17.894	23.970

*Free Capital: Own-funds–Affiliates and the subsidiaries– fixed Assets

** Arranged Free Capital(1):Free Capital–TA(net)

*** Arranged free capital (2): Free Capital –deferred tax asset – Cash Payed Expenditures

2.4. Off-Balance Sheet Items

Turkish Banking Sector's setting more credit cards aside in 2004, increasing its loan contracts and the loan limits have affected off-balance sheet items. Off-balance sheet transactions increased by 33,9% in nominal terms and 17,7 % in real terms when compared to the same period of the previous year and realised in the level of NTL 179.726 million by end-2004. Off-balance sheet transactions of the banking sector excluding SDIF banks increased by 36,6% in nominal terms and 20% in real terms.

When evaluated by groups, off-balance sheet transactions in SDIF banks decreased by 87% in real terms and increased by 26,4% in foreign banks, 20% in private

banks, 17,4% in state banks and 6,8% in investment and development banks. The transfer of Pamukbank T.A.Ş. to T.Halk Bankası A.Ş. led to a decrease in both balance-sheet size and in off-balance sheet transactions in SDIF banks and to an increase in state banks group in end-2004 when compared to the same period of the previous year.

While the ratio of off-balance sheet transactions of the banking sector to the balance sheet total accounted for 53,8% at end-2003 , it increased to 58,6% at end-2004. Ratio of off-balance sheet transactions to total balance sheet decreased in SDIF banks and foreign banks and increased in other groups in December 2004 when compared to end-2003.

Table 2.28 Off-Balance Sheet Transactions*

	NTL Million		% Chance	
	December 2003	December 2004	Nominal	Real
Contingencies	46.650	55.704	19,4	4,9
Letters of Guarantee	32.126	38.655	20,3	5,7
Letters of Acceptance	2.290	2.852	24,5	9,4
Letters of Credit	8.911	11.408	28,0	12,5
Guarantee,Suretyship and Endorsements	3.180	2.685	- 15,6	- 25,8
Other	143	104	- 27,1	- 36,0
Commitments	53.348	85.051	59,4	40,1
Commitment to Subs. And Affi. Cap.	34	19	- 42,8	- 49,8
Usage Guaranteed Appropriated Credit Commitments	1.253	938	- 25,1	- 34,2
Commitment of Spending of the Credit Card Limit	28.295	37.110	31,2	15,2
Commitment of Taking the forward Active Assets	1.066	1.246	16,9	2,7
Commitment of term deposit purchase and sale	286	104	- 63,7	- 68,1
Paying back commitment for statutory provision	8	5	- 40,4	- 47,6
Other Unrevokable Commitments	3.657	9.620	163,1	131,2
Commitment of Revocable Appropriated Credit	18.644	35.905	92,6	69,2
Other Revocable commitments	106	104	- 2,1	- 14,0
Derivative Financial instruments **	34.235	38.971	13,8	0,0
Forward FX Purchase-sale transactions	13.295	10.027	- 24,6	- 33,7
Forward FX purchase Transactions	6.667	5.006	- 24,9	- 34,0
Forward FX sale Transactions	6.628	5.020	- 24,3	- 33,4
Money Swap	12.059	19.912	65,1	45,1
Purchase	6.109	10.007	63,8	43,9
Sale	5.950	9.905	66,5	46,3
Interest Swap	95	470	395,3	335,3
Purchase	47	234	395,8	335,7
Sale	48	236	394,8	334,8
Other Derivatives Purchase	2.270	2.615	15,2	1,2
Other Derivatives Sale	6.515	5.947	- 8,7	- 19,8
Total off-Balance Sheet Transactions	134.233	179.726	33,9	17,7

* İller Bank was excluded

** Derivative Financial Instruments were evaluated out of the commitments

Contingencies and commitments increased by 4,9% and 40,1% in real terms when compared to the end of the previous year. In the said period, the increase in derivative financial instruments accounted for 3 per thousand which is a low level.

Letters of guarantee which accounted for 69,4% of total contingencies increased by 5,7% in real terms and letters of credit which accounted for 20,5% thereof increased by 12,5% in 2004. Contingencies increased in all groups except for the SDIF banks, but the decrease accounting for 88,8% in SDIF banks had negative effects on the said item.

The increase by 15,2% in real terms in credit card expenditure limit commitments which accounts for 43,6% of total commitments and the increase by 69,2% in real terms in revokable credit allocation commitments which account for 42,2% of total commitments were the essential factors in the said increase. Credit card expenditure limit commitments increased by 37% in private banks group, by 20,7% in foreign banks and by 17,8% in state bank in nominal terms when compared to end-2003. On the other hand, revokable credit allocation commitments increased by 100% in private banks, by 81,3% in foreign banks, by 35% in development and investment banks and by 13,3% in state banks in the said period.

Derivative financial instruments increased by 13,8% in nominal terms but it did not change in real terms as of end-2004 when compared to 2003. Forward FX purchase-sale transactions decreased by 24,6% in nominal terms and 37,7% in real terms in the said period since there were not so many fluctuations on exchange-rates. When forward FX purchase-sale transactions are evaluated by groups, it is seen that transaction volume decreased in all bank groups except for foreign banks. In that case, it is understood that foreign banks kept using this forward FX purchase-sale transactions intensively in order to be protected against the currency risk in this period. Interest swap which is one of the other sub-items of the derivative financial transactions decreased by 335,3% in real terms in the said period. Interest swap increased by 676,4% in nominal terms in private banks which accounts for 70,5% of total interest swaps and increased by 165,7% in nominal terms in foreign banks which accounts for 29,5% thereof in December 2004 when compared to the same period of the previous year.

The banking sector made a profit amounting to NTL 296 million on derivative financial transactions in December 2004. NTL 140 million of the said profit was gained by private banks, NTL 132 million by state banks and NTL 23 million by development and investment banks. Foreign banks beared a loss amounting to NTL 453 million from the derivative financial transactions in the said period.

On the other hand, while the banking sector made a profit amounting to NTL 163 million from forward transactions, NTL 104 million from swap transactions and NTL 31 million from option transactions, it has beared a loss of NTL 2 million from future transactions in the period of December 2004.

2.5. Securities under Custody of Banks

As of December 31, 2004, excluding Settlement and Custody Bank, nominal value of securities under custody of banks increased by 42,7% compared to 2003 year-end and reached to NTL 92,5 billion and their market value increased by 44,1% and reached to NTL 104,4 billion. The said increase in nominal value by NTL 27,7 billion compared to December 2003 was mainly driven by the increase in government security portfolios of domestic natural persons and legal entities as well as government security portfolios of legal entities residing abroad, especially banks and other financial institutions.

A remarkable portion of the discounted securities issued by the Treasury are held under custody of banks on behalf of natural persons and entities. In terms of nominal values, government securities and Eurobonds issued by the Treasury account for 93,1%, share stock account for 5,6% and other securities account for 1,3% of the securities held under custody of banks.

In terms of market values, a total of NTL 38,7 billion are held by domestic natural persons under the custody of banks. Of the said amount, Treasury Bills amount to NTL 9,7

billion, government bonds amount to NTL 24,7 billion and Eurobonds amount to NTL 4,3 billion. This amount is NTL 5,4 billion for FX indexed-securities.

Table 2.29 Securities Held Under Custody of Banks*

Market Values	NTL Million		% Change	
	Dec. 26, 2003	Dec. 31, 2004	Nominal	Real
DOMESTIC+ABROAD TOTAL	72.411	104.353	44,1	26,6
Total (Held on behalf of Domestic Residents)	53.605	68.655	28,1	12,5
- Natural Persons	34.512	40.170	16,4	2,2
- Legal Entities	15.969	24.427	53,0	34,4
- Insurance Firms	2.644	3.247	22,8	7,9
- Banks	93	224	140,1	110,9
- Non-Bank Financial Institutions	388	588	51,6	33,2
Total (Held on Behalf of Foreign Residents)	18.806	35.698	89,8	66,7
- Natural Persons	629	684	8,8	-4,4
- Legal Entities	1.583	1.848	16,7	2,6
- Insurance Firms	0	0	-	-
- Banks	6.122	14.926	143,8	114,2
- Non-Bank Financial Institutions	10.473	18.240	74,2	53,0
By Types of Securities				
Securities issued by the Treasury	57.918	79.649	37,5	20,8
- Domestic Residents	51.529	64.899	25,9	10,6
- Natural Persons	33.546	38.722	15,4	1,4
- Foreign Residents	6.389	14.750	130,9	102,8
Treasury Bill - TL	10.391	13.247	27,5	12,0
FX	67	54	-19,5	-29,3
Government Bond - TL	38.402	54.976	43,2	25,8
FX	2.388	4.113	72,2	-98,2
FX-Indexed Debt Securities	516	230	-55,5	-124,2
Eurobond Issuance	6.153	7.029	14,2	-99,8
- <i>Domestic Residents</i>	4.352	5.513	93,2	93,2
- <i>Foreign Residents</i>	1.801	1.516	22,8	22,8

*Takasbank was excluded.

As of December 2004, TL-denominated government securities with a maturity of 3-12 months accounted for 46,4% of government securities held under the custody of banks. The distribution of securities under custody of banks indicating that securities with a maturity 3-12 months has a remarkable share; besides it is observed that the share of government securities with a maturity of more than one year increased as of mid-2004. The share of TL-denominated government securities with a maturity of more than one year in total reached to 27,7% by December 2004. This reveals that savings depositors prefer longer maturities in government securities compared to deposits mainly due to recent increase in liquidity of government securities and due to remarkable amount of tax-free earnings from government securities as well as the ability to be used as collateral in state auctions and effect of accrued interest on market price in case of liquidation before due date.

Table 2.30 Maturities of Government Securities Held Under Custody of Banks

	TL-Denominated Government Securities							FX-Denominated GS						
	<1month	1-3 Month	3-6 Month	6-12 Month	1-2 Year	2 Year +	Total	<1month	1-3 Month	3-6 Month	6-12 Month	1-2 Year	2 Year +	Total
January	8,9	26,1	18,2	31,3	11,5	0,4	96,4	0,6	-	-	0,9	2,2	-	3,6
February	12,5	22,4	25,5	21,2	15,0	0,4	96,9	-	-	-	1,3	1,8	-	3,1
March	8,4	20,1	27,4	24,8	15,2	0,4	96,2	-	0,8	0,9	0,4	1,8	0,0	3,8
April	10,3	17,9	27,4	27,4	13,3	0,4	96,6	-	-	0,8	0,5	2,0	0,0	3,4
May	5,0	28,2	20,2	27,8	14,6	0,4	96,2	-	0,1	0,8	0,6	2,3	0,0	3,8
June	13,0	22,3	21,9	23,2	15,2	-	95,8	-	1,0	0,0	1,6	1,6	0,0	4,2
July	14,9	18,3	23,5	20,8	18,2	-	95,7	-	1,0	0,0	2,2	1,0	0,0	4,3
August	9,1	21,4	19,3	26,6	17,7	-	94,1	1,0	-	0,5	1,8	1,0	1,6	5,9
September	4,7	26,5	19,1	22,7	23,0	-	96,0	-	0,0	0,5	3,0	0,3	0,1	4,0
October	12,3	18,8	12,3	30,6	20,6	1,4	96,0	-	0,0	0,4	3,3	0,1	0,1	4,0
November	9,5	16,4	21,4	23,2	24,0	1,6	96,1	0,0	0,4	-	3,3	0,1	0,1	3,9
December	9,1	12,7	17,7	28,7	25,9	1,8	95,8	-	0,4	1,0	2,4	0,1	0,3	4,2

2.6. Capital Adequacy

The capital adequacy ratio (CAR) of Turkish banking sector which accounted for 30,9% by the December 2003 realised as 28,8% by end-2004 and while the sector's own-funds subject to CAR increased by 31,2% when compared to the previous year, total risk-weighted assets increased by 41%. The most important factor of the decrease in the capital adequacy ratio when compared to previous year was the increase realised in risk-weighted assets related to the loan volume's expansion as a result of the increase in domestic demand by the regulation fixing the ratio of the conversion of the credit card expenditures commitment to cash loan as 50% made by the BRSA.

The banking sector's capital obligation subject to market risk amounted to NTL 1,217 million by December 2004. An important portion of the said amount is engendered from interest ratio risk. The banking sector held a capital of 72% more than its legal capital obligation.

The capital adequacy ratio realised over the legal ratio in all bank groups by end-2004. The SDIF banks's capital adequacy ratio which was -21,6% as of the previous period increased to 185,2% by the period analyzed. It is mainly driven by the decrease in total risk-weighted assets of the group in parallel with the fact that the said group's own-funds turned into positive and assets thereof got smaller through the transfer of Pamukbank T.A.Ş which was under the structure of the SDIF, to Halk Bank A.Ş. The CAR of the sector excluding SDIF banks accounted for 27,9%.

The CAR of the sector decreased when compared to 2003 due to the fact the increase in risk-weighted assets was higher than the increase in own-funds subject to capital adequacy ratio.

Table 2.31 Sub-Items of CAR by Banking Groups

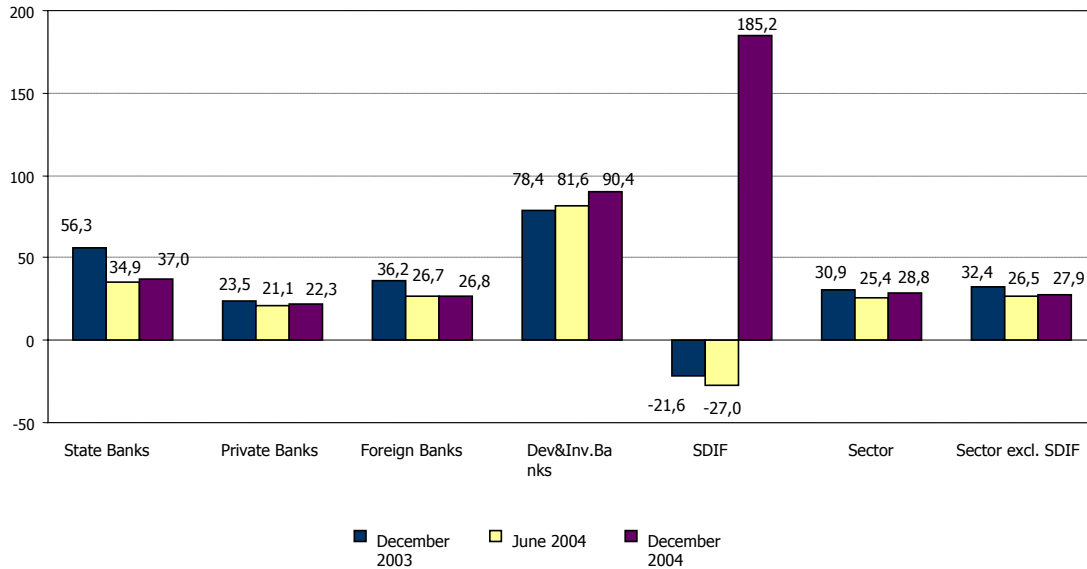
NTL million	State Banks		Private Banks		Private Banks		Dev.Inv.Banks		The SDIF		Sector	
	Dec. 2003	Dec. 2004	Dec. 2003	Dec. 2004	Dec. 2003	Dec. 2004	Dec. 2003	Dec. 2004	Dec. 2003	Dec. 2004	Dec. 2003	Dec. 2004
Tier 1Capital	9.467	9.821	19.122	24.095	1.637	2.059	4.088	5.002	- 850	1.270	33.464	42.247
Tier 2Capital	463	744	2.417	4.371	98	111	603	594	264	240	3.845	6.057
Tier 3Capital	-	-	-	-	-	-	-	-	-	-	-	-
Own-Fund	9.238	9.861	17.892	24.048	1.518	1.921	4.566	5.440	- 616	1.508	32.599	42.775
Total risk weighted items *	16.409	26.676	76.110	107.999	4.190	7.155	5.824	6.015	2.852	814	105.385	148.634
a.Risk weight account for 0%	-	-	-	-	-	-	-	-	-	-	-	-
b. Risk weight account for 20%	1.424	1.699	3.504	4.776	234	382	260	511	244	64	5.667	7.431
c. Risk weight account for 50%	3.373	4.003	8.899	18.226	621	1.519	246	268	448	70	13.587	24.087
d. Risk weight account for 100%	9.021	17.875	53.703	74.477	3.141	4.778	4.556	4.430	1.386	338	71.707	101.908
eAEMR **	2.591	3.099	10.005	10.519	293	476	763	805	774	342	14.425	15.208
CAR	56,3	37,0	23,5	22,3	36,2	26,8	78,4	90,4	-21,6	185,2	30,9	28,8

**AEMR: Amount Exposed to Market Risk
Source:BRSA

The CAR of state banks decreased by 19,3 points and realised as 37% by end-2004 when compared to the previous year's same period. While the own-funds subject to the CAR of the state banks increased by 6,7%, the risk weighted asset's increased by 62,6% and this effected the CAR in a negative way in the said period. While the state banks held NTL 1,105 million for the loan risk by end-2003, this amount increased to NTL 1,886 million by December 2004.

The CAR of private banks decreased from 23,5% to 22,3% in the said period. As a result of the increase particularly in 100% risk weighted assets through the increase in the loan availabilities of private banks, the increase in own-funds subject to capital adequacy ratio's got behind the total risk-weighted assets and this led to a decrease in the ratio by 1,2%. The legal capital obligation to be set aside for the loan risk of private banks increased from NTL 5.288 million to NTL 7.798 million when compared to the previous year. 32% of the legal capital obligation of private banks is composed of the legal capital obligation to be set aside for loan risk. This ratio correspond to the highest ratio within all bank groups.

The capital adequacy ratio of foreign banks decreased from 36,2% to 26,8% within the said period. Particularly by the effect of the increase in 100% risk weighted assets, the total of risk weighted assets increased by 70,7% while the increase in the own-funds subject to CAR remained at 26,5% level.

Chart 2.9 Capital Adequacy Ratio

The CAR of the development and investment banks increased from 78,4% to 90,4% in the said period. The increase in own-funds subject to the CAR of development and investment banks as well as the limited increase in the total risk weighted assets thereof due to the decrease in the 100% risk weighted assets, caused an increase by 12 points in the said ratio.

2.7. Profitability Performance and Analysis of Income Statement

2.7.1. Profitability

The profit of the Turkish banking sector increased by 15,6% in nominal terms to NTL 6,7 billion by 2004 when compared to the previous year. The total profit of the sector increased by 20,2% in USD basis and reached to USD 4,8 billion from USD 4 billion. The profitability of the sector excluding the SDIF banks increased by 14,2% in nominal terms and 0,3% in real terms when compared to the end of the previous year and reached to NTL 6,1 billion.

Table 2.32 Profitability Ratios in the Banking Sector (%)

	Net Profit / Total Assets		Net Profit / Total Own-funds	
	2003	2004	2003	2004
State	2,2	2,5	18,7	27,0
Private	2,1	1,6	13,9	10,3
SDIF	3,8	19,9	-32,1	30,4
Foreign	2,7	2,3	11,2	11,5
Dev.&Inv	4,3	2,8	10,6	6,1
Sector excl.SDIF	2,2	2,0	14,7	13,6
Sector	2,2	2,1	15,8	14,1

The profitability of the state banks has grown by the reasons hereafter; the increase in credit volumes which increase the interest incomes from loan dependent on the increase in domestic demand, the decrease in set aside provisions due to the decrease in gross non-performing loans and the positive effect of the decrease in interest depending on the asset-liability structure. While the interest income of state banks decreased by 19,9% in real terms, interest expenses decreased by 29,9% in real terms in 2004, by another expression, the decrease in interest expense realizing more rapidly than the

interest income was the determining factor on the increase of the profitability by the year 2004. The ratio of the total profit to the total assets increased by 0,3 points to 2,5% and its ratio to total own-funds increased by 8,3 points to 27% in 2004.

Table 2.33 Net Period Profit/Loss

	Net Period Profit/Loss			
	NTL Million December		USD Million December	
	2003	2004	2003	2004
State	1.790	2.708	1.283	2.018
Private	2.917	2.830	2.090	2.109
SDIF	272	386	195	288
Foreign	186	240	133	179
Dev.&Inv	443	316	317	236
SECTOR	5.608	6.481	4.018	4.829
Sector excl. SDIF	5.336	6.095	3.823	4.541

The profit of private banks was effected negatively from the decrease in net interest incomes and capital market transaction profits as well as the foreign exchange profits, and amounted to NTL 2.830 million by 2004. While the ratio of net profit/total assets decreased from 2,1% to 1,6%, the ratio of net profit /total own-funds decreased from 13,9% to 10,3% by 2004 when compared to 2003.

The SDIF banks made a profit amounting to NTL 386 million by end-2004. By the transfer of Pamukbank T.A.Ş which was under the structure of the SDIF to T.Halk Bank A.Ş. by end-2004, net interest expenses of SDIF banks turned into net interest income. However, the facts that the said group had a foreign exchange income by 2003, it faced with a foreign exchange loss by 2004 and the increase in it's net monetary position loss and that it's total net non-interest income turned into negative were the limiting factors on increasing it's profits. Nonetheless, net profit/total assets ratio of the SDIF banks increased by 16,1 points from 3,8% to 19,9% and the ratio of net profit/own-funds increased by 62,5 points from -32,1% to 30,4 by 2004 when compared to the same period of the previous year.

Foreign banks group increased their profit by 29,1% in nominal terms and 29,1% in real terms between December 2003 and December 2004. The profit of development and investment banks decreased both in real terms and in nominal terms as a result of the decrease in their net interest income, the significant decrease in the capital market transaction profits, the increase in net monetary position loss and the increase in non-interest expenditures.

2.7.2. Income-Expense Structure

As for income-expense structure of banking sector, while interest income comprised 84% of total income and interest expense comprised 69% of total expenses at end-2003, share of interest income and interest expense decreased by the impact of the real decrease in interest rates at end-2004 (the said rate was realised as 83% and 61% respectively). The short-term maturity structure of deposits was the determining factor for the decrease in expenses being more than interest incomes. While the interest income of the banking sector decreased by 9,7% in real terms, the interest expenses decreased by 28,8% in real terms by 2004 when compared to the previous year and this progress effected the profitability in a positive way.

The increase in sector profitability is highly arisen from state banks.

Table 2.34 Selected Profit /Loss Items

	NTL Million		USD Billion		%Change	
	Dec.2003	Dec.2004	Dec.2003	Dec.2004	Nominal	Real
Interest Income	39.255	40.339	28,1	30,1	2,8	-9,7
Interests from Loans	10.455	15.544	7,5	11,6	48,7	30,6
Interests from Banks	880	891	0,6	0,7	1,3	-11,0
Interests from Money Market Transactions	2.631	1.016	1,9	0,8	-61,4	-66,1
Interests from Securities Portfolio	23.236	21.316	16,6	15,9	-8,3	-19,4
Other Interest and Quasi-Interest Income	1.559	1.084	1,1	0,8	-30,5	-38,9
Interest Expense	27.997	22.708	20,1	16,9	-18,9	-28,8
Interests to Deposit	23.223	18.989	16,6	14,1	-18,2	-28,2
Interests to Banks	1.595	1.581	1,1	1,2	-0,9	-12,9
Interests to Money Market	265	137	0,2	0,1	-48,1	-54,4
Interest to Repos Transactions	2.231	1.808	1,6	1,3	-19,0	-28,8
Other Interest and Interest Alike Expense	601	111	0,4	0,1	-81,6	-83,8
Net Interest Income (Expense)	11.257	17.631	8,1	13,1	56,6	37,6
Special Provision for NLP's	2.622	1.423	1,9	1,1	-45,7	-52,5
Net Interest Income (Expense) After Provisions	8.635	16.208	6,2	12,1	87,7	64,9
Net Non-Interest Income- Expense	-5.494	-6.366	-3,9	-4,7	15,9	1,8
Non-Interest Income	7.189	8.145	5,1	6,1	13,3	-0,5
Non-Interest Expenditure	12.682	14.512	9,1	10,8	14,4	0,5
Other Non-Interest Income-Expense	4.925	-713	3,5	-0,5	-114,5	-112,7
Capital Market Transactions Profits (Net)	5.095	1.839	3,7	1,4	-63,9	-68,3
Foreign Exchange profits-loss (Net)	1.631	457	1,2	0,3	-72,0	-75,4
Extraordinary income (Expense) (Net)	52	13	0,0	0,0	-74,1	-77,3
Pre-tax profit-loss (Zarar)	8.066	9.129	5,8	6,8	13,2	-0,6
Tax Provision	2.458	2.648	1,8	2,0	7,7	-5,4
Net Profit (Loss)	5.608	6.481	4,0	4,8	15,6	1,5

*Interest from total securities is comprised of sum of interest from trading, available-for-sale and held-to-maturity securities.

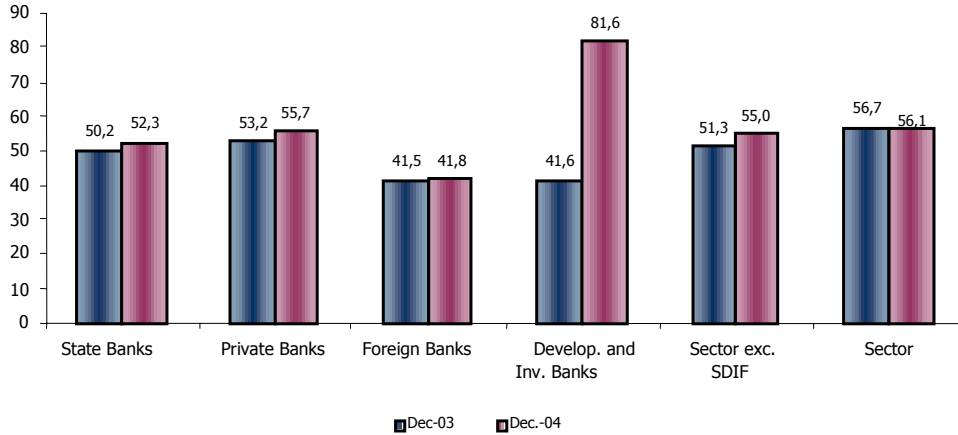
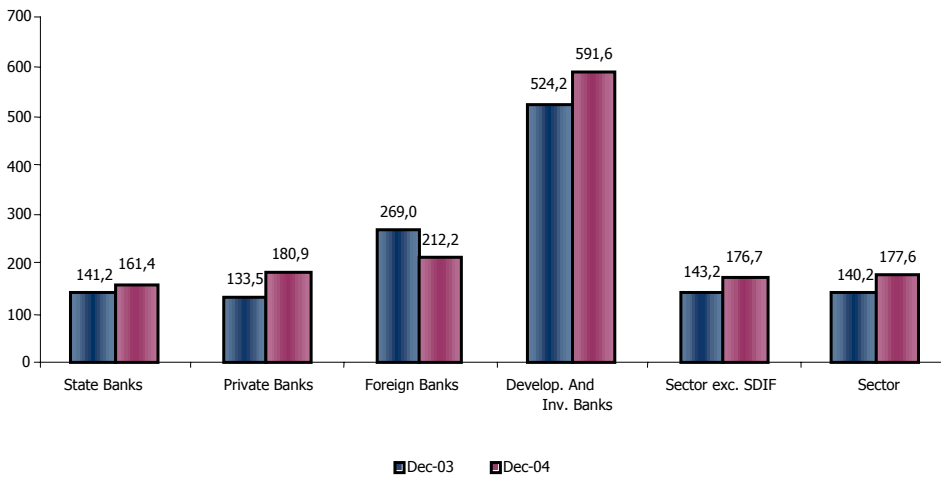
** Stands for the sum of the other provisions and subsidiaries ,provision for affiliated and jointly controlled partnerships.

Net interest income is affected in a positive way from the decrease in interest rates especially due to the short maturity structure of deposits.

The increase in net interest income by 56,6 % in nominal terms, the decrease in the provision of non-performing loans by 45,7% and the increase in net non-interest income by 15,9% in nominal terms made a positive effect on Turkish banking sector's profitability. However, the decrease in non-interest income by 114,5% effected the profitability in a negative way and while the net profit increased by 15,6% in real terms the real increase amounted for 1,5%.

In parallel with the real decrease in the interest, interest incomes and interest expenses decreased in the banking sector in 2004. However, due to the fact that the decrease in interest expenses was higher than the decrease in interest income, the net interest income increased by 56,6% in nominal terms and 37,6% in real terms in the observed period as of the end of the previous year. In this period, due to the continuation of the decrease in interest rates and the decrease in investments made to money markets, interest income from the said item decreased. The interests from securities remained to be the biggest income item in interest incomes and total income in the said year, like the year 2003. The share of the interests from the securities in interest incomes amounted for 52,8%, and its share in total income amounted for 44% in the said period. However, the composition of securities portfolio in the banking sector was changed and there existed a difference in interest incomes obtained in this period as a result of the transition from trading securities to securities available-for-sale.

The ratio of sector's total interest income to total interest expenses increased by 37,4% from 140,2% to 177,6% when compared to the previous year. In group basis; this ratio decreased in foreign banks and development and investment banks, and realised an increase in other groups. The ratio of total non-interest income to non-interest expenses decreased from 56,7% to 56,1%. The increase in the provisions set aside by private banks particularly played a significant role in this progress.

Chart 2.10 Total Interest Income/Total Interest Expense by Bank Groups (%)**Chart 2.11 Total Non-Interest Income/Total Non-Interest Expense by Banking Groups (%)**

Interest Income

Interest income of Turkish banking sector realised as NTL 40,339 million by 2004. While the interest income increased by 2,8% in nominal terms, it decreased by 9,7% in real terms when compared to the previous year. On the other hand, interest income of state, development and investment banks and the SDIF banks decreased. In parallel with the decrease in interest rates, the decrease in the interest from securities as well as banks and money market transactions were determining in this progress.

Interest from loans increased in real terms as a result of the increase in real terms in loans extended despite the decrease in interest rates and the decrease in non-performing loans in 2004 when compared to the previous year. The share of interest income from loans in total interest income increased by 11,9 to 38,5% in the said period.

Interests from total securities⁷ continued to decrease in 2004 as it did in the previous year due to the decrease in real terms in interest rates. The income from

⁷ Stands for the sum of the interest taken from the Securities, and the interest taken from the Trading, Available-to-Sale and Held-to-Maturity Securities..

securities portfolio decreased 17,5% in nominal terms in state banks, while in SDIF banks the said rate realized as 73% by the impact of the decrease in assets due to the transfer of Pamukbank T.A.Ş. to Halk Bankası A.Ş. On the other hand, the interest income earned from securities increased by 2,3% in private banks and by 48% in development and investment banks in real terms.

In parallel with the decrease in interest rates in 2003-2004 December, interests from the banks and especially from interbank money market transactions decreased significantly. On the other hand, share of other interest and quasi-interest income in total interest income decreased to 2,7% in 2004 from 4% in 2003.

Interest Expenses

Total interest expenses decreased by 18,9% in nominal terms and by 28,8% in real terms when compared to the previous year and was realized as 22,7% billion.

Within this period, the share of interest accrued on deposits, still the most important foreign resource of the banking sector, in total interest expense reached to 83,6% from 82,9% when compared to 2003 by the impact of the increase in deposit volume by 8,1% in real terms. On the other hand, in the said period, the interest granted to banks decreased by 12,9% and other interest and quasi-interest expenses decreased by 83,3% and reduced to NTL 111 million.

Non-Interest Income and Expense

Non-interest income increased by 13,3% in real terms from NTL 7,2 billion to NTL 8,1 billion in 2004. The fact that, charging more fees from the operational transactions lately in Turkish banking sector led to the increase of non- interest income. Within this period, charges and commissions taken from loans increased by 13,9% in real terms and banking service income, constituting 51,5% of total non-interest income, increased by 19,1% to NTL 4.194 million.

Non-interest expense of the banking sector increased by 14,4% in nominal terms when compared to the previous year and was realized as NTL 14.512 million in 2004. Personal expenditures, which had a share of 32% in non-interest expenditures, increased by 15,2% in nominal terms and reached to NTL 4.6 million. Other non-interest expenditures which had the biggest share in non- interest expenditures with 33,3% decreased by 9,8% in real terms and reduced to NTL 4,8 billion. The decrease by 76% in other non-interest expenses of SDIF banks was effective in this development. On the other hand, the share of provisions item which had take place in the non-interest expenditures, increased from 9,6% in 2003 to 16,9% in 2004. Provisions set aside increased by 101,8% in nominal terms and reached to NTL 2,4 billion from NTL 1,2 billion.

Other Non-Interest Income and Expense

Other non-interest income of the Turkish banking sector, which was NTL 4,9 billion in 2003, decreased by 112,7% in real terms and turned to NTL 713 million of other non-interest expense in 2004. This development is one of the most important factors affected negatively the profitability of the Turkish banking sector.

When other non-interest income- expense items are analyzed, it is seen that the capital market transaction profits decreased by 68,3% in real terms by the impact of the decrease in interest rates. The decrease in income earned from capital market transactions by private banks, state banks as well as development and investment banks is remarkable. On the other hand, foreign exchange profits decreased by 75,4% in real terms. Foreign exchange profits of private banks decreased to NTL 128 million in 2004 from NTL 1,2 billion in 2003. Within the analysed period, total other non-interest income of all groups excluding foreign banks decreased and the biggest decrease was seen in private banks group with NTL 4,1 billion and in state banks group with NTL 1,2 billion.

Table 2.35 Capital Market Transactions, Foreign Exchange Profits and Extraordinary Income

NTL Million	Capital Market Transactions Profits (Net)		FX Profits (Net)		Extraordinary Income.* (Net)		Total	
	Dec.03	Dec.04	Dec.03	Dec.04	Dec.03	Dec.04	Dec.03	Dec.04
State Banks	1.065	190	198	292	-736	-1.112	526	-630
Private Banks I	3.670	1.222	1.199	128	-539	-1.127	4.330	223
SDIF Banks	41	40	85	-4	-16	-57	110	-20
Foreign Banks	189	359	127	70	-137	-174	179	255
Development and Investment Banks	130	28	22	-29	-373	-540	-220	-540
TOTAL	5.095	1.839	1.631	457	-1.802	-3.009	4.925	-713

*Consist of the extraordinary income and the total monetary position profit (loss).

2.8. FX Positions of Banks

The banking sector on-balance sheet FX short position, which was in the trend of decrease due to the fluctuating exchange rate system adopted after the crisis experienced in 2000 and 2001 and due to the clearing operation on Treasury bills in June 2001, started to increase and reached to USD 1.383 million level by December 2004. On the other hand, when the off-balance sheet net position surplus is taken into account, the net general position which was surplus in the previous period turned into net short position amounting to USD 65 million. This situation indicates that the sector has tried to balance the increasing on-balance sheet short position with the off-balance sheet operations in this period.

The sector has tried to balance the increasing on-balance sheet FX short position with off-balance sheet operations in 2004.

Table 2.36 Net General FX Position of the Banking Sector

(USD Million)	December 2003	December 2004
On-Balance Sheet Position	-24	-1.383
State Banks	226	366
Private Banks	-367	-1.744
SDIF Banks	-2	11
Foreign Banks	129	-50
Development and Investment Banks	-10	34
Net General Position	264	-65
State Banks	226	366
Private Banks	-135	-511
SDIF Banks	-2	11
Foreign Banks	48	28
Development and Investment Banks	127	40
Memo note:		
FX Indexed Position	9.191	7.362
Private Banks	6.722	4.962
SDIF Banks	1.371	78
Foreign Banks	298	388

*On-Balance Sheet Position= FX Position + FX Indexed Position.

**Net General Position= On-Balance Sheet Position + Forward Transactions.

When evaluated by; on-balance sheet FX short position of private and foreign banks increased compared to the previous year by end-2004 and the FX short position of other banks is covered or current long position thereof increased. While on-balance sheet short position of the private banks increased by USD 1,4 billion to USD 1,7 billion, on-balance sheet position of foreign banks turned into a short position amounting to USD 50 million from USD 129 million of surplus. On the other hand, the position surplus of state banks increased by USD 140 million to USD 366 million, while the position of development

and investment banks turned into a surplus of USD 34 million from a short position of USD 10 million.

When evaluated the FX net general positions by groups, it is seen that by the end of 2004, as it was by the end of the previous year, all groups have net general position surplus, except private banks. By the said date, the net general short position of private banks amounted to USD 511 million.

2.9. Liquidity Structure of Banks

Economic stability and the decrease in interest rates decreased the liquidity risk of banking sector and this situation continued to orient the banking sector to high-yield liquid assets from lower-yield assets and to less liquid assets in 2004. Accordingly, the share of banks' liquid assets in total assets (excluding securities portfolio) decreased by 0,9 point to 10,7% at end-2004 when compared to the previous year. In fact, when considered the Securities Portfolio mostly comprised of Government Securities whose liquidity is comparatively higher, it is seen that the share of liquid assets in total assets decreased by 3,3 points to 51,1% in 2004.

Table 2.37 Share of Liquid Assets in Total Assets (%)

	December 2003			December 2004		
	TL	FX	Total	TL	FX	Total
Cash	0,4	0,4	0,8	0,4	0,4	0,7
Receivables from the Central Bank	0,5	0,6	1,2	0,6	1,1	1,8
Receivables from Money Markets	3,1	0,4	3,5	1,1	0,2	1,4
Receivables from Banks	0,9	5,1	6,1	1,5	5,4	6,9
Total Excluding Securities Portfolio	5,0	6,6	11,6	3,6	7,1	10,7
Securities Portfolio (Net)*	28,0	14,8	42,8	26,9	13,4	40,4
- Trading nad Available-for-Sale Portfolio	13,1	11,2	24,3	12,8	10,6	23,4
Total Liquid Assets+ Securities Portfolio	33,0	21,4	54,4	30,5	20,6	51,1

*Stands for the sum of Trading, Available-for-Sale and Held-to Maturity Securities.

When liquid assets are analyzed on an item basis, share of receivables from the Central Bank increased by 1,2 points to 3,4%, share of receivables from the banks increased by 2,2 points to 13,4%, in contrast, share of receivables from money markets decreased by 3,8 points to 2,7%. On the other hand, share of Securities Portfolio, which has the highest share in total liquid assets, remained almost unchanged in the said period.

Table 2.38 Distribution of Liquid Assets (%)

	December 2003			December 2004		
	TL	FX	Total	TL	FX	Total
Cash	0,7	0,8	1,5	0,7	0,7	1,5
Receivables from the Central Bank	1,0	1,2	2,2	1,2	2,2	3,4
Receivables from Money Markets	5,7	0,8	6,5	2,2	0,5	2,7
Receivables from the Banks	1,7	9,4	11,2	2,9	10,5	13,4
Total Excluding Securities Portfolio	9,2	12,1	21,3	7,0	14,0	21,0
Securities Portfolio (Net)*	51,5	27,1	78,7	52,7	26,3	79,0
- Trading and Available-for-Sale Portfolio	24,1	20,6	44,7	25,0	20,8	45,8
Total Liquid Assets+ Securities Portfolio	60,7	39,3	100,0	59,8	40,2	100,0

*Stands for the sum of Trading, Available-for-Sale and Held-to Maturity Securities.

When assets and liabilities of the sector are compared to their maturities, coverage ratio of assets with a maturity of less than 3 months to liabilities with a maturity of less than 3 months increased by 2,3 points compared to the previous year and was realized as 45,3% by end-2004. It was mostly driven by the short-term structure of deposits which were the most important funding resources of banks. The prolongation tendency in average maturity of deposits observed in the last period through the

macroeconomic stability, provided a partial improvement in the said ratio. While liquidity structure in Turkish banking system is being analyzed, it must be taken into consideration that an important portion of deposits was not withdrawn from the system even in crisis periods. Furthermore, injection of liquidity by the Central Bank to the system in crisis periods and repurchase bids for government securities offered by the Treasury were the main two factors which significantly limit the liquidity risk of banks.

Table 2.39 Assets' Coverage Ratio of Liabilities by their Maturities in Banking Sector(%)

	For Maturities Shorter than 3 Months		For Total of All Maturities	
	December 2003	December 2004	December 2003	December 2004
State Banks	32,5	31,6	113,0	110,4
TL	28,0	26,8	120,2	117,5
FX	42,8	44,4	96,6	92,3
Private Banks	46,9	51,0	117,3	118,4
TL	60,2	58,4	166,1	159,0
FX	37,5	44,5	86,8	89,2
Sector	43,0	45,3	115,9	116,9
TL	46,0	45,3	144,0	140,6
FX	39,8	45,3	88,2	90,4

2.10. Special Finance Institutions⁸

The total balance sheets of Special Finance Institutions (SFI) amounted to 2,1% of total banking sector and SFI balance sheet at end- 2003, the said rate increased to 2,4% by December 2004. The number of employees and branches of SFIs are as follows:

Table 2.40 Number of Employee and Branches

	December		Change %	
	2003	2004	Nominal	Real
Number of Institutions (Number)	5	5	0	-
Number of Branches (Number)	189	255	34,9	-
Number of Employee (Number)	3.502	4.790	36,8	-
Balance-Sheet Size (NTL Million)	5.252	7.383	40,6	23,5
Balance-Sheet Size (USD Million)	3.762	5.501	46,2	-
Off-Balance Sheet Transactions (NTL Million)	1.579	3.849	143,8	114,1
Off-Balance Sheet Transactions (USD Million)	1.131	2.868	153,6	-

2.10.1. Developments in Asset Structure

Total asset size of SFI's increased by 23,5% in real terms to NTL 7,4 billion by December 2004 compared to December 2003. Within the same period, in dollar terms asset size increased by 46,2% to USD 5,5 billion. In 2003, while 49,7% of total assets of SFI's was TL-denominated and 50,3% was FX-denominated, these figures were realized as 53,8% and 46,2% respectively in 2004, due to the reverse money substitution. Share of placement of funds to total assets increased to 66,4% by December 2004 from 59,8% in the previous year, and the share of fixed assets to total assets decreased to 7,4% from 13,8%. Within the same period, share of receivables from banks decreased to 9,3% from 11% and the share of overdue receivables decreased to 1,5% from 2,4%.

⁸ Data relating to Special Finance Institutions are temporary. Therefore, these data shall not be considered in the assessment and interpretation of consolidated amounts.

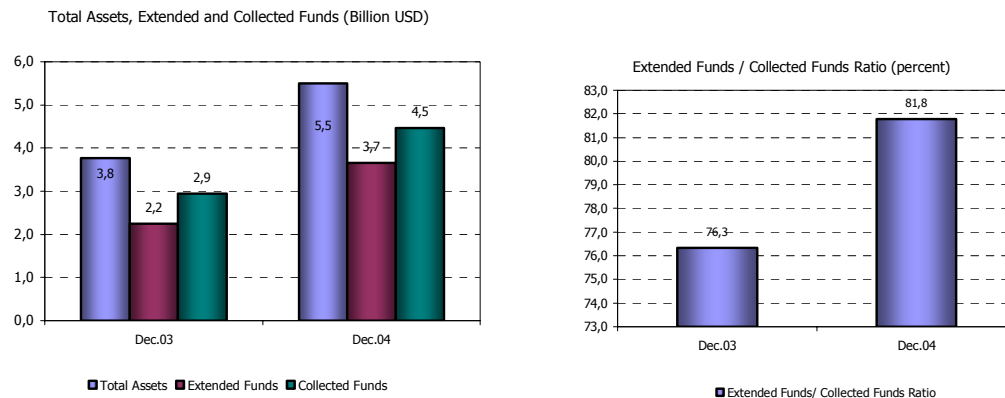
Table 2.41 Selected Items of SFI's Balance Sheet

	NTL Million						USD Million		Change %	
	December 2003			December 2004			Dec. 2003	Dec. 2004		
	TL	FX	Total	TL	FX	Total	Total	Total	Nominal	Real
Placement of Funds	1.344	1.794	3.138	2.202	4.901	2.248	3.651	56,2	37,2	
Receivables from Banks	202	328	530	13,6	543	685	379	510	29,3	13,6
Overdue Receivables	66	59	124	21,0	76	112	89	83	-10,1	-21,0
Fixed Assets (net)	722	0	722	33,4	0	548	518	408	-24,2	-33,4
Funds Raised	1.127	2.984	4.111	28,0	3.730	5.992	2.945	4.465	45,7	28,0
Own Funds	600	72	672	25,0	56	956	481	712	42,3	25,0
Total Balance- Sheet	2.612	2.639	5.252	23,5	3.411	7.383	3.762	5.501	40,6	23,5

Placement of Funds

Placement of funds of the SFI's increased by 37,2% to NTL 4,9 billion in real terms by end-2004 compared to end-2003. As of December 2004, 78,8% of the funds raised was granted for production support. The share of fund placement through profit/loss sharing in the total placement of funds was realized as 3,1% and the share of placement of funds by lease was realized as 15,2%.

Size of SFIs, which has short-term resource and placement structure, increased by 23,5 % in real terms in 2004.

Chart 2.12 Assets Size, Funds Granted and Raised**Table 2.42 Placement of Funds**

December 2004- NTL Million	Short Term		Medium and Long Term		To Public Sector		To Private Sector		Total (%) Share	
	TL	FX	TL	FX					Total	Share
Placement of Funds for Production Support	2.135	1.433	122	173	0	3.861	3.861	78,8		
Placement of Funds through Profit/Loss Sharing	76	20	33	23	0	152	152	3,1		
Placement of Funds through Leasing Method	18	40	171	514	0	744	744	15,2		
Other Placement of Funds	144	0	0	0	0	144	144	2,9		
Total Placement of Funds	2.373	1.492	326	710	0	4.901	4.901	100,0		

2.10.2. Developments in Liability Structure

Main funding sources of SFI's, other than own funds, are funds raised through special current accounts and accounts giving right to profit/loss sharing. Current accounts and accounts giving right to profit/loss sharing are mostly FX-denominated. While 37,1% and 62,9% of total liabilities were TL and FX-denominated respectively by end-2003, they

were realized as 46,7% and 53,3% respectively by end-2004. Within the same period, share of funds raised in total liabilities increased to 81,2% from 78,3%, and the share of own funds increased to 12,9% from 12,8%.

Funds Raised

Funds raised increased by 28,1% in real terms in 2004 to NTL 6 billion. Due to the impact of raising confidence to Turkish Lira, the increase of 85% in real terms of TL-denominated sharing accounts is significant in this increase. Within the impact of the increase in value of the TL against USD, the funds raised increased by 51,6% in USD terms to USD 4,5 billion.

Table 2.43 Funds Raised

(NTL Million)	December 2003			December 2004		
Account Types	TL	FX	Total	TL	FX	Total
Current Accounts	277	665	943	476	822	1.298
Sharing Accounts	847	2.207	3.054	1.784	2.817	4.600
Special Project Accounts	3	112	114	3	91	94
Total Funds Raised	1.127	2.984	4.111	2.262	3.730	5.992

Of the funds raised by end-2004, 76,8% is comprised of sharing accounts, 21,7% is of current accounts and 1,5% is of funds raised for special project accounts. Of total sharing accounts amounting to NTL 4,6 billion, 38,8% is TL denominated and 61,2% is FX denominated. Also, 78,3% of the funds raised are comprised of forward accounts and 81,5% are of funds over NTL 10 thousand. Of the 1.093.662 fund customers in SFI's, current accounts below NTL 500 accounted for 63,9% thereof.

Own Fund

Total own funds of SFI's increased by 25% in real terms to NTL 956 million through the increases in the paid-in capital, profit of the period and legal reserves items within the year. Among own fund items, the biggest increase in real terms is realized in legal reserves item, and this item is followed respectively by paid-up capital and profit of the period items.

Off-balance sheet transactions of SFIs increased above 100% in 2004.

Table 2.44 Own Fund

	NTL Million		Shares in Total Liabilities		Real % Change	
	Dec.03	Dec.04	Dec.03	Dec.04	Nominal	Real
Total Own Fund	672	956	12,8	12,9	42,3	25,0
Paid-up Capital	420	723	8,0	9,8	72,0	51,1
Legal Reserves	12	72	0,2	1,0	492,5	420,5
Fixed Asset Reevaluation Fund *	202	-	3,8	-	-	-
Profit (Loss) for the Period	75	106	1,4	1,4	41,7	24,5
Previous Years' Profit (Loss)	-37	56	-	0,8		

*The fixed asset reevaluation Fund is initialized for the reason of inflation accounting execution.

2.10.3. Off-Balance Sheet Transactions

In 2004, off-balance sheet transactions increased by 114,2% in real terms and reached to NTL 3,8 billion, and the ratio of balance sheet transactions to balance sheet total increased to 52,1%. In terms of TL and FX composition of off-balance sheet items, the share of TL-denominated transactions increased only by 1,2% when compared to December 2003. During the period analyzed, share of letters of guarantee which comprised the most important portion of total off-balance sheet transactions decreased by 3,8% to 63,7%. The FX purchase/sale transactions increased by 17 times to NTL 270 million by end-2004, when compared to end-2003.

Table 2.45 Off-Balance Sheet Transactions

	NTL Million		Percentage Change	
	Dec.03	Dec.04	Nominal	Real
Total Non-cash Credits	1.446	3.094	113,6	88,0
Letters of Guarantee	1.067	2.454	130,0	102,1
Acceptances	34	70	107,6	82,3
Letters of Credit	344	564	64,0	44,0
Guarantee, Suretyships and Endorsements	1	6	431,9	367,2
Commitments	133	755	467,6	398,6
FX and Int. Rate Related Transactions	15	270	1.711,4	1.491,2
Non- Revocable Commitments	97	464	379,7	321,4
Revocable Commitments	22	22	3,2	-9,3
Total Off-Balance Sheet Transactions	1.579	3.849	143,4	114,2

2.10.4. Profitability

By the end of 2004, there has been an improvement in the profitability performance of SFI's. SFI's which disclosed a net period profit of NTL 74,5 million in 2003, realized a profit amounting to NTL 106 million in 2004 with an increase of 24,5% in real terms. The asset profitability of SFI's which was 1,4% as of end-2003, maintained in the same level as of end-2004. However, ownfund profitability decreased from 11,1% to 10,7%.

Table 2.46 Selected Items of SFI's Income Statement

	NTL Million		USD Million		Percentage Change	
	Dec.03	Dec.04	Dec.03	Dec.04	Nominal	Real
Incomes	682	922	508	687	35,1	18,7
- Income from Placement of Funds	694	886	517	660	27,5	12,0
Expences	285	474	213	353	66,0	45,8
- Profits Distributed to Raised Funds	285	471	213	351	65,2	45,1
Net Income (Expenses)	409	448	305	334	9,6	-3,7
- Other Incomes	215	317	160	233	45,1	27,5
- Other Expences	516	636	384	474	23,3	8,3
Other Incomes (Expenses)	23	34	17	25	47,3	29,4
- Foreign Exchange Profits (Loss) (Net)	26	31	19	23	18,8	4,4
Net Profit for the Period	75	106	56	76	41,7	24,5

2.10.5. FX Positions of SFIs

FX short position of SFI which was USD 65 million by the end of 2003, turned into USD 10 million surplus by December 2004. Furthermore, within the same period, the SFI's gave USD 62 million of forward short position.

Table 2.47 Developments in FX Position

(USD Million)	December 2003	December 2004
On-Balance Sheet Position ⁽¹⁾	-65	72
Net General Position ⁽²⁾	-65	10
Off-Balance Sheet Position	0	-62

⁽¹⁾On-Balance Sheet Position= FX Position + FX Indexed Position.

⁽²⁾Net General Position= On-Balance Sheet Position + Forward Transactions

2.10.6. Liquidity Structure

It is observed that the funding and placement structure of SFI's are mostly concentrated on short term. While 69,4% of the funds having a maturity quality were comprised of those with a maturity of up to 1 month in December 2003, this rate decreased to 55% in December 2004. Furthermore, when maturity structure of the assets is analyzed, while the assets with a maturity of up to 3 months compose 45,8% of the total by December 2003, this rate increased to 50,9% by December 2004. The share of liabilities with long term decreased to 20,8% in December 2004 from 22,2% in December 2003.

Table 2.48 Maturity Structure of Assets and Liabilities of SFI's(%)

	December 2003		December 2004	
	Assets	Liabilities	Assets	Liabilities
Up to 1 Month	31,6	69,4	30,6	55,0
Between 1-3 Months	14,2	21,7	20,3	33,0
Between 3-6 Months	16,5	2,5	13,9	4,5
Between 6-12 Months	15,4	3,2	14,3	4,0
More than 12 Months	22,2	3,2	20,8	3,5
Total	100,0	100,0	100,0	100,0

SECTION 3. BANKING REGULATION AND SUPERVISION AGENCY (BRSA)

3.1. Establishment and Development of the BRSA⁹

The Banking Regulation and Supervision Agency which was established by the Banks Act Nr. 4389 and with the aim of increasing the efficiency of surveillance and supervision of banks started operating as of August 31, 2000 by combining the units which are previously under the structure of the Treasury and the CBRT and responsible for the surveillance and supervision of banking sector.

Fundamental duties and powers of the Agency are as follows;

- to make regulations within the scope of the powers granted by the Banks Act,
- to ensure the implementation of regulations,
- to control and finalize the implementation,
- to ensure the guarantee of deposits,
- to prevent any transaction and practice which can jeopardize rights of depositors as well as regular and safe operating of banks and which can generate important losses in economy,
- to make decisions and take measures required for efficient operating of loan system.

The decision-making body of the Agency is the Banking Regulation and Supervision Board in accordance with the Article 3(3) of the Banks Act Nr. 4389. Tevfik BİLGİN was appointed as the Chairman of the Agency and the Board by the resolution dated November 07, 2003 Nr. 2003/6347 of the Council of Ministers. Second Chairman of the Agency is Ahmet ŞİRİN and other members of the Board of Directors are Yusuf Ziya ÖNDER, Mehmet Nuri DOĞULU, Prof. Dr. Kemal ÇEVİK, Mustafa EKİM and Prof. Dr. Yusuf TUNA.

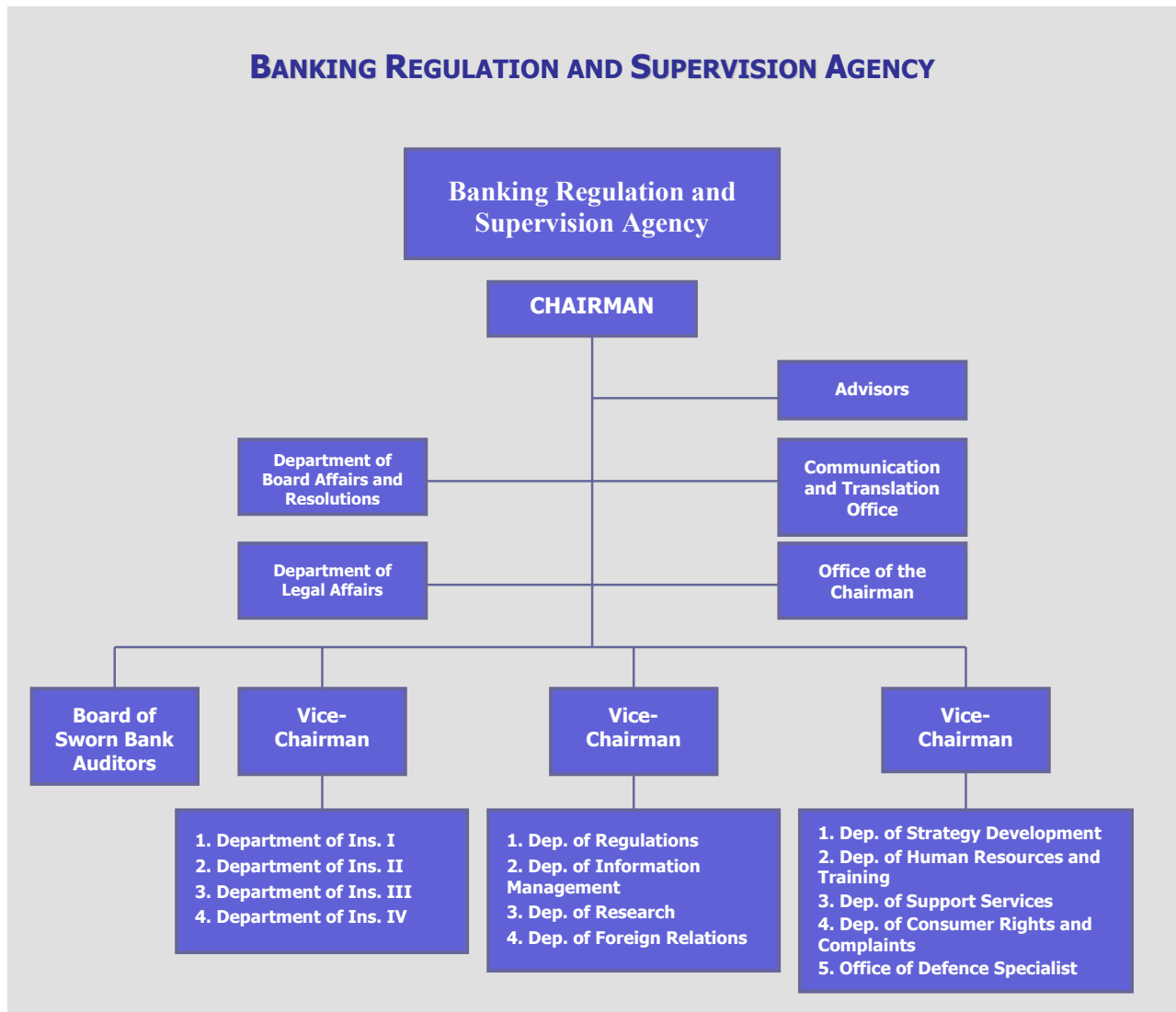
3.2. Organization Scheme and Restructuring

Within the scope of the Banks Act Nr. 4389, the Agency is organized as departments in numbers required by the duties and powers.

The Agency is composed of main service units; (Department of Institutions I, Department of Institutions II, Department of Institutions III, Department of Institutions IV, Department of Regulations, Department of Information Management, Department of Research, Department of Foreign Relations, Department of Strategy Development and Department of Legal Affairs), Board of Sworn Bank Auditors, advisory units and support service units (Department of Human Resources and Training, Department of Support Services, Department of Board Affairs and Resolutions, Office of Consumer Rights and Complaints, Office of the Chairman, Communication and Translation Office and Office of Defense Expert).

Since the date the Agency started to operate till today, various organizational changes are made within the scope of the studies carried to have a more effective, strong and flexible organization. According to the Board Resolution dated March 16, 2004 Nr. 1233, it has been decided that; some units to be removed, some to be combined, changes be made in duty distributions of existing units, new units to be established, new commission, committee and working groups be formed and the organizational structure is determine as follows:

⁹BRSA's administration and representation power on the Savings Deposit Insurance Fund is revoked by the Act Nr.5020 entered into force on December 26, 2003 and the SDIF has been established as a separate legal entity. Accordingly, all tables and evaluations included in this section, relating to information on the Agency personnel also include the SDIF personnel as regard to the report date.



3.3. Employees of the Agency and Profiles Thereof

The Agency has the principle of working with qualified personnel as a general employment policy. Employments were also realized with the same policy in 2004 to fulfill the need of profession personnel (Assistant Sworn Bank Auditor and Assistant Banking Specialist) through two entrance examinations in April and in November which were announced across Turkey. The personnel movements are as follows:

Table 3.1 Personnel Movements

Months	Existing		Appointed		Left		Total	
	2003	2004	2003	2004	2003	2004	2003	2004
January	324	323	-	3	-	2	324	324
February	324	324	-	-	1	3	323	321
March	323	321	1	9	-	2	324	328
April	324	328	-	-	-	3	324	325
May	324	325	-	-	-	2	324	323
June	324	323	1	35	1	-	324	358
July	324	358	-	6	1	1	323	363
August	323	363	-	4	3	-	320	367
September	320	367	-	1	1	2	319	366
October	319	366	-	-	-	2	319	364
November	319	364	-	1	-	1	319	364
December	319	364	4	-	-	-	323	364
TOTAL			6	59	7	18		

According to the Agency's Human Resources Regulation, the total number of positions is determined to be 635; 364 thereof is filled actually. Distribution of these positions by service group basis as well as number of personnel employed are as follows:

Table 3.2 Distribution of Agency Positions

Service Group	Number of Total Positions	Share in Total (%)	Number of Personnel Employed	Share in the Total (%)
(A) Executive Personnel	106	16,7	71	19,5
(B) Specialized Personnel	376	59,2	212	58,2
(B) Managers	4	0,6	2	0,6
(C) Administrative Personnel	127	20	76	20,9
(D) Support Personnel	22	3,5	3	0,8
Total	635	100,0	364	100,0

58,2% of the Agency's personnel are comprised of personnel employed in positions included in specialized personnel group (sworn bank auditors/banking specialists/Agency specialists and assistants thereof), 20,9% are administrative personnel, 19,5% are executive personnel, 1,4% are managers and support personnel. Detailed distribution of the Agency personnel by titles is as follows.

Table 3.3 Number of Personnel by Titles

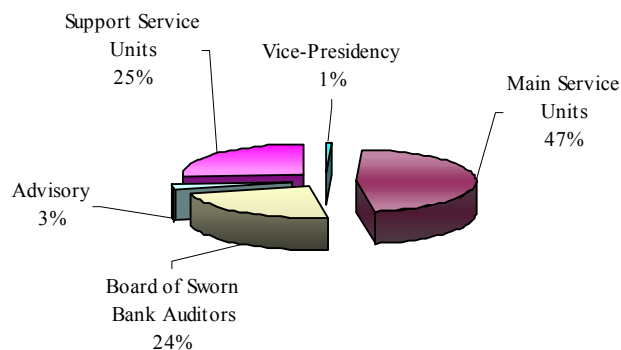
Group	Title	Number of Personnel
A	Chairman of Board of Sworn Bank Auditors	1
A	Vice-President of the Fund	1
A	Vice-President of the Agency	3
A	Chief Advisor of the Agency	2
A	Advisor of the Agency	3
A	Head of Department	23
A	Deputy Head	38
B	Chief Sworn Bank Auditor	19
B	Sworn Bank Auditor	44
B	Assistant Sworn Bank Auditor	15
B	Chief Specialist	18
B	Banking Specialist	58

B	Assistant Banking Specialist	22
B	Agency Specialist	21
B	Lawyer (Agency Specialist)	2
B	Lawyer (Assistant Agency Specialist)	6
B	Lawyer	4
B	Chairmanship Private Bureau Manager	1
B	Sworn Bank Auditors Board Private Bureau Manager	1
B	Interpreter- Translator	1
B	Architect- Engineer	1
B	Doctor	1
C	Defense Expert	1
C	Administrative Chief	8
C	Librarian	2
C	Execution Prosecution Officer	1
C	Administrative Personnel	10
C	Secretary	30
C	Technician	3
C	Switchboard Operator	2
C	Chief Driver	1
C	Driver	16
C	Information Desk Officer	1
C	Security Officer	1
D	Distributor	2
D	Floor Cleaner	1
TOTAL		364

*10 personnel (1 Vice-President of the Fund, 3 Head of Department and 6 Deputy Head) are charged provisionally in the SDIF, by 2004.

The distribution of Agency Personnel by service units is given in the Chart 3. 71% of the personnel is employed in main service units and in the Board of Sworn bank Auditors (BSBA).

Chart 3.1 Distribution of the Personnel by Service Units



Information regarding academic background of the personnel is given in the Chart 3.4 and Chart 3.5.

Table 3.4 Number of Personnel by Academic Background

Service Group	Elementary	High School	Associate	Under Grad.	Master	Doctorate
(A)Executive Personnel				36	31	4
(B)Specialized Personnel				183	24	5
(B)Managers			1	1		
(C)Administrative Personnel	2	25	21	26	2	
(D)Support Personnel		1	2			
Total	2	26	24	246	57	9
Share n Total (%)	1	7	6	68	16	2

Table 3.5 Number of Personnel by Age

Age Group	Number of Personnel	Share in Total (%)
Between 20-30 years	168	46,2
Between 31-40 years	132	36,3
Between 41-50 years	56	15,4
Between 51- 60 years	8	2,2
Total	364	100

SECTION 4. ACTIVITIES

4.1. Regulation

A) REGULATIONS WHICH WERE PUT INTO EFFECT

Amendments Made to the Banks Act Nr. 4389

- **Act Nr. 5189 "Act on Making Amendments to Some Acts" published in the Official Gazette Nr.25510 dated July 02, 2004:** With this Amendment made to the Banks Act, it is aimed to fasten the collection of Public receivables from the companies and affiliates of which management and supervision are taken over by the Savings Deposit Insurance Fund (SDIF). Article 15 (7-a/2) of the Banks Act Nr. 4389 is amended by Article 11 of the Act.
- With this Act, managers, appointed by the Fund, of the companies which are under management and supervision of the Fund and/or of which management and supervision is taken over by the Fund or the Fund itself, are authorized to sell the company shares held by the natural or legal persons, and/or all other rights and properties of these companies, including, but not limited to, the license rights and the rights arising out of the temporary frequency and channel usage and concession agreements, and/or the company assets in proportion to the said shares, and to apply the proceeds of such sales to the receivables of the Fund, or to use the proceeds of such sales in payment of the public debts and/or debts to the Social Security Agency or other debts of the relevant company, and to take decisions in relation therewith, without being bound by the provisions of Article 324 of the Turkish Commercial Code no. 6762. Besides, it is stated that more than 49% of the capital shares of these companies and subsidiaries, directly and indirectly, may be sold to foreign natural or legal persons.
- **Act on Making Amendments to Some Acts and the Decree Law Nr. 178 by the Banks Act Nr. 5228 published in the Official Gazette Nr. 25539 dated July 31, 2004:** With this amendment it is aimed to develop alternative methods to fasten the selling process of companies and affiliates which have been taken over by the SDIF.

Besides, the sentence which takes place in the Banks Act Nr. 4389, Article 15 (7-a) "can be sold directly or indirectly", is changed as "The Fund Board will be authorized to combine and sell all of the assets and properties attached for the recovery and collection of the Fund's receivables pursuant to the pertinent provisions of the Act No. 6183 on Procedures for Collection of Public Receivables, and the rights arising out of the license and concession agreements, and all other rights and assets also including those which arise out of the agreements that are associated to or are an integral part of the said assets, but which do not alone have an economic value, and to sell and pass the title on them to the buyer in the form of a commercial and economic entity, and to realize such sales also if and when the attached properties are owned by more than one debtor and/or if and when the properties are attached by more than one creditor, and to determine the procedures and principles of this method and set the conditions for sale.

Sub-Regulations based on the Banks Act Nr. 4389 and the Amendments Made

I) Regulations on Establishment and Operations

- **Regulation published in the Official Gazette dated April 22, 2004 Nr. 25441:**

With this regulation, it is aimed to enable the SFIs to acquire the partnership shares that were taken as a guarantee for the loans they extended and to determine the rates at which non-cash loans they grant by issuing credit cards or checkbook shall be taken into account in applying the exposure limits. Amendments have been made to the Articles 16 and 26 of the Regulation.

With these amendments, as an exception to the decision that the SFI's can not acquire subsidiaries through the funds collected by special current accounts and participation accounts or

cannot become a partner to any enterprise by investing capital, in case that the funds which are granted through these accounts can not be collected at due date, SFIs are enabled to acquire partnership shares as a deduction from receivables, taken as guarantee to these funds,

- **Regulation published in the Official Gazette Nr. 25537 dated July 29, 2004:** An amendment is made to the Regulation Article Nr.21 related to the rate of consideration within the measurement of credit limits of non-monetary credits, within the aim of resolving the problems seen in the practice.

With the amendment mentioned above, it is provided that; in calculating credit limits, letters of guarantees given for the foreign construction services and letter of guaranties given to foreign institutions as consortiums which Turkish Export Credit Bank contributed and in credit limits of contrguarantees given by the banks related with the advances and final guarantee letters arranged by the Turkish Export Credit Bank within the framework of foreign construction services, shall be taken into account at the rate of forty percent instead of fifty percent.

- **Regulation Published in Official Gazette Nr. 25639 Dated November 10, 2004:** It is aimed to perform more efficient supervision of the branches and subsidiaries of the banks including off-shore regions, to eliminate problems faced in papers that are taken from the people belonging to foreign nationalities who will be appointed to positions of manager and vice manager, and in non-monetary credits and operations exercised with the credit institutions of foreign countries in calculating the credit limits in the Act.

It is provided that there will be no obstacles in obtaining the documents and information that the Authority requires within the framework of its supervision activities and in supervising the branches and affiliates, in regulation and implementations of the country in which the branch or affiliate is located, in order to permit demands of the banks to open branch, found affiliate or participate in founded affiliates. In addition to these, in the case of the documents asked from the people appointed to the positions of manager and vice manager when those people have foreign nationalities and these documents can not be obtained from the related country, this situation shall be documented with a document which will be taken from the legal authority of the related country and will submitted to the Agency.

There have been changes in taking into account rates of the non-monetary credits used via credit cards in the implementation of credit limits in the Banking Act. Accordingly, taking into account rates of the credits which are used to the financial institutions located abroad are determined.

On the other hand, these regulations for banks shall apply to special finance institutions as well.

- **Circular on the Limits of Real Estate Acquisitions Nr. 2004/1 Dated August 5, 2004:** With this Circular, the implementation of reevaluation is terminated and because of inflation accounting system is being exercised, it is aimed to clarify how to implement Banks Act Nr. 4389, Article 12, Subsection 2 in periods of high inflation and thus to orient to the implementation.

Again with the circular, it is provided that in periods of high inflation, in the calculation of credit limits has been reevaluated and taking into account of correcting differences regarding the inflation rate added to the real estate account in balance sheet.

II) Regulations Regarding Financial Reporting System

Communiqués and Amendments Regarding the Regulation of Accounting Practice

- **Regulation Amending the Regulation on Accounting Practice Published in the Official Gazette November 29, 2004; Nr. 25655.** With this amendment, it is provided that special finance institutions shall be subject to Regulation on Accounting Practice and related communiqués, following January 1, 2005.
- **Communiqué Amending the Communiqué Nr. 14 on Regulation on Accounting Practice- Standards on the Regulation of Financial Statements in Periods of High Inflation:** According to this amendment, inflation accounting shall be reflected in ledger instead of auxiliary books.

With the Communiqué, it is provided that, differences arising from restatement of equity items may be used in relation with capital increase provided that this difference should be first used to settle loss for the previous period.

- **Communiqué Nr. 17 Regarding the Regulation on Accounting Practice published in the Official Gazette Nr. 25524 dated July 16, 2004- Communiqué Amending the Standard on the Financial Statements and Related Disclosures to be Announced to the Public:** Amendments were made with the aim of updating the disclosures of financial statements to be announced to the public in accordance with the amendment of the related legislation as well as solving frequently encountered problems. Within this framework, they are realized that the amount of market risk will be displayed in the tables of summarized information related with the standard rates of capital adequacy on consolidated and non-consolidated basis; some items will be clearly take part in the tables of inconsistency between interest rate risk and the exchange risk of the group and in the maturity tables of the asset and liability items; and the total amount will be displayed in some tables which take part in the disclosures relating to assets and liabilities. Furthermore, the amendments made within the framework of inflation accounting in the Uniform Chart of Account and Explanations is reflected also in this communiqué, and a terminology union is realized regarding the Regulation on Accounting Practice and other related communiqués.
- **Communiqué Nr.18 published in the Official Gazette Nr. 25551 dated August 12, 2004 on Accounting of Taxes:** With this communiqué, harmonization of the regulations related with the accounting and recording system of the banks with the International Financial Reporting Standards is aimed and principles and procedures on accounting of taxes calculated out of banks' income are laid down.
- **Circular Nr. 2004/2 dated November 11, 2004 regarding the Accounting of Subsidiaries and Participations:** In this Circular, it is aimed to eliminate the difficulties experienced in accounting of the subsidiaries and the participations while inflation accounting is practiced.

According to the Circular, in the presentation of inflation adjusted financial statements of publicly traded banks, in case adjusted value exceeds the current value by considering whether impairment of value is permanent or temporary, value of the related item shall be reduced to current value of the item by leaving necessary provision for value impairment and provision for impairment shall be reflected to the income statement.

- **Circular Nr. 2004/3 dated December 8, 2004, Regarding the Communiqué Nr.18:** With the Circular, it is stated that the aim of recording deferred tax asset and liability is to reflect the impact of differences between the measurement and accounting principles of tax legislation and general accounting principles to the financial statements. Furthermore, it is determined that deferred tax is an asset conditional upon realizing profit in future periods and the deferred tax income shall not be subject to profit distribution and capital increase according to prudential principles.

Amendments Made to the Communiqué Regarding the Uniform Chart of Account:

- **Communiqué, published in the Official Gazette Nr. 25524 dated July 16, 2004, Amending the Communiqué Concerning the Uniform Chart of Account and Explanations:** According to the Communiqué, new provisions defined in Tax Procedure Act Nr. 213 Article 298 amended by the Act Nr. 5024 concerning the inflation accounting practice shall be applied to the legal ledgers
- **Communiqué, published in the Official Gazette Nr. 25608 dated October 9, 2004, Amending the Communiqué Concerning the Uniform Chart of Account and Explanations:** With the Communiqué, obtaining reliable information necessary for supervision and control of risks taken by banks for their credit card activities, accounting credit card transactions and consumer loans in compliance with their economic and harmonizing with the related European Union directives are aimed.

With the amendment, consumer loans are differentiated from installment trade loans, credit card accounts are categorized as personal, institutional, with and without installment accounts. Furthermore, new accounts are opened for personnel loans.

- **Communiqué, published in the Official Gazette Nr. 25655 dated November 29, 2004, on the Uniform Chart of Account and Explanations used by Special Finance Institutions:** With this Communiqué, new provisions regarding the establishment of uniform accounting and financial reporting system, one type balance-sheet and income statement, standardization of information necessary for supervision and control of risks taken by special financial institutions are defined.

III) Regulations Related to the Savings Deposits Insurance Fund and the Assurance Fund

Board Decision dated November 03, 2004 Nr. 1413: Pursuant to Article 4 of the Circular on the Principles Related with the Calculation of FCNGP in Consolidated and Non-consolidated Basis, different FCNGP Rate can be determined for each Bank or Bank Group by Agency. In this context, provision of Article 3 Paragraph (b) of the Decision on Savings Deposit within the Coverage of Insurance besides Premiums to be Collected by the SDIF is altered as "for the banks whose simple arithmetic average of weekly FCNGP Rates on consolidated and non-consolidated base in the period of related three months as absolute value is more than that of stated in the Article 4 of the Regulation on Principles Regarding the Calculation by Banks on Consolidated and Non-consolidated base, by the rate of one per ten thousands..." extra premiums will be collected.

- **Board Decision dated November 25, 2004 Nr. 1419:** With this Decision, it is aimed to pay the insurance premiums out of TL 50 billion which is the amount within the coverage of insurance, instead of the full savings deposit.

In the mentioned Decision, the basis premium ratio which was 12,5 per ten thousand altered as 15 per ten thousand, and also extra premium ratios altered in the aim of calculating the premiums on the risk base. Within this framework, the extra premium ratios which were 11 per ten thousand are altered as 13 per ten thousand at most for a bank carrying risks.

- **Regulation, published in the Official Gazette dated December 31, 2004 Nr. 25687, Amending the Regulation on Special Finance Institutions Current and Participation Accounts Assurance Fund :** With the Regulation, it is aimed to reflect the amendments made to savings deposit insurance fund premiums mentioned above, to special financial institutions regulations. Within this framework, the method regarding the calculation of assurance fund premiums will be the same as that of saving deposit insurance premiums.

B) DRAFT REGULATIONS IN THE PROCESS OF BECOMING LAW

- **The Financial Services Draft Act (Draft Banking Act):** The Financial Services Draft Act along with its general legal ground and article grounds was submitted to the relevant Minister by the date of November 24, 2004.

**BOX 2: DRAFT ACT ON FINANCIAL SERVICES
(DRAFT BANKING ACT)**

The aim of Draft Act on Financial Services is;

To bring competitive force in the financial system, to minimize the risks that may arise, to minimum, to decrease the costs of operation and intermediation activities, to achieve integration with other regulations and implementations of financial markets, a more active and more transparent financial system by providing a more active course of the markets.

In the process of preparing the Draft;

International standards including National Program, Urgent Action Plan of the 59th Government, European Union Improvement Report, Turkey Report of OECD, European Union Directives, BIS's Core Principles for Effective Bank Supervision, Corporate Management Principles of OECD, the Acts of European Union Member Countries, important provisions which take place in the Acts of certain countries, experiences and culmination of BRSA and SDIF were used.

Highlights of the Draft;

- The financial holding companies, leasing, factoring and consumer finance companies are foreseen under the supervision and surveillance of BRSA.
- The definitions of assurance fund, development and investment bank, Fund bank, participation bank, financial institution, financial holding company, control, qualified share, savings deposit, private current account, participation account, participation fund, savings account, support service institution and off-shore banking are included in the Draft.
- Activities that the banks may engage in are listed clearly and as compatible with the directives of the EU, in order to identify the financial institutions and determine the scope of effective supervision and surveillance.
- Conditions such as a transparent and clear partnership structure, organization scheme which should not hinder the effective supervision of the BRSA, and principles of corporate governance are brought for the banks to be established in Turkey, and minimum NTL 30 million paid-up capital is foreseen.
- Within the principle of transparency, the banks shall publish their articles of association in their web-sites.
- For the banks and the financial holding companies, good governance is stipulated to govern by developing the principles of corporate management.
- The Draft includes provisions regarding the establishment of an audit committee with at least two members chosen from the non-executive members of board of directors, to assist board of directors for on-side and off-side supervision activities. The main duties of the committee are determined as monitoring and assessing the adequacy of internal control, risk management and internal audit systems, ensuring accounting and reporting systems are operating in a sound manner and producing reliable information. It is stated in the Draft that the duties, authorities and responsibilities audit committee shall be determined by the board of directors.
- The Draft provides principles concerning the authorization of support services institutions.
- Minimal level of the capital adequacy is determined as 8% in parallel with other countries, and liquidity adequacy is foreseen in the Draft.
- Banks are forbidden to transfer funds to close the deficit of their funds and foundations established by their employees for health and social services, retirement saving purposes.
- It is adopted that the amount of donation which banks and institutions, subjected to consolidated supervision shall not exceed 4 percent thousand of the bank's own funds and at least half of these donations can be done in fields exempted from tax by Act.
- It is forbidden to carry on transactions with shareholders with dominant influence board of directors,

- Processes regarding to take corrective, rehabilitating and restrictive measures are listed in line with their priority. The institutions whose financial structures can not be improved despite taking these measures, shall be transferred to the Fund or their operating permission shall be revoked.
- Draft includes provisions providing the Agency to work in more an effective, productive, component, transparent and an accountable manner.
- The independent auditing, evaluation and support institutions are compelled to get liability insurance the loss stemming from their services.
- With Draft, a supervision system which can respond to rapid changes and new necessities of the financial markets shall be established. The institutions in the scope of the Draft shall be audited by the professional staff of the Authority or by independent audit institutions having specialist in these subjects, as well as sworn bank auditors.

▪ **Draft Act On Bank Cards and Credit Cards:** The Draft Act on Bank Cards and Credit Cards was submitted to the relevant Minister by the date of April 1, 2005.

BOX 3: DRAFT ACT ON BANK CARDS AND CREDIT CARDS

The aim of the Draft Act on Bank Cards and Credit Cards is;

To provide solutions to the accumulated problems concerning bank cards and credit cards, to ensure standardization in practice and to achieve sound operation of card payment system through establishing a framework for issuance, usage, clearance and offsetting operations of bank cards and credit cards.

In the process of preparing the Draft;

National Program, European Union Directives, "Core Principles of Payment Systems" and "Know Your Customer" reports published by Basel Committee on Banking Supervision, "40 Recommendation on Money Laundering" principles published by Financial Action Task Force on Money Laundering (FATF) and opinions of related parties are used.

According to the Draft, mainly;

- Institutions establishing card systems, issuing cards and making merchants contract merchants and card holders shall be subject to the Law
- The institutions who want to establish card systems, issue cards or make contract with merchants shall meet the conditions laid down in the Act and shall be obligated to receive permission from the Agency. The reasoned decisions for issuance and revocation of operating permissions shall be published in the Official Gazette.
- The permission applications filed with the Agency shall be rejected with reasoned decision in case, there exists a relation that prevent the efficient supervision or the conditions, qualifications, eligibility required for permission have been lost or could not be fulfilled during the application and evaluation process.
- Card issuers shall not issue credit cards without a claim or written contract.
- Places where credit card claims can be collected shall be determined by the Banks Association of Turkey and The Association of Special Finance Institutions upon the approval of the Agency.
- In case of minimum periodic payment is not paid within the period established by the Act or judicial fine is practiced because of card using, cardholder's all credit cards shall be revoked, and in case of whole amount of obligation is not paid, no credit card shall be issued for cardholder.
- Legal terms are determined for cardholders in order to demand justice in case of transactions realized on the contrary of their consent. The liability of cardholders in 24 hours before notification in case of lost or

theft unauthorized use of credit cards shall not exceed NTL 150

- The credit card limits shall be determined by taking subjects such as prohibition, economic and social status, monthly or yearly average income and other credit card's limits into account
- Except limits up to NTL 1,000, the credit card limit for one real person for the first year shall not exceed two times of the person's monthly average income.
- The institutions under the scope by this Act shall be subject to supervision of the Agency. The institutions shall keep their records, information, documents, structures and systems regarding their internal control, risk management and internal audit systems, accounting and financial reporting units ready and appropriate for supervision. In case of requested measures have not been taken by an institution the Agency has the authority to revoke the operating permission of that institution.
- No firms or persons other than the institutions having authorization for establishing card systems, issuing cards and making contract with merchants, shall be allowed to perform these activities.

C) ON-GOING REGULATORY STUDIES

- Draft Act on Financial Leasing Companies, Factoring Companies, Financing Companies and sub-regulations based on that Act.
- Draft Regulation Amending the Regulation on Banks' Establishment and Operations.
- Draft Regulation Amending the Regulation on Measurement and Assessment of Capital Adequacy of Banks.
- Draft Regulation Amending the Regulation on Accounting Practice.
- Draft Communiqué on Annual Activity Report.
- Draft Communiqué Amending the Communiqué Nr.15 on Preparation of Consolidated Financial Statements, Accounting of Subsidiaries, Jointly Controlled Partnerships and Participations.
- Draft Communiqué Amending the Communiqué Nr. 17 on Financial Statements and Related Disclosures to be announced to the Public.
- Draft Communiqué Amending the Communiqué Nr. 19 on Financial Statements and Related Disclosures to be announced to the Public by Special Finance Institutions.
- Draft Communiqué Amending the Communiqué Nr. 20 on Segment Reporting.
- Draft Regulation on Principles of Independent Auditing.

4.2. Supervision and Enforcement

4.2.1. Off-Site Supervision

Off-Site audit activities are carried out through analyzing various indicators relating to banks/SFIs' financial performance in daily, weekly, monthly and quarterly periods and preparing periodic reports and/or in the case of negative developments or determinations, through notifying related units and decision-makers without waiting for preparing standard reports. Data sources used during carrying out said activities are;

- "Surveillance Reporting Package", which is comprised of weekly, monthly and quarterly forms oriented to the follow-up of banks' financial situations and limitations that they have to comply within the scope of the Banks Act and related legislation;
- "Daily Reporting Set" which includes daily data for close monitoring of liquidity status, cash movements and custody security information as well as for taking necessary measures in time;

- “Market Risk Reporting Set” which is prepared for monitoring interest rate, FX and stock position risks and capital requirements relating those risks, within the scope of the Regulation on Calculation and Evaluation of CAR of Banks.

Furthermore, financial structure reports prepared by Sworn Bank Auditors and independent audit reports are other important sources used in off-site audit process.

Main off-site activities realized in 2004 are as follows;

- Following up and reporting banks/SFIs’ compliance with the Banks Act and related legislation, their liquidity status, capital adequacy ratios and FX positions by daily, weekly, monthly and quarterly periods on a solo and consolidated basis,
- Preparing “Financial Status Determination Report” quarterly on bank/SFI basis, in which banks’ and SFIs’ liquidity and fund management, own fund adequacy, asset quality as well as income-expense balance and profitability status are analyzed and performance analysis and scoring within the peer group on the basis of various ratios are made,
- Preparing “Development Report” monthly, in which changes in banks’ balance sheet items are followed,
- Preparing “Banks and SFIs’ Group Risks Report” in which loans granted to bank owner groups by their own banks as well as other banks are analyzed,
- Preparing deposit development and interest rates, FX net general position/ownfund ratios and liquidity reports weekly on bank and sector basis.

In addition to all these studies, limited deposit assurance tables have been composed to follow the changes that may appear on savings deposit distribution among banks and the impacts of the savings deposit insurance limitation on banks’ balance of liquidity and financial structure since July; and the banks’ situations have been evaluated within the framework of several scenarios.

Furthermore, retail lending reports are started to be prepared weekly to follow-up of the hectic pace of growth seen in consumer loans and credit cards.

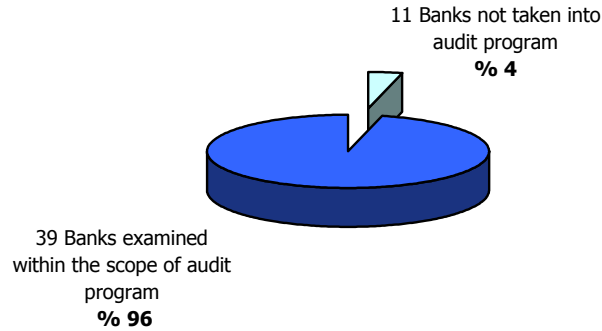
4.2.2. On-site Examinations

Public supervision of Turkish banking system entails superior importance since the overall asset size of banking system composes the major part of Turkish financial system. On-site auditing activities are carried out by the Sworn Bank Auditors Board (SBAB), which is a committee within the BRSA framework, on behalf of public. SBAB follows the practical and theoretical progresses and innovations closely, and pursues the safety and soundness examinations, risk based supervisions and oversees compliance with laws and regulations within the scope of guidelines that are prepared according to international best practices.

On-site examination activities are performed under annual examination programs that are approved by the Chairman of BRSA Board. Financial institutions which are subject to annual examination and other issues to be examined are assigned to auditors and assistant auditors within a timetable by the approval of SBAB Chairman, and results of the reports, dictums, researches and other studies are submitted to related authorities after being assessed by SBAB.

The main supervision activities can be summarized as conducting safety and soundness examinations, performing risk based supervision, examining compliance with laws and regulations and investigating other subjects which are related to the jurisdiction of BRSA. On the other hand, other assignments made by Prime Ministry, Parliamentary Investigation Commissions and Financial Crimes Investigation Board occupy an important place regarding the examination activities.

Accordingly, 39 out of 50 banks operating in Turkish banking system were examined in accordance with the 2004 Annual Examination Plan. The asset size of 39 examined banks compared to the total asset size of Turkish banking system is indicated by the pie chart below.

Chart 4.1 On Site Audits Realized

The chart above indicates that 96 % of Turkish Banking System, regarding the total asset size, was examined by Sworn Bank Auditors and Assistant Sworn Bank Auditors. In addition to the banks, all of the 5 special finance institutions operating within the financial system were examined by on-site supervisors in 2004.

The details of the reports that are submitted by Sworn Bank Auditors after various examinations and investigations are given below.

Table 4.1 Reports Submitted by Sworn Bank Auditors

Reports	Number of Reports	Percentage
Safety and Soundness Examinations	46	23
Compliance with Laws and Regulations	90	45
Determination of Duty Losses	2	1
Denunciation and Complaints	25	13
Other (Research, studies, etc.)	35	18
TOTAL	198	100

As a result of safety and soundness examinations conducted at the headquarters of banks and special finance institutions as well as various practices appeared at headquarters of banks and branches, relating to the implementation of the legislation starting with the Banks Act Nr. 4389, 198 reports were submitted in 2004 and conveyed to related units and offices. Furthermore, 32 capital increase inspections were performed, 155 dictums about banking issues including research studies, denunciations and customer complaint investigations were prepared by Sworn Bank Auditors.

The number of Sworn Bank Auditors assigned for various investigations of Prime Ministry, Financial Crimes Investigation Board as well as other related agencies and institutions in 2004 is given below.

Table 4.2 Other Assignments of Sworn Bank Auditors

Related Institution	Auditors Charged	Percentage
Prime Ministry	9	14
Financial Crimes Investigation Board	33	50
Audits Performed Abroad	19	29
Parliamentary Investigation Committee	5	8
TOTAL	66	100

4.2.3. Evaluation and Enforcement Activities

In the evaluation and enforcement phase, which is the third stage of supervision process, information submitted by off-site and on-site audit units as well as information and documents submitted by banks, independent audit firms and other persons, agencies and institutions are evaluated by related units, measures to be taken by banks are determined and notified to banks, and the practice and the compliance of the banks and SFIs are closely monitored. Developments concerning the instructions and the evaluations made as a result of communication with the banks and off-site audits are informed to the sworn bank auditors to be used for on-site audits.

Furthermore, in 2004, as a result of on-site audits and surveillances and evaluations of denunciations and complaints, applications for the initiation of the legal proceedings about 10 persons, whose responsibility concerning various banks detected, were made, 32 administrative fines in total is applied to banks for their operations violating the Banks Act and 20 persons were forbidden temporarily to work in banks within a duty requiring signature, according to the said Act Article 9, Paragraph (5).

4.2.4. Establishment, Authorization and Licensing Activities

Within the scope of establishment, authorization and licensing activities carried out by the Banking Regulation and Supervision Agency; authorizations of establishment, operation, share transfer, mergers and acquisitions, opening branches and acquirement of subsidiaries are granted.

Besides, applications on the sale of SDIF banks, authorization requests of independent audit on banks, authorization requests on establishment of asset management companies, banks' requests on capital increase and finalization of the transactions concerning hereof, the concordance of amendments on the articles of association to the Banks Act, the concordance of the appointments of bank general managers and assistant general managers to regulations are evaluated according to the related regulations. The oath and declaration of property required by Law and documents on minimum requirements to be fulfilled by Board members, general managers and assistant general managers as required by Law and the documents on the General Assemblies of Banks are filed, the limits of letters of guarantee banks can offer for the tenders subject to the Act Nr. 2886 are determined and requests on delay extension as regards the disposal of immovable and real estates acquired due to receivables are evaluated and finalized.

Within this framework, in 2004;

- Following the application made to our Agency by the Istanbul Turkey Main Branch of Citibank N.A. Centered in New York, N.Y., the establishment of a bank titled Citibank A.Ş. was authorized by the resolution Nr. 1149 dated December 8, 2003 of the Board. The transfer of the Istanbul Turkey Main Branch of Citibank N.A. Centered in New York, N.Y. to the said Bank and the transactions concerning the initiation of the operations of Citibank A.Ş. were finalized on March 31, 2003. Later, within the Board Resolution Nr. 1371 dated August 24, 2004, it was approved that 99,99% shares of Citibank A.Ş., belonging to Citibank N.A., to be transferred to Citibank Overseas Investment Corporation.
- Upon the Board Resolution Nr. 1217 dated March 3, 2004 and Nr. 1218 dated March 3, 2004, licences to accept deposit were cancelled and voluntary

liquidation application was approved concerning respectively the Istanbul Turkey Main Branch of Credit Suisse First Boston (Centered in Zurich) and Istanbul Turkey Main Branch of ING Bank N.V.

- Upon the Board Resolution Nr. 1219 dated March 3, 2004, it was approved that all assets and liabilities of the Istanbul Turkey Main Branch of Credit Lyonnais S.A. (Centered in Paris) to be transferred to Credit Agricole Indosuez Türk Bank A.Ş. and the license to accept deposits and to operate of the mentioned bank to be cancelled. Within the same Resolution, it was permitted that Credit Lyonnais S.A. may take over the shares presenting the 13,7% of the capital of Credit Agricole Indosuez Türk Bank A.Ş.
- Upon the Board Resolution Nr. 1262 dated April 29, 2004, it was permitted that PTT General Management shall perform its services under the imprint of PTTBANK, on condition of not to make banking operations except the operations authorized by its legislation and those still executed, not to collect deposits, grant loans, and not to use EFT, Online Securities Transfer and check clearing systems.
- Upon the Board Resolution Nr. 1381 dated September 8, 2004, license to accept deposits was granted to Deutsche Bank A.Ş., which formerly operated as an investment bank in our country.
- 25% of the shares of Denizbank A.Ş. were permitted to be initially offered to public in September 27, 2004.
- Upon the Board Resolution Nr. 1415 dated November 9, 2004, the acquisition of Pamukbank T.A.Ş. by T. Halk Bankası A.Ş. was approved.
- Upon the Board Resolution 1452 dated December 28, 2004, BNP Paribas was permitted to be indirect shareholder with a ratio of 42,125% in Türk Ekonomi Bankası A.Ş., by purchasing 50% of the shares of TEB Mali Yatırımlar A.Ş. Within the same Resolution, coordinated with the said permission, it was approved that some of the Bank shareholders' direct or indirect shares shall deduct under the limits determined in the Banks Act.

Table 4.3 Representative Offices to which Operating Licences were Granted

	Name of the Bank	Date and Number of Resolution on License to Open Representative Office	Date at which the Representative Office Started to Operate
1	Unicredit (Suisse) Bank S.A.	10.03.2004/1223	10.05.2004
2	Kreditanstalt für Wiederaufbau (KfW)	08.09.2004/1382	01.12.2004
3	Credit Suisse First Boston (Europa) Ltd.	08.09.2004/1383	13.09.2004
4	Denizbank A.G.	28.12.2004/1450	31.01.2005
5	UBS A.G.	28.12.2004/1451	03.01.2005

- Changes in the partnership structure of two special finance institutions and one private capital deposit bank in accordance with the provisions set out in the Banks Act were approved.
- The application of two banks for acquiring subsidiaries abroad deemed appropriate, and a total of 7 applications of 5 banks to open branches abroad of which were granted were as follows; 3 in Turkish Republic of Cyprus, and the others were England, Germany, Bahrain, Saudi Arabia. Besides, opening representative offices by a bank in Kabul, Karachi and in Tehran deemed appropriate.

Information about the foreign banks, which were permitted to open representative offices in Turkey by the Board, is given in the Table 4.3.

On the other hand, all domestic and foreign banks operating in Turkey, special finance institutions and Turkey branches of the foreign banks were realized a capital increase amounting to a total of NTL 2,057 million as given the details below:

Table 4.4 2004 Capital Increases (NTL Million)

	Cash	Internal Resources	Total	Annual Change* (%)
Private Deposit Banks	59.369	1.255.525	1.319.894	20,32
State Deposit Banks		99.368	99.368	2,69
Foreign Banks (1)	26.949	26.200	53.149	13,75
Foreign Banks Branches (2)				-1,39
Private Investment Banks	2.923	37.500	40.423	14,36
Foreign Investment Banks (1)	1.415	1.790	3.205	21,09
Public Capital Investment Banks	342.920		342.920	22,02
Special Finance Houses	107.932	94.771	202.703	48,22
SDIF Banks (3)				-59,36
TOTAL	541.508	1.515.154	2.056.662	10,41

(1) Deutsche Bank A.Ş., which gained the authorization of accepting deposit in 2004, was taken into consideration within the foreign Banks in between the years 2003-2004 for assuring the comparison.

(2) The change in negative way emanated from branches of which were liquidated.

(3) Capital increase doesn't exist. But, the change in between the years 2003-2004 emanated mainly from the transfer of the Pamukbank T.A.Ş. to T. Halk Bank.

* Declaring the annual change in paid-in capital as of the end- 2003.

In 2004, the applications of two independent audit firms for an authorization to perform independent audit in banks and special finance institutions were evaluated and by the resolution Nr. 1169 dated January 06, 2004 Kuzey Yeminli Mali Müşavirlik A.Ş. and by the resolution Nr. 1240 dated March 26, 2004 Engin Serbest Muhasebecilik Mali Müşavirlik A.Ş.'s authorizations were realized. On the other hand, by the resolution Nr. 1350 dated August, 03, 2004 of the Board, the independent audit authorization of Anadolu Bağımsız Denetim A.Ş was cancelled.

In the same period, there existed one application to establish an asset management firm and by the resolution Nr. 1412 dated November 03, 2004 of the Board, Ege Varlık Yönetimi A.Ş was granted permission of the establishment.

4.3. Other Operations

4.3.1. Analysis and Research

In addition to regulation, monitoring and supervision activities with regard to the set, research and analysis activities carried out within the Agency provide important inputs for decision-making process along with being a useful source for users outside the Agency by means of reports disclosed to public.

In this context, two "Banking Sector Evaluation Reports" regarding national and international developments were published in April and October of 2004 in the light of transparency principle. On the other hand, studies regarding Basel II have been carried on and the results of QIS-TR have been evaluated and shared by the public. As well, impact studies on subsidiaries of the banking sector, administrative penalties and legal regulations have been main research topics studied.

New Basel Capital Accord (Basel II)

BCBS-(Basel Committee on Banking Supervision) working under BIS (Bank for International Settlements) publishes consultative papers about banking activities, and regulations and supervision of these activities while these papers are recognized as most important documents in determining international banking norms. One of the most principal and comprehensive papers published by the Basel Committee is the New Basel Capital Accord (Basel II), which brings radical changes to the Basel Capital Accord (Basel I) which was published in 1988 regarding the measurement and assessment of capital adequacy of banks. The final text regarding Basel II was published in July 2004 after taking the opinion of various parties and assessing the results of quantitative impact studies. The accord, which is expected to have important impacts on banking sectors as well as on economies of countries, is one of the most important item on the agenda of the supervisory authorities and banks recently.

Important activities regarding the aforementioned Accord are carried out by our Agency as well. In this context, in order to assess the probable impacts of Basel II on capital adequacy of banks, a Quantitative Impact Study with the participation of 23 banks comprising the 95% of banking sector has been accomplished in July 2003.. As a result of this study, it has been estimated that, Basel II, bringing radical changes to the measurement of capital adequacy of banks, might result in a general decline in capital adequacy of the banks in our country, yet still expected to be quite higher than internationally accepted standard of 8%. In the context of the results of the mentioned studies, changes in capital adequacy ratio caused by portfolios are summarized in the table below:

Table: Results of QIS-TR Study*

PHASES	CAR(%)	CHANGE IN CAR(Point)
CAR calculated According to the Current Regulation	28.8	
Impact of Government Portfolio and Trade Portfolio	20.1	-8.7
Impact of Firms Portfolio	19.9	-1.2
Impact of Banks Portfolio	18.6	-0.3
Impact of Retail Portfolio	19	0.4
Impact of Subsidiaries Portfolio	18.9	-0.2
Impact of Operational Risk	16.9	-2.0
CAR calculated According to the Basel II	16.9	

* For further detail pls. search http://www.bddk.org.tr/english/basel/basel_eng.htm

(*): "CAR"column, explains the impact of the individual portfolios on the CAR (The CAR's decrease/increase to the level in case of the inclusion of the concerned portfolio to the analyze). The change in the CAR'column explains how much decrease/increase will occur in the CAR in case of the inclusion of the concerned portfolio to the analyze.

Government portfolio and trade portfolio in the table are mostly composed of public securities. The FX denominated public securities having 0 % risk weight in accordance with the existing legislation are exposed to 100 % risk weight with considering the proposed ratings table in Basel II. Thus, the maximum decline in capital adequacy ratio (8.7 points) is estimated to generate from this portfolio. On the other hand, the operational risk included in capital adequacy measurement with Basel II results in a decline about 2 points in the CAR. In Basel II, capital obligations of banks concerning the credit claims and other claims of banks are related to ratings. Also, obligations of some off-balance sheet claims are becoming different than existing practice. As a result of these impacts, while the credit claims to firms cause 1.2 points, receivables from the banks cause 0.3 points and the subsidiary investments cause 0.2 points decline, retail credits cause 0.4 points increase in the CAR.

Financial Groups in Turkish Economy

In 2004, a research project aiming to measure the risk profile of the groups in which banks take place and their weight in national economy has been initiated. By a survey made in the context of the project, information has been requested from banks regarding the employment, production, profit, asset size etc. of real sector and financial sector enterprises having ownership relations with banks directly or indirectly. With the analysis of the results of the survey along with other sources of data, mainly the following findings stated below have been attained;

- Within the bank risk groups, there exist a total of 781 domestic firms by the year 2003. Of these firms, 69.4% are working in services, 29.3% in industry and 1.3% in agricultural sector. Including the banks, the number of firms operating in financial services sector is 204.
- The asset size of the risk groups (including the banks) was accounted as USD 223.6, the total number of employees as 344,671, the total profit as USD 9.7 billion and the total value added as USD 15.8 billion. The total asset size of the risk groups, excluding the banks, is USD 54 billion, the total number of employees is 217,206, total profits are USD 4.2 billion and the total value added is USD 7.5 billion.
- The services sector represents 89% of the total asset size of the bank risk groups while the industry sector represents 11%. 76.7% of the total profit of the group, 64.7% of the total employment and 76.1% of the value added are originated from the service sector. Banking activities constitute very important part of the activities of the risk group within the service sector. Trade and transportation-telecommunication (media) are other considerable activities in the service sector.
- The activities of the risk groups are concentrated on manufacturing within the industry sector. Main fields of activity under the industry sector are transportation vehicles, electrical goods and optical instruments (durable goods), non-metallic minerals (cement, glass, ceramic etc.), food and drink and rubber and plastic sub-sectors.
- The weight of risk groups (including banks) in the national economy are estimated to be 15.2% in terms of the value added criteria, %14,5 in terms of the production criteria, 1.7% in terms of the employment criteria and 14.3% in terms of the wages payment criteria.
- In terms of the value added criteria; the risk groups have a share of 21.1% in service sector, 11.4% in industry, 0.1% in the agriculture sector. The weight of the group within the production sector accounts for 13.9%. The sectors in which bank risk groups have a considerable weight are financial services (96.2%), electrical goods and optical instruments (durable goods) (44.8%), media (39.5%), gas (37.3%), non-metallic minerals (37.3%), transportation vehicles (32.5%), paper and printing (29.9%). Taking into account the production criteria, telecommunication with a share of 34.5% is another important field of activity of the risk groups.

4.3.2. Domestic and International Cooperation

Relations with the Domestic Institutions

Pursuant to Article 3, paragraph 10 of the Banks Act our Agency is in collaboration with Treasury Undersecretariat, the Undersecretariat of State Planning Organization and the Central Bank about the issues concerning money, loans and banking policies,. Besides, our Agency is also in cooperation with other public agencies and institutions, and transmits it's evaluation and views concerning the banking sector.

Memorandum of Understandings

Pursuant to Article 3, paragraph 10 of the Banks Act, the Board may cooperate and exchange information with any authority of a foreign country responsible for supervision within the frame work of agreements it will enter into such entities. Within this frame work, in addition to the Memorandums of Understandings (MoUs) of which were signed with six

countries' surveillance and supervision authorities, our Agency has signed MoUs with Pakistan Central Bank by January 2004 and Malta Services Supervision Authority by December 2004. Besides, an Memorandum of Understanding between our Agency and Greece Central Bank was decided to be signed within the January 2005. On the other hand, work on the signing of MoUs with EU countries and other countries' supervision and surveillance authorities continue.

General Agreement on Trade Services (GATS)

Within the scope of GATS, our Agency participated to the operations conducted within the scope of a new multilateral debate tour of which were initiated in beginning of 2000 for increasing of liberalisation and transparency in the service sector and ensured an effective participation by preparing notes about the issues falling under the responsibility of our Agency.

By 2004, within the framework of the realised debates with various countries in the participation stage to the World Trade Organization (WTO) our Agency evaluated the said countries' banking commitments under our national policy objectives and conveyed its opinions to the Treasury Undersecretariat of which is responsible from the coordination. Besides, within the scope of the GATS negotiations our Agency has participated to the meetings and workshops which aim to determine the position of our country in financial and professional services and to evaluate other countries demands. Also the issues that are in our countries' commitment list and issues falling under responsibility of our Agency were updated within the framework of the amendments realised in the banking legislation.

Relations with the IMF and the World Bank

With a view to stabilise the structure of the Turkish economy and to obtain a sustainable expansion, in the scope of the Review within the framework of the Stand-By Agreement dated February 4, 2002 which was agreed upon with the IMF, talks and meetings are held with the IMF team on issues related to the banking sector and issues falling under the responsibility of our Agency.

Negotiations were continued with the World Bank representatives in 2004 concerning the progresses of the banking sector within the scope of the Programmatic Financial and Public Sector Adjustment Loan (PFPSAL-III) to be procured from the World Bank.

Relations with the European Union (EU)

Our Agency has participated to the studies of the Pre-participation Economic Program of the year 2004 which was prepared within the coordination of the State Planning Agency and was published by November 2004 and the "Progress Report Turkey year 2004" which was prepared within the coordination of the Secretariat General for the EU Affairs in order to be transmitted to the EU Commission. The works regarding to complete the commitments of our Agency made in the "National Program for Adaption of Acquis Communautaire" which were published in the Official Gazette Nr. 25178 dated July 24, 2003 were carried on. Projects were prepared in order to utilise the programmes like Administrative Collaboration Fund II, Matra -PUA which were provided by EU aiming to support our candidacy process and were transmitted to the Secretariat General of the EU.

Relations with the OECD

Participation was procured by our Agency to the studies related to the Committee on Financial Markets conducted by the OECD and the Financial Action Task Force and to the working team of the OECD Committee on International Investments and to preventing the bribe taking on commercial transaction conducted by the Multinational Firms. Besides, within the same period, by the OECD, the information demanded by the mediation of the Permanent Representative Office of Turkey concerning the banking sector were transmitted to the said institution. Within the year 2004, our Agency has contributed to the "Turkish Economic Report" prepared by the OECD on the issues falling under responsibility of our Agency.

Cooperation with the Turkish Republic of Northern Cyprus (TRNC)

Our agency has regularly participated to the activities performed by the Turkish Republic Technical Team (which carried on its activities also by 2004 and composed of several public agencies and institutions established pursuant to the provisions of the "Financial and Economic Cooperation Protocol" signed between the Government of the Turkish Republic and the TRNC with the aim of providing the TRNC economic stability and sustainable economic growth by April, 18, 2003) in order to monitor the practice of the TRNC Program of Transition based on Economic Stability and Production.

Relations with the GRECO

The Group of States Against Corruption (GRECO), which was founded by the Resolution of the Committee of Ministers of the European Commission dated May 1, 1999 as a partial agreement, and of our country's being a member nation as of January 1, 2004, making activities with a view to increase the capacity of the member nations' fight systems against the corruption. The country evaluation reports that prepared for this purpose are considered also as a reference by the EU of the said country's evaluation of the fight against the corruption capacity. In this scope, the Ministry of Justice (responsible agency from the coordination of the relations with the GRECO within the framework of the studies of preparation and evaluation of our country's report) and our Agency's collaboration is being carried on.

Other Relations with the International Institutions

Notes about the issues falling under responsibility of our Agency were transmitted to the Undersecretariat of Foreign Trade for the Joint Economic Commission Meetings that were held with various countries.

Meetings were held with the representatives of international Agencies and Institutions, on the current progresses in the banking sector and some information on the studies realized by our Agency as regards the concordance with international standards on surveillance and supervision.

The studies within the context of risk management workshop on "Implementing Risk Based Capital" to be held in İstanbul as of February 2005 by a collaboration with our Agency and the World bank were terminated.

4.3.3. Quality Assurance and Development of Agency Strategy

The activities regarding quality assurance and the Agency strategy by 2004 is summarized as follows:

- Strategic planning effects an institution's mission within the legal boundaries and determining the steps that have to be taken in a systematic way. Within the framework of strategic planning studies, first of all stating the mission, vision and the targets and after making the condition analyze and after all, determining the activities which makes it possible to reach to these targets were taken as a basis. With a view to demonstrate the final situation of the said studies and to form the substructure of the strategic plan, the preparatory report of the strategic plan was arranged. The report includes; environment, powerful-sides (including the interior-agency and shareholder analyze), weak-sides, opportunities and threats analyze; and the criterias relating to the mission, announcement of vision, and monitor of strategic aims. The studies executed within the context are being continued on by the participation of all units of the Agency.
- The Road-Map for 2004 is procured to form the workflow plan of the units, schemas of workflow and an inclusive list of duty, authority and responsibility within the framework of activities for developing the quality of the public services.
- With a view to evaluate the efficiency of the organizational restructuring, point of views and suggestions taken place "Organizational Restructuring and Efficiency Report" were arranged and evaluations and suggestions concerning the organization structure was presented with details within the report..

- The survey of self-evaluation 2004 was made for utilising in the studies of the Agency's performance evaluation and as an evaluation of the previous year. The survey includes sources and pleasure, training, evaluation of performance, procedure and the standards, coordination and communication, the Agency culture, organization structure, the quality, control and the process of the performed tasks in the departments. By the results of the said survey, with a view to expose the weak points concerning system and the process, and with a view to initiate the amelioration operations thereby, a report which summarizes the results of the survey and includes the amelioration suggestions was arranged.

- In our Agency forming a structure of which attaches importance to practice and performance more than the documentation, supporting the principles of the general administration system, facilitating the integration of the management system, taking the process approach as a basis, determining the quality targets which is measurable in every unit and level, and for making the quality planning for providing a permanent amelioration for reaching the quality targets various operations are being executed. Besides, our Agency were became a member of the Turkish Quality Association (KalDer) by November, 11, 2004. Within this framework, training activities that were offered from the association are being utilised.

- The literature research studies were also initiated for passing over the applications concerning the evaluation and amelioration of the Agency's activities and performance. In this framework, researches were made about Benchmarking (comparison), Six Sigma and Balanced Scorecard (Balance control panel) and its applicability's being discussed evaluation notes were arranged.

- Within the scope of the committee prescribed by the maturation plan of the Board and the within activities of the working team, a review study of the intra-Agency was made. The mentioned committee and the working team are carrying on their studies in respect of the priority of the agenda and the order of the precedence of the Agency.

4.3.4. Corporate Communication

All of the studies concerning establishing correct and effective relations and perpetuate them with the intra-Agency and the outside-Agency target audiences are taken place within the communication activities. The applications concerned with the procuring the correct information flow by monitoring the media within the framework of the invigoration studies concerned with the identification and the image of the Agency are being executed.

The activities as conference and symposium were organized within the coordination of the public institutions, private sector and the universities about the subject matters concerning the activity field of the Agency. By regarding the transparency principle on the Agency's activities by press conferences and press releases the public was procured to inform.

The publication committee which was constituted in order to determine the publishing policy of the Agency and carry on the publishing activities was initiated the periodical and general publishing studies about the subjects within the activity field of the Agency.

Within the context of the intra-Agency communication studies, by the system which provides an immediate access concerning the news about the BRSA (which is composed by scanning the domestic and foreign media daily press release and the monitoring the television reports) to the units was provided

Besides, by the e-mail address of "iletisim@bddk.org.tr", the suggestions and the demands were evaluated.

4.3.5. Training

The Agency's profession employee and the other employee's participation are being provided on in-service training, domestic courses, seminar and similar training

activities and education abroad and the master programme with a view to increase the knowledge and skill about their profession and to monitor the progress of their business

Within the year 2004, while a training opportunity, including domestic and abroad, amounting to a total of 4,392 days was provided, and an average of 12,1 days of training per person were given. Within this framework, the training day period which were realised as 6,3 days increased by 92,1% when compared to 2003. The distribution of the said training activities by topics and by service groups are as follows:

Table 4.5 Training Activities by Topics

Topics	Participation	Number of Days
General Banking	208	2.597
Accounting	76	227
Economics	84	173
Supervision	75	266
Law	48	643
European Union	8	10
Computer	34	100
Illicit Money	8	32
Other(Personel Skill, Quality,etc..)	129	344
TOTAL	670	4.392

Table 4.6 Training activities by Service Groups

Service Groups	Domestic		Foreign		Total	
	Participation	Number of Days	Participation	Number of Days	Participation	Number of Days
Administrator Employee	75	152	26	102	101	254
Specialization Employee	463	3.752	50	234	513	3.986
Other	56	152	-	-	56	152
TOTAL	594	4.056	76	336	670	4.392

The participation to the training activities about general banking, economics, risk and related subjects concerning professional subject matters organized by the international institutions and the other countries' regulative authorities in banking field are as shown hereunder.

Table 4.7 Foreign Training Activities

Institutions	Participation	Number of Days
OCC	7	34
FSI	13	43
FDIC	3	34
IMF	3	16
THE WORLD BANK	12	52
OTHER	38	157
TOTAL	76	336

4.3.6. Information and Data Management

The weighted part of the activities year 2004 is composed of the studies driven by The Banks Reporting System (BRS) and the Agency Administration Information System. The

System, network and the security system operations and the internet and the intranet services are the other ongoing activity subjects.

Banks Reporting System

For invigorating the Banks Reporting System and to make it more effective, within 2004, to ensure the strengthening the current control mechanism as preferential, the required up-dates are being made by increasing the numbers of current cross-band control and intra-control. And as for the daily forms, it is focused on increasing the data quality by establishing confirmation controls.

Instruments and applications added to the system with a view to display and report the data, the banks reporting system was turned into a more useful structure by the arranged ratio set and the stress test.

As of the end-2004, by taking all the packages excluding the market risk reporting set and the internal surveillance reporting set into the surveillance system reporting set and within the year 2005 by taking all other form packages into this system, The Banking Reporting system will become comprised of all the reporting packages.

Within the framework of the protocol made in between the SDIF and CBRT in order to decrease the burden of the reports, determined forms developed by the agency were put into the usage of the mentioned institutions.

By the mediation of a private web-page which having an open access for only the banks and special finance institutions by giving place to the best current information concerned with the form packages, frequently asked questions, letters sent to the Banks Association of Turkey and Special Finance Institutions Association, provided the banks' and the special Finance Institutions' reaching the current information as soon as possible.

Agency Administration Information System: Information Management and e-signature Studies

With a view to transport the institutional document, information and the work flow from the paper environment to the numeric environment, by initiating a study named Information Management System, it is intended to build a structure of non-based on paper as far as possible in 2004 . Within the scope of the same study, for accommodate perfectly and on time to the operations carried on by the Prime Ministry in the subject of e-state and the e-signature which takes an important place in this study, exercising the study of information management system was given a preference.

System, Network and Security Studies

The Agency did not run into a significant problem and interruption about data processing network in 2004. As the previous years, while the maintenance operations were carrying on, it was continued on the amelioration and increasing the capacity operations with a view to increase the currency and employability of the system.

As a result of the research activities made in order to increase the elasticity and efficiency of the developing network technologies, the methodology evolved for the application of a safe wireless institutional network by the end-2003 were put into practice, especially in changeable usage area, as a wireless network service within the year 2004.

In addition to the ameliorations within the context of system and network, with a view to evaluate the Agency's security of information technology by an independent and authoritative institution, by the end-2004, a study of collaborative evaluation of the information system by the Agency and the TÜBİTAK National Electronic and Cryptology Research Institute was initiated. The study of which is expected to be completed by the mid-2005, is being planned to be a starting point to form a assurance system of the information security standard and to have this system certificated (BS-7799, ISO-17799, TSE-17799 etc.) .

The Internet Services

A total of visit amounting to 476,612 from the 136,007 visitor to the website of the BRSA were realized by 2004. The average of the visitors amounting between 30.000 and 55.000 per month were realized as 40,000 around.

By the dates in between January 2004 –December 2004, the most visited websites within the BRSA website and by the amounts of visit are hereafter; "Legislation" (40,618), "Human Resources" (38,981), "Reports"(23,245), "Contact Us" (17,477) and "Press Release" (17,158).

Banking Technology and Equipment Inventory

By determining the usage level and the manner of the information technologies which has started to play a more significant role in fulfilling the activities of the banks, with a view to take a photograph of the general situation in the sector and form a information substructure to the audit of the Banks Information Technologies, of which is planned to be realized, a survey of Information Technologies Inventory was arranged. While the studies concerned with the evaluation of the information is being conducted, it is planned to be determined by 2005.

Audit of the Information Systems

The audit of the information system is a process which aims to evaluate and to report the qualifications and functioning of whole information elements such as hardware and software used by finance institutions during their activities, information system processes and technological internal audit thereof. Within this context, it was given importance to the training activities and was procured to participate to the domestic and the foreign training activities.

Detailed applications including the subjects concerning the security, information system risks, the basis of the information system audit, practical methods, continuity and disaster situation planning, internet banking, data base security and control, network security and information security were explained to the related employees.

4.3.7. Legal Activities

Legal activities consist of ensuring the representation of the Agency as regard the follow-up, defending and resolving the conflicts regarding the Agency or to which the Agency is party before judicial and administrative authorities, the follow-up and the defending of the lawsuits brought by or against the Agency, the opinion giving of the Agency to other agencies and institutions as well as Agency units on issues concerning the Banks Act and other legislation, the timely taking of legal measures defending the Agency's interests and preventing conflicts and the making of agreements and deals in concordance with these principles. Within this framework, the number of lawsuits our Agency is party as of end-2004 is shown in the table below.

Table 4.8 The Lawsuits to Which the BRSA is Party

Lawsuits	December 2003 (Number)	December 2004 (Number)*	% Change **
Total Pending Lawsuits	1.549	17.315	1017,8
- Civil Lawsuits	146	277	89,7
- Criminal Lawsuits	108	126	16,6
- Administrative Lawsuits	1.295	16.912	1205,9
Finalised Lawsuits	11	34	209,1

* Of the Lawsuits Finalised 13 are civil lawsuits, 2 are criminal lawsuits and 2 are administrative lawsuits.

4.3.8. Activities Concerned with Consumer Rights and Complaints

1,046 requests were made under the provision of the law Nr. 3071 relating to right of petition usage and in accordance with the provision Nr. 4982 relating to the right of obtaining information 521 requests were made to our Agency within the year 2004. Besides, the complaints can be transmitted personally, by telephone and by e-mail to our Agency.

The distribution by per cent of the transmitted petitions to our agency by 2004 were given hereunder.

Table 4.9 Distributions of the Demands by Topics

TOPICS	Number	%
Credit Cards	230	22,48
Deposit Account	97	9,48
Liquidation Operations of İhlas Finans Kurumu A.Ş.	99	9,68
SDIF Units and Legal Entity	80	7,82
Interest, Expenditures and commissions	60	5,87
Consumer Loans	58	5,67
Problems of Negative Loans	63	6,16
Non-cash/Corporate Loans	35	3,42
Stocks	37	3,62
Transfer Operations	28	2,74
Notifications	34	3,32
Property Research	12	1,17
Internet Banking	13	1,27
BRSA Units and Legal entity	14	1,37
Other Subjects	163	15,93
TOTAL	1023	100

As it is observed from the table, in this period "the credit cards" item is the most intensive application subject. The complaint distribution concerning the credit cards was indicated hereunder.

Table 4.10 Topics of the Complaints Concerning Credit Cards

Subjects	Number	%
Demand of Re-structuring Credit Card's Debt	44	18,49
High rates on credit card interests	44	18,49
Credit card's not being able to cancelled by the bank despite the request of the consumer	27	11,34
Incidents of losses, steal and swindling on Credit Cards	25	10,50
High rate on commissions and fees gained from the Credit Cards	22	9,24
Organizing credit cards uninformed from the person	11	4,62
Not granting a Credit Card	9	3,78
Not receiving any answer from the Application Demand of a Credit Card.	9	3,78
Other	47	19,75
TOTAL	238	100

40% of the applications were emanated from the contracts of entities's banks and private financial institutions within the scope of the private legislative provisions of which were contracted within the framework of the principles of the liberty of contract. These kinds of complaints' being resolved by parts first of all or in case of disagreement, resolving by the court decision is a fundamental basis. In case the action or operation subject to complaint's not being contravenined to the imperative provisions of the Banks Act, it can't be interferred to the disagreement by our Agency. On the other hand, by reason of our Agency's being entitled public authority in it's field, one copy of the complaint petitions concerning the banks are being sent to the banks. Thus, while the general managements of the banks' informing about the complaints are being procured, the opportunity of informing the complainers through the channel of bank is being formed.

Obtaining Information Demands Within the Scope of Obtaining Information Right Act

Within the scope of the Obtaining Information Right Act Nr. 4982 of which was came into force by April,24,2004, 521 applications of receiving information were made by the dates inbetween April,24,2004-December,31,2004. While 506 of the applicants were natural persons and 15 of them were legal entities, 489 of the applications were made by e-mail, 29 of them were written, and 3 of them were made by fax. The transactions made concerning the applications were indicated by the table hereunder.

Table 4.11 Transactions made concerning the applications

Topics	Number
Total of Obtaining Information application	521
Applications of which were Provided the Access of Information or Document by a Positive Answer.	346
Total Rejected Applications *	60
Destined Applications to the Other agencies and Institutions.	115

**The applications of which were not put up to transaction for not having the shape requirements declared within the Articles of the Regulation Nr. 9,10 and 14. are included.*

Six of the person of which their applications were rejected from our Agency were contested the statement to the Obtaining Information and Evaluation Board and one of their application was accepted, two of their applications were partially accepted and three of their applications were rejected.

SECTION 5. BUDGET REALIZATION AND FINANCIAL STRUCTURE

Pursuant to the Article 7 of the Act Nr. 4743 on the Restructuring of Debts to the Financial Sector and Amendments to Some Acts, the annual accounts and expense transactions of the Agency are audited by a commission comprised of a Prime Ministry Inspector, Prime Ministry Supreme Council Inspector and Ministry of Finance Inspector.

5.1. Budget Realization

When, pursuant to the Banks Act Nr. 4389, the total income of the Agency from Participation Shares collected from banks and special finance institutions and income from other activities and total expenses are taken into account, no income-expense difference was foreseen in 2004 budget.

Table 5.1 2004 Income (NTL Thousand)

	2004 Budget	Realization	Difference
Income from Participation Shares	64.950	64.955	5
- Banks	63.800	63.802	2
- Special Finance Houses	1.150	1.153	3
Other Income	8.550	14.316	5.766
- Income from Interests	7.500	14.292	6.792
- Other Various Income	1.050	24	-1.026
2003 Turnover	46.500	46.439	-61
- 2000-2002 Income-Expense Difference	-	85.924	-
- 2002 Income-Expense Difference	-	-39.485	-
Total	120.000	125.710	5.710

During the preparation of 2004 budget, a participation to expenses amounting to NTL 64.950 thousand from banks and special finance institutions was foreseen. Within 2003, NTL 62.747 thousand of this accrual is collected, the participation share income from banks and special finance institutions was accrued as NTL 2.208 thousand in the following period. Within the following period, NTL 68,2 thousand of default fine was collected from the participation shares. The share of participation shares income in the Agency's income was realized as 82% in 2004, of which, 80,5% is from banks and 1,5% is from special finance institutions. An important part (18%) of the Agency's 2004 income was the interest income from TL-denominated time deposits.

By the 2004 budget, the investment of the Agency's resources to government securities or in foreign exchange accounts or time savings deposit accounts was provisioned. Article 10 of Budget Act for 2004 Nr. 5027 and the General Communiqué of the Public Treasury foresees the budget and all resources of public agencies and institutions established by a special legislation be invested in accounts in the CBRT or T.C. Ziraat Bankası A.Ş. As a result of the investment of the Agency's funds in accordance with the Board Resolution Nr. 979 dated January 31, 2003 made based upon the above-mentioned provisions and determinations related to the Public Treasury, a total of NTL 14.292 thousand interest income was engendered.

Table 5.2 2004 Expenditure and Expenses by Type (NTL Thousand)

	Initial Expenditure	Revision	Budget Expenditure	Used	Remaining
Personel Expenditure	20.800	-6.140	14.660	14.629	31
Social Sec. Premium Exp.	2.500	-1.875	625	616	9
Purchase of Goods&Service	20.550	-7.410	13.140	12.975	165
Current Transfers	2.950	86.125	89.075	92.150	-3.075
Capital Expenses	63.200	-61.420	1.780	1.752	28
Unforeseen Expenses	10.000	-9.280	720	718	2
Total	120.000	0	120.000	122.840	-2.840

When initial expenditure of 2004 budget, expenditure transfers, total expense amounts and remainders are analyzed on main expense items basis, it is observed that for 2004, a total of NTL 120 million expenditure was created, that a total amount of NTL 122.840 thousand expense was made from budget expenditures in 2004, and that 102,4% of the budget expenditures were utilized as of end-2004.

From a total of NTL 122.840 thousand of expenses, NTL 90.400 thousand of this amount was transferred to the General Budget, NTL 14.629 thousand was realized as personnel expenses. Within this framework, the share of personnel expenses in 2004 expenses is 45,09%, transfers to the General Budget are excluded. 40% of the Agency's expenses were realized for purchase of goods and services. Purchase of services compose a considerable amount of the expenses made under this item. The most important part of purchase of services consist of the rent paid for the Agency's service buildings in Ankara and in Istanbul. 5,39% of the 2004 expenses are composed of current transfers. Current transfers are mostly composed of additional provisions paid to the Retirement Fund. Agency capital expenses compose 5,4% of the total expenses. The premiums paid for the Agency personel to the social security institutions compose 1,9% of the Agency's 2004 expenses.

When the 2004 expenses in general are examined by the expenditure types and economic sort, the low share of items such as purchase of consumption goods and material, purchase of inventory, purchase of machinery and vehicles and travelling allowances is a sign of the Agency's conservative economic policy.

The expenditure and expense amounts for 2004 (Budget Final Account) is as follows.

Table 5.3 BRSA's Year 2004 Budget Final Account (NTL Thousand)

Budget Code	BUDGET NAME	2004		Budget Expend.	2004		Remaining	
		Initial Expenditure	Exp. Transfer		Expenses	Rate		
					A (%)	B (%)		
10.10	PERSONNEL EXPENDITURE	20.800	-6.140	14.660	14.629	11,91	45,09	31
10.10.01	Wages	18.000	-5.290	12.710	12.695	10,34	39,14	15
10.10.02	Wages (Abroad)	1000	-330	670	660	0,54	2,03	10
10.10.03	Premiums	1.500	-420	1.080	1.075	0,87	3,31	5
10.10.04	Social Aid	100	-100	0	0	0,00	0,00	0
10.10.09	Other Personnel Expenditure	200	0	200	199	0,16	0,61	1
10.20	SOC. SEC. PREMIUM EXPENSES	2.500	-1.875	625	616	0,50	1,90	9
10.30	PURCHASE OF GOODS&SERVICES	20.550	-7.410	13.140	12.975	10,56	40,00	165
	Purchase of Consumption							
10.30.10	Goods&Materials	1.400	-565	835	811	0,66	2,50	23
10.30.10.01	Purchase of Stationary and Materials	200	-120	80	71	0,06	0,22	9
10.30.10.02	Purchase of Energy and Water Exp.	950	-325	625	620	0,50	1,91	5
10.30.10.03	Fuel and Oil Expenses	150	-75	75	73	0,06	0,23	2
	Other Consumption Goods and Mat.							
10.30.10.09	Purchases	100	-45	55	47	0,04	0,14	8
10.30.20	Travel Allowances	1.500	-745	755	729	0,59	2,25	26
10.30.20.01	Domestic	600	-345	255	249	0,20	0,77	6
10.30.20.02	Abroad	600	-300	300	293	0,24	0,90	7
10.30.20.03	Legal Expenses	100	-100	0	0	0,00	0,00	0
10.30.20.04	Fees and Duties Payable	200	0	200	187	0,15	0,58	13
10.30.30	Purchase of Services	12.150	-2.100	10.050	9.979	8,12	30,76	71
10.30.30.01	Adm. And Oper. Expenses	2.800	-180	2.620	2.611	2,13	8,05	9
	Payments to Advisory Firms& Nat.							
10.30.30.02	Persons	600	-510	90	83	0,07	0,26	7
10.30.30.03	Accommodation Expenses	800	-170	630	621	0,51	1,91	9
10.30.30.04	Accession Expenses	600	-225	375	369	0,30	1,14	6
10.30.30.05	Communication Expenses	1000	-75	925	912	0,74	2,81	13
10.30.30.06	Carriage Expenses	100	-90	10	3	0,00	0,01	7
10.30.30.07	Payments subject to Timetable	100	15	115	110	0,09	0,34	5
10.30.30.08	Rents	6.000	-740	5.260	5.251	4,27	16,19	9
10.30.30.09	Other Service Purchase Expenses	150	-125	25	19	0,02	0,06	6
10.30.40	Treatment Expenses	1.200	-900	300	297	0,24	0,92	3
10.30.50	Repres. And Present. Expenses	100	-90	10	6	0,00	0,02	4
10.30.60	Durable Mat. Fac. And Repair Exp.	700	-655	45	37	0,03	0,11	8
10.30.70	Immovable Fac. And Repair Exp.	500	-440	60	52	0,04	0,16	8
10.30.80	Training Expenses	3.000	-1.920	1.080	1.063	0,87	3,28	17
	Presen., Accomodation and							
10.30.90	Seremony- Expo. Organiastion Exp.	0	5	5	1	0,00	0,00	4
10.40	CURRENT TRANSFERS	2.950	86.125	89.075	92.150	75,02	5,39	-3.075
10.40.01	Add. Res. Payable to Ret. Fund	750	10	760	760	0,62	2,34	0
10.40.02	Ret. Bonus, Prem., and Similar	600	-435	165	160	0,13	0,49	5
10.40.03	Agency Contr. To Food Expenses	700	-155	545	542	0,44	1,67	3
10.40.04	Civil Protection Exp. Part. Share	600	-310	290	288	0,23	0,89	2
10.40.05	Social Transfers	300	-300	0	0	0,00	0,00	0
10.40.06	SDIF Adm. Transfers	0	0	0	0	0,00	0,00	0
10.40.08	Trans. To General Budget	0	87.315	87.315	90.400	73,59		-3.085
10.50	CAPITAL EXPENSES	63.200	-61.420	1.780	1.752	1,43	5,4	28
10.50.10	Purchase of Office Furnish	450	-105	345	339	0,28	1,05	6
10.50.20	Purchase of Office Equipment	500	820	1.320	1.310	1,07	4,04	10
10.50.30	Purchase of Vehicles	200	-200	0	0	0,00	0,00	0
10.50.40	Purchase of Publications	300	-235	65	59	0,05	0,18	6
10.50.50	Non-Fin. Right Purchases	5.750	-5.700	50	44	0,04	0,14	6
10.50.60	Real Estate Purchases	56.000	-56.000	0	0	0,00	0,00	0
10.50.70	Construction and Repair Exp.	0	0	0	0	0,00	0,00	0
10.60	UNFORSEEN EXPENSES	10.000	-9.280	720	718	0,58	2,21	2
TOTAL		120.000	0	120.000	122.840	100	100	-2.840

(A): Rate of each expense item to total expenses (Expense Item/ 122.833)

(B): Rate of each expense item to total expenses excluded from the transfer made to General Budget (NTL 90.4 million) (Expense Item / 32.433)

(*): The amount transferred to the General Budget is compensated from the additional expenditure, because of the transfer of an amount of NTL 5,4 million is demanded to be transferred to the General Budget according to the Ministry of Finance Communiqué Nr. 62675 dated December 27, 2004 and to the Provisional Article 1 of the Act Nr. 5035 and this transfer was made in December 31, 2004.

5.2. Balance Sheet

Of a total of NTL 76.901 thousand recognized under current assets, NTL 76.899 thousand is the amount deposited in the bank and the remaining NTL 1,6 thousand is the amount kept in cash. The NTL 1.831 thousand commercial receivables stand for the receivables from participation shares.

Of the NTL 961 thousand short-term liability of the Agency, NTL 445 thousand is the tax amount to be declared and paid until January 20, 2005 through withholding tax return for December 2004, NTL 18 thousand is various payments made to the personnel and NTL 494 thousand is the amount to be paid to other persons and entities.

The Agency's 2004 Comparative condensed balance sheet is as follows.

Table 5.4 BRSA 2004 Comparative Condensed Balance Sheet (NTL Thousand)

ASSETS	31.12.2003	31.12.2004	LIABILITIES	31.12.2003	31.12.2004
1. Current Assets	110.499	78.790	1. Tot. S-T Foreign Resources	605	961
1.1 Liquid Assets	108.270	76.901	1.1 Financial Liabilities	0,423	4
1.2 Commercial Receivables	2.209	1.831	1.2 Commercial Liabilities	240	494
1.3 Other Receivables	19	50	1.3 Other Liabilities	19	18
1.4 Other Current Assets	0,69	8	1.4 Tax and Other Liab. Payable	346	445
2. Tangible Fixed Assets*	-	1.500	2. Tot. L-T Foreign Resources	64.955	76.459
2.1 Tangible Fixed Assets (Gross)	4.571	6.071	2.1 Int. Inc. And Exp. Accured	64.955	76.459
2.2 Accumulated Amortization	-4.571	-4.571	3. Total Own Funds	44.939	2.870
3. Intangible Fixed Assets	-	-	3.1 Previous Year's Income	84.424	85.924
3.1 Rights	136	136	3.2 Previous Year's Loss	-	-39.485
3.2 Accumulated Amortization	-136	-136	3.3 Net Income/Loss Calculated	-39.485	-43.569
4. Total Fixed Assets* (2+3)	-	1.500			
TOTAL ASSETS (1+4)	110.499	80.290	TOTAL LIABILITIES (1+2+3)	110.499	80.290

*Composed because of cancelling from amortization within 2004 of the ground purchase which was expense within the previous years.

5.3. Income Statement

The NTL 90.400 thousand other extraordinary expenses and losses in the Income Statement stands for the transfer made to the account of the Central Accounting Management of the Ministry of Finance as contribution to General Budget Income pursuant to the Article 15 of the Act Nr. 4481, amended by laws Nr. 4605 and 4783.

The comparative income statement of the Agency as of 2004 is as shown below.

Table 5.5 BRSA's Year 2004 Income Statement (NTL thousand)

EXPLANATION	31.12.2003	31.12.2004	Change (%)
1. PARTICIPATION SHARE INCOME	29.211	64.955	122,4
1.1 Banks Participation Share Income	28.809	63.802	121,5
1.2 SFH Participation Share Income	402	1.153	186,8
2. REDUCTIONS FROM SALE	-	-	-
3. NET INCOME(1-2)	29.211	64.955	122,4
4. COST OF SALES	-	-	-
5. OPERATING EXPENSES	27.061	32.438	19,9
5.1 Research and Development Expenses	842	-	-
5.2 General Administrative Expenses	26.219	32.438	23,7
6. OPERATING INCOME OR LOSS (3-5)	2.150	32.517	1412,4
7. ORDINARY INCOME FROM OTHER OPERATIONS	28.370	14.313	-49,5
7.1 Interest Income	27.542	14.292	-48,1
7.2 Foreign Exchange Rate Income	829	21	-97,4
7.3 Other Ordinary Income and Profits	-	-	-
8.ORDINARY EXPENSES FROM OTHER OPERATIONS	70.011	90.402	29,1
8.1 Bank Commission and Transfer Expenses	11	2	-84,6
8.2 Other Ordinary Expenses and Losses*	70.000	90.400	29,1
9. FINANCING EXPENSES	-	-	-
10. EXTRAORDINARY INCOME	6	3	-51,5
10.1 Other Extraordinary Income	6	3	-51,5
11. EXTRAORDINARY EXPENSES AND LOSSES	-	-	-
PERIOD RESULT (6 + 7 - 8 - 9 + 10 -11)	-39.485	-43.569	10,3

* Transfers to the General Budget.

ANNEX 1: National and International Regulations

1. National Regulations

Official Gazette in which the Reg. Is Published		
Date	Number	Legal and Administrative Regulation
January 2, 2004	25334	Act Nr. 5035 dated December 25, 2003 on Making Amendments to Some Acts is published. By the law, amendments are made in various tax laws.
January 3, 2004	25335	Resolution Nr. 2003/668 on Principles and Procedures Relating to Payment by Savings Deposit Insurance Fund of Savings, Commercial Institutions and Other Institutions Deposits in İmar Bankası T.A.Ş. licence of which to Carry Out Banking Operations and Accept Deposits has been cancelled is published.
January 6, 2004	25338	Communiqué (Series: V, Nr: 76) on Making Amendments to the Communiqué (Series V, Nr. 46) on Principles Related to Intermediation Activities and Intermediary Institutions which was published in the Official gazette Nr. 24163 dated September 9, 2000, is published.
January 7, 2004	25339	Communiqué (Series V, Nr. 75) on Making Amendments to the Communiqué (Series V Nr. 59) on Portfolio Management Activity and Principles Related to the Institutions to Carry Out Such Activities which was published in the Official Gazette Nr. 25000 dated January 21, 2003, is published.
January 7, 2004	25339	Communiqué (Series VI, Nr. 16) on Making Amendments to the Communiqué (Series VI Nr. 15) on Principles related to Enterprise Capital Investment Partners that was published in the Official Gazette Nr. 25054 dated March 20, 2003, is published.
January 15, 2004	25347	Communiqué Nr. 2004/1 on Making Amendments to the Communiqué Nr. 2002/1 on Statutory Provisions which was published in the Official Gazette Nr. 24710 dated March 29, 2002, is published.
January 15, 2004	25347	Communiqué Nr. 2004/1 on Making Amendments to the Communiqué Nr. 2002/2 on General Disponibility which was published in the Official Gazette Nr. 24710 dated March 29, 2002, is published.
January 15, 2004	25347	Communiqué Nr. 2004/1 on Making Amendments to the Communiqué Nr. 2003/1 on Regulations of Payments by Cheque and Protection of the Checkholders which was published in the Official Gazette Nr. 25074 dated April 9, 2003, is published.
January 20, 2004	25352	Act Nr. 5043 dated January 13, 2004 on Making Amendments to the Act on Attorneyship Nr. 1136 dated March 19, 1969, is published.
January 22, 2004	25354	General Communiqué on Tax Procedure Law (Nr. 327) related to the determination of foreign money without going-market price in stock exchange, to be base for valuation thereof for year 2003 according to the Tax Procedure Law Nr. 213, is published.
January 23, 2004	25355	General Communiqué on Charges Law (Nr. 43) is published by the Ministry of Finance related to the explanations concerning the amendments made in the Charges Law Nr. 492 by the Act Nr. 5035 which was published in the repeated Official Gazette Nr. 25334 dated January 2, 2004 and became operative by January 1, 2004, is published.
January 23, 2004	25355	Act on Electronic Signature Nr. 5070 dated January 15, 2004 is published to guarantee the regulations of the principles related to the usage as well as legal and technical sides of electronic signature.
January 23, 2004	25355	Resolution Nr. 794 dated January 8, 2004 related to Member Election to Parliament Research Commission constituted to Determine the Measures to be Taken for The Banking and Finance Sector to Have a Healthy Structure and Organization by Investigating the Activities of the Banks Transferred to Savings Deposit Insurance Fund and the Banking Regulation and Supervision Agency and the Claims Concerning Them, is published.
January 24, 2004	25356	BRSA Resolution Nr. 1187 dated January 22, 2004 related to forming a "Department of Human Resources and Financial Affairs" as a support service unit dependent on the same Vice Chairmanship, by merging the Department of Human Resources and the Department of Financial Affairs, is published.
January 27, 2004	25359	Regulation on Making Amendments to the Regulation on Establishment and Operating Principles of Insurance and Reassurance Companies which was published in the Official Gazette Nr. 22153 dated December 26, 1994, is published.
January 27, 2004	25359	Resolution Nr. 2003/6719 on Making Amendments to the Resolution on the Principles and Procedures Concerning Levy Charges in Exit from the Country which is the annex of the Decree Nr. 2001/2762 dated July 24, 2001, is published.
January 29, 2004	25361	Resolution Nr. 2004/6745 on Assignments Made to the Chairmanship, Vice-Chairmanship and to Memberships of the Savings Deposit Insurance Fund, is published.
January 30, 2004	25362	Communiqué on the Principles for Informing Public by Intermediary Institutions (Series V, Nr. 77) ensuring to inform the investors about legal and financial situations of intermediate institutions through The Public Clarification Form to be arranged by intermediary institutions, is published.
January 31, 2004	25363	Act Nr. 5083 dated January 28, 2004 on the Monetary Unit of the Turkish Republic is published. By the Law, it is provisioned that the monetary unit of the Turkish Republic will be the New Turkish Lira by the date of January 1, 2005, and that one New Turkish Lira would be equal to one million Turkish Lira.
February 14, 2004	25373	Communiqué Nr. 2004/1 from the Turkish Competition Authority related to raising the rate of fines imposed which are regulated in Articles 16 and 17 of the Act on the Protection of Competition Nr. 4054, to be valid by the date of January 1, 2004 until December 31, 2004, by

		taking as a base the 28,5% increase which was the revaluation rate for 2003, is published.
February 21, 2004	25380	Act Nr. 5092 dated February 12, 2004 on Making Amendments to the Act on Execution and Bankruptcy Nr. 2004 is published. By the Act, it is aimed to provide capital companies and cooperatives to settle up with the creditors and to continue to operate by adapting their debts or if it is necessary, their structural organizations to the conditions.
February 28, 2004	25387	According to Article 5 of the Act Nr. 1264 on Stamping Coinage and Souvenir Money; Communiqué Nr. 2004/3 related to withdraw from circulation of the coin TL 25.000 which is on circulation as of February 23, 2004.
February 28, 2004	25387	Communiqué (Series V, Nr. 78) on Making Amendments to the Communiqué on Purchase on Credit, Short Selling and Borrowing of the Capital Market Instruments which was published on the Official Gazette Nr. 25168 dated July 14, 2003, is published.
February 28, 2004	25387	Communiqué (Series XI Nr. 26) on Making Amendments to the Communiqué on Principles and Procedures Related to the Correction of Financial Statements in High Inflation Periods which was published in the Official Gazette Nr. 24597 dated November 28, 2001, is published.
March 1, 2004	25389	General Communiqué on Tax Procedure Law (Nr. 328) concerning the inflation correction operations to be made according to the Provisional Article 25 of the Act on Tax Procedure is published. The Resolution Nr. 32 on Protection of the Value of Turkish Currency and CBRT Circular (Nr: 2004/1) related to the Communiqué Nr. 91-32/5 of the Turkish Treasury is published.
March 3, 2004	25391	Regulation Concerning Private Pension Agents is published with the aim of regulating the principles and procedures relating to Private Pension Agents in order to develop private pension system and make it operate with confidence.
March 4, 2004	25392	Communiqué on Making Amendments to the Communiqué on Exportation: Exportation of Banknotes and Similar Papers Peculiar to Paper Assets Nr. 2004/1 which was published in the repeated Official Gazette I. Nr. 25333 dated December 31, 2003, is published.
March 16, 2004	25404	Resolution Nr. 2004/6924 of the Council of Ministers and its annex 'the Regulation on Principles and Procedures of Activities of the Turkish Accounting Standarts Board' is published to regulate the principles and procedures of the activities of Turkish Accounting Standarts Board.
March 18, 2004	25406	BRSA Resolution Nr. 1222 dated March 10, 2004 is published concerning the takeover of Citibank N.A. Centered New York N.Y. Istanbul Türkiye Central Branch with all its assets and liabilities as well as branches thereof to Citibank A.Ş., granting licence to accept deposit and carry out banking operations to Citibank A.Ş., revocation of the licence to accept deposit and carry out banking operations of Citibank N.A. New York Centered N. Y. Istanbul Türkiye Central Branch, and revocation of the registry of the said Branch from the commercial registry.
March 18, 2004	25406	Regulation Nr. 1233 dated March 16, 2004 of the BRSA related to the amendments made according to Article 12 of the Regulation on the BRSA Organisation which is provisioning "Upon proposal of the Chairman of the Agency, the Board is authorized, when necessary, to join, expand and remove existing departments, and to establish new departments by changing the vice-president they are under the structure of ", is published.
March 19, 2004	25407	Resolution Nr. 2004/6976 Related to Determinate the Rates of Obligatory Employments of Handicapped, Ex-Convicts and, Terrorism Victims within the scope of the Provisional Article I, Paragraph (B) of the Act on Prevention of Terrorism Nr. 3713, in Working Place with more than Fifty Workers is published.
March 20, 2004	25408	An amendment related to Article 2/d of the Annex of " the BRSA Resolution Nr 1233 dated March 18, 2004" published in the Official Gazette Nr. 25406 dated March 18, 2004 is published.
March 21, 2004	25409	Communiqué (Series:IV, Nr:32) on Making an Attacment of a Provisional Article to the Communiqué on the Principles to be Met by the Public Incorporated Companies Subject to Capital Market Law in the Distribution of Dividends and Dividend Advances, is published.
March 24, 2004	25412	Regulation on Employment of Handicapped, Ex- Convict and Terrorism Victim is published in order to guarantee the qualifications of handicapped, ex-convict ad terrorism victim workers, in which department they may be replaced, special working provisions for them other than general working provisions, their professional orientation, the employment conditions of the empolyer of these persons and the operations against the employer who is not obeying these provisions, in working places with more than fifty workers according to the regulations according to Article 30 of the Labour Law Nr. 4857.
March 24, 2004	25412	Regulation on Making Amendment to the Regulaiton Concening Sales, Trade-In, Rent, Institution of Real Rights Other Than Property, Mesne Profits and Evacuation of Government Owned Immovables published in the Official Gazette Nr. 18607 dated December 16, 1984, is published.
March 27, 2004	25415	Regulation on Forward Transactions and Option Exchange is published to guarantee the regulate the principles relating to activitiy, barter, membership, and operation of Forward Transactions and Option Exchange Corporation according to Article 40 of Capital Market Law Nr. 2499 and the Regulation Concerning the Institution and Operation Principles of Forward Transactions and Option Exchange, is published.
March 27, 2004	25415	Regulation on Making Amendments to the Regulation on the Establishment and Operating Principles of Forward Transactions and Option Exchange which was published in the Official Gazette Nr. 24327 dated February 23, 2001, is published.
April 3, 2004	25422	Upon the letter of Ministry of Finance Nr. B.07.0.GEL.0.29.2994 -26.014795 dated April 2, 2004, a "Correction" related to the pages 46 and 54 of the General Communiqué on Tax Procedure Law Nr. 328, published truly in the Official Gazette Nr. 25387 dated February 28, 2004, is published.
April 6, 2004	25425	Regulation on Periods of Working Related to Labour Law is published by the Ministry of Labour and Social Security, to ensure the regulation of practice of working periods.

April 13, 2004	25432	The Communiqué on the Stock Exchange Investment Funds (serial: VII, Nr: 23) is published in order to ensure the regulation of principles concerning the establishments, operating rules and principles, participation certificates of stock exchange investment funds, and concerning the public offerings and informing the public.
April 17, 2004	25436	Regulation on the restructuring of equity companies and cooperatives is published in order to ensure the determination of the principles and procedures concerning the restructuring the equity companies and cooperatives through compromise.
April 22, 2004	25441	Regulation on Making Amendments to the Regulation of the Establishments and Operations of Special Finance Institutions which was published in the Official Gazette dated September 20, 2004 Nr. 24529, is published.
April 27, 2004	25445	The General Communiqué of Tax Procedure Law (Line Nr: 332) is published. Pursuant to the Communiqué, the limit which was determined in The General Communiqué of Tax Procedure Law published in the Official Gazette dated August 1, 2003 Nr. 25186 related to the transactions to be made by the mediation of special finance institutions or Post and Telegraph Organization in the Tax Procedure Law, is decreased to TL 8 billion.
April 27, 2004	25445	The Regulation on the Procedures and Principles Concerning the Application of the Act on Procuring Information Right Nr. 2004.7189 (Annex of the Council of Ministers), in order to ensure the regulation of procedures and principles concerning the application of the Act on Procuring Information Right dated October 9, 2004 Nr. 4982 on exercising the procuring information right of natural and legal persons, is published.
April 28, 2004	25446	The Act on Making Amendments to Some Articles of The Turkish Commercial Code Nr. 5136 is published.
May 5, 2004	25453	In parallel with the amendments made with the Act Nr 5024, which includes provisions relating to the debugging of the financial tables from the effects of inflation and thus removing the negative effects arose from inflation on taxation, The General Communiqué of Practice of the Account System (serial Nr: 12) concerning the essential regulations to be made in uniform chart of account is published.
May 18, 2004	25466	The Communiqué (Serial: VI, Nr: 17) on Making Amendments to the Communiqué (Serial: VI, Nr: 11) on the Principles Concerning Real Estate Investment Partnerships which was published in the Official Gazette dated November 8, 1998 Nr. 23517, is published by the Capital Markets Board.
May 22, 2004	25469	The Act on Making Amendments to the İller Bankası Act Nr. 5173 is published. Pursuant to the Act, the capital of the bank was determined as TL 3 quadrillion.
June 8, 2004	25486	The Act Nr. 5176 on Establishing Public Officials Ethic Board and Making Amendments to Some Acts is published in order to ensure the determination of establishment, duty and working procedures and principles of the Public Officials Ethic Board and in order to determine and apply the ethic behaviour principles that the public officials shall obey like transparency, objectiveness, honesty, accountability, protecting the public benefit.
June 10, 2004	25488	The Communiqué (Serial: VIII, Nr: 41) on Making Amendments to the Communiqué Serial: VIII, Nr: 22 on Public Offering Methods of Capital Market Vehicles which was published in the Official Gazette dated October 27, 1993 Nr. 21741, is published.
June 22, 2004	25500	The Act Nr. 5191 Conforming the Approval of the Contract concerning Laundering, Investigating, Acquiring and Attaching the Profits Derived from Criminal Offence is published.
June 24, 2004	25502	The Regulation on Istanbul Stock Exchange Quota is published, in order to regulate the principles of taking the Securities into the Istanbul Stock Exchange Quota, remaining within the Quota, removing out the Quota temporarily or permanently, effecting transactions in stock markets and the principles of aborting the transactions temporarily or permanently, and to provide the securities to effect transactions explicitly and honestly in a healthy and effective market and in assurance with the determination of the rules that the partnerships, of which securities are in the stock market quota and/or effect transactions and of the information and documents to be given to the Stock Market.
June 24, 2004	25502	The Regulation on Making Amendments to the Regulation on Istanbul Stock Exchange Shares Market which was published in the Official Gazette dated February 19, 1996 Nr. 22559, is published.
June 26, 2004	25504	The Act Nr. 5188 on Special Security Services is published in order to ensure the determination of the principles and procedures of special security services which are complementary for public security. By this Act, the Act dated July 22, 1981 Nr. 2495 on Protecting and Providing the Security of Some Establishments and Institutions is terminated.
July 2, 2004	25510	The Act Nr. 5189 on Making Amendments to Some Acts is published. By the Article 11 of the Act, Article 15 of the Banks Act Nr. 4389 is amended.
July 3, 2004	25511	The Regulation on Making Amendments to the Regulation on Private Pension Mediators which was published in the Official Gazette dated March 3, 2004 Nr. 25391 is published by the Ministry of State.
July 7 2004	25515	The Communiqué (Serial: VIII Nr: 42) on Making Amendments to the Communiqué (Serial: VIII Nr: 39) on Principles of Declaration of Private Situations to Public which was published in the Official Gazette dated July 20, 2003 Nr. 25174, is published by the Capital Market Board.
July 7 2004	25515	The Communiqué (Serial: IV Nr: 33) on Making Amendments to the Communiqué (Serial: IV, Nr: 9) on Principles of Relieving Clauses for Exporters and Removal of them from the Board Records which was published in the Official Gazette dated December 27, 1994 Nr. 22154, is published by the Capital Market Board.
July 7 2004	25515	The Communiqué (Serial: II Nr: 20) on Making Amendments to the Communiqué (Serial: II Nr: 13) on Principles of Registration of the Bonds to the Board Records which was published in the Repeated Official Gazette dated July 14, 1992 Nr. 21284, is published by the Capital Market Board.
July 7 2004	25515	The Communiqué (Serial: III Nr: 28) on Making Amendments to the Communiqué (Serial: III

		Nr: 27) on Principles of Registration of Profit and Loss Partnership Certificates to Board Records which was published in the Official Gazette dated March 20, 2003 Nr. 25054, is published by the Capital Market Board.
July 7 2004	25515	The Communiqué (Serial: III Nr: 29) on Making Amendments to the Communiqué (Serial: III Nr: 14) on Principles of Registration of Asset-Backed Securities to Board Records and the Establishment and Operation Principles of General Finance Partnerships which was published in the Repeated Official Gazette dated July 31, 1992 Nr. 21301, is published by the Capital Market Board.
July 7 2004	25515	The Communiqué (Serial: III Nr: 30) on Making Amendments to the Communiqué (Serial: III Nr: 10) on Principles of Issuing Participation Bonus Shares which was published in the repeated Official Gazette dated July 14, 1992 Nr. 21284, is published by the Capital Markets Board. The Communiqué (Serial: III Nr: 31) on Making Amendments to the Communiqué (Serial: III Nr: 13) on Principles of Registration of Financial Bonds to Board Records which was published in the repeated Official Gazette dated July 31, 1992 Nr. 21301, is published by the Capital Market Board.
July 7 2004	25515	The Communiqué (Serial: III Nr: 32) on Making Amendments to the Communiqué (Serial: III Nr: 26) on Principles of Registration of Gold, Silver and Platinum to Board Records which was published in the Official Gazette dated December 26, 2001 Nr. 24622, is published by the Capital Market Board.
July 7 2004	25515	The Resolution on Employments of Handicapped and Ex-Convicted Persons in Public Agencies and Institutions as employee is published by Ministry of Labor and Social Security.
July 12 2004	25520	The Communiqué (Nr: 2004/2) on the Transfers from the Cumulative Life Insurances to Private Pension System in the Pension Companies is published by the Turkish Treasury in order to ensure the determination of procedures and principles of transferring to private pension system with all the rights and liabilities of their cumulative insurance, providing that the ones, which are the founding partners by 10% to the companies turned into pension companies and display activity in insurance branch and that have licence to negotiate a contract within the scope of the provisional Article 1 (2,3) of the Private Pension Savings and Investment System Act dated April 7, 2001 Nr. 4632, on condition that the insurance holder demand and have the qualifications prescribed in the related legislation.
July 16 2004	25524	The Communiqué Nr 14 on Accounting Practice Regulation – the Communiqué on Making Amendments to the Accounting Standard of Financial Statements in the High Inflation Periods is published in the repeated Official Gazette dated June 22, 2002 Nr. 24793 by the Banking Regulation and Supervision Agency. The Communiqué Nr 17 on Accounting Practice Regulation – the Communiqué on Financial Statements to be Declared to Public and Making Amendments to the Explanations and Footnotes thereof is published in the repeated Official Gazette dated June 22, 2002 Nr. 24793 by the Banking Regulation and Supervision Agency.
July 23, 2004	25531	The Act Nr. 5217 on Regulation of the Special Income and Special Allocations and Making Amendments to Some Acts and Decree Laws, is published. Pursuant to Article 7 of the Act, some amendments were made to the Law on the Protection of Consumers Nr. 4077.
July 27, 2004	25535	The Act Nr. 5233 on Covering Losses Occurred from Terrorism and Prevention of Terrorism is published in order to ensure the determination of procedures and principles relating to compensating the losses who suffered from tangible damages due to terror activities or the activities within the scope of preventing terrorism.
July 29, 2004	25537	The Resolution Nr. 2004/7633 on Resource Utilization Support Fund Charges is published by the Council of Ministers. Pursuant to the Resolution, the rate of deduction from Resource Utilization Support Fund in other loans extended by banks and financing companies is determined as 0%.
July 29, 2004	25537	The Regulation on Making Amendments to the Regulation on Establishments and Activities of Banks is published in the Official Gazette dated June 27, 2001 Nr. 24445 by the Banking Regulation and Supervision Agency. Pursuant to the Regulation, the counter guarantees that the banks will extend are determined to be taken into consideration by 40% in the calculation of loan limits concerning the letters of guarantee granted to contracting services abroad and letters of guarantee to be given to abroad institutions in consortiums that Türkiye ihracat Kredi Bankası A.Ş. (Eximbank) participates as well as advance and performance bonds to be regulated by Türkiye ihracat Kredi Bankası A.Ş within the scope of contracting services abroad.
July 31, 2004	25539	In order to ensure the regulation of procedures and principles relating to the transfer of Pamukbank T.A.Ş. (shares, management and supervision of which was taken over by the Savings Deposit Insurance Fund) to T. Halk Bankası A.Ş., the Act Nr. 5230 on the transfer of Pamukbank T.A.Ş. to Türkiye Halk Bankası A.Ş. and Making Amendments to Some Acts is published. Pursuant to the Act, amendments are made to the Act Nr. 4603 as well as the Act Nr. 4743 on Restructuring of Debts to the Financial Sector and Making Amendments to Some Acts.
July 31, 2004	25539	The Act Nr. 5228 on Making Amendments to Some Acts and to Decree Law Nr. 178 is published. Pursuant to the Act, amendments are made to the Tax Procedure Law Nr. 213, Act on Stamp Tax Nr. 488 (about credit card membership agreements, consumer loans), Article 15 of the Banks Act Nr. 4389, the Act Nr. 5083 on the Currency Unit of the Turkish Republic (NTL).
July 31, 2004	25539	The Communiqué (Serial: IV, Nr: 34) on Making Amendments to the Communiqué (Serial: IV, Nr: 28) on the Procedures and Principles of Keeping Records of Recorded Capital Market Instruments which was published in the Official Gazette dated December 22, 2002, is published by the Capital Market Board. Pursuant to the Communiqué, regulations are made relating to the Merkezi Kayıt Kuruluşu A.Ş. (Central Registry Agency).
August 1, 2004	25540	The Communiqué on Principles and Procedures of Employments of Handicapped Ex-Convicts

		and Terror Victims is published by the Ministry of Labor and Social Security.
August 1, 2004	25570	The Resolution Nr. 2004/7712 on Approving the Agreement on Laundering, Investigating, Acquiring and Attaching the Profits Derived from Criminal Offence, together with the Declarations and Drawbacks is published by the Council of Ministers.
August 1, 2004	25570	Within the scope of the Article 53 of the Unemployment Insurance Act Nr. 4447, the Regulation on the Procedures and Principles of Evaluating the Resources of the Unemployment Insurance Fund, which is the annex of the Resolution Nr. 2004/7753 of the council of Ministers is published.
August 4, 2004	25543	The Resolution Nr. 2004/7665 on Increasing the Registered Maximum Capital of Türkiye Kalkınma Bankası A.Ş. to TL 500 trillion from TL 150 trillion is published by the Council of Ministers.
August 5, 2004	25544	The General Communiqué on Tax Peace Act (Serial Nr: 6) is published by the Ministry of Finance.
August 6, 2004	25545	The Regulation on Making Amendments to the Regulation on Natural Gas Market Distribution and Customer Services is published by the Energy Market Regulatory Authority. The Article 14 of the Regulation is amended and the asset size criterion for the determination of banks from which letters of guarantee will be received is terminated.
August 7, 2004	25546	The Regulation on Making Amendments to the Article Nr. 18 of the Regulation on the Practice of İller Bankası Act which was published in the Official Gazette dated March 9, 1990 Nr. 20456 is published by the Ministry of Public Works and Settlement.
August 10, 2004	25549	The Resolution Nr. 2004/7668 on Resource Utilization Support Fund Charges is published by the Council of Ministers.
August 12, 2004	25551	The Circular Nr. 2004/20 within the scope of Accordance Operations to the Acquis Communautaire is published by the Prime Ministry. Pursuant to the Circular it is stated that, in the process of Accordance Operations to the Acquis, all of the legislation drafts prepared by public agencies and institutions shall be sent to the Secretariat General of the Council to be examined in European Union norms, before submitted to the Prime Ministry, then be submitted to the Prime Ministry after the positive view of the Secretariat General of the Council is taken.
August 13, 2004	25552	The General Communiqué (Line Nr: 337) on Tax Procedure Law relating to the regulations made to the Tax Procedure Law Nr. 213 by the Act Nr. 5228 is published by the Ministry of Finance.
August 13, 2004	25552	The General Communiqué (Line Nr: 338) on the Tax Procedure Law on the principles relating to the inflation adjustment of financial statements to be arranged after January 1, 2004 pursuant to the repeated Article 298 of the Tax Procedure Law is published by the Ministry of Finance.
August 14, 2004	25553	The Resolution Nr. 2004/7682 on Making Amendments to Some Resolutions of the Council of Ministers is published. By the Resolution, amendments were made to the Resolution dated April 18, 2001 Nr. 2001/2312 on the Liquidation of Duty Loss Receivables of T.C. Ziraat Bankası A.Ş., Türkiye Halk Bankası A.Ş. and Türkiye Emlak Bankası A.Ş., the Resolution dated March 28, 2001 Nr. 2001/2202 on Putting into Force of the Procedures and Principles Relating to the Restructuring of Türkiye Cumhuriyeti Ziraat Bankası A.Ş., Türkiye Halk Bankası A.Ş. and Türkiye Emlak Bankası A.Ş., the Resolution dated January 12, 2002 Nr. 2002/3555 on the Practice of the Procedures and Principles Relating to the Restructuring and Privatisation Preparation Plans of T.C. Ziraat Bankası A.Ş. and T. Halk Bankası A.Ş.
August 15, 2004	25554	The Resolution Nr. 2004/7735 on the Resource Utilization Support Fund Charges is published by the Council of Ministers. By the Resolution, the Resource Utilization Support Fund Charges in the consumer loans extended by the banks and financing companies (the loans extended to natural persons provided that not to be extended in commercial purpose) is determined as 15%.
August 27, 2004	25566	The Resolution Nr. 2004/7757 on Making Amendments to the Resolution Nr. 32 on The Protection of the Value of Turkish Currency is published by the Council of Ministers.
August 31, 2004	25569	Pursuant to the Resolution Nr. 32 on The Protection of the Value of Turkish Currency, the Circular Nr. 2004/2) of the Central Bank of the Republic of Turkey relating to the Communiqué Nr. 91-32/5 of the Undersecretariat of the Treasury is published.
September 4, 2004	25573	The Regulation on Making Amendments to the Banking Regulation and Supervision Agency Human Resources Regulation is published by the Banking Regulation and Supervision Agency.
September 7, 2004	25576	The Regulation on Making Amendments to the Regulation on Making Independent Audit in the Insurance and Reassurance Companies which was published in the Official Gazette dated September 8, 2003 Nr. 25223, is published.
September 9, 2004	25578	The Communiqué (Nr: 2004/32/29) on Making Amendments to the Communiqué Nr. 91-32/5 Relating to the Resolution Nr. 32 on the Protection of the Value of Turkish Currency is published by the Undersecretariat of the Treasury.
September 10, 2004	25579	The Regulation on Making Amendments to Regulation on the Establishment, Operation, Performance and Supervision Principles of the Central Registry Agency, annex of the resolution Nr. 2004/7808, is published by the Council of Ministers.
September 24, 2004	25593	The Communiqué on Recalling of Coins from the Circulation due to the transfer to New Turkish Lira (NTL) is published.
September 30, 2004	25599	The General Communiqué Nr: 340 on Tax Procedure Law is published. By the Communiqué, the procedures and principles of composing electronic statement is determined.
October 6, 2004	25605	The General Communiqué on Accounting System Practice Nr. 13 on the principles to be obeyed by the enterprises relating to the private sector account system in the use of New Turkish Lira is published by the Ministry of Finance.
October 7, 2004	25606	The Act Nr. 5236 on Making Amendments to the Code of Civil Procedure dated January 18, 1927 Nr. 1086, is published.
Oct 07, 2004	25606	The Regulation on the Practice of the Act on the Special Security Services is published by the Ministry of Interior in order to ensure the regulation of the principles and procedures for the

		practice of the Act on the Special Security Services dated October 06,2004 Nr. 5188.
Oct 08, 2004	25607	The Communiqué (Serial: VII, Nr.24) on Making Amendments to the Communiqué on the Principles relating to Mutual Funds (Serial: VII, Nr.10) which was published in the Official Gazette dated December 19,1996 Nr. 22852 is published by the Capital Market Board.
Oct 09, 2004	25608	The Communiqué on Making Amendments to the Communiqué on Uniform Chart of Accounts and Explanation Thereof which was published in the (Repeated) Official Gazette dated June 06, 2002 Nr. 24793, is published.
Oct 12, 2004	25611	The Turkish Criminal Code Nr.5237 is published in order to ensure the regulation of the rights and the freedoms of individuals, public order and security, to protect the law State, public health and environment, public peace as well as the basic principles of the criminal burden and crimes and the types of crimes, punishments and security measures. Provisions concerned with the banks are stated in Article Nr. 158 "Qualified Swindling", the Article 239 "Declaring The Information or Documentations concerning the Commercial Secrets, Banking Secrets or Customer's Secrets", the Article Nr. 243 "the Entrance to the Information Service" and the Article 245 "The misuseage of the Credit Cards", of the said Act.
Oct 15, 2004	25614	The Resolution dated September 08, 2004 Nr. 1381 of the Banking Regulation and Supervision Board relating to granting authorization to Deutsche Bank A.Ş. for accepting deposits, is published.
Nov 10, 2004	25639	The Regulation on Making Amendments to the Regulation on the Establishment and Operations of Banks which was published in the Official Gazette dated June 27, 2001 Nr. 24445, is published.
Nov 10, 2004	25639	The Resolution dated November 09, 2004 and Nr. 1415 of the Banking Regulation and Supervision Board relating to granting approval for the registration of the resolutions of the General Assemblies of T. Halk Bankası A.Ş. ve Pamukbank T.A.Ş. on the transfer, is published.
Nov 10, 2004	25639	The Regulation on Making Amendments to the Regulation on the Establishment and Operations of Special Finance Institutions which was published in the Official Gazette dated September 20,2001 Nr. 24529, was published.
Nov 20, 2004	25646	The General Communiqué on the Tax Procedure Law (Serial Nr. 341) relating to the determination of the revaluation ratio as 11,2 % for 2004 in accordance with the article 298(B) of the repeated Tax Procedure Law Nr. 213, is published.
Nov 24, 2004	25650	The Communiqué on Making Amendments to the The Communiqué on Recalling of Coins from the Circulation due to the transfer to New Turkish Lira (NTL) which was published in the Official Gazette dated September 24, 2004 Nr. 25593, is published
Nov 28, 2004	25654	The General Communiqué of the Tax Procedure Law (Serial Nr. 342) on limits and amounts which are included in the Law and will be practiced to be valid as of January 01,2005, is published.
Nov 29, 2004	25655	The Regulation on Making Amendments to the Regulation on Accounting Practice is published by the BRSA. By the amendments made, the practice of the regulation's provisions to special finance institutions is provided.
Nov 29, 2004	25655	The Communiqué on the Uniform Chart of Account and Explanation Thereof to be Applied by Special Finance Institutions, is published by the BRSA.
Nov 29, 2004	25655	The Communiqué (Nr. 2004/2) on Making Amendments to the Communiqué on the Statutory Provisions is published by the Central Bank of the Republic of Turkey.
Dec 16, 2004	25672	The Regulation on Making Amendments to the Regulation of the SDIF is published by the Banking Supervision and Regulation Board.
Dec 15, 2004	25671	The Act Nr. 5274 on Making Amendments to the Turkish Commercial Code Nr. 6762 is published. By the Act, some regulations were made within the scope of accordance to NTL.
Dec 17, 2004	25673	In order to ensure the regulation of the rules of how to make the criminal procedure and the rights, authorizations and obligations of those who participate in this process, the Law of Criminal Procedure Nr. 5271 is published.
Dec 21, 2004	25677	The Communiqué (Serial: XI, Nr.: 27) on Making Amendments to the Communiqué on Accounting Standards in Capital Market is published by the Capital Market Board.
Dec 30, 2004	25686	The Communiqué (Communique Nr:1 on Insurance Accounting System) on the Insurance Accounting Chart and Explanation Thereof is published by the Undersecretariat of the Treasury.
Dec 31, 2004	25687	The Regulation on Making Amendments to the Regulation on Special Finance Institutions Special Current and Participation Accounts is published by Special Finance Institutions Association.
Dec 31, 2004	25687	The Resolution Nr. 2004/8326 on Making Amendments to the Resolution Nr.32 on The Protection of the Value of Turkish Currency is published by the Council of Ministers.
Dec 31, 2004	25687	The Communiqué (Serial: VII, Nr. 25) on Making Amendments to the Communiqué on the Principles of Mutual Funds is published by the Capital Market Board.
Dec 31, 2004	25687	The Communiqué (Seri: V, Nr: 79) on Making Amendments to the Communiqué on the Principles related to Portfolio Management Activity and the Institutions to carry out such Activities is published by the Capital Market Board.
Dec 31, 2004	25687 (3. repeated)	The regulation on the Insurance Accounting System of the Ministry of State was published, in order to ensure the determination of the procedures and principles on the transparency and uniformity of the accounts and records of reinsurance and pension companies, to prevent the records remain unregistered, to enter healthily and confidentially into accounts the activities, appropriate to their real natures, to be prepared, to be reported and to be published the consolidated and non-consolidated fiscal situations, and the financial reports contains the information about the financial performances and the efficiency of the administration efficiency, in time and in the right way.

Dec 31, 2004	25687 (3. repeated)	2005 Financial Year Budget Act Nr. 5277 is published.
Dec 31, 2004	25687 (3. repeated)	The Act Nr. 5281 on Accordance of Tax Laws with NTL and Making Amendments to Some Acts is published.

2. International Regulations

A. Bank of International Settlement (BIS) Regulations

Date	Regulation	Statement
June 2004	Basel II (International Convergence of Capital Measurement and Capital Standards—the New Basel Capital Accord)	The studies which was initiated in 2001 relating to the measurement of loan risk by more intensive risk measurement methods during the calculation of capital obligation, reached to a final structure by June 2004. By this new accord, calculation of capital requirement for also operational risks is foreseen.
July 2004	The principles of Management and Supervision of Interest Rate Risk.	This study which was published in July 2004, has the feature of the continuation of the principles published by Basel Banking Surveillance and Supervision Committee in 1997 and it regulates the principles related to interest risk arose from banking accounts.
October 2004	Consolidated "Recognize your Customer" Risk Management	The guide which was published in February 2003, including the principles for strengthening the standards relating to recognize the customers of banks, determined 4 significant issues for "recognize your customer" program. These issues are: customer acceptance policy, defining the customer, carrying on the surveillance of high risk accounts and risk management. By this guide which was published in October 2004, the said standards are foreseen to be practiced in a consolidated manner to include other non-bank financial institutions, as well.
August 2004	The Draft on Support Services Provided for Financial Services.	9 principles relating to providing support services concerning financial services were accepted in August 2004. 7 of the said principles determine the responsibility of the institutions to take support services, and 2 of the said principles determine the responsibility of the supervisory and regulatory authority.
January 2004	The principles concerning the Recognition of Operational Risk Capital by Host Countries.	The set of principles published in January 2004 introduces the technique which is going to provide the calculation of capital amount required for the calculation of the operational risk of bank affiliates on groups basis in which the bank is included. The technique, which is called advanced measurement technique, is aimed to be practiced by cross-border countries.
May 2004	Financial Declarations to be made to the Public Relating to Banking, Insurance and Securities Sectors.	By this text which was issued by the Common Forum in May 2004, declarations to be made to public concerning market risks of financial institutions, liquidity risks, loan risks and insurance risks are determined for developing market discipline. Within this scope, the issues relating to developing declaration principles are clarified.

B. EU Regulations

Date	Regulation	Statement
March 2004	The guide on the evaluation of horizontal merger within the scope of the Regulation Nr. 2004/C 31/03 of the Council on the Concentration of Inter-Company takeovers.	This guide includes the aspects concerning the mergers and purchases realized within the scope of the Regulation dated January 20, 2004 Nr. 139/2004 of the Council, not to prevent the competitive structure of the common market, in order to control the concentration effects of company mergers.
April 2004	The Commission Directive Nr. 2004/39/EC	It makes amendments to the Directives Nr. 2000/12, 85/611, 93/6 on financial instruments.
April 2004	The Regulation Nr. 2004/707/EC of the Commission	It makes amendments to the Resolution Nr. 2003/1725/EC which regulates international accounting standards.
October 2004	The Resolution Nr. 2004/10/EC of the Commission.	The regulation establishing the European Banking Committee by the Resolution dated 05 November 2003 Nr. 2004/10/EC of the European Parliament and Council, is published.
October 2004	The Resolution Nr. 2004/5/EC of the Commission.	The Regulation establishing the European Bank Supervisors by the Resolution dated 05 November 2003 and Nr. 2004/5/EC of European Parliament and Council, is published.

ANNEX 2: The Chairmen and Board Members Charged in the BRSA

NAME-SURNAME	TITLE	BEGINNING DATE	LEAVING DATE
Zekeriya TEMİZEL	Chairman	06.04.2000	03.03.2001
Biltekin ÖZDEMİR	Second Chairman	06.04.2000	13.06.2001
Prof.Dr. Kemal ÇEVİK	Member	06.04.2000	Continuing
Prof.Dr. Bilge HACIHASANOĞLU	Member	06.04.2000	13.06.2001
Servet TAŞDELEN	Member	06.04.2000	13.06.2001
Ural ŞEKERCİ	Member	06.04.2000	13.06.2001
Halil YETGİN	Member	06.04.2000	13.06.2001
R. Engin AKÇAKOCA	Chairman	19.03.2001	05.11.2003
Ali Vefa ÇELİK	Second Chairman	13.06.2001	07.08.2001
Yusuf Ziya ÖNDER	Member	13.06.2001	Continuing
Ali Akın TARI	Member	13.06.2001	13.06.2003
Atilla TAŞDEMİR	Member	13.06.2001	13.06.2003
Mehmet Nuri DOĞULU	Member	13.06.2001	Continuing
İbrahim Halil ÇANAKCI	Second Chairman	11.12.2002	05.05.2003
Mustafa EKİM	Member	01.07.2003	Continuing
Prof.Dr. Yusuf TUNA	Member	12.08.2003	Continuing
Ahmet ŞİRİN	Second Chairman	12.08.2003	Continuing
Tevfik BİLGİN	Chairman	01.12.2003	Continuing

ANNEX 3: BDDK Publications

Banking Sector Restructuring Program

- Banking Sector Restructuring Program – Progress Report VII (23.10. 2003)
- Banking Sector Restructuring Program – Progress Report VI (21.04.20)
- Banking Sector Restructuring Program – Progress Report V (18.11.2002)
- Banking Sector Restructuring Program Meeting – Resolution of Over-due Receivables (İstanbul)
- Banking Sector Restructuring Program Meeting Seminar Notes July 26,2002 (İstanbul)
- Banking Sector Restructuring Program – Progress Report IV (23.07.2002)
- Banking Sector Restructuring Program Meeting Seminar Notes (19.07.2002) (İstanbul), 23.07.2002 (Ankara)
- Banking Sector Restructuring Program – Presentation of Mr. Engin AKÇAKOCA, dated 02.03 2002
- Bank Capital Strengthening Program – Introduction Guide (20.02.2002)
- Banking Sector Restructuring Program – Progress Report (06.02.2002)
- Bank Capital Strengthening Report (11.01.2002)
- Banking Sector Restructuring Program – Progress Report (08.11.2001)
- Banking Sector Restructuring Program: ACTION PLAN (25.09.2001)
- The Banks Under the Structure of the SDIF: Performance and Progress Report (24.08.2001)
- Banking Sector Reform-Progress Report (02.08.2001)
- Banking Sector Restructuring Program (15.05.2001)

Banking Sector Evaluation Reports

- Banking Sector Evaluation Report - October 2004
- Banking Sector Evaluation Report - February 2004
- Monthly Evaluation Report - September 2003
- Banking Sector Evaluation Report - September 2001
- Banking Sector Evaluation Report - September 2001- Annex Tables
- Banking Sector Evaluation Report – June 2001
- Banking Sector Evaluation Report – June 2001 - Annex Tables

Annual Reports

The BRSA Annual Reports

- Annual Report - 2003
- Annual Report - 2002
- Annual Report – 2002(Annex Tables)
- Annual Report - 2001
- Annual Report - 2000
- Annual Report - 2000(Annex Tables)

The Banking Regulation and Supervision Board Annual Reports

- The Banking Regulation and Supervision Board Annual Report 2002

Working Reports

- "Administrative Fines as to Discretionary Power of Banking Authorities" April 2004 (Nr. 2004/01) *Berk Mesutođlu and Münür Yayla* (Turkish)
- "Reduction of Mediation Expenses in the Turkish Banking Sector" November 2003 (Nr. :2003/01) *Ercan Türkan, Zeynep A. Erođlu, Yasemin T. Kaya, Berk Mesutođlu, Münür Yayla, Şeref Saygılı, Serdar Çokaklı, Özgür İpek* (Turkish)

- "Financial Burdens in Banking Sector: Stock Market Transactions Expenses in Turkey and the World" August 2002 (Nr.: 2002/03) *Münür Yayla ve Serap Yaman* (Turkish)
- "Restructuring in Banking Sector: "Japan Case" August 2002 (Nr.: 2002/02) *Serdar Çokaklı* (Turkish)
- "Determinatives of Profitability in Turkish Banking System 1997-2000" June 2002 (Nr. 2002/01) *Yasemin Türker Kaya* (Turkish)
- "CAMELS Analyze in Turkish Banking Sector" September 2001 (Nr.: 2001/06) *Yasemin Türker Kaya* (Turkish)
- "The Cost of Sources in Turkish Banking System :(1996-2000)" July 2001 (Nr. 2001/05) *Zeynep Ada Eroğlu* (Turkish)
- " Modelling the Net Interest Margin in Turkish Banking System " June 2001 (Nr. 2001/04) *Yasemin Türker Kaya* (Turkish)
- "Liquidation of Bad Assets by the Asset Management Companies- Country Cases" May 2001(Nr. 2001/03) *Berk Mesutoğlu* (Turkish)
- "Restructuring in Banking Sector: "Argentina Case" February 2001(Nr. 2001/02) *Yasemin Türker Kaya* (Turkish)
- " Restructuring in Banking Sector: "South Korea Case " January 2001 (Nr. 2001/01) *Berk Mesutoğlu* (Turkish)
- "Struggle with Inflation Program, Consumer Loans and Probable Risks Thereof", October 2000 (Nr. 2000/01) *Ercan Türkan* (Turkish)

Other Reports

- The Annual Report 2003 of the Banking Regulation and Supervision Board
- Activity Survey Evaluation Report of the Banking Regulation and Supervision Agency
- The Efforts Concerning the Strengthening of the Turkish Banking Sector and İmar Bank Case (23.10.2003)
- BRSA Lawsuit Prosecution Report (in Zip Format) (31.10.2003)
- Pamukbank Information Report (27.06.2002)
- Micro Entrepreneur Oriented Financing Strategy: Micro Financing

Presentations

- The speech made by the Mr.Tevfik BİLGİN, Chairman of the BRSA, in "2. International Finance Summit" organized by the Active Academy
- The speech made by the Mr.Tevfik BİLGİN, Chairman of the BRSA, in A.Ü. Bank and Commercial Law Research Institute on 26.11.2004
- The presentation in BASEL II Information Meeting organized by the Banks Association of Turkey by the Department of Risk Management and Surveillance Techniques of the BRSA.
- The presentation made by Mrs. Neslihan Özdemir (deputy head of the Finance Department of the SDIF) in the annual conference of the International Association of Deposit Insurers (IADI) in Seoul on October 22,2003
- The presentation on the press conference dated October 23,2003.
- The presentation made by Vice-president of the BRSA Mr. Ercan TÜRKAN, in the meeting organized by DEİK (Foreign Economic Relations Board) and Turkish-British Business Council in London on October 10, 2003.
- The presentation made by the Chairman of the BRSA Mr. Engin Akçakoca in Dubai.
- Bankruptcy of banks and Special Finance Institutions – Presentation by Senay Öztrak – The Head of the Department of Legal Affairs.
- The BRSA meetings- IV "The banking sector; crisis to stabilization", May 08 2003, Conrad Hotel İstanbul
- "Cost of EU Accession: The Potential Impact on the Turkish Banking Sector by Dr.Ceyla PAZARBAŞIOĞLU, Vice-President of the BRSA, May 2003
- Risk Management and Supervision of Banks – January 16, 2003
- The Banking Sector Progresses-November 2002
- The General Information on the BRSA and its Activities.

- August 02, 2002 - The Recent Progresses in the Banking Sector: The Role of the BRSA- Dr. Ceyla PAZARBAŞIOĞLU, Vice-president– Pamukkale University, Summer Seminars on Economics

Studies on the Reduction of Mediation Expenses

- Reduction of Mediation Expenses in Turkish Banking Sector.
- Abant Workshop Presentations
- “The Mediation Expenses in Turkish Banking Sector: Is it an Impediment for National Economy?”- Ercan TÜRKAN, Vice-president of the BRSA-METU Economy Congress September 07,2003
- “The New Growth Strategy and Finance Sector”- Dr. Şeref SAYGILI, the Department of Financial Sector Policies-METU Economy Congress September 06, 2003
- “Mediation Expenses- Economic Growth Relationship”- Dr. Şeref SAYGILI, Yasemin Türker KAYA, Münür YAYLA-METU International Economy Congress September 06, 2003.

ANNEX TABLES

Annex Table 1: Banks by Asset Size* (As of December 31, 2004)

	% SHARE in TOTAL ASSETS	TOTAL ASSETS (NTL million)	TOTAL LOANS (NTL million)	TOTAL DEPOSITS (NTL million)	TOTAL OWN FUNDS (NTL million)	PAID UP CAPITAL (NTL MILLION)	PROFIT (LOSS) FOR THE PERIOD (NTL million)	OFF BALANCE SHEET TRANSACTIONS (NTL million)	NUMBER OF BRANCHES	NUMBER OF PERSONNEL
DEPOSIT BANKS										
State Banks										
1 T.C.ZIRAAT BANKASI A.Ş.	18,6	56.994	8.573	44.966	5.047	2.222	1.531	5.333	1.235	21.172
2 T.HALK BANKASI A.Ş.	8,4	25.709	4.291	19.430	3.008	1.150	528	4.105	707	11.132
3 T.VAKIFLAR BANKASI T.A.O.	7,9	24.199	8.062	16.690	2.012	420	624	6.461	294	7.150
Private Banks										
1 T.IŞ BANKASI A.Ş.	12,6	38.514	12.394	23.673	7.640	1.641	635	13.988	855	16.055
2 AKBANK T.A.Ş.	11,4	34.913	12.761	18.925	6.227	1.500	1.021	15.629	635	10.413
3 T.GARANTI BANKASI A.Ş.	8,6	26.268	10.165	16.970	3.169	1.200	451	18.326	350	9.128
4 YAPI VE KREDİ BANKASI A.Ş.	8,0	24.624	9.878	14.026	4.640	752	-59	43.070	420	10.578
5 KOÇBANK A.Ş.	3,4	10.369	3.834	7.033	726	430	105	5.241	159	3.611
6 FINANSBANK A.Ş.	2,8	8.630	5.082	4.829	1.047	590	192	9.466	170	5.468
7 T.DİŞ TİCARET BANKASI A.Ş.	2,3	7.129	2.985	3.430	989	364	107	6.268	171	3.842
8 DENİZBANK A.Ş.	2,2	6.705	2.612	3.985	855	316	123	7.421	199	4.344
9 OYAKBANK A.Ş.	2,0	6.153	3.437	4.561	714	225	115	11.863	293	4.199
10 T.EKONOMİ BANKASI A.Ş.	1,2	3.566	1.545	2.164	394	58	34	2.849	87	2.131
11 ŞEKERBANK T.A.Ş.	1,0	3.114	1.301	2.272	296	125	82	2.789	197	3.336
12 ANADOLUBANK A.Ş.	0,6	1.944	718	1.197	160	66	43	1.456	50	1.044
13 TEKSTİL BANKASI A.Ş.	0,4	1.362	737	753	137	123	4	1.570	38	938
14 ALTERNATİFBANK A.Ş.	0,4	1.174	568	622	131	220	5	964	23	547
15 TEKFENBANK A.Ş.	0,2	602	212	363	95	50	5	317	31	578
16 TURKISH BANK A.Ş.	0,1	419	43	182	65	10	1	120	13	186
17 MNG BANK A.Ş.	0,1	368	161	193	65	35	5	340	8	226
18 ADABANK A.Ş.	0,0	69	0	18	50	80	-44	45	40	308
SDIF Banks										
1 BAYINDIRBANK A.Ş.	0,6	1.938	11	69	1.273	441	386	436	1	403
Foreign Banks										
1 HSBC BANK A.Ş.	1,7	5.283	3.489	3.132	1.014	277	108	10.897	159	3.652
2 CITIBANK A.Ş.	0,6	1.931	800	1.194	363	34	24	2.968	24	1.272
3 ABN AMRO BANK N.V.	0,1	452	86	77	110	29	12	1.211	1	128
4 JP MORGAN CHASE BANK N.A.	0,1	430	0	1	50	21	1	25	1	35
5 SOCIETE GENERALE S.A.	0,1	387	38	25	50	25	6	928	1	50
6 DEUTSCHE BANK A.Ş.	0,1	365	11	14	125	20	44	659	1	36
7 AK ULUSLAR ARASI A.Ş.	0,1	356	22	11	162	36	48	466	1	70
8 ARAP TÜRK BANKASI A.Ş.	0,1	331	70	34	77	29	6	138	3	186
9 BANK EUROPA BANKASI A.Ş.	0,1	278	90	174	58	77	-13	100	12	215
10 WESTLB AG	0,1	239	1	13	38	6	0	348	1	62
11 BANK MELLAT	0,1	179	33	22	19	4	3	16	3	47
12 BANCA DI ROMA	0,0	98	20	16	9	4	0	44	1	30
13 HABIB BANK LIMITED	0,0	27	4	2	11	3	0	12	1	15
Development and Investment Banks										
1 TÜRK EXİMBANK A.Ş.	1,5	4.461	1.739	0	1.716	658	210	857	2	342
2 İLLER BANKASI	1,0	3.035	2.145	0	2.168	1.092	0	8	18	3.493
3 T.SINAI KALKINMA BANKASI A.Ş.	0,7	2.285	1.004	0	382	143	47	404	0	278
4 T.KALKINMA BANKASI A.Ş.	0,2	518	199	0	392	150	0	0	1	770
5 İMKB TAKAS SAKLAMA BANKASI A.Ş.	0,1	325	12	0	207	60	31	804	0	232
6 CALYON BANK TÜRK A.Ş.	0,1	270	24	0	13	13	-7	954	1	38
7 C KREDİ VE KALKINMA BANKASI AŞ	0,0	147	66	0	78	48	11	325	3	50
8 NUROL YATIRIM BANKASI A.Ş.	0,0	87	30	0	47	27	1	221	3	45
9 ÇALIK YATIRIM BAKASI A.Ş.	0,0	73	40	0	51	14	3	75	1	31
10 GSD YATIRIM BANKASI A.Ş.	0,0	71	48	0	41	15	6	80	1	28
11 DILER YATIRIM BANKASI A.Ş.	0,0	46	0	0	40	14	-1	132	1	20
12 TAIB YATIRIM BANK A.Ş.	0,0	5	0	0	1	5	-2	2	1	13
13 TAT YATIRIM BANKASI A.Ş.	0,0	3	0	0	3	2	-1	0	1	12
48 TOTAL	100,0	306.447	99.342	191.065	45.963	14.824	6.450	179.734	6.218	127.939
Total Deposit Banks	96,3	295.121	94.034	191.065	40.823	12.584	6.135	175.871	6.185	122.587
-Total State Banks	34,9	106.902	20.926	81.086	10.067	3.792	2.683	15.899	2.236	39.454
-Total Private Banks	57,4	175.924	68.432	105.195	27.399	7.784	2.826	141.724	3.739	76.932
- Total First 5 Banks	44,0	134.688	49.032	80.627	22.402	5.523	2.152	96.255	2.419	49.785
- Other	13,5	41.236	19.400	24.569	4.997	2.261	673	45.469	1.320	27.147
- Total Foreign Banks	3,4	10.356	4.665	4.714	2.084	567	240	17.811	209	5.798
- Total SDIF Banks	0,6	1.938	11	69	1.273	441	386	436	1	403
Total Development and Investment Banks	3,7	11.327	5.308	0	5.140	2.240	315	3.863	33	5.352

(*) The data in this table have been updated with the figures, which were changed by independent audit or similar reasons in data-base of banks to the Agency by May 2005.

Annex Table 2: Balance Sheet of Banking Sector (NTL thousand)

	December 2003			June 2004			September 2004			December 2004		
	T	L	TOTAL	T	L	TOTAL	T	L	TOTAL	T	L	TOTAL
ASSETS												
1 CASH ASSETS	1,005,795	1,024,966	2,030,761	1,101,471	1,025,758	2,127,229	1,157,393	1,017,025	2,174,418	1,156,149	1,124,108	2,280,257
2 DUE FROM THE CENTRAL BANK	1,343,496	1,614,191	2,957,687	1,564,044	2,816,860	4,380,904	2,081,464	2,921,672	5,003,136	1,870,542	3,308,100	5,378,642
3 DUE FROM MONEY MARKETS	7,762,000	1,052,009	8,814,009	5,505,950	804,912	6,310,862	4,064,106	962,787	5,026,893	3,444,600	719,600	4,164,200
4 DUE FROM BANKS	2,358,380	12,782,186	15,140,566	2,879,066	12,384,821	15,263,887	3,737,818	15,711,726	19,449,546	4,552,425	16,491,123	21,043,548
5 SECURITIES - TRADING PORTFOLIO (NET)	16,696,479	13,328,665	30,025,144	11,942,717	11,896,560	23,839,277	11,530,605	10,959,571	22,490,176	10,251,762	8,834,910	19,086,672
6 SECURITIES AVAILABLE FOR SALE (NET)	15,987,871	14,619,085	30,606,956	23,972,154	16,532,635	40,504,789	27,846,849	21,586,273	49,433,122	28,876,869	23,702,223	52,579,092
7 REQUIRED RESERVES	2,857,683	7,116,085	9,973,768	3,662,846	7,445,490	11,108,336	4,024,277	8,340,831	12,365,108	4,669,663	8,490,046	13,159,709
8 RECEIVABLES FROM SECURITIES LENDING MARKET	0	0	0	0	0	0	0	0	0	0	0	0
9 RESERVE REPO RECEIVABLES	116,799	41,376	158,175	75,471	17,290	92,761	92,779	0	92,779	133,018	0	133,018
10 LOANS	36,176,466	30,045,370	66,221,836	52,034,466	35,422,213	87,456,679	56,408,831	36,884,125	93,292,956	64,346,735	34,995,370	99,342,105
11 PAST DUE LOANS (NET) (12-13)	921,457	66,571	988,028	694,209	92,469	786,678	653,863	36,925	690,788	707,091	52,265	759,356
12 a) PAST DUE LOANS	8,379,012	249,646	8,628,658	5,634,027	252,672	5,886,699	5,858,006	198,007	6,056,013	6,139,001	216,698	6,355,699
13 b) LOAN LOSS RESERVES (-)	7,457,555	183,075	7,640,630	4,939,818	160,203	5,100,021	5,204,143	161,082	5,365,225	5,431,910	164,433	5,596,343
14 INTEREST & INCOME ACCRUALS	10,691,857	1,995,320	12,687,177	6,696,126	1,557,312	8,253,438	7,915,650	1,733,936	9,649,586	8,187,306	2,077,335	10,264,641
15 LEASE FINANCING RECEIVABLES (NET)	330	165,765	166,095	202,074	202,074	202,367	234	221,610	221,844	238,400	238,400	238,679
16 SUBSIDIARIES, ASSOCIATED AND JOINT CONTROLLED COMPANIES (NET)	7,487,901	1,665,117	9,153,018	8,166,165	1,723,370	10,489,535	9,650,183	1,721,192	11,371,375	10,027,013	1,734,270	11,761,283
17 SECURITIES - HELD TO MATURITY (NET)	37,309,363	8,902,878	46,212,241	39,199,898	10,537,198	49,737,096	38,057,592	10,467,938	48,525,530	43,405,587	8,614,233	52,017,820
18 FIXED ASSETS TO BE SOLD (NET)	2,077,941	0	2,077,941	2,141,246	0	2,141,246	2,113,658	0	2,113,658	2,066,263	0	2,066,263
19 FIXED ASSETS (NET)	8,258,449	19,849	8,278,298	8,593,616	20,863	8,614,479	8,255,280	20,825	8,276,105	8,459,678	18,835	8,478,513
20 OTHER ASSETS	3,766,295	429,548	4,195,843	3,161,604	368,231	3,529,835	3,745,712	296,627	4,042,339	3,444,893	250,653	3,695,546
21 TOTAL ASSETS (1+...+20)-(12+13)	154,818,562	94,868,981	249,687,543	171,991,342	102,848,056	274,839,398	181,336,288	112,883,063	294,219,351	195,599,873	110,849,471	306,449,344
LIABILITIES												
22 DEPOSITS	79,844,552	75,467,086	155,311,638	95,021,997	75,937,465	170,959,462	98,935,636	83,613,353	182,548,989	105,705,197	85,360,226	191,065,423
23 DUE TO CENTRAL BANK	9,621	125,662	135,283	8,513	113,329	121,842	7,581	90,330	97,911	2,229	76,810	79,039
24 DUE TO MONEY MARKETS	429,712	1,756,728	2,186,440	590,889	1,580,527	2,171,416	384,515	1,784,166	2,168,681	769,132	1,141,054	1,910,186
25 BORROWINGS FROM SECURITIES LENDING MARKET	0	0	0	0	0	0	0	0	0	0	0	0
26 DUE TO BANKS	3,244,450	22,673,206	25,917,656	5,539,673	27,003,241	32,542,914	4,770,620	29,430,511	34,201,131	4,598,916	29,166,327	33,765,243
27 FUNDS OBTAINED FROM REPO TRANSACTIONS	7,745,407	3,495,701	11,241,108	8,104,793	3,957,353	12,062,146	10,107,312	3,289,747	13,397,059	8,263,450	2,332,940	10,596,393
28 FUNDS	4,616,909	9,394	4,626,303	4,923,400	7,550	4,930,950	4,450,775	7,753	4,458,528	4,762,667	7,783	4,770,450
29 SECURITIES ISSUED (NET) (30+31)	1	488,760	488,761	1	520,406	520,407	1	525,788	525,789	1	467,965	467,966
30 a) BONDS & BILLS	0	0	0	0	0	0	0	0	0	0	0	0
30 b) ASSET BACKED SECURITIES AND OTHER SEC. ISSUED	14,970	91,526	106,496	30,563	90,749	121,312	25,254	120,760	146,014	27,250	128,233	155,483
32 LEASE FINANCING OBLIGATIONS (NET)	591,359	989	592,348	662,819	571	663,390	474,607	459	475,066	599,752	576	600,328
33 TAXES, DUTIES, CHARGES & PREMIUMS PAYABLE	465,073	353,152	818,225	465,073	374,383	839,456	449,308	378,856	828,164	449,308	669,310	1,118,618
34 SUBORDINATED DEBT	1,793,371	608,900	2,402,271	1,969,195	547,494	2,516,689	1,881,491	562,498	2,443,989	1,756,393	649,162	2,405,555
35 INTEREST AND EXPENSE ACCRUALS	3,920,129	368,239	4,288,368	3,253,413	347,810	3,601,223	4,252,455	351,691	4,604,146	4,587,665	309,831	4,897,496
36 RESERVES	3,940,218	2,094,035	6,034,253	5,223,996	2,961,227	8,185,223	5,459,086	2,934,823	8,393,909	6,306,914	2,363,495	8,669,409
37 OTHER LIABILITIES	106,615,772	107,533,378	214,149,150	125,794,325	113,442,105	239,236,430	131,198,641	123,090,735	254,289,376	137,827,874	122,673,715	260,501,589
38 TOTAL (22+...+37)-(30+31)	13,519,586	99,876	13,615,462	14,088,723	102,727	14,191,450	15,256,535	102,727	15,359,262	14,824,196	0	14,824,196
39 PAID UP CAPITAL	21,362,627	0	21,362,627	25,163,418	9,073	25,172,491	24,794,879	2,486	24,797,365	23,534,475	5,712	23,540,187
40 LEGAL & PROVISIONAL RESERVES	22,210,289	0	22,210,289	20,648,215	0	20,648,215	21,005,925	0	21,005,925	19,004,847	0	19,004,847
41 CAPITAL RESERVES FROM INFLATION ACCOUNTING	107,768	0	107,768	136,153	77	136,230	51,219	79	51,298	61,655	8,371	70,026
42 FIXED ASSET REVALUATION FUND	1,576,668	390,105	1,966,773	1,089,114	157,680	1,246,794	2,909,863	302,672	2,812,535	3,293,878	338,154	3,631,032
43 SECURITIES REVALUATION FUND	5,608,277	0	5,608,277	2,402,573	0	2,402,573	4,626,467	0	4,626,467	6,481,111	0	6,481,111
44 PROFIT (LOSS) FOR THE PERIOD	-29,332,803	0	-29,332,803	-28,194,785	0	-28,194,785	-28,722,877	0	-28,722,877	-21,603,644	0	-21,603,644
45 PROFIT (LOSS) FOR PREVIOUS YEARS	35,048,412	489,981	35,538,393	35,333,411	269,557	35,602,968	39,522,011	407,964	39,929,975	45,595,518	352,237	45,947,755
46 TOTAL OWNERS EQUITY (39+...+45)	141,664,184	108,023,359	249,687,543	161,127,736	113,711,662	274,839,398	170,722,052	123,498,699	294,219,351	183,423,392	123,025,952	306,449,344
47 TOTAL LIABILITIES (38+46)	15,439,967	31,212,992	46,652,959	16,434,931	35,832,229	52,267,160	17,624,591	38,450,474	56,075,071	18,609,144	37,102,508	55,711,652
48 NON CASH CREDITS AND OBLIGATIONS	51,286,309	36,297,237	87,583,546	77,697,842	39,709,184	117,407,026	86,389,217	38,682,496	125,071,713	87,837,345	36,184,515	124,021,860
50 a) DERIVATIVE FINANCIAL INSTRUMENTS	2,500,843	31,484,315	34,235,158	5,831,243	34,076,836	39,908,079	5,736,358	32,160,677	37,897,035	7,212,157	31,758,860	45,051,017
51 b) OTHER COMMITMENTS	48,535,466	4,812,922	53,348,388	71,866,599	5,632,349	77,499,947	80,652,589	6,521,819	87,179,879	80,625,188	4,425,655	85,050,843
52 TOTAL OFF BALANCE SHEET LIABILITIES (48 + 49)	66,726,276	67,510,229	134,236,505	94,132,773	75,541,413	169,674,186	104,013,814	77,132,970	181,146,784	106,446,489	73,287,023	179,733,512

Source: BRS4

Annex Table 3: Balance Sheet of Banking Sector (USD million)

ASSETS	December 2003			June 2004			September 2004			December 2004		
	T/L	FX	TOTAL	T/L	FX	TOTAL	T/L	FX	TOTAL	T/L	FX	TOTAL
1 CASH ASSETS	721	734	1,455	741	690	1,432	773	679	1,452	861	838	1,699
2 DUE FROM THE CENTRAL BANK	963	1,156	2,119	1,053	1,896	2,949	1,390	1,951	3,341	1,394	2,614	4,008
3 DUE FROM MONEY MARKETS	5,561	754	6,315	3,705	542	4,247	2,714	643	3,356	2,567	536	3,103
4 DUE FROM BANKS	11,960	9,157	21,117	10,847	8,335	19,182	2,496	10,491	12,986	3,392	12,288	15,680
5 SECURITIES - TRADING PORTFOLIO (NET)	11,962	9,549	21,511	8,037	8,006	16,043	7,699	7,318	15,017	7,639	6,583	14,221
6 SECURITIES AVAILABLE FOR SALE (NET)	11,454	10,473	21,927	16,133	11,126	27,259	18,593	14,413	33,006	21,516	17,661	39,177
7 REQUIRED RESERVES	2,047	5,098	7,145	2,465	5,011	7,476	2,687	5,569	8,256	3,479	6,326	9,805
8 RECEIVABLES FROM SECURITIES LENDING MARKET	0	0	0	0	0	0	0	0	0	0	0	0
9 RESERVE REPO RECEIVABLES	84	30	113	51	12	62	62	0	62	99	0	99
10 LOANS	25,917	21,525	47,442	35,019	23,839	58,857	37,664	24,627	62,291	47,945	26,075	74,020
11 PAST DUE LOANS (NET) (12-13)	660	48	708	467	62	529	437	25	461	527	39	566
12 a) PAST DUE LOANS	6,003	179	6,182	3,792	170	3,962	3,911	132	4,044	4,574	161	4,736
12 b) PAST DUE LOANS	5,243	131	5,374	3,324	108	3,432	3,475	108	3,582	4,047	123	4,170
13 LOAN LOSS RESERVES (-)	7,660	1,429	9,089	4,506	1,048	5,554	5,285	1,158	6,443	6,100	1,548	7,648
14 INTEREST & INCOME ACCRUALS	0	119	119	0	136	136	0	148	148	0	178	178
15 LEASE FINANCING RECEIVABLES (NET)	5,364	1,193	6,557	5,900	1,160	7,059	6,443	1,149	7,593	7,471	1,292	8,763
16 SUBSIDIARIES, ASSOCIATED AND JOINT CONTROLLED COMPANIES (NET)	26,729	6,378	33,107	26,381	7,091	33,472	25,411	6,989	32,400	32,342	6,417	38,759
17 SECURITIES - HELD TO MATURITY (NET)	1,489	0	1,489	1,441	0	1,441	1,411	0	1,411	1,540	0	1,540
18 FIXED ASSETS TO BE SOLD (NET)	5,916	14	5,931	5,783	14	5,797	5,512	14	5,526	6,303	14	6,317
19 OTHER ASSETS (NET)	2,698	308	3,006	2,128	248	2,376	2,501	198	2,699	2,567	187	2,754
20 TOTAL ASSETS	110,915	67,966	178,880	115,748	69,215	184,964	121,077	75,371	196,448	145,742	82,594	228,336
21 TOTAL ASSETS (1+...+20)+(12+13)												
LIABILITIES												
22 DEPOSITS	57,202	54,066	111,268	63,949	51,105	115,054	66,059	55,828	121,887	78,761	63,602	142,363
23 DUE TO CENTRAL BANK	7	90	97	6	76	82	5	60	65	2	57	59
24 DUE TO MONEY MARKETS	308	1,259	1,566	398	1,064	1,461	257	1,191	1,448	573	850	1,423
25 BORROWINGS FROM SECURITIES LENDING MARKET	0	0	0	0	0	0	0	0	0	0	0	0
26 DUE TO BANKS	2,324	16,243	18,568	3,728	18,173	21,901	3,185	19,651	22,836	3,427	21,732	25,159
27 FUNDS OBTAINED FROM REPO TRANSACTIONS	5,549	2,504	8,053	5,454	2,663	8,118	6,749	2,197	8,945	6,157	1,738	7,885
28 FUNDS	3,308	7	3,314	3,313	5	3,318	2,972	5	2,977	3,549	6	3,554
29 SECURITIES ISSUED (NET) (30+31)	0	350	350	0	350	350	0	351	351	0	349	349
30 a) BONDS & BILLS	0	350	350	0	350	350	0	351	351	0	349	349
31 b) ASSET BACKED SECURITIES AND OTHER SEC. ISSUED	0	0	0	0	0	0	0	0	0	0	0	0
32 LEASE FINANCING OBLIGATIONS (NET)	11	66	76	21	61	82	17	81	97	20	96	116
33 TAXES, DUTIES, CHARGES & PREMIUMS PAYABLE	424	1	424	446	0	446	317	0	317	447	0	447
34 SUBORDINATED DEBT	333	253	586	313	252	565	300	253	553	335	499	833
35 INTEREST AND EXPENSE ACCRUALS	1,285	436	1,721	1,325	368	1,694	1,256	376	1,632	1,309	484	1,792
36 RESERVES	2,808	264	3,072	2,190	234	2,424	2,839	235	3,074	3,418	231	3,649
37 OTHER LIABILITIES	2,823	1,500	4,323	3,516	1,993	5,509	3,645	1,960	5,605	4,699	1,761	6,460
38 TOTAL (22+...+37)-(30+31)	76,381	77,039	153,420	84,658	76,345	161,003	87,600	82,187	169,787	102,696	91,404	194,100
39 PAID UP CAPITAL	9,683	72	9,754	9,482	69	9,551	10,187	69	10,255	11,046	0	11,046
40 LEGAL & PROVISIONAL RESERVES	15,305	0	15,305	16,935	6	16,941	16,555	2	16,557	17,536	4	17,540
41 CAPITAL RESERVES FROM INFLATION ACCOUNTING	15,912	0	15,912	13,896	0	13,896	14,025	0	14,025	14,161	0	14,161
42 FIXED ASSET REVALUATION FUND	77	0	77	92	0	92	34	0	34	46	6	52
43 SECURITIES REVALUATION FUND	1,130	279	1,409	733	106	839	1,676	202	1,878	2,454	252	2,705
44 PROFIT (LOSS) FOR THE PERIOD	4,018	0	4,018	1,617	0	1,617	3,089	0	3,089	4,829	0	4,829
45 PROFIT (LOSS) FOR PREVIOUS YEARS	-21,015	0	-21,015	-18,975	0	-18,975	-19,178	0	-19,178	-16,097	0	-16,097
46 TOTAL OWNERS EQUITY (39+...+45)	25,109	351	25,460	23,779	181	23,960	26,389	272	26,661	33,973	262	34,236
47 TOTAL LIABILITIES (38+46)	101,491	178,880	179,370	108,437	184,964	184,964	113,989	82,459	196,448	136,669	91,667	228,336
48 NON CASH CREDITS AND OBLIGATIONS	11,061	22,362	33,423	11,061	24,115	35,175	11,768	25,673	37,441	13,866	27,645	41,511
49 COMMITMENTS (50+51)	36,742	26,004	62,746	52,290	26,724	79,013	57,681	25,828	83,509	65,448	26,961	92,409
50 a) DERIVATIVE FINANCIAL INSTRUMENTS	1,971	22,556	24,527	3,924	22,933	26,858	3,830	21,473	25,304	5,374	23,664	29,037
51 b) OTHER COMMITMENTS	34,772	3,448	38,220	48,365	3,791	52,155	53,851	4,355	58,206	60,074	3,298	63,371
52 TOTAL OFF BALANCE SHEET LIABILITIES (48 + 49)	47,804	48,365	96,169	63,350	50,838	114,189	69,449	51,501	120,950	79,313	54,606	133,920

*Securities portfolio is consisted of the total of securities portfolio and joint securities portfolio in September 2002. Securities-Trading Portfolio, Securities Available for Sale and Securities-Held to Maturity in other periods.

Annex Table 4: Balance Sheet of Banking Sector (% Change) (December 2004/ December 2003)

	Nominal Change NTL				Nominal Change USD Dollar				Real Change NTL			
	T L		FX		T L		FX		T L		FX	
	TOTAL		TOTAL		TOTAL		TOTAL		TOTAL		TOTAL	
ASSETS												
1 CASH ASSETS	14,9	9,7	12,3	14,1	19,6	14,1	16,8	1,0	-3,7	1,0	-3,7	-1,4
2 DUE FROM THE CENTRAL BANK	39,2	117,3	81,9	126,0	44,8	81,9	89,1	22,3	90,9	22,3	90,9	59,7
3 DUE FROM MONEY MARKETS	-55,6	-31,6	-52,8	-28,9	-53,8	-28,9	-50,9	-61,0	-39,9	-61,0	-39,9	-58,5
4 DUE FROM BANKS	93,0	29,0	39,0	34,2	100,8	34,2	44,6	69,6	13,3	69,6	13,3	22,1
5 SECURITIES - TRADING PORTFOLIO (NET)	-38,6	-33,7	-36,4	-31,1	-36,1	-31,1	-33,9	-46,1	-41,8	-46,1	-41,8	-44,2
6 SECURITIES AVAILABLE FOR SALE (NET)	80,6	62,1	71,8	68,6	87,8	68,6	78,7	58,7	42,4	58,7	42,4	50,9
7 REQUIRED RESERVES	63,4	19,3	31,9	24,1	69,9	24,1	37,2	43,5	4,8	43,5	4,8	15,9
8 RECEIVABLES FROM SECURITIES LENDING MARKET	-	-	-	-	-	-	-	-	-	-	-	-
9 RESERVE REPO RECEIVABLES	13,9	-100,0	-15,9	-100,0	18,4	-100,0	-12,5	0,0	-100,0	0,0	-100,0	-26,1
10 LOANS	77,9	16,5	50,0	21,1	85,0	21,1	56,0	56,2	2,3	56,2	2,3	31,8
11 PAST DUE LOANS (NET) (12-13)	-23,3	-21,5	-23,1	-20,2	-20,2	-18,3	-20,2	-32,6	-31,0	-32,6	-31,0	-32,5
12 a) PAST DUE LOANS	-26,7	-13,2	-26,3	-9,7	-23,8	-9,7	-23,4	-35,6	-23,8	-35,6	-23,8	-35,3
13 b) LOAN LOSS RESERVES (-)	-27,2	-10,2	-26,8	-6,6	-24,2	-6,6	-23,8	-36,0	-21,1	-36,0	-21,1	-35,7
14 INTEREST & INCOME ACCRUALS	-23,4	4,1	-19,1	8,3	-20,4	8,3	-15,9	-32,7	-8,5	-32,7	-8,5	-28,9
15 LEASE FINANCING RECEIVABLES (NET)	-15,5	43,8	43,7	49,6	-12,1	49,6	49,5	-25,7	26,3	-25,7	26,3	26,2
16 SUBSIDIARIES, ASSOCIATED AND JOINT CONTROLLED COMPANIES (NET)	33,9	4,2	28,5	8,3	39,3	8,3	33,6	17,6	-8,5	17,6	-8,5	12,9
17 SECURITIES - HELD TO MATURITY (NET)	16,3	-3,3	12,6	0,6	21,0	0,6	17,1	2,2	-15,0	2,2	-15,0	-12,7
18 FIXED ASSETS TO BE SOLD (NET)	-0,6	-	-0,6	-	3,4	-	3,4	-12,7	-	-12,7	-	-
19 FIXED ASSETS (NET)	2,4	-5,1	2,4	-1,3	6,5	-1,3	6,5	-10,0	-16,6	-10,0	-16,6	-10,0
20 OTHER ASSETS	-8,5	-41,6	-11,9	-39,3	-4,9	-39,3	-8,4	-19,7	-48,7	-19,7	-48,7	-22,6
21 TOTAL ASSETS (1+...+20)-(12+13)	26,3	16,8	22,7	21,5	31,4	21,5	27,6	11,0	2,6	11,0	2,6	7,8
LIABILITIES												
22 DEPOSITS	32,4	13,1	23,0	17,6	37,7	17,6	27,9	16,3	-0,6	16,3	-0,6	8,1
23 DUE TO CENTRAL BANK	-76,8	-38,9	-41,6	-36,4	-75,9	-36,4	-39,2	-79,6	-46,3	-79,6	-46,3	-48,7
24 DUE TO MONEY MARKETS	79,0	-35,0	-12,6	-32,4	86,2	-32,4	-9,1	57,2	-42,9	57,2	-42,9	-23,3
25 BORROWINGS FROM SECURITIES LENDING MARKET	-	-	-	-	-	-	-	-	-	-	-	-
26 DUE TO BANKS	41,7	28,6	30,3	33,8	47,4	33,8	35,5	24,5	13,0	24,5	13,0	14,4
27 FUNDS OBTAINED FROM REPO TRANSACTIONS	6,7	-33,3	-5,7	-30,6	11,0	-30,6	-2,0	-6,3	-41,4	-6,3	-41,4	-17,2
28 FUNDS	3,2	-17,1	3,1	-13,8	7,3	-13,8	7,2	-9,4	-27,2	-9,4	-27,2	-9,4
29 SECURITIES ISSUED (NET) (30+31)	-	-4,3	-4,3	-0,4	4,0	-0,4	-0,4	-	-15,9	-	-15,9	-15,9
30 a) BONDS & BILLS	-	-4,3	-4,3	-0,4	4,0	-0,4	-0,4	-	-15,9	-	-15,9	-15,9
31 b) ASSET BACKED SECURITIES AND OTHER SEC. ISSUED	-	-	-	-	-	-	-	-	-	-	-	-
32 LEASE FINANCING OBLIGATIONS (NET)	82,0	40,1	46,0	45,7	89,3	45,7	51,8	59,9	23,1	59,9	23,1	28,2
33 TAXES, DUTIES, CHARGES & PREMIUMS PAYABLE	1,4	-41,8	1,3	-39,4	5,5	-39,4	5,4	-10,9	-48,8	-10,9	-48,8	-11,0
34 SUBORDINATED DEBT	-3,4	89,5	36,7	97,1	0,5	97,1	42,2	-15,1	66,5	-15,1	66,5	20,1
35 INTEREST AND EXPENSE ACCRUALS	-2,1	6,6	0,1	10,9	1,9	10,9	4,1	-14,0	-6,3	-14,0	-6,3	-12,0
36 RESERVES	17,0	-15,9	14,2	12,5	21,7	12,5	18,8	2,8	-26,1	2,8	-26,1	0,3
37 OTHER LIABILITIES	60,0	12,9	43,7	17,4	66,4	17,4	49,4	40,6	-0,9	40,6	-0,9	26,2
38 TOTAL (22+...+37)-(30+31)	29,3	14,1	21,6	18,6	34,5	18,6	26,5	13,6	0,2	13,6	0,2	6,9
39 PAID UP CAPITAL	9,7	-100,0	8,9	-100,0	14,1	-100,0	13,2	-3,7	-100,0	-3,7	-100,0	-4,4
40 LEGAL & PROVISIONAL RESERVES	10,2	-	10,2	-	14,6	-	14,6	-3,2	-	-3,2	-	-3,2
41 CAPITAL RESERVES FROM INFLATION ACCOUNTING	-14,4	-	-14,4	-	-11,0	-	-11,0	-24,8	-	-24,8	-	-24,8
42 FIXED ASSET REVALUATION FUND	-42,8	-	-35,0	-	-40,5	-	-32,4	-49,7	-	-49,7	-	-42,9
43 SECURITIES REVALUATION FUND	108,9	-13,3	84,6	-9,8	117,2	-9,8	92,0	83,5	-23,9	83,5	-23,9	62,2
44 PROFIT (LOSS) FOR THE PERIOD	15,6	-	15,6	-	20,2	-	20,2	1,5	-	1,5	-	1,5
45 PROFIT (LOSS) FOR PREVIOUS YEARS	-26,3	-	-26,3	-	-23,4	-	-23,4	-35,3	-	-35,3	-	-35,3
46 TOTAL OWNERS EQUITY (39+...+45)	30,1	-28,1	29,3	25,2	35,3	25,2	34,5	14,3	-36,9	14,3	-36,9	13,6
47 TOTAL LIABILITIES (38+46)	29,5	13,9	22,7	18,4	34,7	18,4	27,6	13,7	0,0	13,7	0,0	7,8
48 NON CASH CREDITS AND OBLIGATIONS	-	-	-	-	-	-	-	-	-	-	-	-
49 COMMITMENTS (50+51)	20,5	18,9	19,4	23,6	25,4	23,6	24,2	5,9	4,4	5,9	4,4	4,9
50 a) DERIVATIVE FINANCIAL INSTRUMENTS	162,2	0,9	13,8	4,9	172,7	4,9	18,4	130,3	-11,4	130,3	-11,4	0,0
51 b) OTHER COMMITMENTS	66,1	-8,0	59,4	-4,4	72,8	-4,4	65,8	45,9	-19,2	45,9	-19,2	40,0
52 TOTAL OFF BALANCE SHEET LIABILITIES (48 + 49)	59,5	8,6	33,9	12,9	65,9	12,9	39,3	40,1	-4,6	40,1	-4,6	17,6

Source: BRSA

Annex Table 5: Balance Sheet of Banking Sector - Excluding SDFI Banks-(NTL thousand)

	December 2003			June 2004			September 2004			December 2004		
	TL	FX	TOTAL	TL	FX	TOTAL	TL	FX	TOTAL	TL	FX	TOTAL
ASSETS												
1 CASH ASSETS	986,282	1,000,120	1,986,402	1,087,770	1,004,677	2,092,447	1,142,559	997,616	2,140,175	1,156,255	1,123,897	2,280,152
2 DUE FROM THE CENTRAL BANK	1,614,133	2,950,298	4,564,431	1,563,677	2,816,792	4,380,469	2,081,139	2,921,559	5,002,698	3,508,079	5,778,548	
3 DUE FROM MONEY MARKETS	7,357,450	8,809,450	16,166,900	5,505,500	8,041,912	13,547,412	6,051,330	9,627,787	15,679,117	10,511,500	26,190,617	
4 DUE FROM BANKS	21,586,927	12,546,857	34,133,784	23,831,218	12,118,201	35,949,419	10,003,007	15,509,513	25,512,521	16,341,626	41,854,147	
5 SECURITIES - TRADING PORTFOLIO (NET)	15,168,796	13,326,468	28,495,264	10,412,418	11,894,381	22,306,799	10,003,007	10,003,007	20,006,014	8,834,854	20,872,239	
6 SECURITIES AVAILABLE FOR SALE (NET)	12,942,108	14,415,617	27,357,725	20,865,332	16,317,725	37,183,057	25,355,678	21,369,211	46,724,889	23,702,205	70,427,094	
7 REQUIRED RESERVES	2,857,683	7,116,085	9,973,768	3,662,846	7,445,490	11,108,336	4,024,277	8,340,831	12,365,108	8,490,046	20,855,154	
8 RECEIVABLES FROM SECURITIES LENDING MARKET	0	0	0	0	0	0	0	0	0	0	0	
9 RESERVE REPO RECEIVABLES	116,799	41,376	158,175	75,471	17,290	92,761	92,779	0	92,779	0	92,779	
10 LOANS	35,743,672	29,770,849	65,514,521	51,678,588	35,232,054	86,910,642	56,067,313	36,750,580	92,817,893	34,988,602	127,806,495	
11 PAST DUE LOANS (NET) (12-13)	722,506	62,373	784,879	664,478	54,647	719,125	627,663	642,893	1,270,556	51,146	1,321,702	
12 a) LOAN LOSS RESERVES (-)	7,572,619	230,956	7,803,575	5,493,880	185,188	5,679,068	5,716,748	118,077	5,834,825	6,234,213	12,071,041	
13 b) LOAN LOSS RESERVES (-)	6,850,113	168,583	7,018,696	4,829,402	130,541	4,959,943	5,089,085	102,847	5,191,932	156,524	5,348,456	
14 INTEREST & INCOME ACCRUALS	10,376,861	1,991,658	12,368,519	6,373,541	1,550,488	7,924,029	7,612,244	1,725,431	9,337,675	2,076,946	11,414,620	
15 LEASE FINANCING RECEIVABLES (NET)	330	165,765	166,095	293	202,074	202,367	234	221,844	221,844	238,400	460,244	
16 SUBSIDIARIES, ASSOCIATED AND JOINT CONTROLLED COMPANIES (NET)	7,484,202	1,664,634	9,148,836	8,756,549	1,722,864	10,479,413	9,640,462	1,720,678	11,361,140	1,734,055	13,095,195	
17 SECURITIES - HELD TO MATURITY (NET)	37,124,744	8,902,878	46,027,622	39,150,193	10,537,198	49,687,391	38,007,887	10,467,938	48,475,825	8,612,233	57,088,058	
18 FIXED ASSETS TO BE SOLD (NET)	2,067,300	0	2,067,300	2,136,440	0	2,136,440	2,107,295	0	2,107,295	2,065,751	4,173,046	
19 FIXED ASSETS (NET)	7,994,077	19,426	8,013,503	8,233,362	20,499	8,253,861	7,990,397	20,538	8,010,935	18,835	8,029,770	
20 OTHER ASSETS	3,691,734	413,665	4,105,399	2,965,012	351,582	3,316,594	3,558,596	281,333	3,840,429	3,418,435	7,258,864	
21 TOTAL ASSETS (1+...+20)-(12+13)	148,506,779	94,103,913	242,610,692	165,602,648	102,090,894	267,693,542	175,907,791	112,263,101	288,170,892	193,633,353	304,510,947	
LIABILITIES												
22 DEPOSITS	77,800,106	73,378,792	151,178,898	92,951,429	73,988,876	166,940,305	96,772,406	81,694,194	178,466,600	105,683,174	284,149,790	
23 DUE TO CENTRAL BANK	9,621	125,662	135,283	8,513	113,329	121,842	7,581	90,330	97,911	76,810	174,721	
24 DUE TO MONEY MARKETS	407,812	1,756,728	2,164,540	588,889	1,580,527	2,169,416	384,515	1,784,166	2,168,681	1,141,054	3,309,735	
25 BORROWINGS FROM SECURITIES LENDING MARKET	0	0	0	0	0	0	0	0	0	0	0	
26 DUE TO BANKS	2,925,125	3,495,701	6,420,826	4,894,137	26,515,353	31,409,490	4,170,293	29,020,594	33,190,887	4,598,912	38,789,800	
27 FUNDS OBTAINED FROM REPO TRANSACTIONS	5,720,418	9,394	5,729,812	6,125,147	3,957,353	10,082,500	9,044,263	3,289,747	12,334,010	8,261,479	20,595,489	
28 FUNDS	4,503,853	9,394	4,513,247	4,797,704	7,550	4,805,254	4,321,497	7,753	4,329,250	2,332,943	6,662,193	
29 SECURITIES ISSUED (NET) (30+31)	1	488,760	488,761	1	520,406	520,407	1	525,788	525,789	467,965	993,753	
30 a) BONDS & BILLS	1	488,760	488,761	1	520,406	520,407	1	525,788	525,789	467,965	993,753	
31 b) ASSET BACKED SECURITIES AND OTHER SEC. ISSUED	0	0	0	0	0	0	0	0	0	0	0	
32 LEASE FINANCING OBLIGATIONS (NET)	14,970	91,308	106,278	30,563	90,716	121,279	25,254	120,760	146,014	27,250	173,264	
33 TAXES, DUTIES, CHARGES & PREMIUMS PAYABLE	561,147	989	562,136	641,823	571	642,394	456,983	459	457,442	598,859	1,056,302	
34 SUBORDINATED DEBT	214,669	353,152	567,821	214,669	374,383	589,052	214,669	378,856	593,525	214,669	812,194	
35 INTEREST AND EXPENSE ACCRUALS	1,751,237	592,316	2,343,553	1,870,778	528,485	2,399,263	1,795,738	548,206	2,343,944	1,756,307	4,100,251	
36 RESERVES	3,698,090	281,387	3,979,477	3,035,022	269,040	3,304,062	3,929,251	274,670	4,203,921	4,471,856	8,675,777	
37 OTHER LIABILITIES	3,856,721	2,033,900	5,890,621	5,143,138	2,898,745	8,041,883	5,381,956	2,859,239	8,239,191	2,304,186	10,543,377	
38 TOTAL (22+...+37)-(30+31)	101,463,860	104,763,411	206,227,271	120,301,813	110,845,334	231,147,147	126,504,407	120,592,863	247,097,213	137,436,133	259,835,754	
39 PAID UP CAPITAL	12,431,629	99,876	12,531,505	12,955,040	102,727	13,057,767	14,115,652	102,727	14,218,379	14,383,674	14,837,353	
40 LEGAL & PROVISIONAL RESERVES	1,458,276	0	1,458,276	3,778,609	9,073	3,787,682	3,208,931	2,486	3,211,417	4,246,934	7,468,355	
41 CAPITAL RESERVES FROM INFLATION ACCOUNTING	20,052,965	0	20,052,965	18,038,810	0	18,038,810	18,331,004	0	18,331,004	18,749,592	18,749,592	
42 FIXED ASSET REVALUATION FUND	105,010	0	105,010	136,153	77	136,230	51,219	79	51,298	58,904	67,275	
43 SECURITIES REVALUATION FUND	1,576,668	390,105	1,966,773	1,089,114	157,680	1,246,794	2,509,863	302,672	2,812,535	3,292,878	3,611,032	
44 PROFIT (LOSS) FOR THE PERIOD	5,336,245	0	5,336,245	2,430,991	0	2,430,991	4,845,185	0	4,845,185	6,094,771	6,094,771	
45 PROFIT (LOSS) FOR PREVIOUS YEARS	5,065,353	0	5,065,353	2,151,879	0	2,151,879	2,396,139	0	2,396,139	-2,503,797	-2,503,797	
46 TOTAL OWNERS EQUITY (39+...+45)	35,895,440	489,981	36,385,421	36,276,838	269,557	36,546,395	40,665,712	407,964	41,073,676	35,237	44,675,193	
47 TOTAL LIABILITIES (38+46)	137,359,300	105,253,392	242,612,692	156,578,651	111,114,891	267,693,542	167,170,122	121,000,770	288,170,892	181,759,086	304,510,947	
48 NON CASH CREDITS AND OBLIGATIONS												
49 COMMITMENTS (50+51)	14,531,930	29,805,257	44,337,187	15,768,631	34,648,089	50,416,720	17,050,123	37,306,797	54,356,920	18,435,682	72,792,602	
50 DERIVATIVE FINANCIAL INSTRUMENTS	50,607,226	36,293,266	86,900,492	76,632,929	39,705,977	116,338,906	85,770,796	38,079,452	124,850,248	87,937,341	212,787,589	
51 OTHER COMMITMENTS	31,983,635	34,234,478	66,218,113	3,831,243	34,076,636	37,907,879	5,736,358	32,160,677	37,897,935	7,211,157	45,109,092	
52 TOTAL OFF BALANCE SHEET LIABILITIES (48 + 49)	65,199,159	100,333,001	165,532,150	92,401,569	74,394,066	166,755,628	102,820,919	75,986,249	178,807,168	106,273,023	217,906,703	

Source: BACA

Annex Table 6: Balance Sheet of Banking Sector - Excluding SDIF Banks- (USD Million)

	December 2003			June 2004			September 2004			December 2004		
	T.L	FX	TOTAL	T.L	FX	TOTAL	T.L	FX	TOTAL	T.L	FX	TOTAL
ASSETS												
1 CASH ASSETS	707	717	1,423	732	676	1,408	763	666	1,429	861	837	1,698
2 DUE FROM THE CENTRAL BANK	957	1,156	2,114	1,052	1,896	2,948	1,390	1,951	3,340	1,394	2,614	4,008
3 DUE FROM MONEY MARKETS	5,558	754	6,311	3,705	542	4,247	2,710	643	3,353	2,567	536	3,103
4 DUE FROM BANKS	1,532	8,989	10,521	1,604	8,155	9,759	2,362	10,356	12,717	3,517	12,176	15,533
5 SECURITIES - TRADING PORTFOLIO (NET)	10,867	9,547	20,414	7,007	8,005	15,012	6,679	7,316	13,995	6,512	6,583	13,094
6 SECURITIES AVAILABLE FOR SALE (NET)	9,272	10,328	19,600	14,042	10,982	25,024	16,930	14,268	31,198	21,516	17,661	39,177
7 RECEIVED RESERVES	2,047	3,098	7,145	2,465	5,011	7,476	2,687	5,569	8,256	3,479	6,326	9,805
8 RECEIVABLES FROM SECURITIES LENDING MARKET	0	0	0	0	0	0	0	0	0	0	0	0
9 RESERVE REPO RECEIVABLES	84	30	113	51	12	62	62	0	62	99	0	99
10 LOANS	25,607	21,328	46,936	34,779	23,711	58,490	37,436	24,538	61,974	47,942	26,070	74,012
11 PAST DUE LOANS (NET) (12-13)	518	45	562	447	37	484	419	10	429	516	38	554
12 a) PAST DUE LOANS	5,425	165	5,591	3,697	125	3,822	3,817	79	3,896	4,490	155	4,645
13 b) LOAN LOSS RESERVES (-)	4,908	121	5,028	3,250	88	3,338	3,988	69	3,467	3,974	117	4,091
14 INTEREST & INCOME ACCRUALS	7,434	1,427	8,861	4,289	1,043	5,333	5,083	1,152	6,235	6,060	1,548	7,607
15 LEASE FINANCING RECEIVABLES (NET)	0	119	119	0	136	136	0	148	148	0	178	178
16 SUBSIDIARIES, ASSOCIATED AND JOINT CONTROLLED COMPANIES (NET)	5,362	1,193	6,554	5,893	1,159	7,053	6,437	1,149	7,586	7,467	1,292	8,759
17 SECURITIES - HELD TO MATURITY (NET)	26,597	6,378	32,975	26,348	7,091	33,439	25,378	6,989	32,367	32,342	6,417	38,759
18 FIXED ASSETS TO BE SOLD (NET)	1,481	0	1,481	1,438	0	1,438	1,407	0	1,407	1,539	0	1,539
19 FIXED ASSETS	5,727	14	5,741	5,602	14	5,615	5,335	14	5,349	6,228	14	6,242
20 OTHER ASSETS	2,645	296	2,941	1,994	237	2,231	2,376	188	2,564	2,547	177	2,724
21 TOTAL ASSETS (1+...+20)-(12+13)	106,394	67,418	173,812	111,449	68,706	180,154	117,452	74,957	192,409	144,425	82,466	226,891
LIABILITIES												
22 DEPOSITS	55,737	52,570	108,307	62,555	49,794	112,349	64,614	54,547	119,161	78,745	63,567	142,311
23 DUE TO CENTRAL BANK	7	90	97	6	76	82	5	60	65	2	57	59
24 DUE TO MONEY MARKETS	292	1,259	1,551	396	1,064	1,460	257	1,191	1,448	573	850	1,423
25 BORROWINGS FROM SECURITIES LENDING MARKET	0	0	0	0	0	0	0	0	0	0	0	0
26 DUE TO BANKS	2,096	15,872	17,968	3,294	17,845	21,138	2,784	19,377	22,161	3,427	21,657	25,083
27 FUNDS OBTAINED FROM REPO TRANSACTIONS	4,098	2,504	6,603	4,122	2,663	6,785	6,039	2,197	8,235	6,156	1,738	7,894
28 FUNDS	3,227	7	3,234	3,229	5	3,234	2,885	5	2,891	3,549	1,738	3,554
29 SECURITIES ISSUED (NET) (30+31)	0	350	350	0	350	350	0	351	351	0	349	349
30 a) BONDS & BILLS	0	350	350	0	350	350	0	351	351	0	349	349
31 d) ASSET BACKED SECURITIES AND OTHER SEC. ISSUED	0	0	0	0	0	0	0	0	0	0	0	0
32 LEASE FINANCING OBLIGATIONS (NET)	11	65	76	21	61	82	17	81	97	20	96	116
33 TAXES, DUTIES, CHARGES & PREMIUMS PAYABLE	402	1	403	432	0	432	305	0	305	446	0	447
34 SUBORDINATED DEBT	154	253	407	144	252	396	143	253	396	160	499	659
35 INTEREST AND EXPENSE ACCRUALS	1,255	424	1,679	1,259	356	1,615	1,199	366	1,565	1,309	484	1,792
36 RESERVES	2,649	202	2,851	2,043	181	2,224	2,624	183	2,807	3,332	182	3,514
37 OTHER LIABILITIES	2,763	1,457	4,220	3,461	1,951	5,412	3,593	1,908	5,501	4,686	1,717	6,403
38 TOTAL (22+...+37) (30+31)	72,690	75,054	147,745	80,962	74,598	155,559	84,466	80,519	164,985	102,404	91,200	193,604
39 PAID UP CAPITAL	8,906	72	8,978	8,719	69	8,788	9,425	69	9,494	10,717	0	10,717
40 LEGAL & PROVISIONAL RESERVES	1,045	0	1,045	2,543	6	2,549	2,143	2	2,144	3,164	4	3,169
41 CAPITAL RESERVES FROM INFLATION ACCOUNTING	14,366	0	14,366	12,140	0	12,140	12,239	0	12,239	13,970	0	13,970
42 FIXED ASSET REVALUATION FUND	75	0	75	92	0	92	34	0	34	44	6	50
43 SECURITIES REVALUATION FUND	1,130	279	1,409	733	106	839	1,676	202	1,878	2,454	252	2,705
44 PROFIT (LOSS) FOR THE PERIOD	3,823	0	3,823	1,636	0	1,636	3,235	0	3,235	4,541	0	4,541
45 PROFIT (LOSS) FOR PREVIOUS YEARS	-3,629	0	-3,629	-1,448	0	-1,448	-1,600	0	-1,600	-1,866	0	-1,866
46 TOTAL OWNERS EQUITY (39+...+45)	25,716	351	26,067	24,414	181	24,595	27,152	272	27,425	33,025	262	33,288
47 TOTAL LIABILITIES (38+46)	98,407	75,405	173,812	105,376	74,779	180,154	111,618	80,791	192,409	135,429	91,463	226,891
48 NON CASH CREDITS AND OBLIGATIONS	10,411	21,353	31,764	10,612	23,318	33,930	11,384	24,909	36,294	13,736	27,463	41,200
49 COMMITMENTS (50+51)	36,299	26,001	62,300	51,573	26,722	78,295	57,268	25,826	83,094	65,448	26,947	92,395
50 a) DERIVATIVE FINANCIAL INSTRUMENTS	1,971	22,555	24,526	3,924	22,933	26,858	3,830	21,473	25,304	5,374	23,550	29,023
51 b) OTHER COMMITMENTS	34,328	3,446	37,774	47,649	3,788	51,437	53,438	57,791	60,704	60,074	3,298	63,371
52 TOTAL OFF BALANCE SHEET LIABILITIES (48 + 49)	46,710	47,354	94,064	62,185	50,039	112,225	68,653	50,735	119,388	79,184	54,411	133,595

Source: BRSA

Annex Table 7: Balance Sheet of Banking Sector - Excluding SDFI Banks (%Change) (December 2004/December 2003)

	ASSETS			Nominal Change NTL			Nominal Change USD Dollar			Real Change NTL		
	TL	FX	TOTAL	TL	FX	TOTAL	TL	FX	TOTAL	TL	FX	TOTAL
1 CASH ASSETS	17,2	12,4	14,8	21,9	16,9	19,4	3,0	-1,3	0,8	3,0	-1,3	0,8
2 DUE FROM THE CENTRAL BANK	40,0	117,3	82,3	45,6	126,0	89,6	23,0	90,9	60,1	23,0	90,9	60,1
3 DUE FROM MONEY MARKETS	-55,6	-31,6	-52,7	-53,8	-28,9	-50,8	-61,0	-39,9	-58,5	-61,0	-39,9	-58,5
4 DUE FROM BANKS	110,7	30,2	42,0	119,2	35,5	47,6	85,1	14,4	24,7	85,1	14,4	24,7
5 SECURITIES - TRADING PORTFOLIO (NET)	-42,4	-33,7	-38,3	-40,1	-31,1	-35,9	-49,4	-41,8	-45,8	-49,4	-41,8	-45,8
6 SECURITIES AVAILABLE FOR SALE (NET)	123,1	64,4	92,2	132,1	71,0	99,9	96,0	44,4	68,8	96,0	44,4	68,8
7 REQUIRED RESERVES	63,4	19,3	31,9	69,9	24,1	37,2	43,5	4,8	15,9	43,5	4,8	15,9
8 RECEIVABLES FROM SECURITIES LENDING MARKET	-	-	-	-	-	-	-	-	-	-	-	-
9 RESERVE REPO RECEIVABLES	13,9	-100,0	-15,9	18,4	-100,0	-12,5	0,0	-100,0	-26,1	0,0	-100,0	-26,1
10 LOANS	80,0	17,5	51,6	87,2	22,2	57,7	58,1	3,2	33,2	58,1	3,2	33,2
11 PAST DUE LOANS (NET) (12-13)	-4,1	-18,0	-5,2	-0,3	-14,7	-1,4	-15,8	-28,0	-16,7	-15,8	-28,0	-16,7
12 a) PAST DUE LOANS	-20,4	-10,1	-20,1	-17,2	-6,5	-16,9	-30,1	-21,0	-29,8	-30,1	-21,0	-29,8
13 b) LOAN LOSS RESERVES (-)	-22,1	-7,2	-21,8	-19,0	-3,4	-18,6	-31,6	-18,4	-31,3	-31,6	-18,4	-31,3
14 INTEREST & INCOME ACCRUALS	-21,6	4,3	-21,5	-18,5	8,5	-14,1	8,5	-8,4	-27,5	-14,1	-8,4	-27,5
15 LEASE FINANCING RECEIVABLES (NET)	-15,5	43,8	43,7	-12,1	49,6	49,5	-25,7	26,3	26,2	-25,7	26,3	26,2
16 SUBSIDIARIES, ASSOCIATED AND JOINT CONTROLLED COMPANIES (NET)	33,9	4,2	28,5	39,3	8,3	33,6	17,6	-8,5	12,9	17,6	-8,5	12,9
17 SECURITIES - HELD TO MATURITY (NET)	16,9	-3,3	13,0	21,6	0,6	17,5	2,7	-15,0	-0,7	2,7	-15,0	-0,7
18 FIXED ASSETS TO BE SOLD (NET)	-0,1	-	-0,1	3,9	-	3,9	-	-	-	-	-	-
19 FIXED ASSETS (NET)	4,6	-3,0	4,5	8,7	0,8	8,7	-8,2	-14,8	-8,2	-8,2	-14,8	-8,2
20 OTHER ASSETS	-7,4	-42,7	-11,0	-3,7	-40,4	-7,4	-18,7	-49,7	-21,8	-18,7	-49,7	-21,8
21 TOTAL ASSETS (1+...+20)-(12+13)	30,5	17,6	25,5	35,7	22,3	30,5	14,7	3,3	10,3	14,7	3,3	10,3
LIABILITIES												
22 DEPOSITS	35,8	16,3	26,3	41,3	20,9	31,4	19,3	2,1	11,0	19,3	2,1	11,0
23 DUE TO CENTRAL BANK	-76,8	-	-41,6	-75,9	-36,4	-39,2	-79,6	-46,3	-48,7	-79,6	-46,3	-48,7
24 DUE TO MONEY MARKETS	88,6	-35,0	-11,8	96,2	-32,4	-8,2	65,7	-42,9	-22,5	65,7	-42,9	-22,5
25 BORROWINGS FROM SECURITIES LENDING MARKET	-	-	-	-	-	-	-	-	-	-	-	-
26 DUE TO BANKS	57,2	31,2	34,2	63,5	36,4	39,6	38,1	15,2	17,9	38,1	15,2	17,9
27 FUNDS OBTAINED FROM REPO TRANSACTIONS	44,4	-33,3	15,0	50,2	-30,6	19,6	26,9	-41,4	1,0	26,9	-41,4	1,0
28 FUNDS	5,7	-17,1	5,7	10,0	-13,8	9,9	-7,1	-27,2	-7,2	-7,1	-27,2	-7,2
29 SECURITIES ISSUED (NET) (30+31)	-	-4,3	-4,3	4,0	-0,4	-0,4	-	-15,9	-15,9	-	-15,9	-15,9
30 a) BONDS & BILLS	-	-	-	4,0	-0,4	-0,4	-	-	-	-	-	-
31 b) ASSET BACKED SECURITIES AND OTHER SEC. ISSUED	-	-	-	-	-	-	-	-	-	-	-	-
32 LEASE FINANCING OBLIGATIONS (NET)	82,0	40,4	46,3	89,3	46,1	52,2	59,9	23,4	28,5	59,9	23,4	28,5
33 TAXES, DUTIES, CHARGES & PREMIUMS PAYABLE	6,7	-41,8	6,6	11,0	-39,4	-3,8	-6,3	-48,8	-6,3	-6,3	-48,8	-6,3
34 SUBORDINATED DEBT	-	89,5	55,7	4,0	97,1	61,9	66,5	66,5	36,8	66,5	66,5	36,8
35 INTEREST AND EXPENSE ACCRUALS	0,3	9,6	2,6	4,3	14,0	6,7	-11,9	-3,8	-9,8	-11,9	-3,8	-9,8
36 RESERVES	20,9	-13,4	18,5	25,8	-9,9	23,2	6,2	-23,9	4,1	6,2	-23,9	4,1
37 OTHER LIABILITIES	63,1	13,3	45,9	69,6	17,8	51,7	43,3	-0,5	28,2	43,3	-0,5	28,2
38 TOTAL (22+...+37)-(30+31)	35,5	16,8	26,0	40,9	21,5	31,0	19,0	2,6	10,7	19,0	2,6	10,7
39 PAID UP CAPITAL	15,7	-100,0	14,8	20,3	-100,0	19,4	1,6	-100,0	0,8	1,6	-100,0	0,8
40 LEGAL & PROVISIONAL RESERVES	191,2	-	191,6	202,9	-	203,3	155,8	-	156,2	155,8	-	156,2
41 CAPITAL RESERVES FROM INFLATION ACCOUNTING	-6,5	-	-6,5	-2,8	-	-2,8	-17,9	-	-17,9	-17,9	-	-17,9
42 FIXED ASSET REVALUATION FUND	-43,9	-	-35,9	-41,7	-	-33,4	-50,7	-	-43,7	-50,7	-	-43,7
43 SECURITIES REVALUATION FUND	108,9	-13,3	84,6	117,2	-9,8	92,0	83,5	-23,9	62,2	83,5	-23,9	62,2
44 PROFIT (LOSS) FOR THE PERIOD	14,2	-	14,2	18,8	-	18,8	0,3	-	0,3	0,3	-	0,3
45 PROFIT (LOSS) FOR PREVIOUS YEARS	-50,6	-	-50,6	-48,6	-	-48,6	-56,6	-	-56,6	-56,6	-	-56,6
46 TOTAL OWNERS EQUITY (39+...+45)	23,5	-28,1	22,8	28,4	-25,2	27,7	8,5	-36,9	7,9	8,5	-36,9	7,9
47 TOTAL LIABILITIES (38+46)	32,3	16,6	25,5	37,6	21,3	30,5	16,2	2,4	10,3	16,2	2,4	10,3
48 NON CASH CREDITS AND OBLIGATIONS	26,9	23,7	24,7	31,9	28,6	29,7	11,4	8,6	9,6	11,4	8,6	9,6
49 COMMITMENTS (50+51)	73,4	-0,4	42,6	80,3	3,6	48,3	52,3	-12,5	25,3	52,3	-12,5	25,3
50 a) DERIVATIVE FINANCIAL INSTRUMENTS	162,2	0,8	13,8	172,7	4,9	18,3	130,3	-11,4	-0,1	130,3	-11,4	-0,1
51 b) OTHER COMMITMENTS	68,3	-8,0	61,3	75,0	-4,3	67,8	47,8	-19,2	41,7	47,8	-19,2	41,7
52 TOTAL OFF BALANCE SHEET LIABILITIES (48 + 49)	63,0	10,5	36,6	69,5	14,9	42,0	43,2	-3,0	20,0	43,2	-3,0	20,0

Source:BRSA

Annex Table 8: Balance Sheet of State Banks (NTL thousand)

	December 2003			June 2004			September 2004			December 2004		
	T/L	FX	TOTAL	T/L	FX	TOTAL	T/L	FX	TOTAL	T/L	FX	TOTAL
ASSETS												
1 CASH ASSETS	483,156	150,488	633,644	579,461	167,913	747,374	598,372	171,334	769,706	432,739	182,927	615,666
2 DUE FROM THE CENTRAL BANK	679,290	236,609	915,899	831,965	216,367	1,048,332	1,258,886	230,971	1,489,857	1,216,337	273,233	1,489,570
3 DUE FROM MONEY MARKETS	3,975,000	80,794	4,055,794	1,735,000	69,430	1,804,430	2,430,000	113,904	2,543,904	2,900,000	71,020	2,971,020
4 DUE FROM BANKS	303,831	5,060,749	5,364,580	4,932,822	4,120,399	9,053,221	1,125,089	4,875,169	6,000,258	687,294	5,805,286	6,492,580
5 SECURITIES - TRADING PORTFOLIO (NET)	1,089,698	1,399,975	2,489,673	4,792,804	4,673,952	9,466,756	4,047,515	6,649,199	10,696,714	3,235,230	3,375,812	6,611,042
6 SECURITIES AVAILABLE FOR SALE (NET)	1,308,015	1,731,292	3,039,307	1,669,379	1,798,613	3,467,992	1,852,490	2,017,818	3,870,308	1,872,738	2,021,649	3,894,387
7 REQUIRED RESERVES	0	0	0	0	0	0	0	0	0	0	0	0
8 RECEIVABLES FROM SECURITIES LENDING MARKET	0	0	0	0	0	0	0	0	0	0	0	0
9 RESERVE REPO RECEIVABLES	0	0	0	0	0	0	0	0	0	0	0	0
10 LOANS	10,232,197	1,868,244	12,100,441	14,867,353	2,472,966	17,340,319	15,093,256	2,872,488	17,965,744	17,828,283	3,097,531	20,925,814
11 PAST DUE LOANS (NET) (12-13)	101,963	12	101,975	98,496	8	98,504	94,326	11	94,337	95,226	9,147	104,373
12 a) PAST DUE LOANS	4,293,835	6,070	4,299,905	2,437,874	7,068	2,444,942	2,434,725	7,489	2,442,214	2,331,377	64,608	2,395,985
13 b) LOAN LOSS RESERVES (-)	4,191,872	6,058	4,197,930	2,339,378	7,060	2,346,438	2,340,399	7,478	2,347,877	2,236,151	55,461	2,291,612
14 INTEREST & INCOME ACCRUALS	4,236,675	253,070	4,489,745	2,213,360	292,473	2,505,833	2,821,338	359,818	3,181,156	3,446,320	338,527	3,783,847
15 LEASE FINANCING RECEIVABLES (NET)	0	0	0	0	0	0	0	0	0	0	0	0
16 SUBSIDIARIES, ASSOCIATED AND JOINT CONTROLLED COMPANIES (NET)	565,548	372,659	938,207	608,424	382,412	990,836	627,996	394,506	1,022,502	527,629	394,161	921,790
17 SECURITIES - HELD TO MATURITY (NET)	27,348,788	5,565,675	32,914,463	32,206,576	5,830,837	38,037,413	32,172,671	5,930,922	38,103,593	37,098,698	4,625,560	41,724,258
18 FIXED ASSETS TO BE SOLD (NET)	515,780	0	515,780	526,414	0	526,414	552,386	0	552,386	657,264	0	657,264
19 FIXED ASSETS (NET)	1,614,557	5,282	1,619,839	1,661,220	5,320	1,666,540	1,660,418	5,387	1,665,805	1,897,729	5,219	1,902,948
20 OTHER ASSETS	1,568,779	74,647	1,643,426	910,358	68,810	979,168	1,272,457	76,148	1,348,605	1,258,625	64,163	1,322,808
21 TOTAL ASSETS (1+...+20)-(12+13)	61,563,473	21,550,920	83,134,393	67,156,355	22,797,857	89,954,212	71,573,458	25,297,553	96,871,011	81,629,478	25,272,862	106,902,340
LIABILITIES												
22 DEPOSITS	42,344,346	17,517,744	59,862,090	49,733,934	17,925,154	67,659,088	53,040,342	19,718,527	72,758,869	59,242,455	21,844,035	81,086,490
23 DUE TO CENTRAL BANK	1,348	7,266	8,614	355	3,336	3,691	325	5,520	2,855	1,824	4,790	6,614
24 DUE TO MONEY MARKETS	0	1,756,728	1,756,728	0	1,580,527	1,580,527	0	1,784,166	1,784,166	0	1,141,054	1,141,054
25 BORROWINGS FROM SECURITIES LENDING MARKET	0	0	0	0	0	0	0	0	0	0	0	0
26 DUE TO BANKS	117,556	2,220,289	2,337,845	421,717	2,559,808	2,981,525	130,356	2,992,655	3,123,011	848,840	3,288,757	4,147,597
27 FUNDS OBTAINED FROM REPO TRANSACTIONS	756,305	261,834	1,018,139	754,560	553,043	1,307,603	878,270	593,145	1,471,415	703,080	525,785	1,228,865
28 FUNDS	4,393,426	9,352	4,402,778	4,672,774	7,505	4,680,279	4,190,083	7,707	4,197,790	4,621,183	7,742	4,628,925
29 SECURITIES ISSUED (NET) (30+31)	0	0	0	0	0	0	0	0	0	0	0	0
30 a) BONDS & BILLS	0	0	0	0	0	0	0	0	0	0	0	0
31 b) ASSET BACKED SECURITIES AND OTHER SEC. ISSUED	0	0	0	0	0	0	0	0	0	0	0	0
32 LEASE FINANCING OBLIGATIONS (NET)	0	6,572	6,572	0	10,001	10,001	0	11,776	11,776	1,627	17,100	18,727
33 TAXES, DUTIES, CHARGES & PREMIUMS PAYABLE	192,801	328	193,129	339,130	295	339,425	137,124	109	137,233	195,720	314	196,034
34 SUBORDINATED DEBT	672,014	80,400	752,414	213,344	213,344	426,688	213,344	213,344	426,688	213,344	0	213,344
35 INTEREST AND EXPENSE ACCRUALS	1,645,434	34,442	1,679,876	1,035,046	28,086	1,063,132	627,597	104,867	732,464	868,718	117,321	985,665
36 RESERVES	914,958	413,941	1,328,899	1,168,760	376,685	1,545,445	1,298,030	428,077	1,727,107	1,830,616	28,918	1,859,534
37 OTHER LIABILITIES	51,251,532	22,308,896	73,560,428	59,148,554	23,159,787	82,308,341	62,279,322	25,673,377	87,952,701	69,485,005	27,370,981	96,855,986
38 TOTAL (22+...+37)-(30+31)	59,862,090	17,517,744	77,379,834	59,862,090	17,517,744	77,379,834	59,862,090	17,517,744	77,379,834	59,242,455	21,844,035	81,086,490
39 PAID UP CAPITAL	3,592,879	99,876	3,692,755	3,590,028	102,727	3,692,755	3,689,396	102,727	3,792,123	3,792,123	0	3,792,123
40 LEGAL & PROVISIONAL RESERVES	-1,301	0	-1,301	556,186	0	556,186	557,855	0	557,855	590,157	0	590,157
41 CAPITAL RESERVES FROM INFLATION ACCOUNTING	3,985,188	0	3,985,188	2,109,210	0	2,109,210	2,228,560	0	2,228,560	2,498,338	0	2,498,338
42 FIXED ASSET REVALUATION FUND	49,685	20,706	70,391	56,883	77	57,060	7,385	79	7,464	19,289	8,371	27,660
43 SECURITIES REVALUATION FUND	36,561	0	36,561	-48,544	13,475	-35,069	63,026	15,845	78,871	166,405	31,736	198,141
44 PROFIT (LOSS) FOR THE PERIOD	1,790,361	0	1,790,361	916,041	0	916,041	1,999,823	0	1,999,823	2,707,946	0	2,707,946
45 PROFIT (LOSS) FOR PREVIOUS YEARS	0	0	0	349,788	0	349,788	253,596	0	253,596	231,989	0	231,989
46 TOTAL OWNERS EQUITY (39+...+45)	9,453,373	120,582	9,573,955	7,529,592	116,279	7,645,871	8,799,641	118,651	8,918,292	10,006,247	40,107	10,046,354
47 TOTAL LIABILITIES (38+46)	60,704,905	22,429,478	83,134,383	66,678,146	23,276,066	89,954,212	71,078,963	25,792,048	96,871,011	79,491,252	27,411,088	106,902,340
48 NON CASH CREDITS AND OBLIGATIONS	1,787,186	3,981,977	5,769,163	1,955,117	4,321,241	6,276,358	2,024,753	4,529,878	6,554,631	2,315,793	5,193,366	7,509,159
49 COMMITMENTS (50+51)	3,929,756	2,195,367	6,125,123	5,476,547	2,432,742	7,909,289	6,016,311	2,103,733	8,120,044	6,617,684	1,772,017	8,389,701
50 a) DERIVATIVE FINANCIAL INSTRUMENTS	38,439	73,096	111,535	131,114	0	131,114	88,833	0	88,833	235,028	0	235,028
50 b) OTHER COMMITMENTS	3,891,317	1,322,261	5,213,578	5,345,433	1,630,301	6,975,734	5,987,378	1,603,733	7,579,561	6,617,684	1,509,997	8,109,597
51 TOTAL OFF BALANCE SHEET LIABILITIES (48 + 49)	5,716,942	6,177,964	11,894,906	7,451,664	6,753,983	14,185,647	8,041,064	6,633,661	14,674,725	8,933,477	6,965,383	15,898,460
												817,9704

Source: BSA

Annex Table 10: Balance Sheet of State Banks (% Change) (December 2004/December 2003)

	Nominal Change NTL			Nominal Change USD Dollar			Real Change NTL		
	TL	FX	TOTAL	TL	FX	TOTAL	TL	FX	TOTAL
ASSETS									
1 CASH ASSETS	-10,4	21,6	-2,8	-6,8	26,4	1,1	-21,3	6,8	-14,6
2 DUE FROM THE CENTRAL BANK	79,1	15,5	62,6	86,2	20,1	69,1	57,3	1,4	42,9
3 DUE FROM MONEY MARKETS	-27,0	-12,1	-26,7	-24,1	-8,6	-23,8	-35,9	-22,8	-35,7
4 DUE FROM BANKS	126,2	14,7	21,0	135,3	19,3	25,9	98,7	0,8	6,3
5 SECURITIES - TRADING PORTFOLIO (NET)	-57,2	-29,0	-46,3	-55,5	-26,1	-44,2	-62,4	-37,6	-52,8
6 SECURITIES AVAILABLE FOR SALE (NET)	677,9	257,8	441,6	709,0	272,1	463,3	583,3	214,3	375,8
7 REQUIRED RESERVES	43,2	16,8	28,1	48,9	21,4	33,3	25,8	2,6	12,6
8 RECEIVABLES FROM SECURITIES LENDING MARKET	-	-	-	-	-	-	-	-	-
9 RESERVE REPO RECEIVABLES	-	-	-	-	-	-	-	-	-
10 LOANS	74,2	65,8	72,9	81,2	72,4	79,9	53,1	45,6	51,9
11 PAST DUE LOANS (NET) (12-13)	-6,6	76,125,0	2,4	-2,9	79,176,9	6,4	-18,0	66,857,9	-10,1
12 a) PAST DUE LOANS	-45,7	964,4	-44,3	-43,5	1,100,7,0	-42,0	-52,3	835,0	-51,1
13 b) LOAN LOSS RESERVES (-)	-46,7	815,5	-45,4	-44,5	852,2	-43,2	-53,1	704,2	-52,0
14 INTEREST & INCOME ACCRUALS	-18,7	33,8	-15,7	-15,4	39,1	-12,3	-28,6	17,5	-26,0
15 LEASE FINANCING RECEIVABLES (NET)	-	-	-	-	-	-	-	-	-
16 SUBSIDIARIES, ASSOCIATED AND JOINT CONTROLLED COMPANIES (NET)	-6,7	5,8	-1,7	-3,0	10,0	2,2	-18,0	-7,1	-13,7
17 SECURITIES - HELD TO MATURITY (NET)	35,7	-16,9	26,8	41,1	-13,6	31,8	19,2	-27,0	11,4
18 FIXED ASSETS TO BE SOLD (NET)	27,4	-	27,4	32,5	-	32,5	11,9	-	11,9
19 FIXED ASSETS (NET)	17,5	-1,2	17,5	22,2	2,8	22,2	3,2	-13,2	3,2
20 OTHER ASSETS	-19,8	-14,0	-19,5	-16,6	-10,6	-16,3	-29,5	-24,5	-29,3
21 TOTAL ASSETS (1+...+20)-(12+13)	32,6	17,3	28,6	37,9	22,0	33,7	16,4	3,0	13,0
LIABILITIES									
22 DEPOSITS	39,9	24,7	35,5	45,5	29,7	40,9	22,9	9,5	19,0
23 DUE TO CENTRAL BANK	35,3	-34,1	-23,2	40,7	-31,4	-20,1	18,9	-42,1	-32,6
24 DUE TO MONEY MARKETS	-	-35,0	-35,0	-	-32,4	-32,4	-	-42,9	-42,9
25 BORROWINGS FROM SECURITIES LENDING MARKET	-	-	-	-	-	-	-	-	-
26 DUE TO BANKS	622,1	48,6	77,4	651,0	54,5	84,5	534,3	30,5	55,8
27 FUNDS OBTAINED FROM REPO TRANSACTIONS	-7,0	100,8	20,7	-3,3	108,8	23,5	-18,3	76,4	6,0
28 FUNDS	5,2	-17,2	5,1	9,4	-13,9	9,3	-7,6	-27,3	-7,6
29 SECURITIES ISSUED (NET) (30+31)	-	-	-	-	-	-	-	-	-
30 a) BONDS & BILLS	-	-	-	-	-	-	-	-	-
31 b) ASSET BACKED SECURITIES AND OTHER SEC. ISSUED	-	-	-	-	-	-	-	-	-
32 LEASE FINANCING OBLIGATIONS (NET)	-	160,2	185,0	-	170,6	196,4	-	128,6	150,3
33 TAXES, DUTIES, CHARGES & PREMIUMS PAYABLE	1,5	-4,3	1,5	5,6	-0,4	5,6	-10,8	-15,9	-10,8
34 SUBORDINATED DEBT	-	-	-	4,0	-	4,0	-	-	-
35 INTEREST AND EXPENSE ACCRUALS	-5,2	45,9	0,3	-1,4	51,8	4,3	-16,7	28,2	-11,9
36 RESERVES	11,3	-16,0	10,7	15,7	-12,7	15,1	-2,3	-2,3	-2,8
37 OTHER LIABILITIES	29,9	-7,0	18,5	35,2	-3,2	23,2	14,1	-18,3	4,1
38 TOTAL (22+...+37)-(30+31)	35,6	22,7	31,7	41,0	27,6	36,9	19,1	7,8	15,7
39 PAID UP CAPITAL	5,5	-100,0	2,7	-82,9	-100,0	-83,4	-7,3	-100,0	-9,8
40 LEGAL & PROVISIONAL RESERVES	-45,461,8	-	-45,461,8	-	-	-	-	-	-
41 CAPITAL RESERVES FROM INFLATION ACCOUNTING	-37,3	-	-37,3	-34,8	-	-34,8	-44,9	-	-44,9
42 FIXED ASSET REVALUATION FUND	-61,2	-	-44,3	-59,6	-	-42,1	-65,9	-	-51,1
43 SECURITIES REVALUATION FUND	355,1	53,3	246,0	373,4	59,4	259,8	299,8	34,6	203,9
44 PROFIT (LOSS) FOR THE PERIOD	51,3	-	51,3	57,3	-	57,3	32,9	-	32,9
45 PROFIT (LOSS) FOR PREVIOUS YEARS	-	-	-	-	-	-	-	-	-
46 TOTAL OWNERS EQUITY (39+...+45)	5,8	-66,7	4,9	10,1	-65,4	9,1	-7,0	-70,8	-7,8
47 TOTAL LIABILITIES (38+46)	30,9	22,2	28,6	36,2	27,1	33,7	15,0	7,4	13,0
48 NON CASH CREDITS AND OBLIGATIONS									
49 COMMITMENTS (50+51)	29,6	30,4	30,2	34,8	35,6	35,4	13,8	14,6	14,3
50 a) DERIVATIVE FINANCIAL INSTRUMENTS	68,4	-19,3	37,0	75,1	-16,1	42,4	47,9	-29,1	20,3
51 b) OTHER COMMITMENTS	-100,0	-75,9	-78,2	-100,0	-75,0	-77,3	-100,0	-78,9	-80,8
52 TOTAL OFF BALANCE SHEET LIABILITIES (48 + 49)	72,3	18,1	58,4	79,2	22,8	64,7	51,3	3,7	39,1
53 TOTAL OFF BALANCE SHEET LIABILITIES (48 + 49)	56,3	12,7	33,7	62,5	17,3	39,0	37,3	-1,0	17,4

Source:BRSA

Annex Table 10: Balance Sheet of State Banks (% Change) (December 2004/December 2003)

	Nominal Change NTL			Nominal Change USD Dollar			Real Change NTL		
	TL	FX	TOTAL	TL	FX	TOTAL	TL	FX	TOTAL
ASSETS									
1 CASH ASSETS	-10,4	21,6	-2,8	-6,8	26,4	1,1	-21,3	6,8	-14,6
2 DUE FROM THE CENTRAL BANK	79,1	15,5	62,6	86,2	20,1	69,1	57,3	1,4	42,9
3 DUE FROM MONEY MARKETS	-27,0	-12,1	-26,7	-24,1	-8,6	-23,8	-35,9	-22,8	-35,7
4 DUE FROM BANKS	126,2	14,7	21,0	135,3	19,3	25,9	98,7	0,8	6,3
5 SECURITIES - TRADING PORTFOLIO (NET)	-57,2	-29,0	-46,3	-55,5	-26,1	-44,2	-62,4	-37,6	-52,8
6 SECURITIES AVAILABLE FOR SALE (NET)	677,9	257,8	441,6	709,0	272,1	463,3	583,3	214,3	375,8
7 REQUIRED RESERVES	43,2	16,8	28,1	48,9	21,4	33,3	25,8	2,6	12,6
8 RECEIVABLES FROM SECURITIES LENDING MARKET	-	-	-	-	-	-	-	-	-
9 RESERVE REPO RECEIVABLES	-	-	-	-	-	-	-	-	-
10 LOANS	74,2	65,8	72,9	81,2	72,4	79,9	53,1	45,6	51,9
11 PAST DUE LOANS (NET) (12-13)	-6,6	76,125,0	2,4	-2,9	79,176,9	6,4	-18,0	66,857,9	-10,1
12 a) PAST DUE LOANS	-45,7	964,4	-44,3	-43,5	1,100,7,0	-42,0	-52,3	835,0	-51,1
13 b) LOAN LOSS RESERVES (-)	-46,7	815,5	-45,4	-44,5	852,2	-43,2	-53,1	704,2	-52,0
14 INTEREST & INCOME ACCRUALS	-18,7	33,8	-15,7	-15,4	39,1	-12,3	-28,6	17,5	-26,0
15 LEASE FINANCING RECEIVABLES (NET)	-	-	-	-	-	-	-	-	-
16 SUBSIDIARIES, ASSOCIATED AND JOINT CONTROLLED COMPANIES (NET)	-6,7	5,8	-1,7	-3,0	10,0	2,2	-18,0	-7,1	-13,7
17 SECURITIES - HELD TO MATURITY (NET)	35,7	-16,9	26,8	41,1	-13,6	31,8	19,2	-27,0	11,4
18 FIXED ASSETS TO BE SOLD (NET)	27,4	-	27,4	32,5	-	32,5	11,9	-	11,9
19 FIXED ASSETS (NET)	17,5	-1,2	17,5	22,2	2,8	22,2	3,2	-13,2	3,2
20 OTHER ASSETS	-19,8	-14,0	-19,5	-16,6	-10,6	-16,3	-29,5	-24,5	-29,3
21 TOTAL ASSETS (1+...+20)-(12+13)	32,6	17,3	28,6	37,9	22,0	33,7	16,4	3,0	13,0
LIABILITIES									
22 DEPOSITS	39,9	24,7	35,5	45,5	29,7	40,9	22,9	9,5	19,0
23 DUE TO CENTRAL BANK	35,3	-34,1	-23,2	40,7	-31,4	-20,1	18,9	-42,1	-32,6
24 DUE TO MONEY MARKETS	-	-35,0	-35,0	-	-32,4	-32,4	-	-42,9	-42,9
25 BORROWINGS FROM SECURITIES LENDING MARKET	-	-	-	-	-	-	-	-	-
26 DUE TO BANKS	622,1	48,6	77,4	651,0	54,5	84,5	534,3	30,5	55,8
27 FUNDS OBTAINED FROM REPO TRANSACTIONS	-7,0	100,8	20,7	-3,3	108,8	23,5	-18,3	76,4	6,0
28 FUNDS	5,2	-17,2	5,1	9,4	-13,9	9,3	-7,6	-27,3	-7,6
29 SECURITIES ISSUED (NET) (30+31)	-	-	-	-	-	-	-	-	-
30 a) BONDS & BILLS	-	-	-	-	-	-	-	-	-
31 b) ASSET BACKED SECURITIES AND OTHER SEC. ISSUED	-	-	-	-	-	-	-	-	-
32 LEASE FINANCING OBLIGATIONS (NET)	-	160,2	185,0	-	170,6	196,4	-	128,6	150,3
33 TAXES, DUTIES, CHARGES & PREMIUMS PAYABLE	1,5	-4,3	1,5	5,6	-0,4	5,6	-10,8	-15,9	-10,8
34 SUBORDINATED DEBT	-	-	-	4,0	-	4,0	-	-	-
35 INTEREST AND EXPENSE ACCRUALS	-5,2	45,9	0,3	-1,4	51,8	4,3	-16,7	28,2	-11,9
36 RESERVES	11,3	-16,0	10,7	15,7	-12,7	15,1	-2,3	-2,3	-2,8
37 OTHER LIABILITIES	29,9	-7,0	18,5	35,2	-3,2	23,2	14,1	-18,3	4,1
38 TOTAL (22+...+37)-(30+31)	35,6	22,7	31,7	41,0	27,6	36,9	19,1	7,8	15,7
39 PAID UP CAPITAL	5,5	-100,0	2,7	-82,9	-100,0	-83,4	-7,3	-100,0	-9,8
40 LEGAL & PROVISIONAL RESERVES	-45,461,8	-	-45,461,8	-	-	-	-	-	-
41 CAPITAL RESERVES FROM INFLATION ACCOUNTING	-37,3	-	-37,3	-34,8	-	-34,8	-44,9	-	-44,9
42 FIXED ASSET REVALUATION FUND	-61,2	-	-44,3	-59,6	-	-42,1	-65,9	-	-51,1
43 SECURITIES REVALUATION FUND	355,1	53,3	246,0	373,4	59,4	259,8	299,8	34,6	203,9
44 PROFIT (LOSS) FOR THE PERIOD	51,3	-	51,3	57,3	-	57,3	32,9	-	32,9
45 PROFIT (LOSS) FOR PREVIOUS YEARS	-	-	-	-	-	-	-	-	-
46 TOTAL OWNERS EQUITY (39+...+45)	5,8	-66,7	4,9	10,1	-65,4	9,1	-7,0	-70,8	-7,8
47 TOTAL LIABILITIES (38+46)	30,9	22,2	28,6	36,2	27,1	33,7	15,0	7,4	13,0
48 NON CASH CREDITS AND OBLIGATIONS									
49 COMMITMENTS (50+51)	29,6	30,4	30,2	34,8	35,6	35,4	13,8	14,6	14,3
50 a) DERIVATIVE FINANCIAL INSTRUMENTS	68,4	-19,3	37,0	75,1	-16,1	42,4	47,9	-29,1	20,3
51 b) OTHER COMMITMENTS	-100,0	-75,9	-78,2	-100,0	-75,0	-77,3	-100,0	-78,9	-80,8
52 TOTAL OFF BALANCE SHEET LIABILITIES (48 + 49)	72,3	18,1	58,4	79,2	22,8	64,7	51,3	3,7	3,7
53 TOTAL OFF BALANCE SHEET LIABILITIES (48 + 49)	56,3	12,7	33,7	62,5	17,3	39,0	37,3	-1,0	17,4

Source:BRSA

Annex Table 11: Balance Sheet of Private Banks (NTL Thousand)

ASSETS	December 2003			June 2004			September 2004			December 2004		
	T.L	FX	TOTAL	T.L	FX	TOTAL	T.L	FX	TOTAL	T.L	FX	TOTAL
1 CASH ASSETS	488,742	805,180	1,293,922	489,567	777,409	1,266,976	526,380	760,695	1,287,075	672,414	898,094	1,570,508
2 DUE FROM THE CENTRAL BANK	620,236	1,357,648	1,977,884	673,259	2,573,240	3,246,499	813,708	2,665,519	3,479,227	631,406	3,216,038	3,847,444
3 DUE FROM MONEY MARKETS	2,265,400	898,725	3,164,125	1,579,900	634,741	2,214,641	1,579,900	753,050	2,332,950	338,150	591,072	929,222
4 DUE FROM BANKS	833,730	5,533,486	6,367,216	650,251	6,123,729	6,773,980	849,786	7,972,023	8,821,462	1,112,008	8,171,462	9,483,470
5 SECURITIES - TRADING PORTFOLIO (NET)	6,956,601	8,373,542	15,330,143	4,902,779	7,050,196	11,952,975	4,132,551	6,152,975	10,285,526	4,112,551	5,362,186	9,474,737
6 SECURITIES AVAILABLE FOR SALE (NET)	11,262,158	12,388,935	23,651,093	16,000,210	12,956,903	28,957,113	18,336,993	17,082,277	35,419,270	19,245,362	17,992,849	37,238,211
7 SECURITIES AVAILABLE FOR SALE (GROSS)	1,503,023	5,092,928	6,595,951	1,924,231	5,280,041	7,204,272	2,101,345	5,921,155	8,022,500	2,671,734	6,058,906	8,730,640
8 RECEIVABLES FROM SECURITIES LENDING MARKET	0	0	0	0	0	0	0	0	0	0	0	0
9 RESERVE REPO RECEIVABLES	115,120	41,376	156,496	64,953	17,290	82,243	89,221	0	89,221	124,800	0	124,800
10 LOANS	21,741,018	24,022,075	45,763,093	32,060,260	28,352,582	60,412,842	35,670,067	29,552,334	65,222,401	40,467,981	27,964,332	68,432,313
11 PAST DUE LOANS (NET) (12-13)	582,644	56,342	638,986	529,536	48,231	577,767	492,724	14,041	506,765	536,942	41,395	578,337
12 a) PAST DUE LOANS	3,019,506	180,799	3,200,305	2,806,928	131,434	2,938,362	2,707,736	78,063	2,786,399	3,396,539	111,146	3,507,685
13 b) LOAN LOSS RESERVES (-)	2,436,862	124,457	2,561,319	2,277,392	83,203	2,360,595	2,525,012	64,022	2,589,034	2,859,597	69,751	2,929,348
14 INTEREST & INCOME ACCRUALS	5,816,309	1,601,148	7,417,457	3,752,908	1,136,544	4,889,452	4,177,063	1,232,277	5,409,340	4,336,332	1,513,919	5,850,251
15 LEASE FINANCING RECEIVABLES (NET)	0	0	0	0	0	0	0	0	0	0	0	0
16 SUBSIDIARIES, ASSOCIATED AND JOINT CONTROLLED COMPANIES (NET)	6,681,725	1,276,480	7,958,205	7,877,177	1,324,161	9,201,338	8,720,748	1,311,303	10,032,051	9,197,431	1,325,876	10,523,307
17 SECURITIES - HELD TO MATURITY (NET)	9,451,348	3,052,641	12,503,989	6,641,378	4,385,829	11,027,207	5,943,188	4,229,499	9,772,687	6,002,527	3,732,273	9,734,800
18 FIXED ASSETS TO BE SOLD (NET)	1,539,317	0	1,539,317	1,596,879	0	1,596,879	1,542,736	0	1,542,736	1,394,850	0	1,394,850
19 OTHER ASSETS (NET)	5,993,467	12,383	6,005,850	6,264,994	13,552	6,278,546	5,936,761	13,523	5,950,284	6,062,496	12,158	6,074,654
20 OTHER ASSETS (GROSS)	1,363,900	330,066	1,693,966	1,729,855	230,037	1,959,892	1,936,323	169,486	2,125,811	1,795,398	142,251	1,938,649
21 TOTAL ASSETS (1+...+20) (12+13)	77,436,936	64,833,151	142,270,093	86,736,137	79,904,485	157,642,622	91,981,414	77,834,639	169,816,053	96,902,362	77,023,811	175,926,193
LIABILITIES												
22 DEPOSITS	34,864,356	53,315,162	88,179,518	41,948,730	53,437,587	95,386,317	42,462,770	58,762,413	101,225,183	45,064,018	60,131,095	105,195,113
23 DUE TO CENTRAL BANK	0	315	315	8,158	1,860	10,018	7,256	1,406	8,662	405	306	711
24 DUE TO MONEY MARKETS	333,861	0	333,861	507,995	0	507,995	304,713	0	304,713	621,790	0	621,790
25 BORROWINGS FROM SECURITIES LENDING MARKET	0	0	0	0	0	0	0	0	0	0	0	0
26 DUE TO BANKS	2,027,643	16,130,278	18,157,921	2,794,142	19,357,920	22,152,062	2,124,963	21,526,097	23,651,060	2,165,693	21,754,524	23,920,217
27 FUNDS OBTAINED FROM REPO TRANSACTIONS	4,931,403	3,171,931	8,103,334	5,325,186	3,388,651	8,713,837	7,660,140	2,675,432	10,335,572	7,173,926	1,780,456	8,954,382
28 FUNDS	22,357	0	22,357	37,065	0	37,065	40,745	0	40,745	45,367	0	45,367
29 SECURITIES ISSUED (NET) (30+31)	0	0	0	0	0	0	0	0	0	0	0	0
30 a) BONDS & BILLS	0	0	0	0	0	0	0	0	0	0	0	0
31 b) ASSET BACKED SECURITIES AND OTHER SEC. ISSUED	0	0	0	0	0	0	0	0	0	0	0	0
32 LEASE FINANCING OBLIGATIONS (NET)	14,794	81,007	95,801	30,454	79,057	109,511	25,190	107,592	132,782	25,598	109,940	135,538
33 TAXES, DUTIES, CHARGES & PREMIUMS PAYABLE	325,299	661	325,960	272,119	266	272,385	284,684	338	285,022	357,291	255	357,546
34 SUBORDINATED DEBT	1,325	25,461	26,786	1,325	26,867	28,192	1,325	27,233	28,558	1,325	286,533	287,858
35 INTEREST AND EXPENSE ACCRUALS	951,173	423,566	1,374,739	984,678	347,564	1,332,242	952,506	394,370	1,346,876	918,464	430,312	1,348,776
36 RESERVES	1,367,160	178,762	1,545,922	1,610,638	180,195	1,790,833	1,370,579	183,423	1,554,002	2,220,086	160,296	2,380,382
37 OTHER LIABILITIES	1,760,476	1,377,134	3,137,610	2,519,789	2,082,158	4,601,947	2,079,257	2,203,867	4,918,124	3,583,209	1,691,261	5,274,470
38 TOTAL (22+...+37) (30+31)	46,608,120	74,704,277	121,312,397	56,040,279	78,902,125	134,942,404	58,588,347	85,882,171	144,470,513	62,177,172	86,344,978	148,522,150
39 PAID UP CAPITAL	6,469,530	0	6,469,530	6,781,205	0	6,781,205	7,718,324	0	7,718,324	7,784,424	0	7,784,424
40 LEGAL & PROVISIONAL RESERVES	1,108,631	0	1,108,631	2,642,017	9,073	2,651,090	2,108,271	2,486	2,110,757	2,938,050	5,712	2,943,762
41 CAPITAL RESERVES FROM INFLATION ACCOUNTING	11,523,667	0	11,523,667	10,958,172	0	10,958,172	11,079,447	0	11,079,447	11,034,326	0	11,034,326
42 FIXED ASSET REVALUATION FUND	55,082	0	55,082	79,026	0	79,026	43,606	0	43,606	39,615	0	39,615
43 SECURITIES REVALUATION FUND	1,433,517	347,533	1,781,050	1,077,881	137,352	1,215,233	2,308,733	274,200	2,582,933	2,975,073	294,585	3,269,658
44 PROFIT (LOSS) FOR THE PERIOD	2,916,991	0	2,916,991	1,370,579	0	1,370,579	2,319,500	0	2,319,500	2,830,254	0	2,830,254
45 PROFIT (LOSS) FOR PREVIOUS YEARS	-2,897,255	0	-2,897,255	-355,087	0	-355,087	-509,027	0	-509,027	-487,996	0	-487,996
46 TOTAL OWNERS EQUITY (39+...+45)	20,610,163	347,533	20,957,696	22,553,793	146,425	22,700,218	25,068,854	276,686	25,345,540	27,103,746	300,297	27,404,043
47 TOTAL LIABILITIES (38+46)	67,218,283	75,051,810	142,270,093	78,594,072	79,048,550	157,642,622	83,657,196	86,158,857	169,816,053	89,280,918	86,645,275	175,926,193
48 NON CASH CREDITS AND OBLIGATIONS	11,988,574	23,697,739	35,686,313	12,876,402	27,706,334	40,582,736	14,258,934	29,863,329	44,122,263	14,971,439	29,029,909	44,001,348
49 COMMITMENTS (50+51)	42,024,707	26,004,947	68,029,654	64,337,494	29,177,257	93,514,751	71,059,451	28,404,697	100,064,148	73,804,993	23,917,749	97,722,742
50 a) DERIVATIVE FINANCIAL INSTRUMENTS	4,320,170	22,949,531	27,269,701	3,210,962	23,659,180	26,870,142	3,428,828	24,079,014	28,500,000	3,625,367	21,360,069	30,865,366
50 b) OTHER COMMITMENTS	3,999,537	3,055,416	7,054,953	3,081,534	3,487,867	6,568,000	2,647,506	3,928,683	7,155,035	6,925,587	2,991,678	10,016,636
51 TOTAL OFF BALANCE SHEET LIABILITIES (48 + 49)	54,013,281	49,702,686	103,715,967	77,215,896	56,883,591	134,097,487	85,915,383	58,268,026	144,186,411	88,776,432	52,947,658	141,724,090

Source: BACA

Annex Table 12: Balance Sheet of Private Banks (USD Million)

ASSETS	December 2003			June 2004			September 2004			December 2004		
	T L	FX	TOTAL	T L	FX	TOTAL	T L	FX	TOTAL	T L	FX	TOTAL
1 CASH ASSETS	350	577	927	329	523	853	351	508	859	501	669	1,170
2 DUE FROM THE CENTRAL BANK	444	1,417	1,861	453	1,732	2,185	543	1,780	2,323	470	2,396	2,867
3 DUE FROM MONEY MARKETS	1,623	644	2,267	1,063	427	1,490	436	503	939	252	440	692
4 DUE FROM BANKS	599	3,964	4,563	438	4,121	4,559	567	5,890	6,457	978	6,089	7,066
5 SECURITIES - TRADING PORTFOLIO (NET)	4,984	5,999	10,983	3,300	4,745	8,045	2,958	4,111	7,070	3,064	3,995	7,066
6 SECURITIES AVAILABLE FOR SALE (NET)	8,068	8,876	16,944	10,768	8,720	19,488	12,243	11,406	23,649	14,340	13,406	27,746
7 RECEIVED RESERVES	1,077	3,649	4,726	1,295	3,553	4,848	1,403	3,954	5,357	1,991	4,514	6,505
8 RECEIVABLES FROM SECURITIES LENDING MARKET	0	0	0	0	0	0	0	0	0	0	0	0
9 RESERVE REPO RECEIVABLES	82	30	112	44	12	55	60	0	60	93	0	93
10 LOANS	15,576	17,210	32,785	21,576	19,081	40,657	23,817	19,732	43,548	30,153	20,836	50,989
11 PAST DUE LOANS (NET) (12-13)	417	40	458	356	32	389	329	9	338	400	31	431
12 a) PAST DUE LOANS	2,163	130	2,293	1,889	88	1,977	2,015	52	2,067	2,531	83	2,614
13 b) LOAN LOSS RESERVES (-)	1,746	89	1,835	1,533	56	1,589	1,686	43	1,729	2,131	52	2,183
14 INTEREST & INCOME ACCRUALS	4,167	1,147	5,314	2,526	765	3,291	2,882	823	3,705	3,231	1,128	4,359
15 LEASE FINANCING RECEIVABLES (NET)	0	0	0	0	0	0	0	0	0	0	0	0
16 SUBSIDIARIES, ASSOCIATED AND JOINT CONTROLLED COMPANIES (NET)	4,787	914	5,701	5,301	891	6,192	5,823	876	6,698	6,853	988	7,841
17 SECURITIES - HELD TO MATURITY (NET)	6,771	2,187	8,958	4,470	2,952	7,422	3,701	6,525	10,227	4,472	2,781	7,253
18 FIXED ASSETS TO BE SOLD (NET)	1,103	0	1,103	1,075	0	1,075	1,030	0	1,030	1,039	0	1,039
19 FIXED ASSETS (NET)	4,294	9	4,303	4,216	9	4,225	3,964	9	3,973	4,517	9	4,526
20 OTHER ASSETS	1,135	229	1,364	1,164	155	1,319	1,306	113	1,419	1,338	107	1,444
21 TOTAL ASSETS (1+...+20)-(12+13)	55,477	46,448	101,925	58,374	47,718	106,092	61,415	51,970	113,385	73,692	57,391	131,083
LIABILITIES												
22 DEPOSITS	24,977	38,196	63,173	28,231	35,963	64,194	28,352	39,235	67,587	33,577	44,804	78,381
23 DUE TO CENTRAL BANK	6	6	12	5	1	6	5	1	6	0	0	6
24 DUE TO MONEY MARKETS	239	0	239	342	0	342	203	0	203	463	0	463
25 BORROWINGS FROM SECURITIES LENDING MARKET	0	0	0	0	0	0	0	0	0	0	0	0
26 DUE TO BANKS	1,453	11,556	13,009	1,880	13,028	14,908	1,419	14,373	15,792	1,614	16,209	17,823
27 FUNDS OBTAINED FROM REPO TRANSACTIONS	3,533	2,272	5,805	3,584	2,281	5,865	5,115	1,786	6,901	5,345	1,327	6,672
28 FUNDS	16	0	16	25	0	25	27	0	27	34	0	34
29 SECURITIES ISSUED (NET) (30+31)	0	0	0	0	0	0	0	0	0	0	0	0
30 a) BONDS & BILLS	0	0	0	0	0	0	0	0	0	0	0	0
31 b) ASSET BACKED SECURITIES AND OTHER SEC. ISSUED	0	0	0	0	0	0	0	0	0	0	0	0
32 LEASE FINANCING OBLIGATIONS (NET)	11	58	69	20	53	74	17	72	89	19	82	101
33 TAXES, DUTIES, CHARGES & PREMIUMS PAYABLE	233	18	251	183	18	201	190	18	208	266	213	214
34 SUBORDINATED DEBT	681	303	985	663	234	897	636	263	899	684	321	1,005
35 INTEREST AND EXPENSE ACCRUALS	975	128	1,103	1,084	121	1,205	1,342	122	1,464	1,654	119	1,774
36 RESERVES	1,261	987	2,248	1,696	1,401	3,097	1,812	1,472	3,284	2,670	1,360	3,930
37 OTHER LIABILITIES	33,391	53,519	86,910	37,714	53,100	90,815	39,112	57,343	96,462	46,328	64,336	110,664
38 TOTAL (22+...+37)-(30+31)	4,635	0	4,635	4,564	0	4,564	5,153	0	5,153	5,800	0	5,800
39 PAID UP CAPITAL	794	0	794	1,778	6	1,784	1,408	2	1,410	2,189	4	2,193
40 LEGAL & PROFESSIONAL RESERVES	8,256	0	8,256	7,375	0	7,375	7,398	0	7,398	8,222	0	8,222
41 CAPITAL RESERVES FROM INFLATION ACCOUNTING	39	0	39	53	0	53	39	0	39	30	0	30
42 FIXED ASSET REVALUATION FUND	1,027	249	1,276	725	92	817	1,542	183	1,725	2,217	219	2,436
43 SECURITIES REVALUATION FUND	2,090	0	2,090	922	0	922	1,349	0	1,349	2,109	0	2,109
44 PROFIT (LOSS) FOR PREVIOUS YEARS	-2,076	0	-2,076	-239	0	-239	-340	0	-340	-371	0	-371
45 TOTAL OWNERS EQUITY (39+...+44)	14,765	249	15,014	15,178	99	15,277	16,736	185	16,923	20,195	224	20,419
46 TOTAL LIABILITIES (38+45)	48,156	53,768	101,925	52,893	53,199	106,092	59,557	57,528	113,385	66,523	64,559	131,083
48 NON CASH CREDITS AND OBLIGATIONS	8,589	16,977	25,566	8,666	18,646	27,312	9,521	19,940	29,460	54,992	17,821	72,813
49 COMMITMENTS (50+51)	30,107	18,650	48,758	43,296	19,636	62,934	47,846	18,966	66,812	2,925	15,916	18,841
50 a) DERIVATIVE FINANCIAL INSTRUMENTS	871	16,227	17,097	2,161	17,268	19,429	1,822	16,310	18,131	52,067	1,905	53,972
51 b) OTHER COMMITMENTS	29,237	2,404	31,640	41,137	2,368	43,505	46,025	2,656	48,681	66,147	39,451	105,599
52 TOTAL OFF BALANCE SHEET LIABILITIES (48 + 49)	38,696	35,608	74,304	51,964	38,282	90,246	57,367	38,905	96,272	66,147	39,451	105,599

Source: BKS4

Annex Table 13: Balance Sheet of Private Banks (% Change) (December 2004/December 2003)

	Nominal Change NTL			Nominal Change USD Dollar			Real Change NTL		
	TL	FX	TOTAL	TL	FX	TOTAL	TL	FX	TOTAL
ASSETS									
1 CASH ASSETS	37,6	11,5	21,4	43,1	16,0	26,2	20,9	-2,0	6,6
2 DUE FROM THE CENTRAL BANK	1,8	136,9	94,5	5,9	146,4	102,3	-10,6	108,1	70,9
3 DUE FROM MONEY MARKETS	-85,1	-34,2	-70,6	-84,5	-31,6	-69,5	-86,9	-29,2	-74,2
4 DUE FROM BANKS	57,0	47,7	48,9	63,3	53,6	54,9	37,9	49,7	30,8
5 SECURITIES - TRADING PORTFOLIO (NET)	-40,9	-36,0	-38,2	-38,5	-33,4	-35,7	-48,1	-43,7	-45,7
6 SECURITIES AVAILABLE FOR SALE (NET)	70,9	45,2	57,4	77,7	51,0	63,8	50,1	27,6	38,3
7 REQUIRED RESERVES	77,8	19,0	32,4	84,9	23,7	37,7	56,1	4,5	16,3
8 RECEIVABLES FROM SECURITIES LENDING MARKET	-	-	-	-	-	-	-	-	-
9 RESERVE REPO RECEIVABLES	8,4	-100,0	-20,3	12,7	-100,0	-17,1	-	-100,0	-29,9
10 LOANS	86,1	16,4	49,5	93,6	21,1	55,5	63,5	2,3	31,4
11 PAST DUE LOANS (NET) (12-13)	-7,8	-26,5	-9,5	-4,2	-23,6	-5,9	-19,0	-35,5	-20,5
12 a) PAST DUE LOANS	12,5	-38,5	9,6	17,0	-36,1	14,0	-1,2	-46,0	-3,7
13 b) LOAN LOSS RESERVES (-)	17,3	-44,0	14,4	22,0	-41,7	18,9	3,1	-50,8	0,5
14 INTEREST & INCOME ACCRUALS	-25,4	-5,4	-21,1	-22,5	-1,7	-18,0	-34,5	-16,9	-30,7
15 LEASE FINANCING RECEIVABLES (NET)	-	-	-	-	-	-	-	-	-
16 SUBSIDIARIES, ASSOCIATED AND JOINT CONTROLLED COMPANIES (NET)	37,7	3,9	32,2	43,2	8,0	37,5	20,9	-8,8	16,2
17 SECURITIES - HELD TO MATURITY (NET)	-36,5	22,3	-22,1	-33,9	27,2	-19,0	-44,2	7,4	-31,6
18 FIXED ASSETS TO BE SOLD (NET)	-9,4	-	-	-5,8	-	-5,8	-20,4	-	-20,4
19 FIXED ASSETS (NET)	1,2	-3,4	1,1	5,2	0,5	5,2	-11,1	-15,1	-11,2
20 OTHER ASSETS	13,4	-55,2	1,8	17,9	-53,5	5,9	-0,4	-60,7	-10,6
21 TOTAL ASSETS (1+...+20)-(12+13)	27,7	18,8	23,7	32,8	23,6	28,6	12,2	4,4	8,6
LIABILITIES									
22 DEPOSITS	29,3	12,8	19,3	34,4	17,3	24,1	13,5	-0,9	4,8
23 DUE TO CENTRAL BANK	-95,1	-2,9	-91,7	-94,9	1,0	-91,4	-95,7	-14,7	-92,7
24 DUE TO MONEY MARKETS	86,2	-	86,2	93,7	-	93,7	63,6	-	63,6
25 BORROWINGS FROM SECURITIES LENDING MARKET	-	-	-	-	-	-	-	-	-
26 DUE TO BANKS	6,8	34,9	31,7	11,1	40,3	37,0	-6,2	18,5	15,7
27 FUNDS OBTAINED FROM REPO TRANSACTIONS	45,5	-43,9	10,5	51,3	-41,6	14,9	27,8	-50,7	-2,9
28 FUNDS	102,9	-	102,9	111,0	-	111,0	78,3	-	78,3
29 SECURITIES ISSUED (NET) (30+31)	-	-	-	-	-	-	-	-	-
30 a) BONDS & BILLS	-	-	-	-	-	-	-	-	-
31 b) ASSET BACKED SECURITIES AND OTHER SEC. ISSUED	-	-	-	-	-	-	-	-	-
32 LEASE FINANCING OBLIGATIONS (NET)	73,0	35,7	41,5	80,0	41,2	47,1	52,0	19,2	24,3
33 TAXES, DUTIES, CHARGES & PREMIUMS PAYABLE	9,8	-61,4	9,7	14,2	-59,9	14,1	-3,5	-66,1	-3,6
34 SUBORDINATED DEBT	-	1,025,4	974,7	4,0	1,070,4	1,017,7	-	888,6	844,0
35 INTEREST AND EXPENSE ACCRUALS	-3,4	1,6	-1,9	0,4	5,7	2,0	-15,2	-10,8	-13,8
36 RESERVES	62,4	-10,3	54,0	68,9	-6,7	60,1	42,6	-21,2	35,3
37 OTHER LIABILITIES	103,5	22,8	68,1	111,7	27,7	74,8	78,8	7,9	47,7
38 TOTAL (22+...+37)-(30+31)	33,4	15,6	22,4	36,7	20,2	27,3	17,2	1,5	7,5
39 PAID UP CAPITAL	20,3	-	20,3	25,1	-	25,1	5,7	-	5,7
40 LEGAL & PROVISIONAL RESERVES	165,0	-	165,5	175,6	-	176,2	132,8	-	133,2
41 CAPITAL RESERVES FROM INFLATION ACCOUNTING	-4,2	-	-4,2	-0,4	-	-0,4	-15,9	-	-15,9
42 FIXED ASSET REVALUATION FUND	-28,1	-	-28,1	-25,2	-	-25,2	-36,8	-	-36,8
43 SECURITIES REVALUATION FUND	107,5	-15,2	83,6	115,8	-11,8	90,9	82,3	-25,5	61,3
44 PROFIT (LOSS) FOR THE PERIOD	-3,0	-	-3,0	0,9	-	0,9	-14,8	-	-14,8
45 PROFIT (LOSS) FOR PREVIOUS YEARS	-82,8	-	-82,8	-82,1	-	-82,1	-84,9	-	-84,9
46 TOTAL OWNERS EQUITY (39+...+45)	31,5	-13,6	30,8	36,8	-10,1	36,0	15,5	-24,1	14,9
47 TOTAL LIABILITIES (38+46)	32,8	15,4	23,7	38,1	20,1	28,6	16,7	1,4	8,6
48 NON CASH CREDITS AND OBLIGATIONS	24,9	22,5	23,3	540,3	5,0	184,8	9,7	7,6	8,3
49 COMMITMENTS (50+51)	75,6	-8,0	43,6	-90,3	-14,6	-61,3	54,3	-19,2	26,2
50 a) DERIVATIVE FINANCIAL INSTRUMENTS	23,0	-5,7	6,0	5,880,8	-88,3	-100,0	183,8	-17,2	-6,9
51 b) OTHER COMMITMENTS	71,2	-23,8	64,0	126,2	1,541,2	233,7	50,4	-33,1	44,1
52 TOTAL OFF BALANCE SHEET LIABILITIES (48 + 49)	64,4	6,5	36,6	70,9	10,8	42,1	44,4	-6,4	20,0

Source: BRSA

Annex Table 14: Balance Sheet of SDFI Banks (NTL Thousand) (Bin YTL)

	December 2003		June 2004		September 2004		December 2004	
	TL	FX	TL	FX	TL	FX	TL	FX
ASSETS								
1 CASH ASSETS	19,513	24,846	13,741	21,081	14,834	19,409	24	211
2 DUE FROM THE CENTRAL BANK	7,331	58	367	68	325	113	438	21
3 DUE FROM MONEY MARKETS	4,550	0	450	0	4,750	0	100	0
4 DUE FROM BANKS	220,310	235,329	495,848	266,620	200,857	202,213	46,812	149,497
5 SECURITIES - TRADING PORTFOLIO (NET)	1,527,683	2,197	1,530,299	1,279	2,008,577	1,945	1,529,543	56
6 SECURITIES AVAILABLE FOR SALE (NET)	3,045,763	203,468	3,106,822	214,870	2,491,171	217,062	1,512,626	18
7 REQUIRED RESERVES	0	0	0	0	0	0	0	0
8 RECEIVABLES FROM SECURITIES LENDING MARKET	0	0	0	0	0	0	0	0
9 RESERVE REPO RECEIVABLES	0	0	0	0	0	0	0	0
10 LOANS	432,794	274,521	355,878	190,159	341,518	133,545	4,309	6,768
11 PAST DUE LOANS (NET) (12-13)	198,951	4,198	203,149	37,822	26,200	21,695	14,357	1,119
12 a) PAST DUE LOANS	806,393	18,690	140,147	67,484	141,258	79,930	112,458	9,028
13 b) LOAN LOSS RESERVES (-)	607,442	14,492	110,416	29,662	115,058	58,235	98,101	7,909
14 INTEREST & INCOME ACCRUALS	314,996	3,662	322,585	6,824	303,406	8,505	54,256	389
15 LEASE FINANCING RECEIVABLES (NET)	0	0	0	0	0	0	0	0
16 SUBSIDIARIES, ASSOCIATED AND JOINT CONTROLLED COMPANIES (NET)	3,699	483	9,616	506	9,721	514	5,421	215
17 SECURITIES - HELD TO MATURITY (NET)	184,619	0	49,705	0	49,705	0	0	0
18 FIXED ASSETS TO BE SOLD (NET)	10,641	0	4,806	0	6,363	0	512	0
19 FIXED ASSETS (NET)	264,372	423	270,254	364	264,883	267	101,572	0
20 OTHER ASSETS	74,561	15,883	198,592	16,669	187,166	14,694	26,458	13,583
21 TOTAL ASSETS (1+...+20) (12+13)	6,309,783	7,074,851	6,388,694	7,571,162	5,428,497	6,191,962	1,766,520	1,718,777
LIABILITIES								
22 DEPOSITS	2,044,356	2,088,294	2,070,568	1,948,589	2,163,230	1,919,159	22,023	47,357
23 DUE TO CENTRAL BANK	0	0	0	0	0	0	0	0
24 DUE TO MONEY MARKETS	21,900	0	2,000	0	0	0	0	0
25 BORROWINGS FROM SECURITIES LENDING MARKET	0	0	0	0	0	0	0	0
26 DUE TO BANKS	319,325	517,884	645,536	487,888	600,327	409,917	4	101,098
27 FUNDS OBTAINED FROM REPO TRANSACTIONS	2,024,989	2,024,989	1,979,646	0	1,063,049	0	1,971	0
28 FINDS	113,056	0	125,696	0	129,278	0	0	0
29 SECURITIES ISSUED (NET) (30+31)	0	0	0	0	0	0	0	0
30 a) BONDS & BILLS	0	0	0	0	0	0	0	0
31 b) ASSET BACKED SECURITIES AND OTHER SEC. ISSUED	0	0	0	0	0	0	0	0
32 LEASE FINANCING OBLIGATIONS (NET)	218	0	0	33	0	0	0	0
33 TAXES, DUTIES, CHARGES & PREMIUMS PAYABLE	30,212	0	20,996	0	17,624	0	893	0
34 SUBORDINATED DEBT	250,404	0	260,404	0	234,639	0	234,639	0
35 INTEREST AND EXPENSE ACCRUALS	42,134	16,584	98,417	19,009	85,763	14,292	86	191
36 RESERVES	222,039	86,852	218,391	78,770	323,204	77,021	115,809	66,139
37 OTHER LIABILITIES	83,497	60,135	80,858	62,482	77,130	77,540	16,316	59,309
38 TOTAL (22+...+37) (30+31)	5,151,912	2,769,967	5,492,512	2,596,771	4,694,234	2,497,929	391,741	274,094
39 PAID UP CAPITAL	1,083,957	0	1,133,683	0	1,140,883	0	440,522	0
40 LEGAL & PROVISIONAL RESERVES	19,904,351	0	21,384,809	0	21,585,948	0	19,287,541	0
41 CAPITAL RESERVES FROM INFLATION ACCOUNTING	2,157,324	2,157,324	2,609,405	0	2,674,321	0	255,255	0
42 FIXED ASSET REVALUATION FUND	2,758	0	0	0	0	0	2,751	0
43 SECURITIES REVALUATION FUND	0	0	0	0	0	0	0	0
44 PROFIT (LOSS) FOR THE PERIOD	772,032	0	-38,418	0	-218,718	0	386,340	0
45 PROFIT (LOSS) FOR PREVIOUS YEARS	-24,267,450	0	-26,042,906	0	-26,326,738	0	-19,099,847	0
46 TOTAL OWNERS EQUITY (39+...+45)	-847,028	0	-943,427	0	-1,143,704	0	1,272,562	0
47 TOTAL LIABILITIES (38+46)	4,304,884	2,769,967	4,549,085	2,596,771	3,550,530	2,497,929	1,664,303	274,094
48 NON CASH CREDITS AND OBLIGATIONS	908,037	1,407,735	666,300	1,184,140	574,474	1,143,677	173,462	243,861
49 COMMITMENTS (50+51)	619,083	3,971	1,064,913	3,207	618,421	3,044	4	18,783
50 a) DERIVATIVE FINANCIAL INSTRUMENTS	680	680	0	0	0	0	0	0
51 b) OTHER COMMITMENTS	619,083	3,291	1,064,913	3,207	618,421	3,044	4	18,783
52 TOTAL OFF BALANCE SHEET LIABILITIES (48 + 49)	1,527,120	1,411,706	1,731,213	1,187,347	1,192,895	1,146,721	173,466	262,644
TOTAL	235	235	235	235	235	235	235	235

Source: BRS4

Annex Table 15: Balance Sheet of SDFI Banks (USD Million)

ASSETS	December 2003			June 2004			September 2004			December 2004		
	T L	FX	TOTAL	T L	FX	TOTAL	T L	FX	TOTAL	T L	FX	TOTAL
1 CASH ASSETS	14	18	32	9	14	23	10	13	23	0	0	0
2 DUE FROM THE CENTRAL BANK	5	0	5	0	0	0	0	0	0	0	0	0
3 DUE FROM MONEY MARKETS	3	0	3	0	0	0	3	0	3	0	0	0
4 DUE FROM BANKS	158	169	326	334	179	513	334	135	269	35	111	146
5 SECURITIES - TRADING PORTFOLIO (NET)	1,094	2	1,096	1,030	1	1,031	1,020	1	1,021	1,127	0	1,127
6 SECURITIES AVAILABLE FOR SALE (NET)	2,182	146	2,328	2,091	145	2,235	1,663	145	1,808	0	0	0
7 REQUIRED RESERVES	0	0	0	0	0	0	0	0	0	0	0	0
8 RECEIVABLES FROM SECURITIES LENDING MARKET	0	0	0	0	0	0	0	0	0	0	0	0
9 RESERVE REPO RECEIVABLES	0	0	0	0	0	0	0	0	0	0	0	0
10 LOANS	310	197	507	240	128	367	228	89	317	3	5	8
11 PAST DUE LOANS (NET) (12-13)	143	146	289	20	25	45	17	14	32	11	12	23
12 a) PAST DUE LOANS	578	13	591	94	45	140	94	53	148	84	7	91
13 b) LOAN LOSS RESERVES (-)	435	10	446	74	20	94	77	39	116	6	79	6
14 INTEREST & INCOME ACCRUALS	226	3	228	217	5	222	203	6	208	40	0	41
15 LEASE FINANCING RECEIVABLES (NET)	0	0	0	0	0	0	0	0	0	0	0	0
16 SUBSIDIARIES, ASSOCIATED AND JOINT CONTROLLED COMPANIES (NET)	3	0	3	6	0	7	6	0	7	4	0	4
17 SECURITIES - HELD TO MATURITY (NET)	132	0	132	33	0	33	33	0	33	0	0	0
18 FIXED ASSETS TO BE SOLD (NET)	8	0	8	3	0	3	4	0	4	0	0	0
19 FIXED ASSETS (NET)	189	0	190	182	0	182	175	0	177	76	0	76
20 OTHER ASSETS	53	11	65	134	11	145	125	10	135	20	10	30
21 TOTAL ASSETS (1+...+20)(12+13)	4,520	548	5,069	4,300	510	4,809	3,625	414	4,039	1,316	128	1,444
LIABILITIES												
22 DEPOSITS	1,465	1,496	2,961	1,393	1,311	2,705	1,444	1,281	2,726	16	35	52
23 DUE TO CENTRAL BANK	0	0	0	0	0	0	0	0	0	0	0	0
24 DUE TO MONEY MARKETS	16	0	16	1	0	1	0	0	0	0	0	0
25 BORROWINGS FROM SECURITIES LENDING MARKET	0	0	0	0	0	0	0	0	0	0	0	0
26 DUE TO BANKS	229	371	600	434	328	763	401	274	675	0	0	0
27 FUNDS OBTAINED FROM REPO TRANSACTIONS	1,451	0	1,451	1,322	0	1,322	710	0	710	1	0	1
28 FUNDS	81	0	81	85	0	85	86	0	86	0	0	0
29 SECURITIES ISSUED (NET) (30+31)	0	0	0	0	0	0	0	0	0	0	0	0
30 a) BONDS & BILLS	0	0	0	0	0	0	0	0	0	0	0	0
31 d) ASSET BACKED SECURITIES AND OTHER SEC. ISSUED	0	0	0	0	0	0	0	0	0	0	0	0
32 LEASE FINANCING OBLIGATIONS (NET)	22	0	22	14	0	14	12	0	12	1	0	1
33 TAXES, DUTIES, CHARGES & PREMIUMS PAYABLE	179	0	179	169	0	169	157	0	157	175	0	175
34 SUBORDINATED DEBT	30	12	42	66	13	79	57	10	67	0	0	0
35 INTEREST AND EXPENSE ACCRUALS	159	62	221	147	53	200	216	51	267	86	49	136
36 RESERVES	60	43	103	54	42	96	51	52	103	12	44	56
37 OTHER LIABILITIES	3,691	1,984	5,675	3,696	1,748	5,444	3,134	1,668	4,802	292	204	496
38 TOTAL (22+...+37)(30+31)	777	0	777	763	0	763	762	0	762	328	0	328
39 PAID UP CAPITAL	14,260	0	14,260	14,392	0	14,392	14,413	0	14,413	14,371	0	14,371
40 LEGAL & PROVISIONAL RESERVES	1,546	0	1,546	1,756	0	1,756	1,786	0	1,786	190	0	190
41 CAPITAL RESERVES FROM INFLATION ACCOUNTING	2	0	2	0	0	0	0	0	0	2	0	2
42 FIXED ASSET REVALUATION FUND	0	0	0	0	0	0	0	0	0	0	0	0
43 SECURITIES REVALUATION FUND	195	0	195	-19	0	-19	-146	0	-146	0	0	0
44 PROFIT (LOSS) FOR THE PERIOD	-17,386	0	-17,386	-17,527	0	-17,527	-17,578	0	-17,578	-14,231	0	-14,231
45 PROFIT (LOSS) FOR PREVIOUS YEARS	-607	0	-607	-635	0	-635	-764	0	-764	948	0	948
46 TOTAL OWNERS EQUITY (39+...+45)	3,084	1,984	5,069	3,061	1,748	4,809	2,371	1,668	4,039	1,240	204	1,444
47 TOTAL LIABILITIES (38+46)	651	1,009	1,659	448	797	1,245	384	764	1,147	129	182	311
48 NON CASH CREDITS AND OBLIGATIONS	444	3	446	717	2	719	413	2	415	0	14	14
49 COMMITMENTS (50+51)	0	0	0	0	0	0	0	0	0	0	0	0
50 a) DERIVATIVE FINANCIAL INSTRUMENTS	444	0	444	717	2	719	413	2	415	0	14	14
51 b) OTHER COMMITMENTS	0	0	0	0	0	0	0	0	0	0	0	0
52 TOTAL OFF BALANCE SHEET LIABILITIES (48 + 49)	1,094	1,011	2,105	1,165	799	1,964	796	766	1,562	129	196	325

Source: RBGSA

Annex Table 16: Balance Sheet of SDFI Banks (% Change) (December 2004/December 2003)

	Nominal Change NTL			Nominal Change USD Dollar			Real Change NTL		
	TL	FX	TOTAL	TL	FX	TOTAL	TL	FX	TOTAL
ASSETS									
1 CASH ASSETS	-99.9	-99.2	-99.5	43.1	16.0	26.2	-99.9	-99.3	-99.5
2 DUE FROM THE CENTRAL BANK	-99.0	-63.8	-98.7	5.9	146.4	102.3	-99.1	-68.2	-98.9
3 DUE FROM MONEY MARKETS	-97.8	-97.8	-97.8	-84.5	-69.5	-69.5	-98.1	-31.6	-98.1
4 DUE FROM BANKS	-78.8	-36.5	-56.9	63.3	53.6	54.9	-81.3	-44.2	-62.2
5 SECURITIES - TRADING PORTFOLIO (NET)	-1.0	-97.5	-1.1	-38.5	-33.4	-35.7	-13.0	-97.8	-13.1
6 SECURITIES AVAILABLE FOR SALE (NET)	-100.0	-100.0	-100.0	77.7	51.0	63.8	-100.0	-100.0	-100.0
7 REQUIRED RESERVES	-	-	-	84.9	23.7	37.7	-	-	-
8 RECEIVABLES FROM SECURITIES LENDING MARKET	-	-	-	-	-	-	-	-	-
9 RESERVE REPO RECEIVABLES	-	-	-	12.7	-100.0	-177.1	-	-	-
10 LOANS	-99.0	-97.5	-98.4	93.6	21.1	55.5	-99.1	-97.8	-98.6
11 PAST DUE LOANS (NET) (12-13)	-92.8	-92.4	-92.4	-4.2	-23.6	-5.9	-93.7	-76.6	-93.3
12 a) PAST DUE LOANS	-86.1	-51.7	-85.3	17.0	-36.1	14.0	-87.7	-57.6	-87.1
13 b) LOAN LOSS RESERVES (-)	-83.9	-83.0	-83.0	22.0	18.9	18.9	-85.8	-52.1	-85.0
14 INTEREST & INCOME ACCRUALS	-82.8	-89.4	-82.9	-22.5	-1.7	-18.0	-84.9	-90.7	-84.9
15 LEASE FINANCING RECEIVABLES (NET)	-	-	-	-	-	-	-	-	-
16 SUBSIDIARIES, ASSOCIATED AND JOINT CONTROLLED COMPANIES (NET)	46.6	-55.5	34.8	43.2	8.0	37.5	28.7	-60.9	18.4
17 SECURITIES - HELD TO MATURITY (NET)	-100.0	-	-100.0	-33.9	27.2	-19.0	-100.0	-	-100.0
18 FIXED ASSETS TO BE SOLD (NET)	-95.2	-	-95.2	-5.8	-	-5.8	-95.8	-	-95.8
19 FIXED ASSETS (NET)	-61.6	-100.0	-61.6	5.2	0.5	5.2	-66.3	-100.0	-66.3
20 OTHER ASSETS	-64.5	-14.5	-55.7	17.9	-53.5	-61.1	-68.8	-24.9	-61.1
21 TOTAL ASSETS (1+...+20)-(12+13)	-73.0	-77.5	-72.6	32.8	23.6	28.6	-75.4	-80.3	-75.9
LIABILITIES									
22 DEPOSITS	-98.9	-97.7	-98.3	34.4	17.3	24.1	-99.1	-98.0	-98.5
23 DUE TO CENTRAL BANK	-	-	-	-94.9	1.0	-91.4	-	-	-
24 DUE TO MONEY MARKETS	-100.0	-	-100.0	93.7	-	93.7	-100.0	-	-100.0
25 BORROWINGS FROM SECURITIES LENDING MARKET	-	-	-	-	-	-	-	-	-
26 DUE TO BANKS	-100.0	-80.5	-87.9	11.1	40.3	37.0	-100.0	-82.9	-89.4
27 FUNDS OBTAINED FROM REPO TRANSACTIONS	-99.9	-	-99.9	51.3	-41.6	14.9	-99.9	-	-99.9
28 FUNDS	-100.0	-	-100.0	111.0	-	111.0	-100.0	-	-100.0
29 SECURITIES ISSUED (NET) (30+31)	-	-	-	-	-	-	-	-	-
30 a) BONDS & BILLS	-	-	-	-	-	-	-	-	-
31 b) ASSET BACKED SECURITIES AND OTHER SEC. ISSUED	-	-	-	-	-	-	-	-	-
32 LEASE FINANCING OBLIGATIONS (NET)	-	-100.0	-100.0	80.0	41.2	47.1	-	-100.0	-100.0
33 TAXES, DUTIES, CHARGES & PREMIUMS PAYABLE	-97.0	-	-97.0	14.2	-59.9	-44.1	-97.4	-	-97.4
34 SUBORDINATED DEBT	-6.3	-	-6.3	4.0	1.070.4	1.017.7	-17.7	-	-17.7
35 INTEREST AND EXPENSE ACCRUALS	-99.8	-98.8	-99.5	0.4	5.7	2.0	-99.8	-99.0	-99.6
36 RESERVES	-47.8	-23.8	-41.1	68.9	-6.7	60.1	-54.2	-33.1	-48.3
37 OTHER LIABILITIES	-80.5	-1.4	-47.3	111.7	27.7	74.8	-82.8	-13.4	-53.7
38 TOTAL (22+...+37)-(30+31)	-92.4	-90.1	-91.6	36.7	20.2	27.3	-93.3	-91.3	-92.6
39 PAID UP CAPITAL	-59.4	-	-59.4	25.1	-	25.1	-64.3	-	-64.3
40 LEGAL & PROVISIONAL RESERVES	-3.1	-	-3.1	175.6	-	176.2	-14.9	-	-14.9
41 CAPITAL RESERVES FROM INFLATION ACCOUNTING	-88.2	-	-88.2	-0.4	-	-0.4	-89.6	-	-89.6
42 FIXED ASSET REVALUATION FUND	-0.3	-	-0.3	-25.2	-	-25.2	-12.4	-	-12.4
43 SECURITIES REVALUATION FUND	-	-	-	115.8	-11.8	90.9	-	-	-
44 PROFIT (LOSS) FOR THE PERIOD	42.0	-	42.0	0.9	-	0.9	24.8	-	24.8
45 PROFIT (LOSS) FOR PREVIOUS YEARS	-21.3	-	-21.3	-82.1	-	-82.1	-30.9	-	-30.9
46 TOTAL OWNERS EQUITY (39+...+45)	-250.2	-	-250.2	36.8	-10.1	36.0	-232.0	-	-232.0
47 TOTAL LIABILITIES (38+46)	-61.3	-90.1	-72.6	38.1	20.1	28.6	-66.0	-91.3	-75.9
48 NON CASH CREDITS AND OBLIGATIONS	-80.9	-82.7	-82.0	540.3	5.0	184.8	-83.2	-84.8	-84.2
49 COMMITMENTS (50+51)	-100.0	373.0	-97.0	-90.3	-14.6	-61.3	-100.0	315.5	-97.4
50 a) DERIVATIVE FINANCIAL INSTRUMENTS	-	2.662.2	2.662.2	5.880.8	-88.3	215.7	-	2.326.4	2.326.4
51 b) OTHER COMMITMENTS	-100.0	-100.0	-100.0	126.2	1.541.2	233.7	-100.0	-100.0	-100.0
52 TOTAL OFF BALANCE SHEET LIABILITIES (48 + 49)	-88.6	-81.4	-85.2	70.9	10.8	42.1	-90.0	-83.7	-87.0

Source: BRSA

Annex Table 17: Balance Sheet of Foreign Banks (NTL thousand)

ASSETS	December 2003			June 2004			September 2004			December 2004		
	T L	FX	TOTAL	T L	FX	TOTAL	T L	FX	TOTAL	T L	FX	TOTAL
1 CASH ASSETS	14,054	43,847	57,901	18,111	58,664	76,775	17,490	64,690	82,180	50,514	42,306	92,820
2 DUE FROM THE CENTRAL BANK	31,633	18,512	50,145	52,641	25,873	78,514	3,789	24,144	27,933	17,925	18,070	35,995
3 DUE FROM MONEY MARKETS	495,050	72,490	567,540	797,050	100,741	897,791	1,400	95,825	1,400	21,600	57,508	79,108
4 DUE FROM BANKS	210,122	577,289	787,411	323,287	542,052	865,339	444,765	1,131,782	1,576,547	600,638	873,458	1,474,096
5 SECURITIES - TRADING PORTFOLIO (NET)	524,346	175,503	699,849	472,119	140,654	612,773	792,822	124,018	916,843	1,236,812	61,888	1,298,700
6 SECURITIES AVAILABLE FOR SALE (NET)	218,576	357,986	576,562	513,939	401,946	915,885	563,882	409,705	973,587	586,197	370,112	956,309
7 REQUIRED RESERVES	43,534	261,971	305,505	65,596	326,313	391,909	67,149	374,738	441,887	121,172	388,041	509,213
8 RECEIVABLES FROM SECURITIES LENDING MARKET	0	0	0	0	0	0	0	0	0	0	0	0
9 RESERVE REPO RECEIVABLES	1,422,640	1,288,095	2,710,735	2,312,980	1,688,190	4,001,170	2,705,439	1,736,665	4,442,104	3,063,986	1,601,249	4,665,235
10 LOANS	26,448	0	26,448	25,386	0	25,386	25,731	0	25,731	37,647	604	38,251
11 PAST DUE LOANS (NET) (12-13)	118,254	4,911	123,165	119,392	11,211	130,603	122,590	10,056	132,646	141,370	10,648	152,018
12 a) PAST DUE LOANS	91,806	0	91,806	94,006	0	94,006	96,859	0	96,859	103,723	10,044	113,767
13 b) LOAN LOSS RESERVES (-)	121,678	68,826	190,504	128,429	52,907	181,336	182,469	70,235	252,704	177,097	144,675	321,772
14 INTEREST & INCOME ACCRUALS	70,451	0	70,451	98,623	0	98,623	99,697	0	99,697	103,824	0	103,824
15 LEASE FINANCING RECEIVABLES (NET)	160,783	170,757	331,540	117,751	205,840	323,591	89,307	204,213	293,520	88,282	182,402	470,684
16 SUBSIDIARIES, ASSOCIATED AND JOINT CONTROLLED COMPANIES (NET)	2,118	0	2,118	2,736	0	2,736	3,103	0	3,103	3,311	0	3,311
17 SECURITIES - HELD TO MATURITY (NET)	203,261	1,561	204,822	206,291	1,627	207,918	202,999	1,648	204,647	209,465	1,458	210,923
18 FIXED ASSETS TO BE SOLD (NET)	353,679	8,362	362,041	228,409	20,552	248,961	238,599	18,301	256,900	275,269	16,387	295,656
19 OTHER ASSETS	3,898,373	3,045,199	6,943,572	5,363,348	3,565,359	8,928,707	5,438,644	4,256,641	9,695,285	6,597,739	3,758,158	10,355,897
21 TOTAL ASSETS (1+...+20) (12+13)												
22 DEPOSITS	591,494	2,545,886	3,137,380	1,268,765	2,626,135	3,894,900	1,269,294	3,213,254	4,482,548	1,376,701	3,337,739	4,714,440
23 DUE TO CENTRAL BANK	60,957	0	60,957	57,369	0	57,369	77,022	0	77,022	137,809	0	137,809
24 DUE TO MONEY MARKETS	641,529	720,011	1,361,540	1,329,643	1,372,871	2,702,514	1,495,025	1,143,232	2,638,257	1,481,312	873,146	2,354,458
25 BORROWINGS FROM SECURITIES LENDING MARKET	19,686	0	19,686	20,577	0	20,577	95,665	0	95,665	235,577	0	235,577
26 DUE TO BANKS	0	0	0	0	0	0	0	0	0	0	0	0
27 FUNDS OBTAINED FROM REPO TRANSACTIONS	0	0	0	0	0	0	0	0	0	0	0	0
28 FUNDS	0	0	0	0	0	0	0	0	0	0	0	0
29 SECURITIES ISSUED (NET) (30+31)	0	0	0	0	0	0	0	0	0	0	0	0
30 a) BONDS & BILLS	0	0	0	0	0	0	0	0	0	0	0	0
31 b) ASSET BACKED SECURITIES AND OTHER SEC. ISSUED	0	0	0	0	0	0	0	0	0	0	0	0
32 LEASE FINANCING OBLIGATIONS (NET)	176	3,665	3,841	109	1,636	1,745	64	1,391	1,455	25	863	888
33 TAXES, DUTIES, CHARGES & PREMIUMS PAYABLE	22,170	0	22,170	19,035	10	19,045	23,405	12	23,417	30,619	0	30,626
34 SUBORDINATED DEBT	105,607	39,947	145,554	55,203	44,864	100,067	69,955	48,771	118,726	169,516	43,572	212,930
35 INTEREST AND EXPENSE ACCRUALS	233,467	63,014	296,481	275,889	174,046	450,935	133,592	55,193	188,785	214,984	47,987	262,981
36 RESERVES	150,355	26,655	177,010	221,075	61,120	282,195	175,837	42,701	218,538	219,784	58,492	278,276
37 OTHER LIABILITIES	1,825,441	3,452,474	5,277,915	3,047,665	4,178,378	7,226,043	3,339,859	4,519,566	7,859,425	3,866,337	4,405,220	8,271,557
38 TOTAL (22+...+37) (30+31)												
39 PAID UP CAPITAL	512,542	0	512,542	519,752	0	519,752	546,701	0	546,701	566,701	0	566,701
40 LEGAL & PROVISIONAL RESERVES	295,356	0	295,356	401,895	0	401,895	400,929	0	400,929	387,887	0	387,887
41 CAPITAL RESERVES FROM IMPAIRMENT ACCOUNTING	761,422	0	761,422	684,631	0	684,631	687,443	0	687,443	828,395	0	828,395
42 FIXED ASSET REVALUATION FUND	0	0	0	0	0	0	0	0	0	0	0	0
43 SECURITIES REVALUATION FUND	7,139	21,668	28,807	12,602	7,135	19,737	1,251	12,217	13,468	14,826	10,099	24,925
44 PROFIT (LOSS) FOR THE PERIOD	186,246	0	186,246	95,747	0	95,747	154,234	0	154,234	240,464	0	240,464
45 PROFIT (LOSS) FOR PREVIOUS YEARS	1,643,969	21,668	1,665,637	1,695,529	7,135	1,702,664	1,823,643	12,217	1,835,860	2,074,341	10,099	2,084,340
46 TOTAL OWNERS EQUITY (39+...+45)	3,469,450	3,474,142	6,943,592	4,743,194	4,185,513	8,928,707	5,163,593	4,531,783	9,695,285	5,940,578	4,415,319	10,355,897
47 TOTAL LIABILITIES (38+46)	99,590	1,333,998	1,433,588	87,778	1,822,424	1,910,202	88,459	2,045,987	2,134,446	103,742	1,911,056	2,014,798
48 NON CASH CREDITS AND OBLIGATIONS	4,226,128	6,717,611	10,943,739	5,821,526	5,798,962	11,620,488	7,258,716	6,059,406	13,318,122	6,837,157	8,959,529	15,796,686
49 DERIVATIVE FINANCIAL INSTRUMENTS	961,036	6,692,791	7,653,827	1,653,344	5,731,255	7,384,599	2,335,469	5,713,126	8,048,595	2,775,010	8,889,123	11,664,133
50 a) OTHER COMPONENTS	3,265,092	24,820	3,289,912	4,166,182	6,707	4,233,889	4,923,247	346,280	5,269,527	4,062,147	70,406	4,132,553
51 b) OTHER COMPONENTS	4,325,718	8,051,609	12,377,327	5,909,304	7,621,386	13,530,690	7,347,175	8,105,393	15,452,568	6,940,899	10,870,585	17,811,484
52 TOTAL OFF BALANCE SHEET LIABILITIES (48 + 49)												

Source: BRSF

Annex Table 18: Balance Sheet of Foreign Banks (USD Million)

ASSETS	December 2003			June 2004			September 2004			December 2004		
	T L	FX	TOTAL	T L	FX	TOTAL	T L	FX	TOTAL	T L	FX	TOTAL
1 CASH ASSETS	10	31	41	12	39	52	12	43	55	38	32	69
2 DUE FROM THE CENTRAL BANK	23	13	35	35	17	53	35	16	51	13	13	27
3 DUE FROM MONEY MARKETS	355	52	407	536	68	604	536	64	65	16	43	59
4 DUE FROM BANKS	151	414	565	218	365	582	297	756	1,053	448	651	1,098
5 SECURITIES - TRADING PORTFOLIO (NET)	376	126	501	318	95	412	529	83	612	922	46	968
6 SECURITIES AVAILABLE FOR SALE (NET)	157	256	413	346	271	616	376	274	650	437	276	713
7 RECEIVED RESERVES	31	188	219	44	220	264	45	250	295	90	289	379
8 RECEIVABLES FROM SECURITIES LENDING MARKET	0	0	0	0	0	0	0	0	0	0	0	0
9 RESERVE REPO RECEIVABLES	0	0	0	0	0	0	0	0	0	0	0	0
10 LOANS	1,019	923	1,942	1,557	1,136	2,693	1,806	1,160	2,966	2,283	1,193	3,476
11 PAST DUE LOANS (NET) (12-13)	19	0	19	17	0	17	17	0	17	28	0	29
12 a) PAST DUE LOANS	85	4	88	80	8	88	82	7	89	105	8	113
13 b) LOAN LOSS RESERVES (-)	66	4	69	63	71	71	65	6	71	77	7	85
14 INTEREST & INCOME ACCRUALS	87	49	136	86	36	122	122	47	169	132	108	240
15 LEASE FINANCING RECEIVABLES (NET)	0	0	0	0	0	0	0	0	0	0	0	0
16 SUBSIDIARIES, ASSOCIATED AND JOINT CONTROLLED COMPANIES (NET)	50	0	50	66	0	66	67	0	67	77	0	77
17 SECURITIES - HELD TO MATURITY (NET)	115	122	238	79	139	218	60	136	196	66	136	202
18 FIXED ASSETS TO BE SOLD (NET)	2	0	2	2	0	2	2	0	2	2	0	2
19 FIXED ASSETS (NET)	146	1	147	139	1	140	136	1	137	156	1	157
20 OTHER ASSETS	253	6	259	154	14	168	159	12	172	208	12	220
21 TOTAL ASSETS (1+...+20)-(12+13)	2,793	2,182	4,974	3,609	2,399	6,009	3,631	2,842	6,473	4,916	2,800	7,716
LIABILITIES												
22 DEPOSITS	424	1,824	2,248	854	1,767	2,621	847	2,145	2,993	1,026	2,487	3,513
23 DUE TO CENTRAL BANK	0	0	0	0	0	0	0	0	0	0	0	0
24 DUE TO MONEY MARKETS	44	0	44	39	0	39	51	0	51	103	0	103
25 BORROWINGS FROM SECURITIES LENDING MARKET	0	0	0	0	0	0	0	0	0	0	0	0
26 DUE TO BANKS	460	516	975	895	924	1,819	998	763	1,762	1,104	651	1,754
27 FUNDS OBTAINED FROM REPO TRANSACTIONS	14	0	14	14	0	14	64	0	64	176	0	176
28 FUNDS	0	0	0	0	0	0	0	0	0	0	0	0
29 SECURITIES ISSUED (NET) (30+31)	0	0	0	0	0	0	0	0	0	0	0	0
30 a) BONDS & BILLS	0	0	0	0	0	0	0	0	0	0	0	0
31 b) ASSET BACKED SECURITIES AND OTHER SEC. ISSUED	0	0	0	0	0	0	0	0	0	0	0	0
32 LEASE FINANCING OBLIGATIONS (NET)	3	0	3	0	0	0	0	1	1	0	1	1
33 TAXES, DUTIES, CHARGES & PREMIUMS PAYABLE	16	0	16	13	0	13	16	0	16	23	0	23
34 SUBORDINATED DEBT	0	31	31	0	30	30	0	31	31	0	32	32
35 INTEREST AND EXPENSE ACCRUALS	76	29	104	76	11	88	47	12	59	126	32	159
36 RESERVES	167	45	212	171	37	208	89	37	126	160	36	196
37 OTHER LIABILITIES	108	26	134	149	41	190	117	29	146	164	44	207
38 TOTAL (22+...+37)-(30+31)	1,308	2,473	3,781	2,051	2,812	4,863	2,230	3,018	5,248	2,881	3,282	6,163
39 PAID UP CAPITAL	367	0	367	350	0	350	365	0	365	422	0	422
40 LEGAL & PROVISIONAL RESERVES	212	0	212	270	0	270	268	0	268	289	0	289
41 CAPITAL RESERVES FROM INFLATION ACCOUNTING	545	0	545	461	0	461	459	0	459	617	0	617
42 FIXED ASSET REVALUATION FUND	0	0	0	0	0	0	0	0	0	0	0	0
43 SECURITIES REVALUATION FUND	5	16	21	8	5	13	4	8	12	11	8	19
44 PROFIT (LOSS) FOR THE PERIOD	133	0	133	72	0	72	103	0	103	179	0	179
45 PROFIT (LOSS) FOR PREVIOUS YEARS	-85	0	-85	22	0	22	22	0	22	27	0	27
46 TOTAL OWNERS EQUITY (39+...+45)	1,178	16	1,193	1,141	5	1,146	1,218	8	1,226	1,546	8	1,553
47 TOTAL LIABILITIES (38+46)	2,486	2,489	4,974	3,192	2,817	6,009	3,448	3,026	6,473	4,426	3,290	7,716
48 NON CASH CREDITS AND OBLIGATIONS	71	956	1,027	59	1,226	1,286	59	1,366	1,425	77	1,424	1,501
49 COMMITMENTS (50+51)	3,028	4,813	7,840	3,918	3,903	7,820	4,847	4,046	8,892	5,094	6,676	11,770
50 a) DERIVATIVE FINANCIAL INSTRUMENTS	689	4,795	5,483	1,114	3,857	4,971	1,559	3,815	5,374	2,068	6,623	8,691
51 b) OTHER COMMITMENTS	2,339	18	2,357	2,804	46	2,849	3,287	231	3,518	3,027	52	3,079
52 TOTAL OFF BALANCE SHEET LIABILITIES (48 + 49)	3,099	5,768	8,867	3,977	5,129	9,106	4,906	5,412	10,318	5,172	8,100	13,271

Source: BKS4

Annex Table 19: Balance Sheet of Foreign Banks (% Change) (December 2004/December 2003)

	Nominal Change NTL			Nominal Change USD Dollar			Real Change NTL		
	TL	FX	TOTAL	TL	FX	TOTAL	TL	FX	TOTAL
ASSETS									
1 CASH ASSETS	259,4	-3,5	60,3	273,8	0,3	66,7	215,7	-15,2	40,8
2 DUE FROM THE CENTRAL BANK	-43,3	-2,4	-28,2	-41,1	1,5	-25,3	-50,2	-14,3	-36,9
3 DUE FROM MONEY MARKETS	-95,6	-20,7	-86,1	-95,5	-17,5	-85,5	-96,2	-30,3	-78,8
4 DUE FROM BANKS	185,9	51,3	87,2	197,3	57,4	94,7	151,1	32,9	64,4
5 SECURITIES - TRADING PORTFOLIO (NET)	135,9	-64,7	85,6	145,3	-63,3	93,0	107,2	-69,0	63,0
6 SECURITIES AVAILABLE FOR SALE (NET)	168,2	3,4	65,9	178,9	7,5	72,5	135,6	-9,2	45,7
7 REQUIRED RESERVES	178,3	48,1	66,7	189,5	54,1	73,4	144,5	30,1	46,4
8 RECEIVABLES FROM SECURITIES LENDING MARKET	-	-	-	-	-	-	-	-	-
9 RESERVE REPO RECEIVABLES	-	-	-	-	-	-	-	-	-
10 LOANS	115,4	24,3	72,1	124,0	29,3	79,0	89,2	9,2	51,2
11 PAST DUE LOANS (NET) (12+13)	42,3	-	44,6	48,0	-	50,4	25,0	-	27,0
12 a) PAST DUE LOANS	19,5	116,8	23,4	24,3	125,5	28,4	5,0	90,5	8,4
13 b) LOAN LOSS RESERVES (-)	13,0	104,5	17,6	17,5	112,7	22,3	-0,8	79,7	3,3
14 INTEREST & INCOME ACCRUALS	45,5	110,2	68,9	51,4	118,6	75,7	27,9	84,6	48,4
15 LEASE FINANCING RECEIVABLES (NET)	-	-	-	-	-	-	-	-	-
16 SUBSIDIARIES, ASSOCIATED AND JOINT CONTROLLED COMPANIES (NET)	47,4	-	47,4	53,3	-	53,3	29,5	-	29,5
17 SECURITIES - HELD TO MATURITY (NET)	-45,1	6,8	-18,4	-42,9	11,1	-15,1	-51,8	-6,2	-28,3
18 FIXED ASSETS TO BE SOLD (NET)	56,3	-	56,3	62,6	-	62,6	37,3	-	37,3
19 FIXED ASSETS (NET)	3,1	-6,6	3,0	7,2	-2,9	7,1	-9,5	-18,0	-9,5
20 OTHER ASSETS	-21,0	96,0	-18,3	-17,9	103,8	-15,1	-30,6	72,1	-28,3
21 TOTAL ASSETS (1+-,+20)-(12+13)	69,2	23,4	49,1	76,0	28,4	55,1	48,7	8,4	31,0
LIABILITIES									
22 DEPOSITS	132,7	31,1	50,3	142,1	36,4	56,3	104,5	15,2	32,0
23 DUE TO CENTRAL BANK	-	-	-	-	-	-	-	-	-
24 DUE TO MONEY MARKETS	126,1	-	126,1	135,1	-	135,1	98,6	-	98,6
25 BORROWINGS FROM SECURITIES LENDING MARKET	-	-	-	-	-	-	-	-	-
26 DUE TO BANKS	130,9	21,3	72,9	140,1	26,1	79,8	102,8	6,5	51,9
27 FUNDS OBTAINED FROM REPO TRANSACTIONS	1096,7	-	1,096,7	1,144,6	-	1,144,6	951,2	-	951,2
28 FUNDS	-	-	-	-	-	-	-	-	-
29 SECURITIES ISSUED (NET) (30+31)	-	-	-	-	-	-	-	-	-
30 a) BONDS & BILLS	-	-	-	-	-	-	-	-	-
31 b) ASSET BACKED SECURITIES AND OTHER SEC. ISSUED	-	-	-	-	-	-	-	-	-
32 LEASE FINANCING OBLIGATIONS (NET)	-85,8	-76,5	-76,9	-85,2	-75,5	-76,0	-87,5	-79,3	-79,7
33 TAXES, DUTIES, CHARGES & PREMIUMS PAYABLE	38,1	0,6	38,1	43,6	4,7	43,7	21,3	-	21,3
34 SUBORDINATED DEBT	-	0,6	0,6	-	-	-	-	-	-
35 INTEREST AND EXPENSE ACCRUALS	60,5	8,7	46,3	66,9	13,0	52,1	41,0	-4,5	28,5
36 RESERVES	-7,9	-23,8	-11,3	-4,2	-20,8	-7,7	-19,1	-33,1	-22,1
37 OTHER LIABILITIES	46,2	59,6	48,8	52,0	66,0	54,8	28,4	40,2	30,7
38 TOTAL (22+-,+37)-(30+31)	111,8	27,6	56,7	120,3	32,7	63,0	86,1	12,1	37,7
39 PAID UP CAPITAL	10,6	-	10,6	15,0	-	15,0	-2,9	-	-2,9
40 LEGAL & PROVISIONAL RESERVES	31,3	-	31,3	36,6	-	36,6	15,4	-	15,4
41 CAPITAL RESERVES FROM INFLATION ACCOUNTING	8,8	-	8,8	13,2	-	13,2	-4,4	-	-4,4
42 FIXED ASSET REVALUATION FUND	-	-	-	-	-	-	-	-	-
43 SECURITIES REVALUATION FUND	107,7	-53,4	-13,5	116,0	-51,5	-10,0	82,4	-59,1	-24,0
44 PROFIT (LOSS) FOR THE PERIOD	29,1	-	29,1	34,3	-	34,3	13,4	-	13,4
45 PROFIT (LOSS) FOR PREVIOUS YEARS	-130,3	-	-130,3	-131,5	-	-131,5	-126,6	-	-126,6
46 TOTAL OWNERS EQUITY (39+...+45)	26,2	-53,4	25,1	31,2	-51,5	30,1	10,8	-59,1	9,9
47 TOTAL LIABILITIES (38+46)	71,2	27,1	49,1	78,1	32,2	55,1	50,4	11,6	31,0
48 NON CASH CREDITS AND OBLIGATIONS	4,2	43,3	40,5	8,3	49,0	46,2	-8,5	25,8	23,5
49 COMMITMENTS (50+51)	61,8	33,4	44,3	68,3	38,7	50,1	42,1	17,2	26,8
50 a) DERIVATIVE FINANCIAL INSTRUMENTS	188,8	32,8	52,4	200,3	38,1	58,5	153,6	16,7	33,9
51 b) OTHER COMMITMENTS	24,4	183,7	25,6	29,4	195,0	30,6	9,3	149,2	10,3
52 TOTAL OFF BALANCE SHEET LIABILITIES (48 + 49)	60,5	35,0	43,9	66,9	40,4	49,7	40,9	18,6	26,4

Source: BRSA

Annex Table 20: Balance Sheet of Development and Investment Banks (NTL thousand)

	December 2003			June 2004			September 2004			December 2004		
	T	L	TOTAL	T	L	TOTAL	T	L	TOTAL	T	L	TOTAL
ASSETS												
1 CASH ASSETS	330	605	935	591	1,282	1,873	317	897	1,214	458	570	1,028
2 DUE FROM THE CENTRAL BANK	5,006	1,364	6,370	5,812	1,312	7,124	4,756	925	5,681	4,801	738	5,539
3 DUE FROM MONEY MARKETS	1,022,000	0	1,022,000	1,373,550	0	1,373,550	974,350	0	974,350	1,905,673	0	1,905,673
4 DUE FROM BANKS	788,387	1,375,333	2,163,720	915,858	1,332,021	2,247,879	1,117,321	1,530,539	2,647,860	1,491,420	3,397,093	184,750
5 SECURITIES - TRADING PORTFOLIO (NET)	25,999	153,662	179,661	244,716	29,579	274,295	731,898	26,960	758,858	154,543	34,968	189,511
6 SECURITIES AVAILABLE FOR SALE (NET)	371,676	268,721	640,397	409,599	278,559	688,159	488,525	277,351	765,876	568,944	330,637	899,581
7 REQUIRED RESERVES	3,111	29,894	33,005	3,640	40,523	44,163	3,293	27,120	30,413	4,019	21,450	25,469
8 RECEIVABLES FROM SECURITIES LENDING MARKET	0	0	0	0	0	0	0	0	0	0	0	0
9 RESERVE REPO RECEIVABLES	1,679	0	1,679	10,518	0	10,518	3,558	0	3,558	8,218	0	8,218
10 LOANS	2,347,817	2,592,435	4,940,252	2,437,995	2,718,316	5,156,311	2,598,551	2,589,093	5,187,644	2,982,176	2,325,490	5,307,666
11 PAST DUE LOANS (NET) (12+13)	11,451	6,019	17,470	11,060	6,408	17,468	14,882	501	15,383	22,919	0	22,919
12 a) PAST DUE LOANS	141,024	39,176	180,200	129,686	35,475	165,161	141,697	22,469	164,166	157,257	21,268	178,525
13 b) LOAN LOSS RESERVES (-)	129,573	33,157	162,730	116,626	29,067	145,693	126,815	21,968	148,783	134,338	21,268	155,606
14 INTEREST & INCOME ACCRUALS	202,199	68,614	270,813	278,844	68,564	347,408	291,374	63,101	354,475	174,301	79,825	254,126
15 LEASE FINANCING RECEIVABLES (NET)	330	165,765	166,095	293	202,074	202,367	234	221,610	221,844	279	238,400	238,679
16 SUBSIDIARIES, ASSOCIATED AND JOINT CONTROLLED COMPANIES (NET)	166,478	15,495	181,973	172,325	16,291	188,616	192,021	14,869	206,890	192,708	14,018	206,726
17 SECURITIES - HELD TO MATURITY (NET)	163,825	113,805	277,630	184,488	114,692	299,180	202,721	103,304	306,025	216,080	71,988	288,078
18 FIXED ASSETS TO BE SOLD (NET)	9,885	0	9,885	190,857	0	190,857	9,070	0	9,070	188,416	0	188,416
19 FIXED ASSETS (NET)	182,792	0	182,792	94,390	14,163	108,553	91,185	17,998	109,183	85,143	13,249	98,392
20 OTHER ASSETS	185,372	10,590	195,962	6,344,808	4,823,193	11,168,001	6,914,275	17,998	109,183	6,703,754	4,622,763	11,326,517
21 TOTAL ASSETS (1+...+20) (12+13)	5,590,005	4,674,639	10,264,644	6,344,808	4,823,193	11,168,001	6,914,275	17,998	109,183	6,703,754	4,622,763	11,326,517
LIABILITIES												
22 DEPOSITS	0	0	0	0	0	0	0	0	0	0	0	0
23 DUE TO CENTRAL BANK	118,081	0	118,081	0	108,133	108,133	0	86,394	86,394	0	71,714	71,714
24 DUE TO MONEY MARKETS	12,994	0	12,994	23,525	0	23,525	2,780	0	2,780	9,533	0	9,533
25 BORROWINGS FROM SECURITIES LENDING MARKET	0	0	0	0	0	0	0	0	0	0	0	0
26 DUE TO BANKS	138,387	3,084,744	3,223,131	348,635	3,224,754	3,573,389	419,949	3,358,610	3,778,559	103,067	3,138,802	3,241,869
27 FUNDS OBTAINED FROM REPO TRANSACTIONS	13,024	61,936	74,960	24,824	15,659	40,483	410,188	21,170	431,358	148,896	26,702	175,598
28 FUNDS	88,070	42	88,112	87,865	45	87,910	90,669	46	90,715	96,117	41	96,158
29 SECURITIES ISSUED (NET) (30+31)	1	488,760	488,761	1	520,406	520,407	1	525,788	525,789	1	467,965	467,966
30 a) BONDS & BILLS	1	488,760	488,761	1	520,406	520,407	1	525,788	525,789	1	467,965	467,966
31 b) ASSET BACKED SECURITIES AND OTHER SEC. ISSUED	0	0	0	0	0	0	0	0	0	0	0	0
32 LEASE FINANCING OBLIGATIONS (NET)	64	0	64	0	22	22	0	1	1	0	330	330
33 TAXES, DUTIES, CHARGES & PREMIUMS PAYABLE	20,877	0	20,877	11,539	0	11,539	11,770	0	11,770	15,229	0	15,229
34 SUBORDINATED DEBT	22,443	284,395	306,838	21,963	302,652	324,615	9,426	305,852	315,278	339,205	0	339,205
35 INTEREST AND EXPENSE ACCRUALS	452,029	5,169	457,198	313,449	6,063	319,512	158,769	7,216	165,985	206,160	57,924	263,897
36 RESERVES	1,030,932	206,170	1,237,102	1,233,514	378,782	1,612,296	1,193,832	181,638	1,375,470	1,297,633	169,268	1,466,901
37 OTHER LIABILITIES	1,778,767	4,297,764	6,076,531	2,065,315	4,605,044	6,670,359	2,296,884	4,517,672	6,814,556	1,907,619	4,278,442	6,186,061
38 TOTAL (22+...+37) (30+31)	1,856,678	0	1,856,678	2,064,085	0	2,064,085	2,161,231	0	2,161,231	2,240,426	0	2,240,426
39 PAID UP CAPITAL	55,500	0	55,500	78,511	0	78,511	141,576	0	141,576	538,860	0	538,860
40 LEGAL & PROVISIONAL RESERVES	3,782,688	0	3,782,688	4,286,797	0	4,286,797	4,335,554	0	4,335,554	4,386,533	0	4,386,533
41 CAPITAL RESERVES FROM INFLATION ACCOUNTING	0	0	0	0	0	0	0	0	0	0	0	0
42 FIXED ASSET REVALUATION FUND	99,451	198	100,649	72,379	-282	72,097	136,853	410	137,263	136,574	1,734	138,308
43 SECURITIES REVALUATION FUND	442,647	0	442,647	-2,178,686	0	-2,178,686	371,028	0	371,028	316,107	0	316,107
44 PROFIT (LOSS) FOR THE PERIOD	-2,049,382	0	-2,049,382	4,497,924	-282	4,497,642	4,973,577	410	4,973,987	5,136,722	1,734	5,140,456
45 TOTAL OWNERS EQUITY (39+...+44)	198	4,297,962	4,497,160	6,563,239	4,604,762	11,168,001	7,270,461	4,518,082	11,788,543	7,046,341	4,280,176	11,326,517
46 TOTAL OWNERS EQUITY (39+...+44)	198	4,297,962	4,497,160	6,563,239	4,604,762	11,168,001	7,270,461	4,518,082	11,788,543	7,046,341	4,280,176	11,326,517
47 TOTAL LIABILITIES (38+46)	656,580	791,543	1,448,123	849,334	798,090	1,647,424	677,977	867,603	1,545,580	1,044,708	724,316	1,769,024
48 NON CASH CREDITS AND OBLIGATIONS	486,635	1,374,721	1,861,356	997,362	2,297,016	3,294,378	836,318	1,111,566	2,947,884	577,507	1,516,437	2,093,944
49 COMMITMENTS (50+51)	486,198	1,268,147	1,754,345	833,503	1,933,960	2,767,463	649,694	1,788,665	2,458,359	511,560	1,280,188	1,791,748
50 a) DERIVATIVE FINANCIAL INSTRUMENTS	437	106,574	107,011	163,859	363,056	526,915	186,624	322,901	509,525	65,947	236,249	302,196
51 b) OTHER COMMITMENTS	437	106,574	107,011	163,859	363,056	526,915	186,624	322,901	509,525	65,947	236,249	302,196
52 TOTAL OFF BALANCE SHEET LIABILITIES (48 + 49)	1,143,215	2,166,264	3,309,479	1,846,696	3,095,106	4,941,802	1,514,295	2,979,169	4,493,464	1,622,215	2,240,753	3,862,968

Source: BRCA

Annex Table 21: Balance Sheet of Development and Investment Banks (USD Million)

	December 2003				June 2004				September 2004				December 2004			
	T.L		FX		T.L		FX		T.L		FX		T.L		FX	
	TOTAL	ASSETS	TOTAL	ASSETS	TOTAL	ASSETS	TOTAL	ASSETS	TOTAL	ASSETS	TOTAL	ASSETS	TOTAL	ASSETS	TOTAL	ASSETS
1 CASH ASSETS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2 DUE FROM THE CENTRAL BANK	4	4	1	1	4	4	1	1	3	3	1	1	4	4	4	4
3 DUE FROM MONEY MARKETS	732	732	0	0	924	896	0	0	651	651	0	0	138	138	0	0
4 DUE FROM BANKS	565	1,550	985	1,550	616	896	20	185	746	1,022	18	507	1,420	1,111	26	141
5 SECURITIES - TRADING PORTFOLIO (NET)	91	110	19	110	165	20	187	463	489	185	185	511	424	246	670	19
6 SECURITIES AVAILABLE FOR SALE (NET)	266	459	193	459	276	27	27	30	326	18	20	3	16	16	19	19
7 REQUIRED RESERVES	2	24	2	24	2	2	2	2	2	2	2	2	2	2	2	2
8 RECEIVABLES FROM SECURITIES LENDING MARKET	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9 REVENUE FROM REPO RECEIVABLES	1	1	1	1	7	7	7	7	2	2	2	2	6	6	6	6
10 LOANS	1,682	3,539	1,857	3,539	1,641	1,829	0	0	1,735	1,729	0	0	2,222	1,733	3,955	3,955
11 PAST DUE LOANS (NET) (12-13)	8	4	4	4	7	4	4	4	10	10	0	0	17	17	17	17
12 a) LOAN LOSS RESERVES (-)	101	129	28	129	87	24	24	24	95	15	15	110	117	16	116	116
13 b) LOAN LOSS RESERVES (-)	93	117	24	117	188	20	20	20	195	42	42	237	130	59	189	189
14 INTEREST & INCOME ACCRUALS	145	49	49	194	188	46	46	136	195	0	148	148	0	178	178	178
15 LEASE FINANCING RECEIVABLES (NET)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 SUBSIDIARIES, ASSOCIATED AND JOINT CONTROLLED COMPANIES (NET)	119	130	11	130	116	11	11	127	128	10	138	144	10	154	154	154
17 SECURITIES - HELD TO MATURITY (NET)	117	199	82	199	124	77	77	201	135	69	204	161	54	215	215	215
18 FIXED ASSETS TO BE SOLD (NET)	7	7	0	7	7	0	0	0	6	6	6	8	8	8	8	8
19 FIXED ASSETS (NET)	131	131	0	131	128	0	0	128	127	127	140	140	140	140	140	140
20 OTHER ASSETS	133	133	8	140	64	10	10	73	61	61	73	63	10	73	73	73
21 TOTAL ASSETS (1+...+20)(12+13)	4,005	3,349	3,349	7,354	4,270	3,246	3,246	7,516	4,617	3,255	3,255	4,995	3,444	8,439	8,439	8,439
LIABILITIES																
22 DEPOSITS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23 DUE TO CENTRAL BANK	0	0	85	85	0	72	72	72	0	0	58	0	0	58	58	58
24 DUE TO MONEY MARKETS	9	9	0	9	16	0	0	16	2	0	0	7	7	0	0	0
25 BORROWINGS FROM SECURITIES LENDING MARKET	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26 DUE TO BANKS	99	2,309	2,210	2,309	235	2,170	2,170	2,405	280	2,243	2,523	77	2,339	2,416	2,416	2,416
27 FUNDS OBTAINED FROM REPO TRANSACTIONS	9	44	44	54	17	11	11	27	274	14	288	111	20	131	131	131
28 FUNDS	63	63	0	63	59	0	0	59	61	0	61	72	0	72	72	72
29 SECURITIES ISSUED (NET) (30+31)	0	0	350	350	0	350	350	350	0	351	351	0	349	349	349	349
30 a) BONDS & BILLS	0	0	350	350	0	350	350	350	0	351	351	0	349	349	349	349
31 b) ASSET BACKED SECURITIES AND OTHER SEC. ISSUED	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32 LEASE FINANCING OBLIGATIONS (NET)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33 TAXES, DUTIES, CHARGES & PREMIUMS PAYABLE	15	15	0	15	8	0	0	8	8	0	8	11	0	11	11	11
34 SUBORDINATED DEBT	0	0	204	204	0	204	204	204	0	204	204	0	253	253	253	253
35 INTEREST AND EXPENSE ACCRUALS	16	35	35	51	15	33	33	47	106	21	27	23	43	66	66	66
36 OTHER LIABILITIES	328	328	4	328	211	4	4	215	106	5	110	154	5	158	158	158
37 OTHER LIABILITIES	729	886	148	886	830	255	255	1,085	797	121	918	967	126	1,093	1,093	1,093
38 TOTAL (22+...+37)(30+31)	1,274	3,079	3,079	4,353	1,390	3,099	3,099	4,489	1,534	3,016	3,016	4,421	3,188	8,469	8,469	8,469
39 PAID UP CAPITAL	1,320	1,320	0	1,320	1,389	0	0	1,389	1,443	0	1,443	1,669	0	1,669	1,669	1,669
40 LEGAL & PROFESSIONAL RESERVES	40	40	0	40	120	0	0	120	95	95	247	0	247	247	247	247
41 CAPITAL RESERVES FROM LIAB LATION ACCOUNTING	2,710	2,710	0	2,710	2,885	0	0	2,885	2,895	0	2,895	3,270	0	3,270	3,270	3,270
42 FIXED ASSET REVALUATION FUND	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
43 SECURITIES REVALUATION FUND	71	71	0	71	49	0	0	49	91	0	92	102	1	103	103	103
44 PROFIT (LOSS) FOR THE PERIOD	317	317	0	317	50	0	0	50	248	0	248	236	0	236	236	236
45 PROFIT (LOSS) FOR PREVIOUS YEARS	-1,468	-1,468	0	-1,468	-1,466	0	0	-1,466	-1,451	0	-1,451	-1,694	0	-1,694	-1,694	-1,694
46 TOTAL OWNERS EQUITY (39+...+45)	3,000	3,000	0	3,000	3,027	0	0	3,027	3,321	0	3,321	5,250	1	8,430	8,430	8,430
47 TOTAL LIABILITIES (38+46)	4,275	3,079	3,079	7,354	4,417	3,099	3,099	7,516	4,854	3,017	3,017	7,871	5,250	8,439	8,439	8,439
48 NON CASH CREDITS AND OBLIGATIONS	470	567	567	1,037	572	537	537	1,109	453	579	579	778	540	1,318	1,318	1,318
49 COMMITMENTS (50+51)	349	985	985	1,334	671	1,546	1,546	2,217	558	1,440	1,440	1,968	1,130	3,100	3,100	3,100
50 a) DERIVATIVE FINANCIAL INSTRUMENTS	348	909	909	1,257	561	1,302	1,302	1,862	425	1,194	1,194	1,628	381	2,009	2,009	2,009
51 b) OTHER COMMITMENTS	1	76	76	77	110	244	244	355	125	216	216	340	49	389	389	389
52 TOTAL OFF-BALANCE SHEET LIABILITIES (48+49)	819	1,552	1,552	2,371	1,243	2,083	2,083	3,326	1,011	1,989	1,989	2,109	1,670	3,189	3,189	3,189

Source: BRCA

Annex Table 22: Balance Sheet of Development and Investment Banks (% Change) (December 2004/December 2003)

	ASSETS			Nominal Change NTL			Nominal Change USD Dollar			Real Change NTL		
	TL	FX	TOTAL	TL	FX	TOTAL	TL	FX	TOTAL	TL	FX	TOTAL
1 CASH ASSETS	35,8	-5,8	9,9	44,3	-2,0	14,3	21,9	-17,2	-3,4	21,9	-17,2	-3,4
2 DUE FROM THE CENTRAL BANK	-4,1	-45,9	-13,0	-0,3	-43,7	-9,6	-15,8	-52,5	-23,6	-15,8	-52,5	-23,6
3 DUE FROM MONEY MARKETS	-81,9	8,4	-81,9	-81,2	-	-81,2	-84,1	-	-84,1	-84,1	-	-84,1
4 DUE FROM BANKS	141,7	21,1	57,0	151,4	12,8	63,3	112,3	-4,7	37,9	112,3	-4,7	37,9
5 SECURITIES - TRADING PORTFOLIO (NET)	21,1	34,5	23,3	25,9	39,9	28,3	6,3	18,1	8,3	6,3	18,1	8,3
6 SECURITIES AVAILABLE FOR SALE (NET)	53,1	23,0	40,5	59,2	28,0	46,1	34,5	8,1	23,4	34,5	8,1	23,4
7 REQUIRED RESERVES	29,2	-28,2	-22,8	34,4	-25,4	-19,7	13,5	-37,0	-32,2	13,5	-37,0	-32,2
8 RECEIVABLES FROM SECURITIES LENDING MARKET	-	-	-	-	-	-	-	-	-	-	-	-
9 RESERVE REPO RECEIVABLES	389,5	-	389,5	409,1	-	409,1	330,0	-	330,0	330,0	-	330,0
10 LOANS	27,0	-10,3	7,4	32,1	-6,7	11,7	11,6	-21,2	-5,6	11,6	-21,2	-5,6
11 PAST DUE LOANS (NET) (12-13)	100,1	-100,0	31,2	108,2	-100,0	36,4	75,8	-100,0	15,2	75,8	-100,0	15,2
12 a) PAST DUE LOANS	11,5	-45,7	-0,9	16,0	-43,5	3,0	-2,0	-52,3	-13,0	-2,0	-52,3	-13,0
13 b) LOAN LOSS RESERVES (-)	3,7	-35,9	-4,4	7,8	-33,3	-0,5	-8,9	-43,7	-16,0	-8,9	-43,7	-16,0
14 INTEREST & INCOME ACCRUALS	-13,8	16,3	-6,2	-10,3	21,0	2,4	-24,3	2,2	-17,6	-24,3	2,2	-17,6
15 LEASE FINANCING RECEIVABLES (NET)	-15,5	43,8	43,7	-12,1	49,6	49,5	-25,7	26,3	26,2	-25,7	26,3	26,2
16 SUBSIDIARIES, ASSOCIATED AND JOINT CONTROLLED COMPANIES (NET)	15,8	-9,5	13,6	20,4	-5,9	18,2	1,7	-20,5	-0,2	1,7	-20,5	-0,2
17 SECURITIES - HELD TO MATURITY (NET)	31,9	-36,7	3,8	37,2	-34,2	7,9	15,9	-44,4	-8,9	15,9	-44,4	-8,9
18 FIXED ASSETS TO BE SOLD (NET)	4,5	-	4,5	8,6	-	8,6	8,2	-	-	8,2	-	-
19 FIXED ASSETS (NET)	3,1	-	3,1	7,2	-	7,2	7,2	-	-	7,2	-	-
20 OTHER ASSETS	-54,1	25,1	-49,8	-52,2	30,1	-47,8	-59,7	9,9	-55,9	-59,7	9,9	-55,9
21 TOTAL ASSETS (1+...+20) (12+13)	19,9	-1,1	10,3	24,7	2,8	14,8	5,3	-13,1	-3,1	5,3	-13,1	-3,1
LIABILITIES												
22 DEPOSITS	-	-	-	-	-	-	-	-	-	-	-	-
23 DUE TO CENTRAL BANK	-	-39,3	-39,3	-	-36,8	-36,8	-	-46,7	-46,7	-	-46,7	-46,7
24 DUE TO MONEY MARKETS	-26,6	-	-26,6	-23,7	-	-23,7	-35,6	-	-35,6	-	-35,6	-35,6
25 BORROWINGS FROM SECURITIES LENDING MARKET	-	-	-	-	-	-	-	-	-	-	-	-
26 DUE TO BANKS	-25,5	1,8	0,6	-22,5	5,8	4,6	-34,6	-10,6	-11,6	-34,6	-10,6	-11,6
27 FUNDS OBTAINED FROM REPO TRANSACTIONS	1,043,2	-56,9	134,3	1,089,0	-55,2	143,6	904,3	-62,1	105,8	904,3	-62,1	105,8
28 FUNDS	9,1	-2,4	9,1	13,5	1,5	13,5	-4,1	-14,2	-4,1	-4,1	-14,2	-4,1
29 SECURITIES ISSUED (NET) (30+31)	-	-4,3	-4,3	4,0	-0,4	-0,4	-	-15,9	-15,9	-	-15,9	-15,9
30 a) BONDS & BILLS	-	-4,3	-4,3	4,0	-0,4	-0,4	-	-15,9	-15,9	-	-15,9	-15,9
31 b) ASSET BACKED SECURITIES AND OTHER SEC. ISSUED	-	-	-	-	-	-	-	-	-	-	-	-
32 LEASE FINANCING OBLIGATIONS (NET)	-	415,6	415,6	-	436,3	436,3	-	352,9	352,9	-	352,9	352,9
33 TAXES, DUTIES, CHARGES & PREMIUMS PAYABLE	-27,1	-	-27,1	-24,1	-	-24,1	-35,9	-	-35,9	-35,9	-	-35,9
34 SUBORDINATED DEBT	19,3	-	19,3	19,3	-	19,3	4,8	-	4,8	4,8	-	4,8
35 INTEREST AND EXPENSE ACCRUALS	38,1	19,7	25,5	43,6	24,5	30,5	21,3	5,1	10,2	21,3	5,1	10,2
36 RESERVES	-54,4	25,6	-53,5	-52,6	30,6	-51,6	-59,9	10,3	-59,1	-59,9	10,3	-59,1
37 OTHER LIABILITIES	25,9	-17,9	18,6	30,9	-14,6	23,3	10,6	-27,9	4,2	10,6	-27,9	4,2
38 TOTAL (22+...+37) (30+31)	7,2	-0,4	1,8	11,5	3,5	5,9	-5,8	-12,6	-10,6	-5,8	-12,6	-10,6
39 PAID UP CAPITAL	20,7	-	20,7	25,5	-	25,5	8,5	-	10,4	8,5	-	10,4
40 LEGAL & PROVISIONAL RESERVES	495,2	-	495,2	519,0	-	519,0	444,5	-	444,5	444,5	-	444,5
41 CAPITAL RESERVES FROM INFLATION ACCOUNTING	16,0	-	16,0	20,7	-	20,7	6,1	-	6,1	6,1	-	6,1
42 FIXED ASSET REVALUATION FUND	-100,0	-	-100,0	-100,0	-	-100,0	-100,0	-	-100,0	-100,0	-	-100,0
43 SECURITIES REVALUATION FUND	37,3	775,8	38,8	42,8	93,0	28,4	25,6	701,1	27,0	25,6	701,1	27,0
44 PROFIT (LOSS) FOR THE PERIOD	-28,6	-	-28,6	-25,7	-	-25,7	-34,7	-	-34,7	-34,7	-	-34,7
45 PROFIT (LOSS) FOR PREVIOUS YEARS	10,9	-	10,9	15,4	-	15,4	1,5	-	1,5	1,5	-	1,5
46 TOTAL OWNERS EQUITY (39+...+45)	22,7	775,8	22,7	27,6	93,0	10,7	12,2	701,1	12,3	12,2	701,1	12,3
47 TOTAL LIABILITIES (38+46)	18,1	-0,4	10,3	22,8	-2,0	7,0	8,0	-8,9	0,9	8,0	-8,9	0,9
48 NON CASH CREDITS AND OBLIGATIONS	59,1	-8,5	22,2	65,5	-4,8	27,1	39,8	-19,6	7,3	39,8	-19,6	7,3
49 COMMITMENTS (50+51)	18,7	10,3	12,5	23,4	14,7	17,0	4,2	-3,1	-1,2	4,2	-3,1	-1,2
50 a) DERIVATIVE FINANCIAL INSTRUMENTS	5,2	0,9	2,1	9,4	5,0	6,2	7,6	-11,3	-10,3	7,6	-11,3	-10,3
51 b) OTHER COMMITMENTS	14,990,8	121,7	182,4	15,995,1	130,6	193,7	13,156,2	94,7	148,1	13,156,2	94,7	148,1
52 TOTAL OFF BALANCE SHEET LIABILITIES (48 + 49)	41,9	3,4	16,7	47,6	7,6	21,4	24,6	-9,1	2,5	24,6	-9,1	2,5

Source: BRSA

Annex Table 23: Income Statement of Banking Sector

	December 2003			June 2004			September 2004			December 2004		
	T L	FX	TOTAL	T L	FX	TOTAL	T L	FX	TOTAL	T L	FX	TOTAL
1 Interest Income on Loans	8,828,549	1,626,104	10,454,653	5,854,958	829,570	6,684,528	9,522,492	1,324,204	10,846,696	13,710,432	1,833,068	15,543,500
2 Interest Income on Past Due Loans	463,735	4,348	468,083	200,897	1,261	202,158	279,901	2,270	282,171	444,313	2,031	446,344
3 Interest Income on Banks	596,482	283,386	879,868	241,884	128,314	370,198	397,747	225,159	622,906	551,510	339,528	891,038
4 Interest Income on Money Markets	5,005,510	917,779	5,923,289	601,059	5,972	607,031	814,750	10,179	824,929	1,001,287	14,653	1,015,940
5 Interest Income on Securities - Trading Portfolio	2,005,510	917,779	2,923,289	2,071,489	368,159	2,439,648	3,090,827	695,038	3,785,865	4,117,290	968,862	5,086,152
6 Interest Income on Securities - Available for Sale	1,878,047	856,152	2,734,199	2,563,792	447,919	3,011,711	4,076,726	745,610	4,822,336	5,310,218	1,073,141	6,383,359
7 Interest Income on Securities - Held to Maturity	13,778,874	799,918	14,578,792	4,764,713	308,975	5,073,688	7,137,914	446,270	7,584,184	9,236,880	609,664	9,846,544
8 Income from Reverse Repo Transactions	19,064	110	19,174	10,973	399	11,372	19,391	474	19,865	32,300	497	32,797
9 Income from Lease Financing Receivables	54	6,817	6,871	8	4,201	4,209	11	6,812	6,823	14	10,061	10,075
10 Other Interest Income	1,351,271	207,767	1,559,038	488,868	31,998	520,866	734,667	50,264	784,931	1,010,338	73,241	1,083,579
11 Total Interest Income (from 1 to 10)	34,478,832	4,776,087	39,254,919	16,798,641	2,126,768	18,925,409	26,074,426	3,506,280	29,580,706	35,414,582	4,924,746	40,339,328
12 Interest Paid for Deposits	21,294,387	1,928,502	23,222,889	8,294,958	863,499	9,158,457	12,725,977	1,374,694	14,100,671	17,126,599	1,862,040	18,988,639
13 Interest Paid for Balances Due to Banks	951,704	643,518	1,595,222	415,872	328,805	744,677	654,335	547,187	1,201,522	784,355	796,530	1,580,885
14 Interest Paid for Money Markets	194,247	70,766	265,013	62,963	12,148	75,111	84,328	21,032	105,360	112,806	24,643	137,449
15 Interest Paid For Issued Securities	0	72,198	72,198	0	28,159	28,159	0	44,657	44,657	0	59,609	59,609
16 Interest Paid For Repo Transactions	2,179,634	51,686	2,231,320	918,968	45,985	964,953	1,430,581	76,805	1,507,386	1,697,683	110,703	1,808,386
17 Expenses for Lease Financing Obligations	4,051	6,103	10,154	5,258	4,588	9,846	7,776	7,996	15,772	10,559	12,080	22,639
18 Other Interest Expenses	433,576	167,102	600,678	36,439	9,784	46,223	60,548	15,179	75,727	90,491	20,315	110,806
19 Total Interest Expenses (from 12 to 18)	25,057,599	2,939,875	27,997,474	9,734,458	1,292,968	11,027,426	14,963,545	2,087,550	17,051,095	19,822,493	2,885,920	22,708,413
20 NET OF INTEREST INCOME (INTEREST EXPENSE) (11-19)	9,421,233	1,836,212	11,257,445	7,064,183	833,800	7,897,983	11,110,881	1,418,730	12,529,611	15,592,089	2,038,826	17,630,915
21 Provisions for Past Due Loans	2,521,828	100,209	2,622,037	472,738	10,331	483,069	887,244	14,150	901,394	1,400,230	23,072	1,423,302
22 NET OF INTEREST INCOME (EXPENSE) AFTER PROVISIONS (21)	6,899,405	1,736,003	8,635,408	6,591,445	823,469	7,414,914	10,223,637	1,404,580	11,628,217	14,191,859	2,015,754	16,207,613
23 Fees and Commissions Received on Loans	541,764	339,814	881,578	338,264	183,614	521,878	530,339	291,532	821,871	737,331	405,421	1,142,752
24 Dividend Income	235,911	107,058	342,969	293,693	76,595	370,288	314,214	84,074	398,288	356,461	195,067	551,528
25 Income from Banking Activities	2,872,235	220,809	3,093,044	1,730,754	111,164	1,841,918	2,739,576	182,063	2,921,639	3,941,211	252,663	4,193,874
26 Income from Fixed Assets Sold	722,641	1	722,642	65,350	16	65,366	139,264	54	139,318	201,469	270	201,739
27 Other Non-Interest Income	2,058,081	90,236	2,148,317	871,810	24,245	896,055	1,339,209	34,043	1,373,252	2,007,188	48,142	2,055,330
28 Total Non-Interest Income (from 23 to 27)	6,400,632	757,918	7,188,550	3,299,871	395,634	3,695,505	5,062,602	591,766	5,654,368	7,243,660	901,563	8,145,223
29 Personnel Expenses	4,001,564	29,071	4,030,635	2,165,446	16,369	2,181,815	3,353,714	25,287	3,379,001	4,612,937	31,275	4,644,212
30 Provisions for Unexpected (General) Loan Losses	189,111	4,948	194,059	149,669	6,272	155,941	251,844	7,880	259,724	320,860	25,792	346,652
31 Provisions for Retirement Benefits Fund	215,875	0	215,875	50,670	0	50,670	86,231	0	86,231	155,244	0	155,244
32 Provisions for Value Decreases in Securities Portfolio	118,137	9,726	127,863	59,499	49,714	109,213	26,448	96,826	123,274	83,019	230,776	313,795
33 Provisions for Value Decreases in Securities Portfolio	147,213	1,465	148,678	86,463	0	86,463	93,505	2,673	96,178	264,889	19,823	284,712
34 Other Provisions	504,080	22,941	527,021	532,647	3,830	536,477	1,074,213	4,700	1,078,913	1,343,755	4,146	1,347,901
35 Fees and Commissions Paid for Transactions	984,333	164,464	1,148,797	422,169	105,164	527,333	683,850	177,294	861,144	961,705	272,092	1,233,797
36 Depreciation Expenses	967,483	4,116	971,599	513,353	2,082	515,435	788,906	3,135	792,041	926,829	4,211	931,040
37 Taxes, Duties, Charges and Premiums Paid	608,954	1,691	610,645	192,214	1,135	193,349	284,440	1,654	286,094	416,926	3,349	420,275
38 Other Non-Interest Expenses	4,620,093	87,097	4,707,190	2,017,842	34,803	2,052,645	3,107,574	58,369	3,165,943	4,747,777	86,100	4,833,877
39 Total Non-Interest Expenses (from 29 to 38)	12,356,843	325,519	12,682,362	6,189,972	219,369	6,409,341	9,750,725	377,818	10,128,543	13,833,941	677,564	14,511,505
40 Net of Income (Loss) from Capital Market Transactions	4,660,188	434,886	5,095,074	475,694	297,033	772,727	965,492	470,158	1,435,650	1,098,289	741,115	1,839,404
41 Net of Income (Loss) from FX Transactions	0	1,631,223	1,631,223	0	-573,212	-573,212	0	-769,883	-769,883	0	456,692	456,692
42 Net of Income (Expense) from Extra Ordinary Transactions	51,813	54	51,867	6,823	0	6,823	12,809	0	12,809	13,428	0	13,428
43 Profit (Loss) from Net Monetary Position	-1,853,477	0	-1,853,477	-1,400,377	0	-1,400,377	-1,627,123	0	-1,627,123	-3,022,040	0	-3,022,040
44 Total Other Non-Interest Income (Expense) (from 40 to 43)	2,858,524	2,066,163	4,924,687	-917,860	-276,179	-1,194,039	-648,822	-299,725	-948,547	-1,910,323	1,197,807	-712,516
45 PROFIT (LOSS) BEFORE TAX [(22+28+44)-39]	3,831,718	4,234,565	8,066,283	2,783,484	723,555	3,507,039	4,886,692	1,318,803	6,205,495	5,991,255	3,437,560	9,128,815
46 Provisions for Taxes	2,453,938	4,072	2,458,010	1,104,338	126	1,104,464	1,587,466	-8,441	1,579,025	2,652,593	-4,890	2,647,703
47 PROFIT (LOSS) FOR THE PERIOD (45 - 46)	1,377,780	4,230,493	5,608,273	1,679,146	723,429	2,402,575	3,299,226	1,327,244	4,626,470	3,038,662	3,442,450	6,481,112

Source: BRSa

Annex Table 24: Income Statement of Banking Sector

	December 2003			June 2004			September 2004			December 2004		
	T L	FX	TOTAL	T L	FX	TOTAL	T L	FX	TOTAL	T L	FX	TOTAL
1 Interest Income on Loans	6.325	1.165	7.490	3.940	558	4.499	6.358	884	7.242	10.216	1.366	11.581
2 Interest Income on Past Due Loans	332	3	335	135	1	136	187	2	188	331	2	333
3 Interest Income on Banks	427	203	630	163	86	249	266	150	416	411	253	664
4 Interest Income on Money Markets	1.832	53	1.885	405	4	409	544	7	551	746	11	757
5 Interest Income on Securities - Trading Portfolio	3.586	658	4.244	1.394	248	1.642	2.064	464	2.528	3.068	722	3.790
6 Interest Income on Securities - Available for Sale	1.345	613	1.959	1.725	301	2.027	2.722	498	3.220	3.957	800	4.756
7 Interest Income on Securities - Held to Maturity	9.871	573	10.444	3.207	208	3.415	4.766	298	5.064	6.882	454	7.337
8 Income from Reverse Repo Transactions	14	0	14	7	0	8	13	0	13	24	0	24
9 Income from Lease Financing Receivables	0	5	5	0	3	3	0	5	5	0	7	8
10 Other Interest Income	968	149	1.117	329	22	351	491	34	524	753	55	807
11 Total Interest Income (from 1 to 10)	24.701	3.422	28.123	11.305	1.431	12.737	17.410	2.341	19.751	26.387	3.669	30.057
12 Interest Paid for Deposits	15.256	1.382	16.637	5.582	581	6.164	8.497	918	9.415	12.761	1.387	14.148
13 Interest Paid for Balances Due to Banks	682	461	1.143	280	221	501	437	365	802	584	593	1.178
14 Interest Paid for Money Markets	139	51	190	42	8	51	56	14	70	84	18	102
15 Interest Paid for Issued Securities	0	52	52	0	19	19	0	30	30	0	44	44
16 Interest Paid for Repo Transactions	1.562	37	1.599	618	31	649	955	51	1,006	1,265	82	1,347
17 Expenses for Lease Financing Obligations	3	4	7	7	7	14	5	5	11	8	9	17
18 Other Interest Expenses	311	120	430	25	3	28	40	10	51	67	15	83
19 Total Interest Expenses (from 12 to 18)	17.952	2.106	20.058	6.551	870	7.421	9.991	1.394	11.385	14.770	2.150	16.920
20 NET OF INTEREST INCOME (INTEREST EXPENSE) (11-19)	6.750	1.315	8.065	4.754	561	5.315	7.419	947	8.366	11.618	1.519	13.137
21 Provisions for Past Due Loans	1.807	72	1.879	318	7	325	592	9	602	1,043	17	1,061
22 NET OF INTEREST INCOME (EXPENSE) AFTER PROVISIONS (2)	4.943	1.244	6.187	4.436	554	4.990	6.826	938	7.764	10.574	1.502	12.076
23 Fees and Commissions Received on Loans	388	243	632	228	124	351	354	195	549	549	302	851
24 Dividend Income	169	77	246	198	52	250	210	56	266	266	145	411
25 Income from Banking Activities	2,058	158	2,216	1,165	75	1,240	1,829	122	1,951	2,937	188	3,125
26 Income from Fixed Assets Sold	518	0	518	44	0	44	93	0	93	150	0	150
27 Other Non-Interest Income	1,474	65	1,539	587	16	603	894	23	917	1,496	36	1,531
28 Total Non-Interest Income (from 23 to 27)	4,607	543	5,150	2,221	266	2,487	3,380	395	3,775	5,397	672	6,069
29 Personnel Expenses	2,867	21	2,888	1,457	11	1,468	2,239	17	2,256	3,437	23	3,460
30 Provisions for Unexpected (General) Loan Losses	135	4	139	101	4	105	168	5	173	239	19	258
31 Provisions for Retirement Benefits Fund	155	0	155	34	0	34	58	0	58	116	0	116
32 Provisions for Value Decreases in Securities Portfolio	85	7	92	40	33	73	18	65	82	62	172	234
33 Provisions for Value Decreases in Subsidiaries, Associated and Joint Cor	105	1	107	58	0	58	62	2	64	197	15	212
34 Other Provisions	361	16	378	358	3	361	717	3	720	1,001	3	1,004
35 Fees and Commissions Paid for Transactions	705	118	823	284	71	355	457	118	575	717	203	919
36 Depreciation Expenses	693	3	696	345	1	347	527	2	529	691	3	694
37 Taxes, Duties, Charges and Premiums Paid	436	1	437	129	1	130	190	1	191	311	2	313
38 Other Non-Interest Expenses	3,310	62	3,372	1,358	23	1,381	2,075	39	2,114	3,538	64	3,602
39 Total Non-Interest Expenses (from 29 to 38)	8,853	233	9,086	4,166	148	4,313	6,510	252	6,763	10,308	505	10,813
40 Net of Income (Loss) from Capital Market Transactions	3,339	312	3,650	320	200	520	645	314	959	818	552	1,371
41 Net of Income (Loss) from FX Transactions	0	1,169	1,169	0	-386	-386	0	-514	-514	0	340	340
42 Net of Income (Loss) from Extra Ordinary Transactions	37	0	37	5	0	5	9	0	9	10	0	10
43 Profit (Loss) from Net Monetary Position	-1,328	0	-1,328	-942	0	-942	-1,086	0	-1,086	-2,252	0	-2,252
44 Total Other Non-Interest Income (Expense) (from 40 to 43)	2,048	1,480	3,528	-618	-186	-804	-433	-200	-633	-1,423	892	-531
45 PROFIT (LOSS) BEFORE TAX [(22+28+44)-39]	2,745	3,034	5,779	1,873	487	2,360	4,143	881	4,143	4,241	2,561	6,802
46 Provisions for Taxes	1,758	3	1,761	743	0	743	1,060	-6	1,054	1,976	-4	1,973
47 PROFIT (LOSS) FOR THE PERIOD (45 - 46)	987	3,031	4,018	1,130	487	1,617	2,203	886	3,089	2,264	2,565	4,829

Source: BRSA

Annex Table 25: Income Statement of Banking Sector (December 2004/ December 2003)

	Nominal Change % NTL		Nominal Change % USD Dollar		Real Change % NTL		TOTAL
	TL	FX	TL	FX	TL	FX	
1 Interest Income on Loans	55.3	12.7	61.5	17.2	36.4	-1.0	30.6
2 Interest Income on Past Due Loans	-4.2	-53.3	-0.4	-51.4	-15.8	-59.0	-16.2
3 Interest Income on Banks	-7.5	19.8	-3.8	24.6	-18.8	5.2	-11.0
4 Interest Income on Money Markets	-60.8	-80.1	-59.3	-79.3	-65.6	-82.5	-66.1
5 Interest Income on Securities - Trading Portfolio	-17.7	5.6	-14.1	9.8	-17.7	-7.3	-24.6
6 Interest Income on Securities - Available for Sale	182.8	25.3	194.1	30.4	142.8	10.1	105.1
7 Interest Income on Securities - Held to Maturity	-33.0	-23.8	-30.3	-20.7	-41.1	-33.1	-40.7
8 Income from Reverse Repo Transactions	69.4	351.8	76.2	369.9	48.8	296.9	50.3
9 Income from Lease Financing Receivables	-74.1	47.6	-73.0	53.5	-77.2	29.6	28.8
10 Other Interest Income	-25.2	-64.7	-22.2	-63.3	-34.3	-69.0	-38.9
11 Total Interest Income (from 1 to 10)	2.7	3.1	6.8	7.2	-9.8	-9.4	-9.7
12 Interest Paid for Deposits	-19.6	-3.4	-16.4	0.4	-29.4	-15.2	-28.2
13 Interest Paid for Balances Due to Banks	-17.6	23.8	-14.3	28.7	-27.6	8.7	-12.9
14 Interest Paid for Money Markets	-41.9	-65.2	-39.6	-63.8	-49.0	-69.4	-54.4
15 Interest Paid For Issued Securities	-	-17.4	-	-14.1	-	-27.5	-27.5
16 Interest Paid For Repo Transactions	-22.1	114.2	-19.0	122.8	-31.6	88.1	-28.8
17 Expenses for Lease Financing Obligations	160.7	97.9	171.1	105.9	129.0	73.9	95.9
18 Other Interest Expenses	-79.1	-87.8	-78.3	-87.4	-81.7	-89.3	-83.8
19 Total Interest Expenses (from 12 to 18)	-20.9	-1.8	-17.7	2.1	-30.5	-13.8	-28.8
20 NET OF INTEREST INCOME (INTEREST EXPENSE) (11-19)	65.5	11.0	72.1	15.5	45.4	-2.5	37.6
21 Provisions for Past Due Loans	-44.5	-77.0	-42.3	-76.1	-51.2	-79.8	-52.3
22 NET OF INTEREST INCOME (EXPENSE) AFTER PROVISIONS	105.7	16.1	113.9	20.8	80.7	2.0	64.9
23 Fees and Commissions Received on Loans	36.1	19.3	41.5	24.1	19.6	4.8	13.9
24 Dividend Income	51.1	82.2	57.1	89.5	32.7	60.1	41.3
25 Income from Banking Activities	37.2	14.4	42.7	19.0	20.5	0.5	19.1
26 Income from Fixed Assets Sold	-72.1	26,900.0	-71.0	27,981.0	-75.5	23,617.4	-75.5
27 Other Non-Interest Income	-2.5	-46.6	1.4	-44.5	-14.3	-53.1	-16.0
28 Total Non-Interest Income (from 23 to 27)	12.6	19.0	17.2	23.7	-1.1	4.5	-0.5
29 Personnel Expenses	15.3	7.6	19.9	11.9	1.3	-5.5	1.2
30 Provisions for Unexpected (General) Loan Losses	69.7	421.3	76.5	442.1	49.0	357.9	56.9
31 Provisions for Retirement Benefits Fund	-28.1	-	-25.2	-	-36.8	-	-36.8
32 Provisions for Value Decreases in Securities Portfolio	-29.7	2,272.8	-26.9	2,367.8	-38.3	1,984.3	115.6
33 Provisions for Value Decreases in Subsidiaries, Associated and Joint Ventures	79.9	1,253.1	87.1	1,307.3	58.1	1,088.6	68.2
34 Other Provisions	166.6	-81.9	177.2	-81.2	134.2	-84.1	124.7
35 Fees and Commissions Paid for Transactions	-2.3	65.4	1.6	72.1	-14.2	45.3	-5.7
36 Depreciation Expenses	-4.2	2.3	-0.4	6.4	-15.8	-10.1	-15.8
37 Taxes, Duties, Charges and Premiums Paid	-31.5	98.0	-28.4	106.0	-39.9	74.0	-39.5
38 Other Non-Interest Expenses	2.8	-1.1	6.9	2.8	-9.7	-13.2	-9.8
39 Total Non-Interest Expenses (from 29 to 38)	12.0	108.1	16.4	116.5	-1.7	82.8	0.5
40 Net of Income (Loss) from Capital Market Transactions	-76.4	70.4	-75.5	77.2	-79.3	49.7	-68.3
41 Net of Income (Loss) from FX Transactions	-	-72.0	-	-70.9	-	-75.4	-75.4
42 Net of Income (Expense) from Extra Ordinary Transactions	-74.1	-100.0	-73.0	-100.0	-77.2	-100.0	-77.3
43 Profit (Loss) from Net Monetary Position	63.0	-	69.6	-	43.2	-	43.2
44 Total Other Non-Interest Income (Expense) (from 40 to 43)	-166.8	-42.0	-169.5	-39.7	-158.7	-49.1	-112.7
45 PROFIT (LOSS) BEFORE TAX [(22+28+44)-39]	48.5	-18.8	54.5	-15.6	30.5	-28.7	-0.6
46 Provisions for Taxes	8.1	-220.1	12.4	-224.9	-5.0	-205.5	-5.4
47 PROFIT (LOSS) FOR THE PERIOD (45 - 46)	120.5	-18.6	129.4	-15.4	93.7	-28.5	1.5

Source: BRS4

Annex Table 26: Income Statement of Banking Sector Excluding SDFI Banks

	(NTL thousand)											
	December 2003		June 2004		September 2004		December 2004					
	T	FX	T	FX	T	FX	T	FX				
1 Interest Income on Loans	8,696,906	1,596,753	5,804,979	821,023	6,626,002	9,451,585	1,312,624	10,764,209	1,832,690	13,708,297	1,832,690	15,540,987
2 Interest Income on Past Due Loans	443,132	4,289	197,938	1,177	199,115	274,937	1,870	276,807	2,031	439,993	2,031	442,024
3 Interest Income on Banks	560,610	265,366	196,481	123,135	319,616	196,481	217,639	544,915	330,426	479,717	330,426	810,143
4 Interest Income on Money Markets	2,550,302	73,698	599,591	5,972	605,563	812,876	10,179	823,055	14,653	1,001,216	14,653	1,015,869
5 Interest Income on Securities - Trading Portfolio	4,425,376	917,025	1,921,024	368,118	2,289,142	2,844,170	694,951	3,539,121	968,750	3,788,067	968,750	4,756,817
6 Interest Income on Securities - Available for Sale	1,291,829	852,890	2,144,719	443,838	2,775,834	3,231,693	739,286	4,462,979	1,073,141	5,310,218	1,073,141	6,383,359
7 Interest Income on Securities - Held to Maturity	13,729,367	799,899	4,750,796	308,975	5,059,771	7,122,200	446,270	7,568,470	609,664	9,236,880	609,664	9,846,544
8 Income from Reverse Repo Transactions	18,867	110	10,940	399	11,339	19,359	474	19,833	497	32,269	497	32,766
9 Income from Lease Financing Receivables	54	6,817	8	4,201	11	6,812	11	6,823	14	10,061	14	10,075
10 Other Interest Income	1,337,211	207,712	475,784	31,909	507,693	712,642	50,136	762,778	73,113	1,007,633	73,113	1,080,746
11 Total Interest Income (from 1 to 10)	33,053,654	4,724,559	16,289,537	2,108,747	18,398,284	25,288,749	3,480,241	28,768,990	4,915,026	35,004,304	4,915,026	39,919,330
12 Interest Paid for Deposits	20,549,863	1,844,596	8,057,630	829,550	8,887,180	12,377,612	1,323,683	13,701,295	1,862,040	17,126,590	1,862,040	18,988,630
13 Interest Paid for Balances Due to Banks	898,527	624,544	363,295	323,362	686,657	561,397	539,446	1,100,843	793,460	783,153	793,460	1,576,613
14 Interest Paid for Money Markets	186,499	70,766	61,197	12,148	73,345	82,482	21,032	103,514	24,643	112,599	24,643	137,242
15 Interest Paid For Issued Securities	0	72,198	0	28,159	28,159	0	44,657	0	59,609	0	59,609	59,609
16 Interest Paid For Repo Transactions	1,560,164	51,686	679,963	45,985	725,948	1,095,896	76,805	1,172,701	110,703	1,605,360	110,703	1,716,063
17 Expenses for Lease Financing Obligations	4,051	6,103	5,258	4,588	9,846	7,776	7,996	15,772	10,559	10,559	10,559	22,639
18 Other Interest Expenses	343,279	163,665	34,871	9,784	44,655	58,439	15,179	73,618	64,713	64,713	20,315	85,028
19 Total Interest Expenses (from 12 to 18)	23,542,383	2,833,558	9,202,214	1,253,576	10,455,790	14,183,602	2,028,798	16,212,400	2,882,850	19,702,974	2,882,850	22,585,824
20 NET OF INTEREST INCOME (INTEREST EXPENSE) (11-19)	9,511,271	1,891,001	7,087,323	855,171	7,942,494	11,105,147	1,451,443	12,556,590	2,032,176	15,301,330	2,032,176	17,333,506
21 Provisions for Past Due Loans	2,388,019	56,753	452,686	8,125	460,811	822,862	11,952	834,814	1,375,894	20,895	1,375,894	20,895
22 NET OF INTEREST INCOME (EXPENSE) AFTER PROVISIONS (20)	7,123,252	1,834,248	6,634,637	847,046	7,481,683	10,282,285	1,439,491	11,721,776	2,011,281	13,925,436	2,011,281	15,936,717
23 Fees and Commissions Received on Loans	519,806	327,582	328,178	178,673	506,851	516,583	284,559	801,142	401,702	729,814	401,702	1,131,516
24 Dividend Income	235,874	107,058	293,063	76,595	369,658	313,577	84,074	397,651	195,067	356,461	195,067	551,528
25 Income from Banking Activities	2,821,179	217,877	1,713,810	109,867	1,823,677	2,714,059	180,109	2,894,168	252,517	3,940,826	252,517	4,193,343
26 Income from Fixed Assets Sold	204,019	1	64,521	16	64,537	137,588	54	137,642	270	199,936	270	200,206
27 Other Non-Interest Income	1,780,241	90,131	843,554	24,014	867,568	1,293,028	33,757	1,326,785	47,569	1,823,512	47,569	1,871,081
28 Total Non-Interest Income (from 23 to 27)	5,561,119	742,649	3,243,126	389,165	3,632,911	4,974,835	582,553	5,557,368	897,125	7,050,549	897,125	7,947,674
29 Personnel Expenses	3,871,723	25,903	2,104,692	14,841	2,119,533	3,262,758	22,913	3,285,671	4,599,145	4,599,145	31,275	4,630,420
30 Provisions for Unexpected (General) Loan Losses	188,853	3,610	149,642	2,732	152,374	251,844	4,836	256,680	320,781	320,781	25,592	346,373
31 Provisions for Retirement Benefits Fund	204,609	0	48,800	0	48,800	83,316	0	83,316	155,069	155,069	0	155,069
32 Provisions for Value Decreases in Securities Portfolio	58,139	9,726	59,499	49,714	109,213	26,448	96,826	123,274	230,776	83,019	230,776	313,795
33 Provisions for Value Decreases in Subsidiaries, Associated and Joint Con	147,213	1,465	86,463	0	86,463	93,505	2,673	96,178	264,889	264,889	19,823	284,712
34 Other Provisions	503,549	22,941	530,368	3,830	534,198	961,365	4,699	966,064	1,343,756	1,343,756	4,145	1,347,901
35 Fees and Commissions Paid for Transactions	979,711	161,044	421,013	104,022	525,035	682,064	175,619	857,683	960,792	271,948	960,792	1,232,740
36 Depreciation Expenses	946,343	3,954	503,965	1,991	505,956	774,019	2,940	776,959	923,522	923,522	4,211	927,733
37 Taxes, Duties, Charges and Premiums Paid	4,975,639	1,682	1,891,815	1,134	1,909,949	280,809	1,652	282,461	415,293	415,293	3,349	418,642
38 Other Non-Interest Expenses	4,470,020	85,414	1,962,215	34,017	1,996,232	3,022,049	57,187	3,079,236	3,476,219	3,476,219	86,100	4,792,319
39 Total Non-Interest Expenses (from 29 to 38)	11,965,799	315,739	6,056,472	212,281	6,268,753	9,438,177	369,345	9,807,522	677,219	13,772,485	677,219	14,449,704
40 Net of Income (Loss) from Capital Market Transactions	4,611,483	442,337	417,178	297,189	714,367	903,872	-687,417	1,374,169	741,281	1,058,087	741,281	1,799,368
41 Net of Income (Loss) from FX Transactions	0	1,545,961	0	-535,063	-535,063	12,809	0	-687,417	0	460,470	460,470	460,470
42 Net of Income (Expense) from Extra Ordinary Transactions	51,813	54	6,823	0	6,823	12,809	0	12,809	0	13,428	0	13,428
43 Profit (Loss) from Net Monetary Position	-1,837,127	0	-1,495,891	0	-1,495,891	-1,746,990	0	-1,746,990	-2,965,478	-2,965,478	0	-2,965,478
44 Total Other Non-Interest Income (Expense) (from 40 to 43)	2,826,169	1,988,352	-1,071,890	-237,874	-1,309,764	-830,309	-217,120	-1,047,429	1,201,751	-1,893,963	1,201,751	-692,212
45 PROFIT (LOSS) BEFORE TAX [(22+28+44)-39]	3,544,741	4,249,510	2,749,401	786,056	3,535,457	4,988,634	1,435,579	6,424,213	3,432,938	5,309,537	3,432,938	8,742,475
46 Provisions for Taxes	2,453,938	4,072	1,104,338	126	1,104,464	1,587,466	-8,441	1,579,025	-4,890	2,652,593	-4,890	2,647,702
47 PROFIT (LOSS) FOR THE PERIOD (45 - 46)	1,090,803	4,245,438	1,645,063	785,930	2,430,993	3,401,168	1,444,020	4,845,188	3,437,828	2,656,944	3,437,828	6,094,773

Source: BRS4

Annex Table 28: Income Statement of Banking Sector Excluding SDFI Banks (December 2004 / December 2003)

	Nominal Change % NTL		Nominal Change % USD Dollar		Real Change % NTL		TOTAL
	TL	FX	TL	FX	TL	FX	
1 Interest Income on Loans	57.6	14.8	63.9	19.4	38.5	0.8	32.6
2 Interest Income on Past Due Loans	-0.7	-52.6	3.3	-50.8	-12.8	-58.4	-13.2
3 Interest Income on Banks	-14.4	24.5	-11.0	29.5	-24.8	9.4	-13.8
4 Interest Income on Money Markets	-60.7	-80.1	-59.2	-79.3	-65.5	-82.5	-66.0
5 Interest Income on Securities - Trading Portfolio	-14.4	5.6	-11.0	9.9	-24.8	-7.2	-21.8
6 Interest Income on Securities - Available for Sale	311.1	25.8	327.5	30.9	261.1	10.5	161.4
7 Interest Income on Securities - Held to Maturity	-32.7	-23.8	-30.0	-20.7	-40.9	-33.0	-40.5
8 Income from Reverse Repo Transactions	71.0	351.8	72.7	369.9	50.2	296.9	51.7
9 Income from Lease Financing Receivables	-74.1	47.6	-73.0	53.5	-77.2	29.6	28.8
10 Other Interest Income	-24.6	-64.8	-21.6	-63.4	-33.8	-69.1	-38.6
11 Total Interest Income (from 1 to 10)	5.9	4.0	10.1	8.2	-7.0	-8.6	-7.2
12 Interest Paid for Deposits	-16.7	0.9	-15.2	5.0	-26.8	-11.3	-25.5
13 Interest Paid for Balances Due to Banks	-12.8	27.0	-9.4	32.1	-23.4	11.6	-9.1
14 Interest Paid for Money Markets	-39.6	-65.2	-37.2	-63.8	-47.0	-69.4	-53.1
15 Interest Paid for Issued Securities	-	-17.4	-	-14.1	-	-27.5	-27.5
16 Interest Paid For Repo Transactions	2.9	114.2	7.0	122.8	-9.6	88.1	-6.5
17 Expenses for Lease Financing Obligations	160.7	97.9	171.1	105.9	129.0	73.9	95.9
18 Other Interest Expenses	-81.1	-87.6	-83.2	-87.1	-83.4	-89.1	-85.3
19 Total Interest Expenses (from 12 to 18)	-16.3	1.7	-13.0	5.8	-26.5	-10.6	-24.8
20 NET OF INTEREST INCOME (INTEREST EXPENSE)	60.9	7.5	67.3	11.8	41.3	-5.6	33.5
21 Provisions for Past Due Loans	-42.4	-63.2	-40.1	-61.7	-49.8	-67.7	-49.8
22 NET OF INTEREST INCOME (EXPENSE) AFTER PROVISIONS	95.5	9.7	103.3	14.0	71.7	-3.7	56.3
23 Fees and Commissions Received on Loans	40.4	22.6	46.0	27.5	23.3	7.7	17.3
24 Dividend Income	51.1	82.2	57.2	89.5	32.8	60.1	41.3
25 Income from Banking Activities	39.7	15.9	45.3	20.5	22.7	1.8	21.2
26 Income from Fixed Assets Sold	-2.0	26.900.0	1.9	27.981.0	-13.9	23.617.4	-13.8
27 Other Non-Interest Income	2.4	-47.2	6.5	-45.1	-10.0	-53.6	-12.1
28 Total Non-Interest Income (from 23 to 27)	26.8	20.8	31.9	25.6	11.4	6.1	10.8
29 Personnel Expenses	18.8	20.7	23.5	25.6	4.3	6.1	4.4
30 Provisions for Unexpected (General) Loan Losses	69.9	608.9	76.7	637.3	49.2	522.7	58.1
31 Provisions for Retirement Benefits Fund	-24.2	-	-21.2	-	-33.4	-	-33.4
32 Provisions for Value Decreases in Securities Portfolio	42.8	2.272.8	48.5	2.367.8	25.4	1.984.3	306.2
33 Provisions for Value Decreases in Subsidiaries, Associated and Joint Ventures	79.9	1.253.1	87.1	1.307.3	58.1	1.088.6	68.2
34 Other Provisions	166.9	-81.9	177.5	-81.2	134.4	-84.1	124.9
35 Fees and Commissions Paid for Transactions	-1.9	68.9	2.0	75.6	-13.9	48.3	-5.1
36 Depreciation Expenses	-30.3	6.5	1.5	10.8	-14.3	-6.4	-14.2
37 Taxes, Duties, Charges and Premiums Paid	-	-29.9	-	-27.1	-38.8	74.9	-38.4
38 Other Non-Interest Expenses	5.3	0.8	9.5	4.8	-7.5	-11.5	-7.6
39 Total Non-Interest Expenses (from 29 to 38)	15.1	114.5	19.7	123.1	1.1	86.4	3.3
40 Net of Income (Loss) from Capital Market Transactions	-77.1	-64.4	-76.1	74.3	-79.8	47.2	-68.7
41 Net of Income (Loss) from FX Transactions	-	-70.2	-	-69.0	-	-73.8	-73.8
42 Net of Income (Expense) from Extra Ordinary Transactions	-74.1	-100.0	-73.0	-100.0	-77.2	-100.0	-77.3
43 Profit (Loss) from Net Monetary Position	61.4	-	67.9	-	41.8	-	41.8
44 Total Other Non-Interest Income (Expense) (from 40 to 43)	-167.0	-39.6	-169.7	-37.1	-158.9	-46.9	-112.6
45 PROFIT (LOSS) BEFORE TAX [(22+28+44)-39]	49.8	-19.2	55.8	-16.0	31.6	-29.0	-1.5
46 Provisions for Taxes	8.1	-220.1	12.4	-224.9	-5.0	-205.5	-5.4
47 PROFIT (LOSS) FOR THE PERIOD (45 - 46)	143.6	-19.0	153.3	-15.8	114.0	-28.9	0.3

Source: BRS

Annex Table 29: Income Statement of State Banks

	December 2003			June 2004			September 2004			December 2004		
	T	L	FX	T	L	FX	T	L	FX	T	L	FX
1 Interest Income on Loans	1,680,888	128,202	1,809,090	1,351,972	64,814	1,416,786	2,204,664	107,403	2,312,067	3,209,284	154,265	3,363,549
2 Interest Income on Past Due Loans	268,938	725	269,663	105,392	1	105,393	143,558	1	143,559	250,330	40	250,370
3 Interest Income on Bonds	43,974	82,138	126,112	15,647	45,635	61,282	41,637	74,561	116,198	68,376	109,848	178,224
4 Interest Income on Money Markets	1,191,615	5,223	1,196,838	859,910	314	859,600	637,394	637	637,027	528,595	904	529,499
5 Interest Income on Securities - Trading Portfolio	1,244,010	325,890	1,569,900	859,910	164,267	1,024,177	1,249,381	275,330	1,524,711	1,599,487	347,201	1,946,688
6 Interest Income on Securities - Available for Sale	29,684	42,635	72,319	428,051	60,423	488,474	779,289	111,882	891,171	1,266,200	179,894	1,446,094
7 Interest Income on Securities - Held to Maturity	11,747,298	419,223	12,166,521	3,739,076	121,785	3,860,861	5,756,451	192,071	5,948,522	7,744,325	257,158	8,001,483
8 Income from Reverse Repo Transactions	8,912	0	8,912	2,752	0	2,752	6,895	0	6,895	13,464	1	13,465
9 Income from Lease Financing Receivables	0	0	0	0	0	0	0	0	0	0	0	0
10 Other Interest Income	523,627	15,755	539,382	206,004	7,752	213,756	307,479	12,452	319,931	442,198	17,900	460,098
11 Total Interest Income (from 1 to 10)	16,738,946	1,019,791	17,758,737	6,963,865	464,991	7,428,856	10,884,009	774,337	11,658,346	15,122,259	1,067,211	16,189,470
12 Interest Paid for Deposits	11,539,574	422,010	11,961,584	4,270,539	221,935	4,492,474	6,574,256	349,782	6,924,038	9,121,088	502,438	9,623,526
13 Interest Paid for Balances Due to Banks	83,063	84,982	168,045	25,745	31,875	57,620	35,176	54,514	89,690	55,167	80,176	135,343
14 Interest Paid for Money Markets	753	47,607	48,360	9	5,788	5,797	38	11,021	11,059	115	16,063	16,178
15 Interest Paid For Issued Securities	0	10,557	10,557	0	0	0	0	0	0	0	0	0
16 Interest Paid For Repo Transactions	355,033	4,202	359,235	92,584	4,350	96,934	129,699	8,433	138,132	189,962	13,667	203,629
17 Expenses for Lease Financing Obligations	32	1,471	1,503	0	654	654	0	1,094	1,094	57	1,984	2,041
18 Other Interest Expenses	27,836	870	28,706	23,017	383	23,400	46,708	552	47,260	49,604	674	50,278
19 Total Interest Expenses (from 12 to 18)	12,006,291	571,699	12,577,990	4,411,894	264,985	4,676,879	6,785,877	425,396	7,211,273	9,415,993	615,002	10,030,995
20 NET OF INTEREST INCOME (INTEREST EXPENSE) (11-19)	4,732,655	448,092	5,180,747	2,551,971	200,006	2,751,977	4,098,132	348,941	4,447,073	5,706,266	452,209	6,158,475
21 Provisions for Past Due Loans	1,311,997	694	1,312,691	195,811	408	196,219	244,515	450	244,965	313,321	1,384	314,705
22 NET OF INTEREST INCOME (EXPENSE) AFTER PROVISIONS (20-21)	3,420,658	447,398	3,868,056	2,356,160	199,598	2,555,758	3,853,617	348,491	4,202,108	5,392,945	450,825	5,843,770
23 Fees and Commissions Received on Loans	65,904	27,916	93,820	64,958	17,105	82,063	97,235	26,250	123,485	130,688	37,413	168,101
24 Dividend Income	29,324	1,751	31,075	16,690	603	17,293	26,911	1,011	27,922	63,289	1,053	64,342
25 Income from Banking Activities	555,550	30,468	586,028	322,309	15,910	338,219	498,938	24,914	523,852	716,071	36,566	752,637
26 Income from Fixed Assets Sold	56,662	0	56,662	49,596	0	49,596	83,028	0	83,028	108,639	0	108,639
27 Other Non-Interest Income	727,757	23,335	751,092	174,807	9,841	184,648	271,951	11,118	283,069	498,550	13,562	512,112
28 Total Non-Interest Income (from 23 to 27)	1,435,207	83,470	1,518,677	628,360	43,459	671,819	978,063	63,293	1,041,356	1,517,237	88,594	1,605,831
29 Personnel Expenses	1,172,712	13,739	1,186,451	604,815	6,630	611,445	910,426	10,263	920,689	1,263,240	13,690	1,276,930
30 Provisions for Unexpected (General) Loan Losses	35,030	0	35,030	15,642	0	15,642	36,494	0	36,494	93,062	0	93,062
31 Provisions for Retirement Benefits Fund	169,386	0	169,386	30,905	0	30,905	59,477	0	59,477	117,959	0	117,959
32 Provisions for Value Decreases in Securities Portfolio	417	3,462	3,879	10,973	13,871	24,844	10,545	13,016	23,561	35,422	14,603	50,025
33 Provisions for Value Decreases in Subsidiaries, Associated and Joint Co	95,474	1,459	96,933	2,975	0	2,975	8,736	0	8,736	19,160	0	19,160
34 Other Provisions	16,314	1,968	18,282	13,747	669	14,416	88,838	1,994	90,832	137,556	1,291	138,847
35 Fees and Commissions Paid for Transactions	126,252	17,391	143,643	42,586	14,777	57,363	77,436	21,774	99,210	109,996	40,958	150,954
36 Depreciation Expenses	116,081	1,121	117,202	63,644	432	64,076	109,363	685	110,048	146,264	945	147,209
37 Taxes, Duties, Charges and Premiums Paid	175,582	764	176,346	60,002	736	60,738	90,673	1,116	91,789	130,442	1,475	131,917
38 Other Non-Interest Expenses	1,067,251	9,816	1,077,067	455,371	41,308	496,679	651,820	6,293	658,113	933,581	9,812	943,393
39 Total Non-Interest Expenses (from 29 to 38)	2,974,499	49,720	3,024,219	1,300,660	41,308	1,341,968	2,043,820	55,141	2,098,961	2,986,682	82,774	3,069,456
40 Net of Income (Loss) from Capital Market Transactions	1,016,560	48,045	1,064,605	37,863	5,377	43,240	84,473	5,210	89,683	176,611	13,697	190,308
41 Net of Income (Loss) from FX Transactions	0	197,941	197,941	0	-14,878	-14,878	0	-3,610	-3,610	0	291,681	291,681
42 Net of Income (Expense) from Extra Ordinary Transactions	-736,497	0	-736,497	-575,598	0	-575,598	-631,818	0	-631,818	-1,111,871	0	-1,111,871
43 Profit (Loss) from Net Monetary Position	280,063	245,986	526,049	-537,735	-9,501	-547,236	-547,345	1,600	-545,745	-935,260	305,378	-629,882
44 Total Other Non-Interest Income (Expense) (from 40 to 43)	2,161,429	727,134	2,888,563	1,146,125	192,248	1,338,373	2,240,515	358,243	2,598,758	2,988,240	762,023	3,750,263
45 PROFIT (LOSS) BEFORE TAX [(22+28+44)-39]	1,095,711	2,491	1,098,202	422,206	126	422,332	607,376	-8,441	598,935	1,049,672	-7,355	1,042,317
46 Provisions for Taxes	1,065,718	724,643	1,790,361	723,919	192,122	916,041	1,633,139	366,684	1,999,823	1,938,568	769,378	2,707,946

Source: BRSA

Annex Table 30: Income Statement of State Banks

	December 2003			June 2004			September 2004			December 2004		
	T L	FX	TOTAL	T L	FX	TOTAL	T L	FX	TOTAL	T L	FX	TOTAL
1 Interest Income on Loans	1,204	92	1,296	910	44	953	1,472	72	1,544	2,391	115	2,506
2 Interest Income on Past Due Loans	193	1	193	71	0	71	96	0	96	187	0	187
3 Interest Income on Banks	32	59	90	11	31	41	28	50	78	51	82	133
4 Interest Income on Money Markets	854	4	857	172	0	172	264	0	264	394	1	395
5 Interest Income on Securities - Trading Portfolio	891	233	1,125	579	111	689	834	184	1,018	1,192	259	1,450
6 Interest Income on Securities - Available for Sale	21	31	52	288	41	329	520	75	595	943	134	1,077
7 Interest Income on Securities - Held to Maturity	8,416	300	8,716	2,516	82	2,598	3,844	128	3,972	5,770	192	5,962
8 Income from Reverse Repo Transactions	6	0	6	2	0	2	5	0	5	10	0	10
9 Income from Lease Financing Receivables	0	0	0	0	0	0	0	0	0	0	0	0
10 Other Interest Income	375	11	386	139	5	144	205	8	214	13	13	343
11 Total Interest Income (from 1 to 10)	11,992	731	12,723	4,687	313	5,000	7,267	517	7,784	11,268	795	12,063
12 Interest Paid for Deposits	8,267	302	8,569	2,874	149	3,023	4,390	234	4,623	6,796	374	7,170
13 Interest Paid for Balances Due to Banks	60	61	120	17	21	39	23	36	60	41	60	101
14 Interest Paid for Money Markets	1	34	35	0	4	4	0	7	7	0	12	12
15 Interest Paid For Issued Securities	0	8	8	0	0	0	0	0	0	0	0	0
16 Interest Paid For Repo Transactions	254	3	257	62	3	65	87	6	92	142	10	152
17 Expenses for Lease Financing Obligations	0	1	1	0	0	0	0	1	1	0	1	2
18 Other Interest Expenses	20	1	21	15	0	16	31	0	32	37	1	37
19 Total Interest Expenses (from 12 to 18)	8,602	410	9,011	2,969	178	3,147	4,531	284	4,815	7,016	458	7,474
20 NET OF INTEREST INCOME (INTEREST EXPENSE) (11-19)	3,391	321	3,712	1,717	135	1,852	2,736	233	2,969	4,252	337	4,589
21 Provisions for Past Due Loans	940	0	940	132	0	132	163	0	164	233	1	234
22 NET OF INTEREST INCOME (EXPENSE) AFTER PROVISIONS (20-21)	2,451	321	2,771	1,586	134	1,720	2,573	233	2,806	4,018	336	4,354
23 Fees and Commissions Received on Loans	47	20	67	44	12	55	65	18	82	97	28	125
24 Dividend Income	21	1	22	11	12	22	18	1	19	47	1	48
25 Income from Banking Activities	398	22	420	217	11	228	333	17	350	534	27	561
26 Income from Fixed Assets Sold	41	0	41	33	0	33	55	0	55	81	0	81
27 Other Non-Interest Income	521	17	538	118	7	124	182	7	189	371	10	382
28 Total Non-Interest Income (from 23 to 27)	1,028	60	1,088	423	29	452	653	42	695	1,130	66	1,197
29 Personnel Expenses	840	10	850	407	4	411	608	7	615	941	10	951
30 Provisions for Unexpected (General) Loan Losses	25	0	25	11	0	11	24	0	24	69	0	69
31 Provisions for Retirement Benefits Fund	121	0	121	21	0	21	40	0	40	88	0	88
32 Provisions for Value Decreases in Securities Portfolio	0	2	3	7	9	17	7	9	16	26	11	37
33 Provisions for Value Decreases in Subsidiaries, Associated and Joint Cor	68	1	69	2	0	2	6	0	6	14	0	14
34 Other Provisions	12	1	13	9	0	10	59	1	61	102	1	103
35 Fees and Commissions Paid for Transactions	90	12	103	29	10	39	52	15	66	82	31	112
36 Depreciation Expenses	83	1	84	43	0	43	73	0	73	109	1	110
37 Taxes, Duties, Charges and Premiums Paid	126	1	126	40	0	41	61	1	61	97	1	98
38 Other Non-Interest Expenses	765	7	772	306	3	309	435	4	439	696	7	703
39 Total Non-Interest Expenses (from 29 to 38)	2,131	36	2,167	875	28	903	1,365	37	1,401	2,225	62	2,287
40 Net of Income (Loss) from Capital Market Transactions	728	34	763	25	4	29	56	3	60	132	10	142
41 Net of Income (Loss) from FX Transactions	0	142	142	0	-10	-10	0	-2	-2	0	0	0
42 Net of Income (Expense) from Extra Ordinary Transactions	-528	0	-528	-387	0	-387	-422	0	-422	-828	0	-828
43 Profit (Loss) from Net Monetary Position	201	176	377	-362	-6	-368	-365	1	-364	-697	228	-469
44 Total Other Non-Interest Income (Expense) (from 40 to 43)	1,548	521	2,069	771	129	901	1,496	239	1,735	2,227	568	2,794
45 PROFIT (LOSS) BEFORE TAX [(22+28+44)-39]	785	2	787	284	0	284	406	-6	400	782	-5	777
46 Provisions for Taxes	763	519	1,283	487	129	616	1,090	245	1,335	1,444	573	2,018
47 PROFIT (LOSS) FOR THE PERIOD (45 - 46)	24	2	26	97	0	97	116	0	116	338	0	338

Source: BRSA

Annex Table 31: Income Statement of State Banks (December 2004/ December 2003)

	Nominal Change % NTL		Nominal Change % USD Dollar		Real Change % NTL	
	TL	FX	TL	FX	TL	FX
1 Interest Income on Loans	90.9	20.3	98.6	25.1	67.7	5.7
2 Interest Income on Past Due Loans	-6.9	-94.5	-3.2	-94.3	-18.2	-95.2
3 Interest Income on Banks	55.5	33.7	61.7	39.1	36.6	17.5
4 Interest Income on Money Markets	-55.6	-82.7	-53.9	-82.0	-61.0	-84.8
5 Interest Income on Securities - Trading Portfolio	28.6	6.5	33.7	10.8	12.9	-6.4
6 Interest Income on Securities - Available for Sale	4,165.6	321.9	4,336.4	338.8	3,647.0	270.6
7 Interest Income on Securities - Held to Maturity	-34.1	-38.7	-31.4	-36.2	-42.1	-46.1
8 Income from Reverse Repo Transactions	51.1	-	57.1	-	32.7	-
9 Income from Lease Financing Receivables	-	-	-	-	-	-
10 Other Interest Income	-15.6	13.6	-12.2	18.2	-25.8	-0.2
11 Total Interest Income (from 1 to 10)	-9.7	4.6	-6.0	8.8	-20.6	-8.1
12 Interest Paid for Deposits	-21.0	19.1	-17.8	23.8	-30.6	4.6
13 Interest Paid for Balances Due to Banks	-33.6	-5.7	-30.9	-1.9	-41.7	-17.1
14 Interest Paid for Money Markets	-84.7	-66.3	-84.1	-64.9	-86.6	-70.4
15 Interest Paid For Issued Securities	-	-100.0	-	-100.0	-	-100.0
16 Interest Paid For Repo Transactions	-46.5	225.2	-44.4	238.3	-53.0	185.7
17 Expenses for Lease Financing Obligations	78.1	34.9	85.3	40.3	56.5	18.5
18 Other Interest Expenses	75.1	-22.5	85.3	-19.4	56.5	-31.9
19 Total Interest Expenses (from 12 to 18)	-21.6	7.6	-18.4	11.9	-31.1	-5.5
20 NET OF INTEREST INCOME (INTEREST EXPENSE) (11-1-19)	20.6	0.9	25.4	5.0	5.9	4.4
21 Provisions for Past Due Loans	-76.1	99.4	-75.2	107.4	-79.0	75.2
22 NET OF INTEREST INCOME (EXPENSE) AFTER PROVISIONS	57.7	0.8	64.0	4.8	38.5	-11.5
23 Fees and Commissions Received on Loans	98.3	34.0	106.2	39.4	74.2	17.7
24 Dividend Income	115.8	-39.9	124.5	-37.5	89.6	-47.2
25 Income from Banking Activities	28.9	20.0	34.1	24.8	13.2	5.4
26 Income from Fixed Assets Sold	91.7	-	99.4	-	68.4	-
27 Other Non-Interest Income	-31.5	-41.9	-28.8	-39.6	-39.8	-48.9
28 Total Non-Interest Income (from 23 to 27)	57	6.1	9.9	10.4	-7.1	-6.8
29 Personnel Expenses	7.7	-0.4	12.0	3.6	-5.4	-12.5
30 Provisions for Unexpected (General) Loan Losses	165.7	-	176.3	-	133.4	-
31 Provisions for Retirement Benefits Fund	-30.4	-	-27.6	-	-38.8	-
32 Provisions for Value Decreases in Securities Portfolio	8,394.5	-	8,734.6	338.7	7,361.8	-
33 Provisions for Value Decreases in Subsidiaries, Associated and J	-79.9	-100.0	-79.1	-100.0	-82.4	-100.0
34 Other Provisions	743.2	-34.4	776.9	-31.8	640.7	-42.4
35 Fees and Commissions Paid for Transactions	-12.9	135.5	-9.4	144.9	-23.5	106.9
36 Depreciation Expenses	26.0	-15.7	31.0	-12.3	10.7	-25.9
37 Taxes, Duties, Charges and Premiums Paid	-25.7	93.1	-22.7	100.8	-34.7	69.6
38 Other Non-Interest Expenses	-12.5	0.0	-9.0	4.0	-23.2	-12.2
39 Total Non-Interest Expenses (from 29 to 38)	0.4	66.5	4.4	73.1	-11.8	46.2
40 Net of Income (Loss) from Capital Market Transactions	-82.6	-71.5	-81.9	-70.3	-84.7	-75.0
41 Net of Income (Loss) from FX Transactions	-	47.4	-	53.3	-	29.4
42 Net of Income (Expense) from Extra Ordinary Transactions	-	-	-	-	-	-
43 Profit (Loss) from Net Monetary Position	51.0	-	57.0	-	32.6	-
44 Total Other Non-Interest Income (Expense) (from 40 to 43)	-433.9	24.1	-447.3	29.1	-393.3	9.1
45 PROFIT (LOSS) BEFORE TAX [(22+28+44)-39]	38.3	4.8	43.8	9.0	21.4	-7.9
46 Provisions for Taxes	-4.2	-395.3	-0.4	-407.1	-15.8	-359.4
47 PROFIT (LOSS) FOR THE PERIOD (45 - 46)	81.9	6.2	89.2	10.4	59.8	-6.7
TOTAL	63.3	5.7	67.7	5.7	63.3	5.7

Source: BRSA

Annex Table 31: Income Statement of State Banks (December 2004/ December 2003)

	Nominal Change % NTL			Nominal Change % USD Dollar			Real Change % NTL		
	TL	FX	TOTAL	TL	FX	TOTAL	TL	FX	TOTAL
1 Interest Income on Loans	90,9	20,3	85,9	98,6	25,1	93,4	67,7	5,7	63,3
2 Interest Income on Past Due Loans	-6,9	-94,5	-7,2	-3,2	-94,3	-3,4	-18,2	-95,2	-18,4
3 Interest Income on Banks	55,5	33,7	41,3	61,7	39,1	47,0	36,6	17,5	24,1
4 Interest Income on Money Markets	-55,6	-82,7	-55,8	-53,9	-82,0	-54,0	-61,0	-84,8	-61,1
5 Interest Income on Securities - Trading Portfolio	28,6	6,5	24,0	33,7	10,8	29,0	12,9	-6,4	8,9
6 Interest Income on Securities - Available for Sale	4,165,6	321,9	1,899,6	4,336,4	338,8	1,979,7	3,647,0	270,6	1,656,5
7 Interest Income on Securities - Held to Maturity	-34,1	-38,7	-31,4	-31,6	-36,2	-31,6	-42,1	-46,1	-42,2
8 Income from Reverse Repo Transactions	51,1	-	51,1	57,1	-	57,1	32,7	-	32,7
9 Income from Lease Financing Receivables	-	-	-	-	-	-	-	-	-
10 Other Interest Income	-15,6	13,6	-14,7	-12,2	18,2	-11,3	-25,8	-0,2	-25,1
11 Total Interest Income (from 1 to 10)	-9,7	4,6	-8,8	-6,0	8,8	-5,2	-20,6	-8,1	-19,9
12 Interest Paid for Deposits	-21,0	19,1	-19,5	-17,8	23,8	-16,3	-30,6	4,6	-29,3
13 Interest Paid for Balances Due to Banks	-33,6	-5,7	-19,5	-30,9	-1,9	-16,2	-41,7	-17,1	-29,3
14 Interest Paid for Money Markets	-84,7	-66,3	-66,5	-84,1	-64,9	-65,2	-86,6	-70,4	-70,6
15 Interest Paid For Issued Securities	-	-100,0	-100,0	-	-100,0	-100,0	-	-100,0	-100,0
16 Interest Paid For Repo Transactions	-46,5	225,2	-43,3	-44,4	238,3	-41,0	-53,0	185,7	-50,2
17 Expenses for Lease Financing Obligations	78,1	34,9	35,8	85,3	40,3	41,2	56,5	18,5	19,3
18 Other Interest Expenses	75,1	-22,5	75,1	85,3	-19,4	82,2	56,5	-31,9	53,9
19 Total Interest Expenses (from 12 to 18)	-21,6	7,6	-20,2	-18,4	11,9	-17,1	-31,1	-5,5	-29,9
20 NET OF INTEREST INCOME (INTEREST EXPENSE) (11-1-19)	20,6	0,9	18,9	25,4	5,0	23,6	5,9	4,4	4,4
21 Provisions for Past Due Loans	-76,1	99,4	-76,0	-75,2	107,4	-79,0	-79,0	75,2	-78,9
22 NET OF INTEREST INCOME (EXPENSE) AFTER PROVISIONS	57,7	0,8	51,1	64,0	4,8	57,1	38,5	-11,5	32,7
23 Fees and Commissions Received on Loans	98,3	34,0	79,2	106,2	39,4	86,3	74,2	17,7	57,4
24 Dividend Income	115,8	-39,9	107,1	124,5	-37,5	115,3	89,6	-47,2	81,9
25 Income from Banking Activities	28,9	20,0	28,4	34,1	24,8	33,6	13,2	5,4	12,8
26 Income from Fixed Assets Sold	91,7	-	91,7	99,4	-	99,4	68,4	-	68,4
27 Other Non-Interest Income	-31,5	-41,9	-31,8	-28,8	-39,6	-29,1	-39,8	-48,9	-40,1
28 Total Non-Interest Income (from 23 to 27)	57	6,1	57	9,9	10,4	10,0	-7,1	-6,8	-7,1
29 Personnel Expenses	7,7	-0,4	7,6	12,0	3,6	11,9	-5,4	-12,5	-5,5
30 Provisions for Unexpected (General) Loan Losses	165,7	-	165,7	176,3	-	176,3	133,4	-	133,4
31 Provisions for Retirement Benefits Fund	-30,4	-	-30,4	-27,6	-	-27,6	-38,8	-	-38,8
32 Provisions for Value Decreases in Securities Portfolio	8,394,5	-	1,189,6	8,734,6	338,7	1,241,3	7,361,8	-	1,032,8
33 Provisions for Value Decreases in Subsidiaries, Associated and J	-79,9	-100,0	-80,2	-79,1	-100,0	-79,4	-82,4	-100,0	-82,6
34 Other Provisions	743,2	-34,4	659,5	776,9	-31,8	689,9	640,7	-42,4	567,1
35 Fees and Commissions Paid for Transactions	-12,9	135,5	5,1	-9,4	144,9	9,3	-23,5	106,9	-7,7
36 Depreciation Expenses	26,0	-15,7	25,6	31,0	-12,3	30,6	10,7	-25,9	10,3
37 Taxes, Duties, Charges and Premiums Paid	-25,7	93,1	-12,4	-22,7	100,8	-22,2	-34,7	69,6	-34,3
38 Other Non-Interest Expenses	-12,5	0,0	-12,4	-9,0	4,0	-9,0	-23,2	-12,2	-23,1
39 Total Non-Interest Expenses (from 29 to 38)	0,4	66,5	1,5	4,4	73,1	5,6	-11,8	46,2	-10,8
40 Net of Income (Loss) from Capital Market Transactions	-82,6	-71,5	-82,1	-81,9	-70,3	-81,4	-84,7	-75,0	-84,3
41 Net of Income (Loss) from FX Transactions	-	47,4	47,4	-	53,3	53,3	-	29,4	29,4
42 Net of Income (Expense) from Extra Ordinary Transactions	-	-	-	-	-	-	-	-	-
43 Profit (Loss) from Net Monetary Position	51,0	-	51,0	57,0	-	57,0	32,6	-	32,6
44 Total Other Non-Interest Income (Expense) (from 40 to 43)	-433,9	24,1	-219,7	-447,3	29,1	-224,5	-393,3	9,1	-205,2
45 PROFIT (LOSS) BEFORE TAX [(22+28+44)-39]	38,3	4,8	29,8	43,8	9,0	35,0	21,4	-7,9	14,0
46 Provisions for Taxes	-4,2	-395,3	-5,1	-0,4	-407,1	-1,3	-15,8	-359,4	-16,6
47 PROFIT (LOSS) FOR THE PERIOD (45 - 46)	81,9	6,2	51,3	89,2	10,4	57,3	59,8	-6,7	32,9

Source: BRSA

Annex Table 33: Income Statement of Private Banks

	December 2003			June 2004			September 2004			December 2004		
	T L	FX	TOTAL	T L	FX	TOTAL	T L	FX	TOTAL	T L	FX	TOTAL
1 Interest Income on Loans	4,354	946	5,300	2,716	460	3,176	4,388	725	5,113	7,059	1,127	8,186
2 Interest Income on Past Due Loans	117	0	118	56	0	57	81	1	81	123	1	124
3 Interest Income on Banks	152	93	245	43	36	79	66	68	134	102	117	220
4 Interest Income on Money Markets	584	43	627	117	118	235	133	3	136	163	5	168
5 Interest Income on Securities - Trading Portfolio	2,207	421	2,628	676	134	810	1,004	276	1,280	1,531	457	1,988
6 Interest Income on Securities - Available for Sale	835	535	1,370	1,221	238	1,459	1,867	387	2,254	2,855	618	3,473
7 Interest Income on Securities - Held to Maturity	1,322	244	1,566	644	117	761	859	156	1,015	1,032	242	1,274
8 Income from Reverse Repo Transactions	7	0	7	5	0	5	8	0	8	14	0	14
9 Income from Lease Financing Receivables	0	0	0	0	0	0	0	0	0	0	0	0
10 Other Interest Income	570	135	705	175	16	191	259	24	283	404	39	443
11 Total Interest Income (from 1 to 10)	10,148	2,417	12,565	5,653	1,002	6,656	8,666	1,640	10,306	13,283	2,607	15,890
12 Interest Paid for Deposits	6,335	1,000	7,335	2,503	402	2,904	3,787	637	4,424	5,818	990	6,808
13 Interest Paid for Balances Due to Banks	420	306	726	166	159	325	239	265	504	351	438	789
14 Interest Paid for Money Markets	122	11	133	34	2	36	46	3	48	68	0	68
15 Interest Paid for Issued Securities	0	0	0	0	0	0	0	0	0	0	0	0
16 Interest Paid for Repo Transactions	853	33	886	392	28	420	634	46	680	1,013	72	1,085
17 Expenses for Lease Financing Obligations	3	3	6	4	3	7	5	4	9	8	7	15
18 Other Interest Expenses	218	113	330	6	5	11	5	8	13	7	12	19
19 Total Interest Expenses (from 12 to 18)	7,950	1,465	9,415	3,105	598	3,703	4,717	963	5,679	7,265	1,520	8,785
20 NET OF INTEREST INCOME (INTEREST EXPENSE) (11-19)	2,197	952	3,150	2,549	404	2,953	3,949	678	4,627	6,019	1,086	7,105
21 Provisions for Past Due Loans	724	7	731	165	4	169	374	4	379	755	11	766
22 NET OF INTEREST INCOME (EXPENSE) AFTER PROVISIONS (2)	1,474	945	2,419	2,384	400	2,784	3,575	673	4,248	5,264	1,075	6,339
23 Fees and Commissions Received on Loans	312	192	503	170	100	271	269	159	427	428	250	678
24 Dividend Income	131	75	207	158	51	209	163	52	216	186	141	327
25 Income from Banking Activities	1,487	104	1,590	862	51	913	1,360	81	1,441	2,209	128	2,337
26 Income from Fixed Assets Sold	102	0	102	8	0	8	30	0	30	46	0	46
27 Other Non-Interest Income	635	40	675	406	5	411	526	9	535	764	16	780
28 Total Non-Interest Income (from 23 to 27)	2,666	411	3,077	1,605	207	1,812	2,348	301	2,649	3,633	535	4,167
29 Personnel Expenses	1,629	8	1,637	869	5	874	1,355	8	1,363	2,136	12	2,148
30 Provisions for Unexpected (General) Loan Losses	99	2	101	82	1	83	130	2	132	155	17	172
31 Provisions for Retirement Benefits Fund	18	0	18	9	0	9	11	0	11	21	0	21
32 Provisions for Value Decreases in Securities Portfolio	41	1	42	27	20	47	9	51	60	34	155	189
33 Provisions for Value Decreases in Subsidiaries, Associated and Joint Cor	31	0	31	50	0	50	50	1	51	163	13	176
34 Other Provisions	254	9	263	306	2	308	554	2	556	795	2	797
35 Fees and Commissions Paid for Transactions	600	94	694	250	54	304	396	93	489	619	154	774
36 Depreciation Expenses	523	2	525	266	1	267	397	1	399	508	2	511
37 Taxes, Duties, Charges and Premiums Paid	265	1	266	75	0	75	107	0	107	182	1	183
38 Other Non-Interest Expenses	2,167	44	2,211	888	15	904	1,392	26	1,418	2,468	40	2,509
39 Total Non-Interest Expenses (from 29 to 38)	5,627	160	5,787	2,822	99	2,921	4,401	184	4,585	7,082	398	7,480
40 Net of Income (Loss) from Capital Market Transactions	2,343	286	2,629	203	188	391	434	299	733	489	421	911
41 Net of Income (Loss) from FX Transactions	0	859	859	0	-344	-344	0	-455	-455	0	96	96
42 Net of Income (Expense) from Extra Ordinary Transactions	-386	0	-386	-368	0	-368	-445	0	-445	-837	0	-837
43 Profit (Loss) from Net Monetary Position	1,957	1,145	3,102	-169	-156	-325	-13	-156	-169	-351	517	166
44 Total Other Non-Interest Income (Expense) (from 40 to 43)	470	2,341	2,811	997	352	1,349	1,509	634	2,143	1,464	1,729	3,193
45 PROFIT (LOSS) BEFORE TAX [(22+28+44)-39]	720	1	721	427	0	427	594	0	594	1,082	2	1,084
46 Provisions for Taxes	-250	2,340	2,090	570	352	922	915	634	1,549	382	1,727	2,109
47 PROFIT (LOSS) FOR THE PERIOD (45 - 46)												

Source: BRS&A

Annex Table 34: Income Statement of Private Banks (December 2004/ December 2003)

	Nominal Change % NTL		Nominal Change % USD Dollar		Real Change % NTL		TOTAL
	TL	FX	TL	FX	TL	FX	
1 Interest Income on Loans	55,9	14,5	48,5	19,1	36,9	0,6	30,5
2 Interest Income on Past Due Loans	1,0	55,3	1,3	61,5	-11,2	36,4	-11,0
3 Interest Income on Banks	-35,3	21,7	-13,7	26,6	-43,2	6,9	-24,2
4 Interest Income on Money Markets	-73,2	-88,5	-74,2	-88,1	-76,4	-89,9	-77,3
5 Interest Income on Securities - Trading Portfolio	33,3	4,4	-27,3	8,6	-41,4	-8,3	-36,1
6 Interest Income on Securities - Available for Sale	228,9	11,0	143,7	15,4	188,9	-2,5	114,1
7 Interest Income on Securities - Held to Maturity	-24,9	-4,7	-21,8	-0,9	-34,0	-16,3	-31,3
8 Income from Reverse Repo Transactions	88,5	350,9	91,4	369,0	65,6	296,1	68,1
9 Income from Lease Financing Receivables	-	-	-	-	-	-	-
10 Other Interest Income	-31,9	-72,1	-39,6	-71,0	-40,2	-75,5	-46,9
11 Total Interest Income (from 1 to 10)	25,9	3,7	21,6	7,8	10,6	-8,9	6,8
12 Interest Paid for Deposits	-11,7	-4,8	-7,2	-1,0	-22,4	-16,4	-21,6
13 Interest Paid for Balances Due to Banks	-19,6	37,9	4,6	43,4	-29,4	21,1	-8,1
14 Interest Paid for Money Markets	-46,3	-99,1	-50,5	-99,1	-52,8	-99,3	-56,5
15 Interest Paid For Issued Securities	-	-	-	-	-	-	-
16 Interest Paid For Repo Transactions	14,2	109,7	17,8	118,1	0,3	84,2	3,5
17 Expenses for Lease Financing Obligations	161,6	141,2	151,3	150,9	129,8	111,9	120,7
18 Other Interest Expenses	-97,1	-89,4	-94,5	-89,0	-97,4	-90,7	-95,1
19 Total Interest Expenses (from 12 to 18)	-12,1	-0,2	-10,3	3,8	-22,8	-12,3	-21,2
20 NET OF INTEREST INCOME (INTEREST EXPENSE) (11-19)	163,4	9,7	116,9	14,0	131,3	-3,7	90,5
21 Provisions for Past Due Loans	0,3	40,9	0,7	46,5	-11,9	23,8	-11,5
22 NET OF INTEREST INCOME (EXPENSE) AFTER PROVISION	243,4	9,4	152,0	13,8	201,7	-3,9	121,4
23 Fees and Commissions Received on Loans	32,2	25,3	29,5	30,3	16,1	10,1	13,8
24 Dividend Income	36,6	79,2	52,2	86,4	20,0	57,5	33,7
25 Income from Banking Activities	42,8	18,7	41,3	23,5	25,5	4,3	24,1
26 Income from Fixed Assets Sold	-57,0	26,700,0	-56,8	27,773,0	-62,2	23,441,8	-62,1
27 Other Non-Interest Income	15,8	-62,0	11,1	-60,5	1,7	-66,6	-2,4
28 Total Non-Interest Income (from 23 to 27)	31,0	25,0	30,2	30,1	15,1	9,8	14,4
29 Personnel Expenses	26,1	46,3	26,2	52,2	10,8	28,5	10,9
30 Provisions for Unexpected (General) Loan Losses	49,9	999,2	64,3	1,043,2	31,7	865,5	44,3
31 Provisions for Retirement Benefits Fund	13,2	-	13,2	-	-0,5	-	-0,5
32 Provisions for Value Decreases in Securities Portfolio	-21,0	14,691,0	-17,8	15,283,2	-30,6	12,892,7	279,0
33 Provisions for Value Decreases in Subsidiaries, Associated and Jol	404,1	-	445,9	-	342,8	-	379,5
34 Other Provisions	201,2	-78,2	191,9	-77,3	164,6	-80,9	156,4
35 Fees and Commissions Paid for Transactions	-0,7	58,3	7,2	64,6	-12,8	39,0	-5,8
36 Depreciation Expenses	-6,5	17,3	-6,4	22,0	-17,9	3,0	-17,8
37 Taxes, Duties, Charges and Premiums Paid	-34,1	114,5	-33,7	123,1	-42,1	88,5	-41,8
38 Other Non-Interest Expenses	9,5	-12,7	9,1	-9,2	-3,8	-23,3	-4,2
39 Total Non-Interest Expenses (from 29 to 38)	21,0	139,4	24,3	149,0	6,3	110,3	9,2
40 Net of Income (Loss) from Capital Market Transactions	-79,9	41,6	-66,7	47,3	-82,4	24,4	-70,7
41 Net of Income (Loss) from FX Transactions	-	-89,3	-89,3	-88,9	-	-90,6	-90,6
42 Net of Income (Expense) from Extra Ordinary Transactions	4,631,3	-	4,631,3	-	4,056,1	-	4,056,1
43 Profit (Loss) from Net Monetary Position	108,7	-	108,7	-	83,3	-	83,3
44 Total Other Non-Interest Income (Expense) (from 40 to 43)	-117,2	-56,6	-94,8	-54,8	-115,1	-61,9	-95,5
45 PROFIT (LOSS) BEFORE TAX [(22+28+44)-39]	199,6	-29,0	131,6	-26,2	163,2	-37,6	-4,1
46 Provisions for Taxes	44,5	55,9	44,5	62,2	27,0	37,0	27,0
47 PROFIT (LOSS) FOR THE PERIOD (45 - 46)	-246,9	-29,0	-3,0	-26,2	-229,0	-37,7	-14,8

Source: BRS4

Annex Table 35: Income Statement of SDIF Banks

	(NTL Thousand)								
	December 2003		June 2004		September 2004		December 2004		
	T L	FX	T L	FX	T L	FX	T L	FX	
1 Interest Income on Loans	131,643	29,351	160,994	58,526	82,487	2,135	82,487	2,135	2,513
2 Interest Income on Past Due Loans	20,603	59	20,662	3,043	400	3,043	400	3,043	4,320
3 Interest Income on Banks	35,872	18,020	53,892	50,582	70,471	7,520	77,991	9,102	80,895
4 Interest Income on Money Markets	6,944	8	6,952	1,468	1,874	0	1,874	71	71
5 Interest Income on Securities - Trading Portfolio	580,134	754	580,888	150,465	246,657	87	246,744	329,223	329,335
6 Interest Income on Securities - Available for Sale	586,218	3,262	589,480	231,796	353,033	6,324	359,357	0	0
7 Interest Income on Securities - Held to Maturity	49,507	19	49,526	13,917	15,714	0	15,714	0	0
8 Income from Reverse Repo Transactions	197	0	197	33	32	0	32	0	31
9 Income from Lease Financing Receivables	0	0	0	0	0	0	0	0	0
10 Other Interest Income	14,060	55	14,115	13,084	22,025	0	22,025	0	2,833
11 Total Interest Income (from 1 to 10)	1,425,178	51,528	1,476,706	509,104	785,677	26,039	811,716	9,720	419,998
12 Interest Paid for Deposits	744,524	83,906	828,430	237,328	348,365	51,011	399,376	9	9
13 Interest Paid for Balances Due to Banks	53,177	18,974	72,151	52,577	92,938	7,741	100,679	3,070	4,272
14 Interest Paid for Money Markets	7,748	0	7,748	1,766	1,846	0	1,846	0	207
15 Interest Paid For Issued Securities	0	0	0	0	0	0	0	0	0
16 Interest Paid For Repo Transactions	619,470	0	619,470	239,005	334,685	0	334,685	0	92,323
17 Expenses for Lease Financing Obligations	0	0	0	0	0	0	0	0	0
18 Other Interest Expenses	90,297	3,437	93,734	1,568	2,109	0	2,109	0	25,778
19 Total Interest Expenses (from 12 to 18)	1,515,216	106,317	1,621,533	532,244	779,943	58,752	838,695	3,070	122,589
20 NET OF INTEREST INCOME (INTEREST EXPENSE) (11-19)	-90,038	-54,789	-144,827	-23,140	5,734	-32,713	-26,979	6,650	297,409
21 Provisions for Past Due Loans	133,809	43,456	177,265	22,258	64,382	2,198	66,580	2,177	26,513
22 NET OF INTEREST INCOME (EXPENSE) AFTER PROVISIONS (20)	-223,847	-98,245	-322,092	-43,192	-58,648	-34,911	-93,559	4,473	270,896
23 Fees and Commissions Received on Loans	21,958	12,232	34,190	15,027	13,756	6,973	20,729	3,719	11,236
24 Dividend Income	37	0	37	630	637	0	637	0	0
25 Income from Banking Activities	51,056	2,932	53,988	18,241	25,517	1,954	27,471	146	531
26 Income from Fixed Assets Sold	518,622	0	518,622	829	1,676	0	1,676	0	1,533
27 Other Non-Interest Income	277,840	105	277,945	28,256	46,181	286	46,467	573	184,249
28 Total Non-Interest Income (from 23 to 27)	869,513	15,269	884,782	56,745	87,767	9,213	96,980	4,438	197,549
29 Personnel Expenses	129,841	3,168	133,009	60,754	90,956	2,374	93,330	0	13,792
30 Provisions for Unexpected (General) Loan Losses	258	1,338	1,596	3,567	2,915	3,044	3,044	279	279
31 Provisions for Retirement Benefits Fund	11,266	0	11,266	1,870	2,915	0	2,915	0	175
32 Provisions for Value Decreases in Securities Portfolio	59,998	0	59,998	0	0	0	0	0	0
33 Provisions for Value Decreases in Subsidiaries, Associated and Joint Con	0	0	0	0	0	0	0	0	0
34 Other Provisions	531	0	531	2,279	112,848	1	112,849	1	1
35 Fees and Commissions Paid for Transactions	4,622	3,420	8,042	2,298	1,786	1,675	3,461	144	1,057
36 Depreciation Expenses	21,140	162	21,302	9,479	14,887	195	15,082	0	3,307
37 Taxes, Duties, Charges and Premiums Paid	13,315	9	13,324	2,400	3,631	2	3,633	0	1,633
38 Other Non-Interest Expenses	150,073	1,683	151,756	56,413	85,525	1,182	86,707	0	41,558
39 Total Non-Interest Expenses (from 29 to 38)	391,044	9,780	400,824	133,500	312,548	8,473	321,021	345	61,801
40 Net of Income (Loss) from Capital Market Transactions	48,705	-7,451	41,254	-156	61,620	-139	61,481	-166	40,036
41 Net of Income (Loss) from FX Transactions	0	85,262	85,262	-38,149	0	-82,466	-82,466	0	-3,778
42 Net of Income (Expense) from Extra Ordinary Transactions	0	0	0	0	0	0	0	0	0
43 Profit (Loss) from Net Monetary Position	-16,350	0	-16,350	95,514	119,867	0	119,867	0	-56,562
44 Total Other Non-Interest Income (Expense) (from 40 to 43)	32,355	77,811	110,166	154,030	181,487	-82,605	98,882	-3,944	-20,304
45 PROFIT (LOSS) BEFORE TAX [(22+28+44)-39]	286,977	-14,945	272,032	34,083	-101,942	-116,776	-218,718	4,622	386,340
46 Provisions for Taxes	0	0	0	0	0	0	0	0	0
47 PROFIT (LOSS) FOR THE PERIOD (45 - 46)	286,977	-14,945	272,032	34,083	-101,942	-116,776	-218,718	4,622	386,340

Source: BRSA

Annex Table 36: Income Statement of State Banks

	(USD Million)								
	December 2003		June 2004		September 2004		December 2004		
	T L	FX	T L	FX	T L	FX	T L	FX	
1 Interest Income on Loans	94	21	33	6	47	8	55	2	2
2 Interest Income on Past Due Loans	15	0	2	0	3	0	4	0	3
3 Interest Income on Banks	26	13	30	3	47	5	52	7	60
4 Interest Income on Money Markets	5	0	1	0	1	0	1	0	0
5 Interest Income on Securities - Trading Portfolio	416	1	100	0	165	0	165	0	245
6 Interest Income on Securities - Available for Sale	420	2	155	3	236	4	240	0	0
7 Interest Income on Securities - Held to Maturity	35	0	9	0	10	0	10	0	0
8 Income from Reverse Repo Transactions	0	0	0	0	0	0	0	0	0
9 Income from Lease Financing Receivables	0	0	0	0	0	0	0	0	0
10 Other Interest Income	10	0	9	0	15	0	15	0	2
11 Total Interest Income (from 1 to 10)	1,021	37	340	12	525	17	542	7	313
12 Interest Paid for Deposits	533	60	158	23	233	34	267	0	0
13 Interest Paid for Balances Due to Banks	38	14	35	4	62	5	67	1	2
14 Interest Paid for Money Markets	6	0	1	0	1	0	1	0	0
15 Interest Paid For Issued Securities	0	0	0	0	0	0	0	0	0
16 Interest Paid For Repo Transactions	444	0	160	0	223	0	223	0	69
17 Expenses for Lease Financing Obligations	0	0	0	0	0	0	0	0	0
18 Other Interest Expenses	65	2	1	0	1	0	1	19	0
19 Total Interest Expenses (from 12 to 18)	1,086	76	355	26	521	39	560	2	91
20 NET OF INTEREST INCOME (INTEREST EXPENSE) (11-19)	-65	-39	-15	-14	4	-22	-18	5	222
21 Provisions for Past Due Loans	96	31	13	1	43	1	44	20	20
22 NET OF INTEREST INCOME (EXPENSE) AFTER PROVISIONS (2)	-160	-70	-29	-16	-39	-23	-62	199	202
23 Fees and Commissions Received on Loans	16	9	7	3	9	5	14	6	8
24 Dividend Income	0	0	0	0	0	0	0	0	0
25 Income from Banking Activities	372	2	11	1	17	1	18	0	0
26 Income from Fixed Assets Sold	372	0	1	0	1	0	1	1	0
27 Other Non-Interest Income	199	0	19	0	31	0	31	137	0
28 Total Non-Interest Income (from 23 to 27)	623	11	38	4	59	6	65	144	147
29 Personnel Expenses	93	2	41	1	61	2	62	10	0
30 Provisions for Unexpected (General) Loan Losses	0	1	0	2	2	2	2	0	0
31 Provisions for Retirement Benefits Fund	8	0	1	0	2	0	2	0	0
32 Provisions for Value Decreases in Securities Portfolio	43	0	0	0	0	0	0	0	0
33 Provisions for Value Decreases in Subsidiaries, Associated and Joint Co	0	0	0	0	0	0	0	0	0
34 Other Provisions	0	0	2	0	75	0	75	0	0
35 Fees and Commissions Paid for Transactions	3	2	1	1	1	1	2	1	1
36 Depreciation Expenses	15	0	6	0	10	0	10	2	2
37 Taxes, Duties, Charges and Premiums Paid	10	0	2	0	2	0	2	1	0
38 Other Non-Interest Expenses	108	1	37	1	57	1	58	31	0
39 Total Non-Interest Expenses (from 29 to 38)	280	7	89	5	209	6	214	46	46
40 Net of Income (Loss) from Capital Market Transactions	35	-5	39	-25	41	0	41	30	30
41 Net of Income (Loss) from FX Transactions	0	61	0	0	0	0	-55	-3	0
42 Net of Income (Expense) from Extra Ordinary Transactions	0	0	0	0	0	0	0	0	0
43 Profit (Loss) from Net Monetary Position	-12	0	64	0	80	0	80	-42	0
44 Total Other Non-Interest Income (Expense) (from 40 to 43)	23	56	103	-26	121	-55	66	-12	-15
45 PROFIT (LOSS) BEFORE TAX [(22+28+44)-39]	206	-11	23	-42	-68	-78	-146	284	3
46 Provisions for Taxes	0	0	0	0	0	0	0	0	0
47 PROFIT (LOSS) FOR THE PERIOD (45 - 46)	206	-11	23	-42	-68	-78	-146	284	3

Source: BRSA

Annex Table 37: Income Statement of SDIF Banks (December 2004/ December 2003)

	Nominal Change % NTL			Nominal Change % USD Dollar			Real Change % NTL		
	TL	FX	TOTAL	TL	FX	TOTAL	TL	FX	TOTAL
1 Interest Income on Loans	-98,4	-98,7	-98,4	-98,3	-98,7	-98,4	-98,6	-98,9	-98,6
2 Interest Income on Past Due Loans	-79,0	-100,0	-79,1	-78,2	-100,0	-78,3	-81,6	-100,0	-81,6
3 Interest Income on Banks	100,1	-49,5	50,1	108,1	-47,5	56,1	75,8	-55,6	31,9
4 Interest Income on Money Markets	-99,0	-100,0	-99,0	-98,9	-100,0	-98,9	-99,1	-100,0	-99,1
5 Interest Income on Securities - Trading Portfolio	-43,3	-85,1	-43,3	-41,0	-84,6	-41,0	-50,1	-87,0	-50,2
6 Interest Income on Securities - Available for Sale	-100,0	-100,0	-100,0	-100,0	-100,0	-100,0	-100,0	-100,0	-100,0
7 Interest Income on Securities - Held to Maturity	-100,0	-100,0	-100,0	-100,0	-100,0	-100,0	-100,0	-100,0	-100,0
8 Income from Reverse Repo Transactions	-84,3	-	-84,3	-83,6	-	-83,6	-86,2	-	-86,2
9 Income from Lease Financing Receivables	-	-	-	-	-	-	-	-	-
10 Other Interest Income	-80,8	132,7	-79,9	-80,0	142,0	-79,1	-83,1	104,4	-82,4
11 Total Interest Income (from 1 to 10)	-71,2	-81,1	-71,6	-70,1	-80,4	-70,4	-74,7	-83,4	-75,0
12 Interest Paid for Deposits	-100,0	-100,0	-100,0	-100,0	-100,0	-100,0	-100,0	-100,0	-100,0
13 Interest Paid for Balances Due to Banks	-97,7	-83,8	-94,1	-97,6	-83,2	-93,8	-98,0	-85,8	-94,8
14 Interest Paid for Money Markets	-97,3	-	-97,3	-97,2	-	-97,2	-97,7	-	-97,7
15 Interest Paid For Issued Securities	-	-	-	-	-	-	-	-	-
16 Interest Paid For Repo Transactions	-85,1	-	-85,1	-84,5	-	-84,5	-86,9	-	-86,9
17 Expenses for Lease Financing Obligations	-	-	-	-	-	-	-	-	-
18 Other Interest Expenses	-71,5	-100,0	-72,5	-70,3	-100,0	-71,4	-74,9	-100,0	-75,8
19 Total Interest Expenses (from 12 to 18)	-92,1	-97,1	-92,4	-91,8	-97,0	-92,1	-93,1	-97,5	-93,4
20 NET OF INTEREST INCOME (INTEREST EXPENSE) (11-19)	-422,9	-112,1	-305,4	-435,9	-112,6	-313,6	-383,7	-110,7	-280,4
21 Provisions for Past Due Loans	-81,8	-95,0	-85,0	-81,1	-94,8	-84,4	-84,0	-95,6	-86,9
22 NET OF INTEREST INCOME (EXPENSE) AFTER PROVISIONS	-219,0	-104,6	-184,1	-223,8	-104,7	-187,5	-204,6	-104,0	-173,9
23 Fees and Commissions Received on Loans	-65,8	-69,6	-67,1	-64,4	-68,4	-65,8	-69,9	-73,3	-71,1
24 Dividend Income	-100,0	-	-100,0	-100,0	-	-100,0	-100,0	-	-100,0
25 Income from Banking Activities	-99,2	-95,0	-99,0	-99,2	-94,8	-99,0	-99,3	-95,6	-99,1
26 Income from Fixed Assets Sold	-99,7	-	-99,7	-99,7	-	-99,7	-99,7	-	-99,7
27 Other Non-Interest Income	-33,9	445,7	-33,7	-31,2	467,6	-31,1	-41,9	379,4	-41,8
28 Total Non-Interest Income (from 23 to 27)	-77,8	-70,9	-77,7	-76,9	-69,8	-76,8	-80,5	-74,5	-80,4
29 Personnel Expenses	-89,4	-100,0	-89,6	-88,2	-84,5	-89,2	-90,7	-100,0	-90,9
30 Provisions for Unexpected (General) Loan Losses	-69,4	-85,1	-82,5	-68,2	-84,5	-81,8	-73,1	-86,9	-84,6
31 Provisions for Retirement Benefits Fund	-98,4	-	-98,4	-98,4	-	-98,4	-98,6	-	-98,6
32 Provisions for Value Decreases in Securities Portfolio	-100,0	-	-100,0	-100,0	-	-100,0	-100,0	-	-100,0
33 Provisions for Value Decreases in Subsidiaries, Associated and Joint Ventures	-	-	-	-	-	-	-	-	-
34 Other Provisions	-100,2	-	-100,0	-100,2	-	-100,0	-100,2	-	-100,0
35 Fees and Commissions Paid for Transactions	-80,2	-95,8	-86,9	-79,5	-95,6	-86,3	-82,6	-96,3	-88,5
36 Depreciation Expenses	-84,4	-100,0	-84,5	-83,7	-100,0	-83,9	-86,3	-100,0	-86,4
37 Taxes, Duties, Charges and Premiums Paid	-87,7	-87,7	-87,7	-87,2	-100,0	-87,3	-89,2	-100,0	-89,2
38 Other Non-Interest Expenses	-72,3	-100,0	-72,6	-71,2	-100,0	-71,5	-75,7	-100,0	-75,9
39 Total Non-Interest Expenses (from 29 to 38)	-84,3	-96,5	-84,6	-83,7	-96,3	-84,0	-86,2	-96,9	-86,5
40 Net of Income (Loss) from Capital Market Transactions	-17,5	-3,0	-17,5	-14,2	-97,7	0,9	-27,5	-98,0	-14,8
41 Net of Income (Loss) from FX Transactions	-	-104,4	-104,4	-	-104,6	-104,6	-	-103,9	-103,9
42 Net of Income (Expense) from Extra Ordinary Transactions	-	-	-	-	-	-	-	-	-
43 Profit (Loss) from Net Monetary Position	245,9	-	245,9	259,8	-	259,8	203,9	-	203,9
44 Total Other Non-Interest Income (Expense) (from 40 to 43)	-150,6	-105,1	-118,4	-152,6	-105,3	-119,2	-144,4	-104,5	-116,2
45 PROFIT (LOSS) BEFORE TAX [(22+28+44)-39]	33,0	-130,9	42,0	38,3	-132,2	47,7	16,8	-127,2	24,8
46 Provisions for Taxes	-	-	-	-	-	-	-	-	-
47 PROFIT (LOSS) FOR THE PERIOD (45 - 46)	33,0	-130,9	42,0	38,3	-132,2	47,7	16,8	-127,2	24,8

Source: BRS4

Annex Table 38: Income Statement of Foreign Banks

	December 2003				June 2004				September 2004				December 2004			
	T L		FX		T L		FX		T L		FX		T L		FX	
	TOTAL		TOTAL		TOTAL		TOTAL		TOTAL		TOTAL		TOTAL		TOTAL	
1 Interest Income on Loans	396,480	63,198	459,678	234,778	31,433	411,801	266,211	411,801	53,033	464,834	624,522	75,366	699,888	6,408	705,988	6,408
2 Interest Income on Past Due Loans	6,801	182	6,983	2,466	0	3,409	0	3,409	0	3,409	6,408	0	6,408	0	6,408	0
3 Interest Income on Banks	64,999	11,686	76,685	27,603	3,468	31,071	31,071	47,771	7,748	55,519	74,651	14,971	89,622	14,971	89,622	14,971
4 Interest Income on Money Markets	170,042	2,209	172,251	53,770	262	54,032	54,032	64,769	556	65,325	84,861	834	85,695	84,861	85,695	834
5 Interest Income on Securities - Trading Portfolio	74,406	1,434	75,840	36,056	3,107	39,163	39,163	58,980	4,533	63,413	88,468	5,538	94,006	88,468	94,006	5,538
6 Interest Income on Securities - Available for Sale	53,414	44,110	97,524	32,069	17,378	49,447	49,447	65,122	28,326	93,448	100,376	38,415	138,791	100,376	138,791	38,415
7 Interest Income on Securities - Held to Maturity	77,857	27,033	104,890	17,494	7,614	25,108	25,108	24,967	12,440	37,407	28,775	17,201	45,976	28,775	45,976	17,201
8 Income from Reverse Repo Transactions	10	0	10	0	0	0	0	6	0	6	9	0	9	0	9	0
9 Income from Lease Financing Receivables	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Other Interest Income	14,101	1,454	15,555	9,653	704	10,357	10,357	16,028	1,359	17,387	22,759	2,312	25,071	22,759	25,071	2,312
11 Total Interest Income (from 1 to 10)	858,110	151,306	1,009,416	413,889	63,966	477,855	477,855	692,753	107,995	800,748	1,030,829	154,637	1,185,466	1,030,829	1,185,466	154,637
12 Interest Paid for Deposits	197,999	26,259	194,258	67,962	10,944	78,906	78,906	131,404	20,053	151,457	197,330	30,374	227,704	197,330	227,704	30,374
13 Interest Paid for Balances Due to Banks	144,318	15,455	159,773	60,465	8,417	68,882	68,882	121,996	15,006	137,002	246,057	21,641	267,698	246,057	267,698	21,641
14 Interest Paid for Money Markets	2,486	1,721	4,207	5,368	0	5,368	5,368	8,791	0	8,791	14,411	0	14,411	14,411	14,411	0
15 Interest Paid For Issued Securities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Interest Paid For Repo Transactions	12,230	0	12,230	3,237	0	3,237	3,237	11,548	0	11,548	45,825	0	45,825	45,825	45,825	0
17 Expenses for Lease Financing Obligations	19	537	556	22	115	137	137	31	151	182	37	192	229	37	229	192
18 Other Interest Expenses	574	3,674	4,248	532	1,066	1,598	1,598	22	1,610	1,632	573	2,215	2,788	573	2,788	2,215
19 Total Interest Expenses (from 12 to 18)	327,626	47,646	375,272	137,586	20,542	158,128	158,128	273,792	36,820	310,612	504,233	54,422	558,655	504,233	558,655	54,422
20 NET OF INTEREST INCOME (INTEREST EXPENSE) (11-19)	530,484	103,660	634,144	276,303	43,424	319,727	319,727	418,961	71,175	490,136	526,596	100,215	626,811	526,596	626,811	100,215
21 Provisions for Past Due Loans	14,995	0	14,995	10,195	0	10,195	10,195	13,868	0	13,868	27,351	0	27,351	27,351	27,351	0
22 NET OF INTEREST INCOME (EXPENSE) AFTER PROVISIONS (2)	515,489	103,660	619,149	266,108	43,424	309,532	309,532	405,093	71,175	476,268	499,245	100,215	599,460	499,245	599,460	100,215
23 Fees and Commissions Received on Loans	7,297	13,187	20,484	4,355	5,972	10,327	10,327	7,992	8,702	16,694	11,609	15,838	27,447	11,609	27,447	15,838
24 Dividend Income	18,748	0	18,748	37,465	43	37,508	37,508	37,873	43	37,916	39,441	45	39,486	39,441	39,486	45
25 Income from Banking Activities	160,497	35,285	195,782	92,402	13,434	105,836	105,836	151,950	23,838	175,788	222,378	37,619	259,997	222,378	259,997	37,619
26 Income from Fixed Assets Sold	529	0	529	821	3	824	824	697	2	699	2,835	2	2,837	2,835	2,837	2
27 Other Non-Interest Income	78,494	1,505	79,999	13,049	2,154	15,203	15,203	19,302	3,846	23,148	31,634	1,898	33,532	31,634	33,532	1,898
28 Total Non-Interest Income (from 23 to 27)	265,565	49,977	315,542	148,092	21,606	169,698	169,698	217,814	36,431	254,245	307,897	55,402	363,299	307,897	363,299	55,402
29 Personnel Expenses	262,816	709	263,525	118,419	379	118,798	118,798	187,321	578	187,899	289,861	762	290,623	289,861	290,623	762
30 Provisions for Unexpected (General) Loan Losses	6,861	0	6,861	8,875	0	8,875	8,875	16,419	0	16,419	17,028	0	17,028	17,028	17,028	0
31 Provisions for Retirement Benefits Fund	6,886	0	6,886	2,220	0	2,220	2,220	3,368	0	3,368	4,777	0	4,777	4,777	4,777	0
32 Provisions for Value Decreases in Securities Portfolio	37	180	217	6,021	889	6,910	6,910	335	608	943	72	1,385	1,457	72	1,457	1,385
33 Provisions for Value Decreases in Subsidiaries, Associated and Joint Co	0	6	6	0	0	0	0	0	0	0	0	0	0	0	0	0
34 Other Provisions	33,673	8,793	42,466	12,410	75	12,485	12,485	28,214	75	28,289	54,543	188	54,731	54,543	54,731	188
35 Fees and Commissions Paid for Transactions	10,523	4,385	14,908	5,554	2,865	8,419	8,419	9,913	5,341	15,254	15,748	11,053	26,801	15,748	26,801	11,053
36 Depreciation Expenses	85,258	82	85,340	38,047	30	38,077	38,077	58,656	29	58,685	80,389	40	80,429	80,389	80,429	40
37 Taxes, Duties, Charges and Premiums Paid	28,336	72	28,408	10,492	44	10,536	10,536	15,392	48	15,440	23,638	59	23,697	23,638	23,697	59
38 Other Non-Interest Expenses	310,308	1,893	312,201	141,927	1,029	142,956	142,956	223,623	1,596	225,219	365,345	4,028	369,373	365,345	369,373	4,028
39 Total Non-Interest Expenses (from 29 to 38)	744,498	16,120	760,618	343,965	5,311	349,276	349,276	543,241	8,275	551,516	851,401	17,515	868,916	851,401	868,916	17,515
40 Net of Income (Loss) from Capital Market Transactions	173,569	15,601	189,170	48,080	23,025	71,105	71,105	116,425	18,026	134,451	215,875	142,654	358,529	215,875	358,529	142,654
41 Net of Income (Loss) from FX Transactions	0	126,904	126,904	0	-20,275	-20,275	-20,275	58	-5,144	-5,144	0	69,921	69,921	0	69,921	69,921
42 Net of Income (Expense) from Extra Ordinary Transactions	948	-2	946	75	0	75	75	58	0	58	8	0	8	8	8	0
43 Profit (Loss) from Net Monetary Position	-138,127	0	-138,127	-82,159	0	-82,159	-82,159	-103,089	0	-103,089	-173,573	0	-173,573	-173,573	-173,573	0
44 Total Other Non-Interest Income (Expense) (from 40 to 43)	36,390	142,503	178,893	-14,619	12,856	12,237	12,237	13,394	12,882	26,276	42,310	21,575	254,885	42,310	254,885	21,575
45 PROFIT (LOSS) BEFORE TAX [(22+28+44)-39]	72,946	280,020	352,966	33,339	75,913	109,305	109,305	93,060	112,213	205,273	-1,949	350,677	348,728	-1,949	348,728	350,677
46 Provisions for Taxes	166,720	0	166,720	32,638	0	32,638	32,638	51,039	0	51,039	108,263	0	108,263	108,263	108,263	0
47 PROFIT (LOSS) FOR THE PERIOD (45 - 46)	-93,774	280,020	186,246	7,278	62,469	69,747	69,747	42,021	112,213	154,234	-110,212	350,677	240,465	-110,212	240,465	350,677

Source: BRS4

Annex Table 39: Income Statement of Foreign Banks

	(USD Million)											
	December 2003			June 2004			September 2004			December 2004		
	T L	FX	TOTAL	T L	FX	TOTAL	T L	FX	TOTAL	T L	FX	TOTAL
1 Interest Income on Loans	284	45	329	157	21	178	275	35	310	465	56	521
2 Interest Income on Past Due Loans	5	0	5	2	0	2	2	0	2	5	0	5
3 Interest Income on Banks	47	8	55	18	2	21	32	5	37	56	11	67
4 Interest Income on Money Markets	122	2	123	36	0	36	43	0	44	63	1	64
5 Interest Income on Securities - Trading Portfolio	53	1	54	24	2	26	39	3	42	66	4	70
6 Interest Income on Securities - Available for Sale	38	32	70	21	12	33	43	19	62	75	29	103
7 Interest Income on Securities - Held to Maturity	56	19	75	12	5	17	17	8	25	21	13	34
8 Income from Reverse Repo Transactions	0	0	0	0	0	0	0	0	0	0	0	0
9 Income from Lease Financing Receivables	0	0	0	0	0	0	0	0	0	0	0	0
10 Other Interest Income	10	1	11	6	0	7	11	1	12	17	2	19
11 Total Interest Income (from 1 to 10)	615	108	723	276	43	319	463	72	535	768	115	883
12 Interest Paid for Deposits	120	19	139	45	7	53	88	13	101	147	23	170
13 Interest Paid for Balances Due to Banks	103	11	114	40	6	46	81	10	91	183	16	199
14 Interest Paid for Money Markets	2	1	3	4	0	4	6	0	6	11	0	11
15 Interest Paid for Issued Securities	0	0	0	0	0	0	0	0	0	0	0	0
16 Interest Paid For Repo Transactions	9	0	9	2	0	2	8	0	8	34	0	34
17 Expenses for Lease Financing Obligations	0	0	0	0	0	0	0	0	0	0	0	0
18 Other Interest Expenses	0	3	3	0	1	1	0	1	1	0	2	2
19 Total Interest Expenses (from 12 to 18)	235	34	269	92	14	106	183	25	207	376	41	416
20 NET OF INTEREST INCOME (INTEREST EXPENSE) (11-19)	380	74	454	184	29	213	280	48	327	392	75	467
21 Provisions for Past Due Loans	11	0	11	7	0	7	9	0	9	20	0	20
22 NET OF INTEREST INCOME (EXPENSE) AFTER PROVISIONS (20-21)	369	74	444	178	29	207	270	48	318	372	75	447
23 Fees and Commissions Received on Loans	5	9	15	3	4	7	5	6	11	9	12	20
24 Dividend Income	13	0	13	25	0	25	25	0	25	29	0	29
25 Income from Banking Activities	115	25	140	62	9	71	101	16	117	166	28	194
26 Income from Fixed Assets Sold	0	0	0	1	0	1	0	0	0	2	0	2
27 Other Non-Interest Income	56	1	57	9	1	10	13	3	15	24	1	25
28 Total Non-Interest Income (from 23 to 27)	190	36	226	99	14	113	145	24	170	229	41	271
29 Personnel Expenses	188	1	189	79	0	79	125	0	125	216	1	217
30 Provisions for Unexpected (General) Loan Losses	5	0	5	6	0	6	11	0	11	13	0	13
31 Provisions for Retirement Benefits Fund	5	0	5	1	0	1	2	0	2	4	0	4
32 Provisions for Value Decreases in Securities Portfolio	0	0	0	4	1	5	0	0	0	0	1	1
33 Provisions for Value Decreases in Subsidiaries, Associated and Joint Con	0	0	0	0	0	0	0	0	0	0	0	0
34 Other Provisions	24	6	30	8	0	8	19	0	19	41	0	41
35 Fees and Commissions Paid for Transactions	8	3	11	4	2	6	7	4	10	12	8	20
36 Depreciation Expenses	61	0	61	25	0	25	39	0	39	60	0	60
37 Taxes, Duties, Charges and Premiums Paid	20	0	20	7	0	7	10	0	10	18	0	18
38 Other Non-Interest Expenses	222	1	224	95	1	95	149	1	150	272	3	275
39 Total Non-Interest Expenses (from 29 to 38)	533	12	545	230	4	233	363	6	368	634	13	647
40 Net of Income (Loss) from Capital Market Transactions	124	11	136	32	15	47	78	12	90	161	106	267
41 Net of Income (Loss) from FX Transactions	0	91	91	0	-14	-14	0	-3	-3	0	52	52
42 Net of Income (Expense) from Extra Ordinary Transactions	1	0	1	0	0	0	0	0	0	0	0	0
43 Profit (Loss) from Net Monetary Position	-99	0	-99	-55	0	-55	-69	0	-69	-129	0	-129
44 Total Other Non-Interest Income (Expense) (from 40 to 43)	26	102	128	-23	2	-21	9	9	18	32	158	190
45 PROFIT (LOSS) BEFORE TAX [(22+28+44)-39]	52	201	253	24	42	66	62	75	137	-1	261	260
46 Provisions for Taxes	119	0	119	19	0	19	34	0	34	81	0	81
47 PROFIT (LOSS) FOR THE PERIOD (45 - 46)	-67	201	133	5	42	47	28	75	103	-82	261	179

Source: BRS&A

Annex Table 40: Income Statement of Foreign Banks (December 2004/ December 2003)

	Nominal Change % NTL			Nominal Change % USD Dollar			Real Change % NTL		
	TL	FX	TOTAL	TL	FX	TOTAL	TL	FX	TOTAL
1 Interest Income on Loans	57,3	19,3	57,3	63,8	24,0	58,4	38,4	4,8	33,7
2 Interest Income on Past Due Loans	-8,2	-100,0	-8,2	-2,0	-100,0	-4,6	-17,2	-100,0	-19,4
3 Interest Income on Banks	14,8	28,1	16,9	19,4	33,2	21,5	0,9	12,5	2,7
4 Interest Income on Money Markets	-50,1	-66,2	-50,2	-48,1	-60,7	-48,3	-56,2	-66,8	-56,3
5 Interest Income on Securities - Trading Portfolio	18,9	28,2	24,0	23,7	30,1,7	23,9	4,4	239,2	8,9
6 Interest Income on Securities - Available for Sale	87,9	-12,9	42,3	95,4	-9,4	48,0	65,1	-23,5	25,0
7 Interest Income on Securities - Held to Maturity	-63,0	-36,4	-56,2	-61,6	-33,8	-54,4	-67,5	-44,1	-61,5
8 Income from Reverse Repo Transactions	-10,0	-	-10,0	-6,4	-	-6,4	-20,9	-	-20,9
9 Income from Lease Financing Receivables	-	-	-	-	-	-	-	-	-
10 Other Interest Income	61,4	59,0	61,2	67,9	65,4	67,6	41,8	39,7	41,6
11 Total Interest Income (from 1 to 10)	20,1	2,2	17,4	24,9	6,3	22,1	5,5	-10,2	3,2
12 Interest Paid for Deposits	17,5	15,7	17,2	22,2	20,3	21,9	3,2	1,6	3,0
13 Interest Paid for Balances Due to Banks	70,5	40,0	67,5	77,3	45,6	74,3	49,8	23,0	47,2
14 Interest Paid for Money Markets	479,7	-100,0	242,5	502,9	-100,0	256,3	409,2	-100,0	200,9
15 Interest Paid For Issued Securities	-	-	-	-	-	-	-	-	-
16 Interest Paid For Repo Transactions	274,7	-	274,7	289,7	-	289,7	229,1	-	229,1
17 Expenses for Lease Financing Obligations	94,7	-64,2	-58,8	102,5	-62,8	-57,2	71,1	-68,6	-63,8
18 Other Interest Expenses	-0,2	-39,7	-34,4	3,8	-37,3	-31,7	-12,3	-47,0	-42,3
19 Total Interest Expenses (from 12 to 18)	53,9	14,2	48,9	60,1	18,8	54,8	35,2	0,3	30,8
20 NET OF INTEREST INCOME (INTEREST EXPENSE) (11-19)	-0,7	-3,3	-2,8	3,2	0,5	2,8	-12,8	-15,1	-13,2
21 Provisions for Past Due Loans	82,4	-	82,4	89,7	-	89,7	60,2	-	60,2
22 NET OF INTEREST INCOME (EXPENSE) AFTER PROVISIONS	-3,2	-3,3	-3,2	0,7	0,5	0,7	-14,9	-15,1	-15,0
23 Fees and Commissions Received on Loans	59,1	20,1	34,0	65,5	24,9	39,4	39,8	5,5	17,7
24 Dividend Income	110,4	-	110,6	118,8	-	119,0	84,8	-	85,0
25 Income from Banking Activities	38,6	6,6	32,8	44,1	10,9	38,1	21,7	-6,3	16,7
26 Income from Fixed Assets Sold	435,9	-	436,3	457,4	-	457,8	370,8	-	371,1
27 Other Non-Interest Income	-59,7	26,1	-58,1	-58,1	31,2	-56,4	-64,6	10,8	-63,2
28 Total Non-Interest Income (from 23 to 27)	15,9	10,9	15,1	20,6	15,3	19,7	1,8	-2,6	1,1
29 Personnel Expenses	10,3	7,5	10,3	14,7	11,8	14,7	-3,1	-5,6	-3,1
30 Provisions for Unexpected (General) Loan Losses	148,2	-	148,2	158,1	-	158,1	118,0	-	118,0
31 Provisions for Retirement Benefits Fund	-28,6	-	-28,6	-25,7	-	-25,7	-37,2	-	-37,2
32 Provisions for Value Decreases in Securities Portfolio	94,6	-	94,6	102,4	-	102,4	70,9	-	70,9
33 Provisions for Value Decreases in Subsidiaries, Associated and Joint Ventures	-	669,4	-100,0	-	-100,0	-100,0	-	575,9	489,8
34 Other Provisions	62,0	-97,9	28,9	68,5	-97,8	34,0	42,3	-98,1	13,2
35 Fees and Commissions Paid for Transactions	49,7	152,1	79,8	55,6	162,2	87,0	31,5	121,4	57,9
36 Depreciation Expenses	-5,7	-51,2	-5,8	-1,9	-49,3	-2,0	-17,2	-57,2	-17,2
37 Taxes, Duties, Charges and Premiums Paid	-16,6	-18,1	-16,6	-13,2	-14,8	-13,2	-26,7	-28,0	-26,7
38 Other Non-Interest Expenses	17,7	112,8	18,3	22,5	121,3	23,0	3,4	86,9	3,9
39 Total Non-Interest Expenses (from 29 to 38)	14,4	8,7	14,2	18,9	13,0	18,8	0,5	-4,6	0,3
40 Net of Income (Loss) from Capital Market Transactions	24,4	814,4	89,5	29,4	851,0	97,1	9,3	703,2	66,5
41 Net of Income (Loss) from FX Transactions	-	-44,9	-44,9	-	-42,7	-42,7	-	-51,6	-51,6
42 Net of Income (Expense) from Extra Ordinary Transactions	-99,2	-100,0	-99,2	-99,1	-100,0	-99,1	-99,3	-100,0	-99,3
43 Profit (Loss) from Net Monetary Position	25,7	-	25,7	30,7	-	30,7	10,4	-	10,4
44 Total Other Non-Interest Income (Expense) (from 40 to 43)	16,3	49,2	48,2	20,9	55,1	48,2	2,1	31,0	25,2
45 PROFIT (LOSS) BEFORE TAX [(22+28+44)-39]	-102,7	25,2	-102,8	-102,8	30,2	2,8	-102,3	10,0	-13,2
46 Provisions for Taxes	-35,1	-	-35,1	-32,5	-	-32,5	-43,0	-	-43,0
47 PROFIT (LOSS) FOR THE PERIOD (45 - 46)	17,5	25,2	29,1	22,2	30,2	34,3	3,2	10,0	13,4

Source: BRS4

Annex Table 41: Income Statement of Development and Investment Banks

	December 2003			June 2004			September 2004			December 2004		
	T L	FX	TOTAL	T L	FX	TOTAL	T L	FX	TOTAL	T L	FX	TOTAL
1 Interest Income on Loans	542,015	85,203	627,218	182,359	41,664	224,023	263,072	66,159	329,231	400,523	91,107	491,630
2 Interest Income on Past Due Loans	3,676	2,691	6,367	6,180	836	7,016	7,250	873	8,123	17,840	918	18,758
3 Interest Income on Banks	239,584	42,089	281,673	89,370	20,431	109,801	138,706	33,894	172,600	199,545	48,045	247,590
4 Interest Income on Money Markets	373,789	6,374	380,163	117,113	3,020	120,133	154,742	4,453	159,195	169,013	6,051	175,064
5 Interest Income on Securities - Trading Portfolio	26,213	1,840	28,053	21,122	1,269	22,391	34,079	1,949	36,028	45,418	2,335	47,753
6 Interest Income on Securities - Available for Sale	43,617	18,940	62,557	57,198	13,084	70,282	82,734	19,204	101,938	111,928	25,470	137,398
7 Interest Income on Securities - Held to Maturity	59,215	12,685	71,900	37,550	5,847	43,397	54,147	7,535	61,682	78,297	10,294	88,591
8 Income from Reverse Repo Transactions	72	0	72	115	0	115	168	0	168	188	0	188
9 Income from Lease Financing Receivables	54	6,817	6,871	8	4,201	4,209	11	6,812	6,823	14	10,061	10,075
10 Other Interest Income	3,849	2,534	6,383	263	148	411	562	371	933	866	507	1,373
11 Total Interest Income (from 1 to 10)	1,292,084	179,173	1,471,257	511,278	90,500	601,778	733,471	141,250	874,721	1,023,632	194,788	1,218,420
12 Interest Paid for Deposits	0	3	3	0	7	7	0	7	7	0	7	7
13 Interest Paid for Balances Due to Banks	85,268	97,632	182,900	30,973	46,146	77,119	45,804	72,956	118,760	11,125	103,743	114,868
14 Interest Paid for Money Markets	12,664	6,762	19,426	4,668	3,967	8,635	5,386	6,250	11,636	6,424	8,455	14,879
15 Interest Paid For Issued Securities	0	61,641	61,641	0	28,159	28,159	44,657	0	44,657	0	59,609	59,609
16 Interest Paid For Repo Transactions	2,412	1,324	3,736	1,290	110	1,400	4,749	179	4,928	9,852	253	10,105
17 Expenses for Lease Financing Obligations	0	1	1	0	2	2	0	22	22	0	29	29
18 Other Interest Expenses	10,879	2,060	12,939	2,702	448	3,150	4,033	609	4,642	5,619	854	6,473
19 Total Interest Expenses (from 12 to 18)	111,223	169,423	280,646	39,633	78,839	118,472	59,972	124,680	184,652	33,020	172,950	205,970
20 NET OF INTEREST INCOME (INTEREST EXPENSE) (11-19)	1,180,861	9,750	1,190,611	471,645	11,661	483,306	673,499	16,570	690,069	990,612	21,838	1,012,450
21 Provisions for Past Due Loans	50,616	45,772	96,388	1,403	1,748	3,151	4,270	4,814	9,084	21,555	5,017	26,572
22 NET OF INTEREST INCOME (EXPENSE) AFTER PROVISIONS (2)	1,130,245	-36,022	1,094,223	470,242	9,913	480,155	669,229	11,756	680,985	969,057	16,821	985,878
23 Fees and Commissions Received on Loans	11,462	19,046	30,508	5,675	6,724	12,399	9,127	11,574	20,701	12,469	13,356	25,825
24 Dividend Income	4,844	0	4,844	0	0	0	3,929	4,673	8,602	3,858	5,207	9,065
25 Income from Banking Activities	29,911	7,297	37,208	17,571	4,810	22,381	26,924	9,593	36,517	38,242	6,414	44,656
26 Income from Fixed Assets Sold	4,527	0	4,527	2,667	0	2,667	8,953	0	8,953	27,290	0	27,290
27 Other Non-Interest Income	88,134	9,176	97,310	52,873	4,515	57,388	213,449	5,834	219,283	267,755	10,774	278,529
28 Total Non-Interest Income (from 23 to 27)	138,878	35,519	174,397	82,356	16,049	98,405	262,412	31,674	294,086	349,614	35,751	385,365
29 Personnel Expenses	163,025	55	163,080	90,199	32	90,231	135,776	50	135,826	179,530	145	179,675
30 Provisions for Unexpected (General) Loan Losses	8,264	1,486	9,750	3,218	615	3,833	4,301	1,392	5,693	2,721	2,246	4,967
31 Provisions for Retirement Benefits Fund	3,457	0	3,457	2,171	0	2,171	3,397	0	3,397	3,932	0	3,932
32 Provisions for Value Decreases in Securities Portfolio	441	4,679	5,120	2,196	5,447	7,643	2,137	7,038	9,175	2,288	6,975	9,263
33 Provisions for Value Decreases in Subsidiaries, Associated and Joint Co	8,442	0	8,442	9,341	0	9,341	9,894	1,648	11,542	27,455	1,731	29,186
34 Other Provisions	99,278	0	99,278	49,225	0	49,225	14,724	0	14,724	84,527	13	84,540
35 Fees and Commissions Paid for Transactions	5,486	8,382	13,868	1,432	6,750	8,182	2,286	9,070	11,356	3,685	12,766	16,451
36 Depreciation Expenses	15,111	0	15,111	7,660	0	7,660	11,324	0	11,324	14,647	0	14,647
37 Taxes, Duties, Charges and Premiums Paid	21,252	0	21,252	7,649	0	7,649	13,784	0	13,784	17,010	0	17,010
38 Other Non-Interest Expenses	67,947	11,906	79,853	45,192	5,884	51,076	62,118	10,544	72,662	94,482	18,302	112,784
39 Total Non-Interest Expenses (from 29 to 38)	392,703	26,508	419,211	218,283	18,728	237,011	259,741	29,742	289,483	430,277	42,178	472,455
40 Net of Income (Loss) from Capital Market Transactions	151,104	-20,761	130,343	30,302	-11,045	19,257	53,289	-957	52,332	9,139	19,308	28,447
41 Net of Income (Loss) from FX Transactions	0	22,364	22,364	0	11,725	11,725	0	3,102	3,102	0	-29,402	-29,402
42 Net of Income (Expense) from Extra Ordinary Transactions	50,932	56	50,988	11,825	0	11,825	15,929	0	15,929	16,590	0	16,590
43 Profit (Loss) from Net Monetary Position	-423,971	0	-423,971	-291,201	0	-291,201	-345,861	0	-345,861	-556,114	0	-556,114
44 Total Other Non-Interest Income (Expense) (from 40 to 43)	-221,935	1,659	-220,276	-268,459	-9,426	-277,885	-276,643	2,145	-274,498	-530,385	-10,094	-540,479
45 PROFIT (LOSS) BEFORE TAX [(22+28+44)-39]	654,485	-25,352	629,133	88,080	-5,530	82,550	395,257	15,833	411,090	358,009	300	358,309
46 Provisions for Taxes	186,488	0	186,488	14,845	0	14,845	39,460	0	39,460	42,201	0	42,201
47 PROFIT (LOSS) FOR THE PERIOD (45 - 46)	467,997	-25,352	442,645	66,711	7,914	74,625	355,797	15,833	371,630	315,808	300	316,108

Source: BRS4 -277,885

Annex Table 42: Income Statement of Development and Investment Banks

	(USD Million)											
	December 2003			June 2004			September 2004			December 2004		
	T L	FX	TOTAL	T L	FX	TOTAL	T L	FX	TOTAL	T L	FX	TOTAL
1 Interest Income on Loans	388	61	449	123	28	151	176	44	220	298	68	366
2 Interest Income on Past Due Loans	3	2	5	4	1	5	9	1	5	13	1	14
3 Interest Income on Banks	172	30	202	60	14	74	93	23	115	149	36	184
4 Interest Income on Money Markets	268	5	272	79	2	81	103	3	106	126	5	130
5 Interest Income on Securities - Trading Portfolio	19	1	20	14	1	15	21	1	23	34	2	36
6 Interest Income on Securities - Available for Sale	31	14	45	38	9	47	55	13	68	83	19	102
7 Interest Income on Securities - Held to Maturity	42	9	52	25	4	29	36	5	41	58	8	66
8 Income from Reverse Repo Transactions	0	0	0	0	0	0	0	0	0	0	0	0
9 Income from Lease Financing Receivables	0	5	5	0	3	3	0	5	5	0	7	8
10 Other Interest Income	3	2	5	0	0	0	0	0	1	1	0	1
11 Total Interest Income (from 1 to 10)	926	128	1,054	344	61	405	490	94	584	763	145	908
12 Interest Paid for Deposits	0	0	0	0	0	0	0	0	0	0	0	0
13 Interest Paid for Balances Due to Banks	61	70	131	21	31	52	31	49	79	8	77	86
14 Interest Paid for Money Markets	9	5	14	3	3	6	4	4	8	5	6	11
15 Interest Paid for Issued Securities	0	44	44	0	19	19	0	30	30	0	44	44
16 Interest Paid For Repo Transactions	2	1	3	1	0	1	3	0	3	7	0	8
17 Expenses for Lease Financing Obligations	0	0	0	0	0	0	0	0	0	0	0	0
18 Other Interest Expenses	8	1	9	2	2	4	3	0	3	4	1	5
19 Total Interest Expenses (from 12 to 18)	80	121	201	27	53	80	40	83	123	25	129	153
20 NET OF INTEREST INCOME (INTEREST EXPENSE) (11-19)	846	7	853	317	8	325	450	11	461	738	16	754
21 Provisions for Past Due Loans	36	33	69	1	1	2	3	3	6	16	4	20
22 NET OF INTEREST INCOME (EXPENSE) AFTER PROVISIONS (20-21)	810	-26	784	316	7	323	447	8	455	722	13	735
23 Fees and Commissions Received on Loans	8	14	22	4	5	8	6	8	14	9	10	19
24 Dividend Income	3	0	3	2	0	2	3	2	6	4	3	7
25 Income from Banking Activities	21	5	27	12	3	15	18	6	24	28	5	33
26 Income from Fixed Assets Sold	3	0	3	2	0	2	6	0	6	20	0	20
27 Other Non-Interest Income	63	7	70	36	3	39	143	4	146	200	8	208
28 Total Non-Interest Income (from 23 to 27)	99	25	125	55	11	66	175	21	196	260	27	287
29 Personnel Expenses	117	0	117	61	0	61	91	0	91	134	0	134
30 Provisions for Unexpected (General) Loan Losses	6	1	7	2	0	2	3	1	4	2	2	4
31 Provisions for Retirement Benefits Fund	2	0	2	1	0	1	2	0	2	3	0	3
32 Provisions for Value Decreases in Securities Portfolio	0	3	4	1	4	5	1	5	6	2	5	7
33 Provisions for Value Decreases in Subsidiaries, Associated and Joint Con	6	0	6	6	0	6	7	1	8	20	1	22
34 Other Provisions	71	0	71	33	0	33	10	0	10	63	0	63
35 Fees and Commissions Paid for Transactions	4	6	10	1	5	6	2	6	8	3	10	12
36 Depreciation Expenses	11	0	11	5	0	5	8	0	8	11	0	11
37 Taxes, Duties, Charges and Premiums Paid	15	0	15	5	0	5	9	0	9	13	0	13
38 Other Non-Interest Expenses	49	9	57	30	4	34	41	7	49	70	14	84
39 Total Non-Interest Expenses (from 29 to 38)	281	19	300	147	13	160	173	20	193	321	31	352
40 Net of Income (Loss) from Capital Market Transactions	108	-15	93	20	-7	13	36	-1	35	7	14	21
41 Net of Income (Loss) from FX Transactions	0	16	16	0	8	8	0	2	2	0	-22	-22
42 Net of Income (Expense) from Extra Ordinary Transactions	36	0	37	8	0	8	11	0	11	12	0	12
43 Profit (Loss) from Net Monetary Position	-304	0	-304	-196	0	-196	-231	0	-231	-414	0	-414
44 Total Other Non-Interest Income (Expense) (from 40 to 43)	-159	1	-158	-181	-6	-187	-185	1	-183	-395	-8	-403
45 PROFIT (LOSS) BEFORE TAX [(22+28+44)-39]	469	-18	451	59	-4	56	264	11	274	267	0	267
46 Provisions for Taxes	134	0	134	10	0	10	26	0	26	31	0	31
47 PROFIT (LOSS) FOR THE PERIOD (45 - 46)	335	-18	317	45	5	50	238	11	248	235	0	236

Source: BRS

Annex Table 43: Income Statement of Development and Investment Banks (December 2004/ December 2003).

	Nominal Change % NTL		Nominal Change % USD Dollar		Real Change % NTL		TOTAL
	TL	FX	TL	FX	TL	FX	
1 Interest Income on Loans	-26.1	6.9	-23.1	11.2	-35.1	-6.1	-31.1
2 Interest Income on Past Due Loans	385.3	-65.9	404.7	-64.5	326.3	-70.0	158.8
3 Interest Income on Banks	-16.7	14.2	-13.4	18.7	-26.8	0.3	-22.8
4 Interest Income on Money Markets	-54.8	-5.1	-53.0	-1.3	-60.3	-16.6	-59.5
5 Interest Income on Securities - Trading Portfolio	73.3	26.9	80.2	32.0	52.2	11.5	49.5
6 Interest Income on Securities - Available for Sale	156.6	34.5	166.9	39.9	125.4	18.1	92.9
7 Interest Income on Securities - Held to Maturity	32.2	-18.8	37.5	-15.6	16.1	-28.7	8.2
8 Income from Reverse Repo Transactions	161.1	-	171.6	-	129.4	-	129.4
9 Income from Lease Financing Receivables	-74.1	47.6	-73.0	53.5	-77.2	29.6	28.8
10 Other Interest Income	-77.5	-80.0	-76.6	-79.2	-80.2	-82.4	-81.1
11 Total Interest Income (from 1 to 10)	-20.8	8.7	-17.6	13.1	-30.4	-4.5	-27.3
12 Interest Paid for Deposits	-	133.3	-	142.7	-	105.0	105.0
13 Interest Paid for Balances Due to Banks	-87.0	6.3	-86.4	10.5	-88.5	-6.7	-44.8
14 Interest Paid for Money Markets	-49.3	25.0	-47.2	30.0	-55.4	9.8	-32.7
15 Interest Paid For Issued Securities	-	-3.3	-	0.6	-	-15.1	-15.1
16 Interest Paid For Repo Transactions	308.5	-80.9	324.8	-80.1	258.8	-83.2	137.6
17 Expenses for Lease Financing Obligations	-	2,800.0	-	2,916.1	-	2,447.4	2,447.4
18 Other Interest Expenses	-48.4	-58.5	-46.3	-56.9	-54.6	-63.6	-56.1
19 Total Interest Expenses (from 12 to 18)	-70.3	2.1	-69.1	6.2	-73.9	-10.3	-35.5
20 NET OF INTEREST INCOME (INTEREST EXPENSE) (11-19)	-16.1	124.0	-12.8	132.9	-11.6	96.7	-25.3
21 Provisions for Past Due Loans	-57.4	-89.0	-55.7	-88.6	-62.6	-90.4	-75.8
22 NET OF INTEREST INCOME (EXPENSE) AFTER PROVISIONS	-14.3	-146.7	-10.8	-148.6	-24.7	-141.0	-20.9
23 Fees and Commissions Received on Loans	8.8	-29.9	13.1	-27.1	-4.4	-38.4	-25.6
24 Dividend Income	-20.4	-	-17.2	-	-30.0	-	64.4
25 Income from Banking Activities	27.9	-	33.0	-8.6	12.3	-	5.4
26 Income from Fixed Assets Sold	502.8	-	527.0	-	429.5	-	429.5
27 Other Non-Interest Income	203.8	17.4	216.0	22.1	166.9	3.1	151.4
28 Total Non-Interest Income (from 23 to 27)	151.7	0.7	161.8	4.7	121.1	-11.6	94.1
29 Personnel Expenses	10.1	163.6	14.5	174.2	-3.3	131.6	-3.2
30 Provisions for Unexpected (General) Loan Losses	-67.1	51.1	-65.8	57.2	-71.1	32.8	-55.2
31 Provisions for Retirement Benefits Fund	13.7	-	18.3	-	-0.1	-	-0.1
32 Provisions for Value Decreases in Securities Portfolio	418.8	49.1	439.6	55.0	355.7	30.9	58.9
33 Provisions for Value Decreases in Subsidiaries, Associated and Joint Ventures	225.2	-	238.2	-	185.7	-	203.7
34 Other Provisions	-14.9	-	-11.4	-	-25.2	-	-25.2
35 Fees and Commissions Paid for Transactions	-32.8	52.3	-30.1	58.4	-41.0	33.8	4.2
36 Depreciation Expenses	-	-	0.8	-	-	-	-
37 Taxes, Duties, Charges and Premiums Paid	-20.0	-	-16.8	-	-14.9	-	-14.9
38 Other Non-Interest Expenses	39.1	53.7	44.6	59.9	22.1	35.0	24.1
39 Total Non-Interest Expenses (from 29 to 38)	9.6	59.1	14.0	65.5	-3.8	39.8	-1.0
40 Net of Income (Loss) from Capital Market Transactions	-94.0	-193.0	-93.7	-196.7	-94.7	-181.7	-80.8
41 Net of Income (Expense) from FX Transactions	-	-231.5	-	-236.7	-	-215.5	-215.5
42 Net of Income (Expense) from Extra Ordinary Transactions	-67.4	-100.0	-66.1	-100.0	-71.4	-100.0	-71.4
43 Profit (Loss) from Net Monetary Position	31.2	31.2	36.4	-	15.2	-	15.2
44 Total Other Non-Interest Income (Expense) (from 40 to 43)	139.0	-708.4	148.6	-732.8	109.9	-634.5	115.5
45 PROFIT (LOSS) BEFORE TAX [(22+28+44)-39]	-45.3	-101.2	-43.1	-101.2	-51.9	-101.0	-50.0
46 Provisions for Taxes	-77.4	-	-76.5	-	-80.1	-	-80.1
47 PROFIT (LOSS) FOR THE PERIOD (45 - 46)	-32.5	-101.2	-29.8	-101.2	-40.7	-101.0	-37.3

Source: BRS4

Annex Table 44: Balance Sheet of Special Finance Institutions (NTL Thousand) (December 2004/December 2003)

	December 2003			June 2004			September 2004			December 2004		
	TL	FX	TOTAL	TL	FX	TOTAL	TL	FX	TOTAL	TL	FX	TOTAL
ASSETS												
1- CASH ASSETS	28,080	67,637	95,717	35,371	68,930	104,301	39,124	81,934	121,078	60,650	84,949	145,599
2- DUE FROM CENTRAL BANK	27,636	11,052	38,688	43,544	998	44,542	73,814	724	74,538	144,961	29,278	174,239
3- DUE FROM BANKS	201,976	327,703	529,679	443,483	262,022	505,505	151,301	499,498	650,799	142,083	542,940	685,023
4- SECURITIES PORTFOLIO (NET)	4,480	41,709	46,189	2,745	48,750	51,495	3,484	33,788	37,272	3,039	43,467	46,506
5- A) GOVERNMENT SECURITIES	0	0	0	0	0	0	0	0	0	0	0	0
5- B) OTHER SECURITIES	4,480	41,709	46,189	2,745	48,750	51,495	3,484	33,788	37,272	3,039	43,467	46,506
7- BLOKAGES	34,918	306,961	341,879	70,484	331,462	401,946	75,745	386,485	462,230	80,754	391,405	472,159
8- EXTENDED FUNDS	1,344,355	1,793,636	3,137,991	2,188,225	2,026,521	4,214,746	2,464,043	2,181,753	4,645,796	2,698,322	2,202,214	4,900,536
9- PAST DUE LOANS (NET)	68,551	58,558	124,109	42,798	54,010	96,808	36,672	56,243	92,915	35,395	76,208	111,603
10- A) PAST DUE LOANS	182,192	187,534	315,726	149,803	196,704	346,507	149,728	197,929	347,657	159,393	180,420	339,813
10- B) LOAN LOSS RESERVES (-)	62,641	128,976	191,617	107,005	142,694	249,699	113,056	141,666	254,742	123,998	104,212	228,210
12- SHARE OF PROFIT & INCOME ACCRUALS	53,974	28,304	82,278	86,411	34,576	120,987	103,180	39,000	142,180	95,021	36,253	131,274
13- SUBSIDIARIES, ASSOCIATED AND JOINT COMPANIES (NET)	44,086	14	44,100	51,610	15	51,625	56,098	15	56,113	62,695	13	62,708
14- LONG-TERM SECURITIES (NET)	0	0	0	0	0	0	0	0	0	0	0	0
15- FIXED ASSETS TO BE SOLD	51,321	0	51,321	82,943	0	82,943	60,360	0	60,360	74,298	0	74,298
16- FIXED ASSETS (NET)	722,277	94	722,371	586,962	445	587,407	564,682	417	565,099	547,178	365	547,543
17- OTHER ASSETS	33,626	3,824	37,450	51,322	9,663	60,985	43,652	9,883	53,535	28,096	3,462	31,558
18- TOTAL ASSETS	2,612,280	2,639,492	5,251,772	3,485,898	2,837,392	6,323,290	3,672,155	3,289,760	6,961,915	3,972,492	3,410,554	7,383,046
LIABILITIES												
19- COLLECTED FUNDS	1,127,106	2,983,549	4,110,655	1,980,929	3,067,215	5,048,144	2,030,644	3,479,651	5,510,295	2,262,362	3,729,796	5,992,158
20- DUE TO THE CENTRAL BANK	0	0	0	0	0	0	0	0	0	0	0	0
21- DUE TO BANKS	0	877	877	0	41,430	41,430	0	59,759	59,759	22,722	50,858	73,580
22- SOLD SECURITIES (NET)	0	0	0	0	0	0	0	0	0	0	0	0
23- TAXES, DUTIES, CHARGES & PREMIUMS PAYABLE	18,625	0	18,625	17,709	0	17,709	19,644	0	19,644	20,558	3	20,561
24- SHARE OF PROFIT AND EXPENSE ACCRUALS	13,433	8,679	22,112	20,001	6,819	26,820	23,564	8,158	31,812	26,764	7,955	34,719
25- RESERVES	22,848	2,785	25,633	32,313	3,268	35,581	39,126	7,195	46,321	38,591	4,624	43,215
26- OTHER LIABILITIES	166,861	235,104	401,965	252,175	130,180	382,355	379,702	123,359	503,061	180,319	82,705	263,024
27- TOTAL	1,348,873	3,230,994	4,579,867	2,303,127	3,248,912	5,552,039	2,492,770	3,678,122	6,170,892	2,551,316	3,875,941	6,427,257
OWN FUNDS:												
28- PAID UP CAPITAL	420,310	0	420,310	628,477	0	628,477	658,342	0	658,342	722,914	0	722,914
29- LEGAL & PROVISIONAL RESERVES	12,101	0	12,101	76,876	0	76,876	80,178	0	80,178	71,697	0	71,697
30- FIXED ASSET REVALUATION FUND	201,840	0	201,840	17,681	0	17,681	3,807	0	3,807	0	0	0
31- SECURITIES REVALUATION FUND	0	0	0	0	0	0	0	0	0	0	0	0
32- PROFIT (LOSS) FOR THE PERIOD	2,246	72,265	74,511	17,552	29,214	46,766	20,943	43,044	63,987	49,358	56,207	105,565
33- PROFIT (LOSS) FOR PREVIOUS YEARS	-36,857	0	-36,857	1,451	0	1,451	-15,291	0	-15,291	55,613	0	55,613
34- TOTAL OWNERS EQUITY (39+...+45)	599,640	72,265	671,905	742,037	29,214	771,251	747,979	43,044	791,023	899,582	56,207	955,789
35- TOTAL LIABILITIES (38+46)	1,948,513	3,303,259	5,251,772	3,045,164	3,278,126	6,323,290	3,240,749	3,721,166	6,961,915	3,450,898	3,932,148	7,383,046
36- NON CASH FUNDS AND OBLIGATIONS	754,937	691,005	1,445,942	1,133,648	1,058,252	2,191,900	1,352,389	1,264,566	2,616,955	1,602,764	1,491,450	3,094,214
37- COMMITMENTS (50+51)	118,187	14,881	133,068	173,045	48,821	221,866	543,378	137,084	680,462	572,670	182,677	755,347
38- A) FX TRANSACTIONS	0	14,881	14,881	42,646	48,821	91,467	109,766	137,084	246,850	86,882	182,677	269,559
39- C) OTHER COMMITMENTS	118,187	0	118,187	130,399	0	130,399	433,612	0	433,612	485,788	0	485,788
40- TOTAL OFF BALANCE SHEET LIABILITIES	873,124	705,886	1,579,010	1,306,693	1,107,073	2,413,768	1,895,767	1,401,650	3,297,417	2,175,434	1,674,127	3,849,561

Source: BRSA

Annex Table 45: Balance Sheet of Special Finance Institutions (USD Million) (December 2004/December 2003)

	December 2003			June 2004			September 2004			December 2004		
	TL	FX	TOTAL	TL	FX	TOTAL	TL	FX	TOTAL	TL	FX	TOTAL
ASSETS												
1- CASH ASSETS	20	48	69	24	47	70	26	55	81	45	63	108
2- DUE FROM CENTRAL BANK	20	8	28	29	1	30	49	0	50	108	22	130
3- DUE FROM BANKS	145	235	379	164	177	341	101	334	435	106	405	510
4- SECURITIES PORTFOLIO (NET)	3	30	33	2	33	35	0	23	25	2	32	35
5- A) GOVERNMENT SECURITIES	0	0	0	0	0	0	0	0	0	0	0	0
6- B) OTHER SECURITIES	3	30	33	2	33	35	2	23	25	2	32	35
7- BLOKAGES	25	220	245	48	224	271	51	258	309	60	292	352
8- EXTENDED FUNDS	963	1,285	2,248	1,478	1,368	2,846	1,645	1,457	3,102	2,011	1,641	3,651
9- PAST DUE LOANS (NET)	47	42	89	29	36	65	24	38	62	26	57	83
10- A) PAST DUE LOANS	92	134	226	101	133	234	100	132	232	119	134	253
11- B) LOAN LOSS RESERVES (-)	45	92	137	72	96	169	75	95	170	92	78	170
12- SHARE OF PROFIT & INCOME ACCRUALS	39	20	59	58	23	82	69	26	95	71	27	98
13- SUBSIDIARIES, ASSOCIATED AND JOINT COMPANIES (NET)	32	0	32	35	0	35	37	0	37	47	0	47
14- LONG-TERM SECURITIES (NET)	0	0	0	0	0	0	0	0	0	0	0	0
15- FIXED ASSETS TO BE SOLD	37	0	37	56	0	56	40	0	40	55	0	55
16- FIXED ASSETS (NET)	517	0	518	396	0	397	377	0	377	408	0	408
17- OTHER ASSETS	24	3	27	35	7	41	29	7	36	21	3	24
18- TOTAL ASSETS	1,871	1,891	3,762	2,354	1,916	4,270	2,452	2,197	4,648	2,960	2,541	5,501
LIABILITIES												
19- COLLECTED FUNDS	807	2,137	2,945	1,338	2,071	3,409	1,356	2,323	3,679	1,686	2,779	4,465
20- DUE TO THE CENTRAL BANK	0	0	0	0	0	0	0	0	0	0	0	0
21- DUE TO BANKS	0	1	1	0	28	28	0	40	40	17	38	55
22- SOLD SECURITIES (NET)	0	0	0	0	0	0	0	0	0	0	0	0
23- TAXES, DUTIES, CHARGES & PREMIUMS PAYABLE	13	0	13	12	0	12	13	0	13	15	0	15
24- SHARE OF PROFIT AND EXPENSE ACCRUALS	10	6	16	14	5	18	16	5	21	20	6	26
25- RESERVES	16	2	18	22	2	24	26	5	31	29	3	32
26- OTHER LIABILITIES	120	168	288	170	88	258	254	82	336	134	62	196
27- TOTAL	966	2,315	3,281	1,555	2,194	3,749	1,664	2,456	4,120	1,901	2,888	4,789
OWN FUNDS:												
28- PAID UP CAPITAL	301	0	301	424	0	424	440	0	440	539	0	539
29- LEGAL & PROVISIONAL RESERVES	9	0	9	52	0	52	54	0	54	53	0	53
30- FIXED ASSET REVALUATION FUND	145	0	145	12	0	12	3	0	3	0	0	3
31- SECURITIES REVALUATION FUND	0	0	0	0	0	0	0	0	0	0	0	0
32- PROFIT (LOSS) FOR THE PERIOD	2	52	53	12	20	32	14	29	43	37	42	79
33- PROFIT (LOSS) FOR PREVIOUS YEARS	-26	0	-26	1	0	1	-10	0	-10	41	0	41
34- TOTAL OWNERS EQUITY (39+...+45)	430	52	481	501	20	521	499	29	528	670	42	712
35- TOTAL LIABILITIES (38+46)	1,396	2,367	3,762	2,056	2,214	4,270	2,164	2,485	4,648	2,571	2,930	5,501
NON CASH FUNDS AND OBLIGATIONS												
36- COMMITMENTS (50+51)	541	495	1,036	766	715	1,480	903	844	1,747	1,194	1,111	2,306
37- A) FX TRANSACTIONS	85	11	99	117	33	150	363	92	454	427	136	563
38- C) OTHER COMMITMENTS	0	11	11	29	33	62	73	92	165	65	136	201
39- C) OTHER COMMITMENTS	85	0	88	88	0	88	290	0	290	362	0	362
40- TOTAL OFF BALANCE SHEET LIABILITIES	626	506	1,177	882	748	1,630	1,266	936	2,202	1,621	1,247	2,868

Source: BKS4

Annex Table 46: Balance Sheet of Special Finance Institutions (% Change) (December 2004/December 2003)

	Nominal Change NTL			Nominal Change USD Dollar			Real Change NTL		
	TL	FX	TOTAL	TL	FX	TOTAL	TL	FX	TOTAL
ASSETS									
1- CASH ASSETS	116	26	52	125	31	58	90	10	34
2- DUE FROM CENTRAL BANK	425	165	350	446	176	368	361	133	296
3- DUE FROM BANKS	-30	66	29	-27	72	35	-38	46	14
4- SECURITIES PORTFOLIO (NET)	-32	4	1	-29	8	5	-40	-8	-12
5- A) GOVERNMENT SECURITIES	-	-	-	-	-	-	-	-	-
6- B) OTHER SECURITIES	-32	4	1	-29	8	5	-40	-8	-12
7- BLOKAGES	131	28	38	141	33	44	103	12	21
8- EXTENDED FUNDS	101	23	56	109	28	62	76	8	37
9- PAST DUE LOANS (NET)	-46	30	-10	-44	35	-6	-53	14	-21
10- A) PAST DUE LOANS	24	-4	8	29	0	12	9	-15	-5
11- B) LOAN LOSS RESERVES (-)	98	-19	19	106	-16	24	74	-29	5
12- SHARE OF PROFIT & INCOME ACCRUALS	76	28	60	83	33	66	55	13	40
13- SUBSIDIARIES, ASSOCIATED AND JOINT COMPANIES (NET)	42	-7	42	48	-3	48	25	-18	25
14- LONG-TERM SECURITIES (NET)	-	-	-	-	-	-	-	-	-
15- FIXED ASSETS TO BE SOLD	45	-	45	51	-	51	27	-	27
16- FIXED ASSETS (NET)	-24	288	-24	-21	304	-21	-33	241	-33
17- OTHER ASSETS	-16	-9	-16	-13	-6	-12	-27	-20	-26
18- TOTAL ASSETS	52	29	41	58	34	46	34	14	23
LIABILITIES									
19- COLLECTED FUNDS	101	25	46	109	30	52	76	10	28
20- DUE TO THE CENTRAL BANK	-	-	-	-	-	-	-	-	-
21- DUE TO BANKS	-	5.699	8.290	-	5.931	8.626	-	4.994	7.270
22- SOLD SECURITIES (NET)	-	-	-	-	-	-	-	-	-
23- TAXES, DUTIES, CHARGES & PREMIUMS PAYABLE	10	-8	10	15	-	15	-3	-	-3
24- SHARE OF PROFIT AND EXPENSE ACCRUALS	99	66	57	107	-5	63	75	-19	38
25- RESERVES	69	66	69	76	73	75	48	46	48
26- OTHER LIABILITIES	8	-65	-35	12	-63	-32	-5	-69	-43
27- TOTAL	89	20	40	97	25	46	66	5	23
OWN FUNDS:									
28- PAID UP CAPITAL	72	-	72	79	-	79	51	-	51
29- LEGAL & PROVISIONAL RESERVES	492	-	492	516	-	516	420	-	420
30- FIXED ASSET REVALUATION FUND	-100	-	-100	-100	-	-100	-100	-	-100
31- SECURITIES REVALUATION FUND	-	-	-	-	-	-	-	-	-
32- PROFIT (LOSS) FOR THE PERIOD	2.098	-22	42	2.186	-19	47	1.830	-32	24
33- PROFIT (LOSS) FOR PREVIOUS YEARS	-251	-	-251	-257	-	-257	-233	-	-233
34- TOTAL OWNERS EQUITY (39+...+45)	50	-22	42	56	-19	48	32	-32	25
35- TOTAL LIABILITIES (38+46)	77	19	41	84	24	46	56	5	23
NON CASH FUNDS AND OBLIGATIONS									
36- NON CASH FUNDS AND OBLIGATIONS	112	116	114	121	124	123	86	90	88
37- COMMITMENTS (50+51)	385	1.128	468	404	1.128	468	326	978	399
38- A) FX TRANSACTIONS	-	1.128	1.711	-12	1.128	1.711	-	978	1.491
39- C) OTHER COMMITMENTS	311	-	311	327	-	311	261	-	261
40- TOTAL OFF BALANCE SHEET LIABILITIES	149	137	144	159	147	144	119	108	114

Source: BRS4

Annex Table 47: Income Statement of Special Finance Institutions (December 2004/ December 2003)

	(NTL Thousand)								
	December 2003		June 2004		September 2004		December 2004		
	TL	FX	TOTAL	TL	FX	TOTAL	TL	FX	TOTAL
DIVIDEND INCOME :									
1- DIVIDEND INCOME FROM FUNDS	378,995	303,097	682,092	277,100	135,389	412,489	443,245	202,504	645,749
2- DIVIDEND INCOME FROM PAST DUE LOANS	3,582	7,310	10,892	829	2,514	3,343	1,166	2,969	4,135
3- DIVIDEND INCOME FROM FINANCIAL SECTOR	0	0	0	1,942	294	2,236	9,553	672	10,225
4- INCOME FROM GOVERNMENT SECURITIES	0	0	0	0	0	0	0	0	0
5- INCOME FROM OTHER SECURITIES	0	0	0	0	0	0	0	0	0
6- OTHER DIVIDEND INCOME	1,264	99	1,363	1,113	106	1,219	1,897	166	2,063
7- TOTAL DIVIDEND INCOME	383,841	310,506	694,347	280,984	138,303	419,287	455,861	206,311	662,172
DIVIDEND EXPENDITURES :									
8- DIVIDEND INCOME TO FUNDS	149,244	136,119	285,363	145,909	62,440	208,349	244,923	97,611	342,534
9- DIVIDEND INCOME TO FINANCIAL SECTOR	0	0	0	0	0	0	0	209	209
10- DIVIDEND INCOME TO SOLD SECURITIES	0	0	0	0	0	0	0	0	0
11- OTHER DIVIDEND INCOME EXPENDITURES	0	0	0	0	0	0	1,566	0	1,566
12- TOTAL DIVIDEND INCOME EXPENDITURES	149,244	136,119	285,363	145,909	62,440	208,349	246,489	97,820	344,309
13- NET DIVIDEND INCOME (EXPENDITURE)	234,597	174,387	408,984	135,075	75,863	210,938	209,372	108,491	317,863
14- PROVISIONS FOR PAST DUE LOANS	53,915	0	53,915	40,414	0	40,414	52,239	0	52,239
15- PROVISIONS FOR LOANS	1,895	0	1,895	2,765	0	2,765	3,589	0	3,589
16- AFTER PROVISION NET DIVIDEND INCOME (EXPENDITURES)	178,787	174,387	353,174	91,896	75,863	167,759	153,544	108,491	262,035
INCOMES EXCLUDING DIVIDEND INCOME:									
17- CHARGE AND COMMISSIONS FROM FUNDS	20,392	3,650	24,042	20,674	1,536	22,210	30,908	2,632	33,540
18- DIVIDENDS FROM SUBSIDIARIES AND JOINT COMPANIES	23	34	57	0	0	0	0	0	0
19- BANKING SERVICES DIVIDEND INCOME	48,379	1,967	50,346	32,962	987	33,949	52,287	1,514	53,801
20- INCOME FROM FIXED ASSETS SOLD	7,047	0	7,047	2,319	0	2,319	2,878	0	2,878
21- OTHER INCOME EXCLUDING DIVIDEND INCOME	60,074	73,772	133,846	112,956	2,416	115,372	149,594	4,182	153,776
22- TOTAL INCOME EXCLUDING DIVIDEND INCOME	135,915	79,423	215,338	168,911	4,939	173,850	235,667	8,328	243,995
EXPENDITURES EXCLUDING DIVIDEND INCOME:									
23- PERSONNEL EXPENDITURES	85,034	22	85,056	65,262	140	65,402	99,195	369	99,564
24- PROVISIONS FOR RETIREMENT BENEFIT FUND	858	0	858	532	0	532	914	0	914
25- PROVISIONS FOR VALUE DECREASES IN SECURITIES, SUBSIDIARIES, JOINT COMP AND JOINT SECURITIES	0	0	0	0	0	0	0	0	0
26- OTHER PROVISIONS	760	0	760	387	0	387	0	0	0
27- FEES AND COMMISSIONS PAID FOR TRANSACTIONS	17,956	350	18,306	10,006	483	10,489	17,361	659	18,020
28- DEPRECIATION EXPENSES	286,265	23	286,288	101,686	80	101,766	148,648	127	148,775
29- TAXES, DUTIES, CHARGES AND PREMIUMS PAID	26,384	23	26,407	6,003	0	6,003	8,978	4	8,982
30- OTHER NON-INTEREST EXPENSES	98,021	229	98,250	125,525	348	125,873	188,514	665	189,179
31- TOTAL EXPENDITURES EXCLUDING DIVIDEND INCOME	515,278	647	515,925	309,401	1,051	310,452	463,610	1,824	465,434
TOTAL INCOME (EXPENDITURES) EXCLUDING DIVIDEND INCOME									
32- NET OF INCOME (LOSS) FROM CAPITAL MARKET TRANSACTIONS	2,905	0	2,905	-38	0	-38	1,544	1,111	2,655
33- NET OF INCOME (LOSS) FROM FX TRANSACTIONS	0	22,813	22,813	0	17,202	17,202	0	20,623	20,623
34- NET OF INCOME (LOSS) FROM EXTRA ORDINARY TRANSACTIONS	364	0	364	65	0	65	114	-1	113
35- TOTAL OTHER INCOME (EXPENDITURE) EXCLUDING DIVIDEND INCOME	3,269	22,813	26,082	27	17,202	17,229	1,658	21,733	23,391
36- PROFIT (LOSS) BEFORE TAX	-197,307	275,976	78,669	-48,567	96,953	48,386	-72,741	136,728	63,987
37- PROVISIONS FOR TAXES	4,158	0	4,158	1,619	0	1,619	0	0	0
38- PROFIT (LOSS) FOR THE PERIOD	-201,465	275,976	74,511	-50,186	96,953	46,767	-72,741	136,728	63,987

Source: BCSA

Annex Table 48: Income Statement of Special Finance Institutions (December 2004 / December 2003)

	December 2003			June 2004			September 2004			December 2004		
	TL	FX	TOTAL	TL	FX	TOTAL	TL	FX	TOTAL	TL	FX	TOTAL
	(USD Million)											
DIVIDEND INCOME :												
1- DIVIDEND INCOME FROM FUNDS	272	217	489	187	91	279	296	135	431	458	202	660
2- DIVIDEND INCOME FROM PAST DUE LOANS	3	5	8	1	2	2	1	2	3	4	3	7
3- DIVIDEND INCOME FROM FINANCIAL SECTOR	0	0	0	1	0	2	6	0	7	9	9	18
4- INCOME FROM GOVERNMENT SECURITIES	0	0	0	0	0	0	0	0	0	0	0	0
5- INCOME FROM OTHER SECURITIES	0	0	0	0	0	0	0	0	0	0	0	0
6- OTHER DIVIDEND INCOME	1	0	1	1	0	1	1	0	1	2	0	2
7- TOTAL DIVIDEND INCOME	275	222	497	190	93	283	304	138	442	473	214	687
DIVIDEND EXPENDITURES :												
8- DIVIDEND INCOME TO FUNDS	107	98	204	99	42	141	164	65	229	252	100	351
9- DIVIDEND INCOME TO FINANCIAL SECTOR	0	0	0	0	0	0	0	0	0	0	0	0
10- DIVIDEND INCOME TO SOLD SECURITIES	0	0	0	0	0	0	0	0	0	0	0	0
11- OTHER DIVIDEND INCOME EXPENDITURES	0	0	0	0	0	0	1	0	1	1	0	1
12- TOTAL DIVIDEND INCOME EXPENDITURES	107	98	204	99	42	141	165	65	230	253	100	353
13- NET DIVIDEND INCOME (EXPENDITURE)	168	125	293	91	51	142	140	72	212	220	114	334
14- PROVISIONS FOR PAST DUE LOANS	39	0	39	27	0	27	35	0	35	38	0	38
15- PROVISIONS FOR LOANS	1	0	1	2	0	2	2	0	2	4	0	4
16- AFTER PROVISION NET DIVIDEND INCOME (EXPENDITURES)	128	125	253	62	51	113	103	72	175	178	114	292
INCOMES EXCLUDING DIVIDEND INCOME:												
17- CHARGE AND COMMISSIONS FROM FUNDS	15	3	17	14	1	15	21	2	22	34	3	37
18- DIVIDENDS FROM SUBSIDIARIES AND JOINT COMPANIES	0	0	0	0	0	0	0	0	0	0	0	0
19- BANKING SERVICES DIVIDEND INCOME	35	1	36	22	1	23	35	1	36	55	2	57
20- INCOME FROM FIXED ASSETS SOLD	5	0	5	2	0	2	2	0	2	4	0	4
21- OTHER INCOME EXCLUDING DIVIDEND INCOME	43	53	96	76	2	78	100	3	103	135	0	135
22- TOTAL INCOME EXCLUDING DIVIDEND INCOME	97	57	154	114	3	117	157	6	163	228	5	233
EXPENDITURES EXCLUDING DIVIDEND INCOME:												
23- PERSONNEL EXPENDITURES	61	0	61	44	0	44	66	0	66	102	0	103
24- PROVISIONS FOR RETIREMENT BENEFIT FUND	1	0	1	0	0	0	1	0	1	1	0	1
25- PROVISIONS FOR VALUE DECREASES IN SECURITIES, SUBSIDIARIES, JOINT CO	0	0	0	0	0	0	0	0	0	0	0	0
26- OTHER PROVISIONS	1	0	1	0	0	0	0	0	0	1	0	1
27- FEES AND COMMISSIONS PAID FOR TRANSACTIONS	13	0	13	7	0	7	12	0	12	20	1	21
28- DEPRECIATION EXPENSES	205	0	205	69	0	69	99	0	99	151	0	151
29- TAXES, DUTIES, CHARGES AND PREMIUMS PAID	19	0	19	4	0	4	6	0	6	10	0	10
30- OTHER NON-INTEREST EXPENSES	70	0	70	85	0	85	126	0	126	187	1	187
31- TOTAL EXPENDITURES EXCLUDING DIVIDEND INCOME	369	0	370	209	1	210	310	1	311	472	2	474
TOTAL INCOME (EXPENDITURES) EXCLUDING DIVIDEND INCOME	2	0	2	0	0	0	1	1	2	1	1	2
32- NET OF INCOME (LOSS) FROM CAPITAL MARKET TRANSACTIONS	0	16	16	0	12	12	0	14	14	0	23	23
33- NET OF INCOME (LOSS) FROM FX TRANSACTIONS	0	0	0	0	0	0	0	0	0	0	0	0
34- NET OF INCOME (LOSS) FROM EXTRA ORDINARY TRANSACTIONS	2	16	19	0	12	12	1	15	16	1	24	25
35- TOTAL OTHER INCOME (EXPENDITURE) EXCLUDING DIVIDEND INCOM	-141	198	56	-33	65	33	-49	91	43	-62	141	79
36- PROFIT (LOSS) BEFORE TAX	0	0	0	0	0	0	0	0	0	0	0	0
37- PROVISIONS FOR TAXES	3	0	3	1	0	1	0	0	0	0	0	0
38- PROFIT (LOSS) FOR THE PERIOD	-144	198	53	-34	65	32	-49	91	43	-62	141	79

Source: BRS4

Annex Table 49: Income Statement of Special Finance Institutions (% Change) (December 2004/ December 2003)

	Nominal Change % NTL		Nominal Change % USD Dollar		Real Change % NTL	
	TL	FX	TL	FX	TL	FX
DIVIDEND INCOME :						
1- DIVIDEND INCOME FROM FUNDS	62,0	-10,5	68,5	-6,9	42,3	-21,3
2- DIVIDEND INCOME FROM PAST DUE LOANS	53,8	-48,3	60,0	-46,2	35,1	-54,6
3- DIVIDEND INCOME FROM FINANCIAL SECTOR	-	-	-	-	-	-
4- INCOME FROM GOVERNMENT SECURITIES	-	-	-	-	-	-
5- INCOME FROM OTHER SECURITIES	-	-	-	-	-	-
6- OTHER DIVIDEND INCOME	68,0	83,8	74,8	91,2	47,6	61,5
7- TOTAL DIVIDEND INCOME	65,3	-7,4	71,9	-3,7	45,2	-18,7
DIVIDEND EXPENDITURES :						
8- DIVIDEND INCOME TO FUNDS	126,2	-1,7	135,2	2,2	98,7	-13,7
9- DIVIDEND INCOME TO FINANCIAL SECTOR	-	-	-	-	-	-
10- DIVIDEND INCOME TO SOLD SECURITIES	-	-	-	-	-	-
11- OTHER DIVIDEND INCOME EXPENDITURES	-	-	-	-	-	-
12- TOTAL DIVIDEND INCOME EXPENDITURES	127,4	-1,4	136,5	2,5	99,8	-13,4
13- NET DIVIDEND INCOME (EXPENDITURE)	25,8	-12,1	30,8	-8,6	10,5	-22,8
14- PROVISIONS FOR PAST DUE LOANS	-4,2	-	-0,4	-	-15,8	-
15- PROVISIONS FOR LOANS	160,4	-	170,8	-	128,8	-
16- AFTER PROVISION NET DIVIDEND INCOME (EXPENDITURES)	33,4	-12,1	38,7	-8,6	17,2	-22,8
INCOMES EXCLUDING DIVIDEND INCOME:						
17- CHARGE AND COMMISSIONS FROM FUNDS	124,5	4,6	133,5	8,8	97,2	-8,1
18- DIVIDENDS FROM SUBSIDIARIES AND JOINT COMPANIES	-100,0	-100,0	-100,0	-100,0	-100,0	-100,0
19- BANKING SERVICES DIVIDEND INCOME	53,9	10,6	60,1	15,1	35,2	-2,8
20- INCOME FROM FIXED ASSETS SOLD	-31,1	-	-28,4	-	-39,5	-
21- OTHER INCOME EXCLUDING DIVIDEND INCOME	201,2	-99,3	213,3	-99,2	164,6	-99,4
22- TOTAL INCOME EXCLUDING DIVIDEND INCOME	125,2	-91,8	134,2	-91,4	97,8	-92,8
EXPENDITURES EXCLUDING DIVIDEND INCOME:						
23- PERSONNEL EXPENDITURES	61,6	2200,0	68,1	2292,1	42,0	1920,4
24- PROVISIONS FOR RETIREMENT BENEFIT FUND	35,7	-	41,1	-	19,2	-
25- PROVISIONS FOR VALUE DECREASES IN SECURITIES, SUBSIDIARIES, JOINT COMP AND JOINT SECURITIES	-	-	-	-	-	-
26- OTHER PROVISIONS	94,9	-	102,7	-	71,2	-
27- FEES AND COMMISSIONS PAID FOR TRANSACTIONS	51,4	154,6	57,5	164,8	33,0	123,6
28- DEPRECIATION EXPENSES	-29,4	608,7	-26,5	637,1	-38,0	522,5
29- TAXES, DUTIES, CHARGES AND PREMIUMS PAID	-50,2	-82,6	-48,2	-81,9	-56,3	-84,7
30- OTHER NON-INTEREST EXPENSES	155,5	328,4	165,7	345,5	124,4	276,3
31- TOTAL EXPENDITURES EXCLUDING DIVIDEND INCOME	22,8	329,7	27,8	346,9	7,9	277,4
TOTAL INCOME (EXPENDITURES) EXCLUDING DIVIDEND INCOME						
32- NET OF INCOME (LOSS) FROM CAPITAL MARKET TRANSACTIONS	-53,7	-	-51,8	-	-59,3	-
33- NET OF INCOME (LOSS) FROM FX TRANSACTIONS	-	35,9	-	41,3	-	19,3
34- NET OF INCOME (LOSS) FROM EXTRA ORDINARY TRANSACTIONS	-62,9	-	-61,4	-	-67,4	-
35- TOTAL OTHER INCOME (EXPENDITURE) EXCLUDING DIVIDEND INCOME	-54,7	40,8	-52,9	46,4	-60,2	23,7
36- PROFIT (LOSS) BEFORE TAX	-55,9	-31,5	-54,2	-28,7	-61,3	-39,8
37- PROVISIONS FOR TAXES	-94,6	-	-94,4	-	-95,2	-
38- PROFIT (LOSS) FOR THE PERIOD	-58,5	-31,5	-56,9	-28,7	-63,6	-39,8

Source: BRSA